



# ARAB REPUBLIC OF EGYPT

## Ministry of Finance

# The Financial Monthly

THE MONTHLY STATISTICAL PUBLICATION OF THE MINISTRY OF FINANCE

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# FOREWORD

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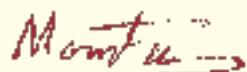
Egypt is undergoing an outstanding sociopolitical transition; one which will bring the country towards new horizons of democracy and social inclusion.

Our immediate priority is to resume economic growth with adequate momentum in line with Egyptians' rising ambitions, and to be able to generate sufficient and dynamic job opportunities. In the meantime, the government is working on upgrading public and social services and ensuring a more equitable distribution of generated welfare, while maintaining sustainable financial and economic growth over the medium and long terms.

With no doubt, such inclusive growth doctrine requires more active participation of all stakeholders in the society, which makes availability of timely data and quality information essential, both for the government to pursue its role effectively, and for society as whole to contribute with broad policy recommendations and feedback to help realize our aspired progress.

To this end, the Ministry of Finance is honored to provide to its valuable readers and observers a wealth of statistical and analytical publications, of which "The Financial Monthly" has always been an essential component. In the meantime, I welcome your valuable feedback which is pivotal in the continuous development of this publication, and in building sound social and economic foundations.

Minister of Finance



Momtaz El Saiid



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# ACRONYMS

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|               |  |
|---------------|--|
| <b>BOP</b>    | <b>Balance of Payments</b>                                   |
| <b>CAPMAS</b> | <b>Central Agency for Public Mobilization and Statistics</b> |
| <b>CBE</b>    | <b>Central Bank of Egypt</b>                                 |
| <b>CIF</b>    | <b>Cost Insurance and Freight</b>                            |
| <b>CMA</b>    | <b>Capital Market Authority</b>                              |
| <b>CPI</b>    | <b>Consumer Price Index</b>                                  |
| <b>ESE</b>    | <b>Egyptian Stock Exchange</b>                               |
| <b>FDI</b>    | <b>Foreign Direct Investment</b>                             |
| <b>FOB</b>    | <b>Free On Board</b>   |
| <b>GDP</b>    | <b>Gross Domestic Product</b>                                |
| <b>GDR</b>    | <b>Global Depository Receipts</b>                            |
| <b>IFC</b>    | <b>International Finance Corporation</b>                     |
| <b>IFCGI</b>  | <b>International Finance Corporation Global Index</b>        |
| <b>LE</b>     | <b>Egyptian Pounds</b>                                       |
| <b>MI</b>     | <b>Reserve Money</b>   |
| <b>M2</b>     | <b>Total Liquidity</b>                                       |
| <b>MOF</b>    | <b>Ministry of Finance</b>                                   |
| <b>MOI</b>    | <b>Ministry of Investment</b>                                |
| <b>MOP</b>    | <b>Ministry of Planning</b>                                  |
| <b>NIR</b>    | <b>Net International Reserves</b>                            |
| <b>REER</b>   | <b>Real Effective Exchange Rate</b>                          |
| <b>US\$</b>   | <b>US Dollars</b>  |
| <b>WPI</b>    | <b>Wholesale Price Index</b>                                 |
| <b>PPI</b>    | <b>Producer Price Index</b>                                  |

# Executive summary

Egypt has been undergoing significant changes on its political front since January 25<sup>th</sup> 2011. Such developments are expected to make fundamental improvements in the transparency and efficiency of the economic policy setting that will invariably impact the lives of all Egyptians. Although the Egyptian economy was able to economically survive and grow during two consecutive global crises over the past five years, the current unfavorable global and domestic circumstances today are adversely impacting the performance of the economy, holding back growth and causing temporary disruption to the macroeconomic scene.

## Recent updates:

- **Real GDP** recorded a growth rate of 1.8 percent during the period July-March of 2011/2012, compared to 2.3 percent during the corresponding period of the previous fiscal year. This signals a relative improvement if compared to the growth of 0.3 percent recorded during the first half of the current fiscal year. It is worth noting that GDP growth rate is expected to continue its gradual recovery upon the dissipation of the base effect that started in the third quarter of FY 2010/2011.
- Budget deficit to GDP rose to 8.8 percent during the period July- May 2011/2012 recording LE 136.5 billion, compared to LE 112.6 billion during July- May 2010/2011. (It is noteworthy that preliminary fiscal data for the year 2011/2012 is still under preparation and will be published when finalized.)
- Domestic budget sector debt increased to 70.5 percent of GDP as of end March 2012 to record LE 1089.4 billion compared to LE 932.6 billion as of end of March last year.
- External debt indicators relatively improved with a decrease in the external debt stock by 4.1 percent, leveling at 13 percent of GDP in March 2012 (US\$ 33.4 billion) compared to 15.1 percent of GDP (US\$ 34.8 billion) as of end March 2011.
- M2 annual growth increased as of end April 2012 recording 7.3 percent, compared to 6.8 percent in March 2012, albeit falling short of the 10.8 percent recorded in April 2011. (It is noteworthy that detailed data for May 2012 are not yet available)
- CPI annual Urban Inflation decelerated during June 2012 recording 7.3 percent compared to 8.3 percent during the previous month. Moreover, annual core inflation declined during June 2012 registering 7.0 percent compared to 7.2 percent during May 2012.
- During the Monetary Policy Committee meeting held on July 26<sup>th</sup>, 2012, CBE has decided to keep the overnight deposit rate and overnight lending rate unchanged at 9.25 percent, and 10.25 percent respectively, and the 7-day repo at 9.75 percent. Moreover, the discount rate was also kept unchanged at 9.5 percent.
- BOP recorded an overall deficit of US\$ 11.2 billion during the period of July-March 2011/2012 compared to a deficit of US\$ 5.5 billion during the same period in the previous year; this could be explained in light of the recent events Egypt witnessed, which had negative effects, specially on tourism revenues and foreign investment inflows.

## I. Real GDP Growth

GDP at market prices shows significant improvement during the third quarter of 2011/2012, recording a growth rate of 5.2 percent (compared to 0.4 percent during the previous quarter in 2011/2012). However, growth rates for the period July-March 2011/2012 (which recorded 1.8 percent) are relatively lower than the 2.3 percent recorded during the corresponding period in 2010/2011.

Despite the relative deceleration in total economic growth, private and public consumption growth – which comprise 89.3 percent of total GDP figure and contribute 4.8 percent to total growth – remained the main drivers of real GDP growth (market prices) in the period July-March 2011/2012. Private and public consumption grew by 6 percent and 3.1 percent respectively, in addition to an increase in investment spending (for the first time since December 2010) by 5.3 percent, which offsets the widening gap between exports and imports during the review period.

In fact, imports of goods and services increased by 11 percent during the period July-March 2011/2012 (compared to an increase of 11.8 percent during the same period last year), while exports decreased by only 1.3 percent, (as opposed to an increase of 7.9 percent in the period July-March of 2010/11). It is worth noting that GDP (at market prices) for the period of study in constant prices stands at LE 678.4 billion (LE 1141.9 billion in current prices), in comparison to LE 666.1 billion (LE 1021.5 billion in current prices) during the period July- March last year.

Regarding real GDP at factor cost<sup>1</sup>, realized growth has picked up to 1.9 percent during the period July-March 2011/2012. It is noteworthy that from a sectoral perspective, the main contributors to this growth were Agriculture (3.0 percent growth; 13.9 percent of GDP), Suez Canal (6.1 percent growth; 3.4 percent of GDP), Telecommunications (5.4 percent growth; 4.3 percent of GDP), Real Estate (3.2 percent growth; 2.7 percent of GDP). On the other hand, three main sectors (comprising more than 32 percent of GDP) contributed to the deceleration, most notably Manufacturing (-0.4 percent growth; 15.0 percent of GDP), and Extractive Industry (-0.2 percent growth; 13.2 percent of GDP) ; and Tourism (-1 percent growth; 4.1 percent of GDP).

## II. Fiscal Performance

According to FY 2010/2011 actual budget<sup>2</sup> outcomes, the overall deficit<sup>3</sup> to GDP recorded 9.8 percent with an increase of 1.7 percentage points over FY 2009/2010, reaching almost LE 134.5 billion, up from LE 98 billion a year earlier. The rise in overall deficit to GDP comes as a result of a relative decline in fiscal revenues accompanying an increase in fiscal expenditures during FY 2010/2011. Moreover, the primary deficit<sup>4</sup> to GDP increased by 1.5 percentage points to register 3.6 percent versus 2.1 percent of GDP during FY 2009/2010.

On the revenue side, total revenues and grants decreased by 1.1 percent during FY 2010/2011, recording LE 265.3 billion compared to LE 268.1 billion during FY 2009/2010. The recorded decline is principally due to the 25 percent decrease in non-tax revenues, offsetting the 12.7 percent increase in tax revenues.

On a more detailed level, the increase in tax revenue items comes from the step up in revenues from taxes on income and profits, capital gains by 17 percent to almost LE 89.6 billion during the year 2010/2011 compared to LE 76.6 billion last year. In addition, revenues from Taxes on goods and services increased by 13.4 percent to LE 76 billion during the year of study compared to almost LE 67 billion during 2009/2010. Revenues from property taxes also increased by 7.8 percent to LE 9.5 billion compared to LE 8.8 billion during 2009/2010, mainly due to taxes collected on t-bills and t-bonds' payable interest that have been reclassified as part of property taxes starting 2009/2010 and account for almost LE 6.7 billion during 2010/2011. However, revenues from taxes on international trade decreased by 5.7 percent to almost LE 13.9

<sup>1</sup> Real GDP growth rates are calculated using 2006/07 as a base year.

<sup>2</sup> Includes central administration, municipalities, and services authorities (education, health, etc).

<sup>3</sup> Revenues less expenditures, plus net acquisition of financial assets.

<sup>4</sup> Overall deficit less interest payments.

billion during 2010/2011 compared to LE 14.7 billion in the preceding year, on the back of a number of factors, including impact of the recent events Egypt witnessed since 25<sup>th</sup> of January 2011 on trade during the second half of fiscal year, and the turmoil in the global international commodities prices.

On the other hand, non-tax revenues<sup>5</sup> decreased notably by 25 percent during 2010/2011 mainly due to the retreat in both of which miscellaneous revenues and grants by 47.2 percent to record LE 10.8 billion and LE 2.3 billion compared to LE 20.4 billion and LE 4.3 billion respectively during 2009/10. Moreover, property income decreased by 24.5 percent to LE 41.2 billion compared to almost LE 54.6 billion in the preceding year. In addition, revenues from Sales of goods and services also declined to almost LE 17.4 billion during 2010/2011 compared to LE 17.2 billion during 2009/2010.

Furthermore, total expenditures increased during the fiscal year 2010/2011 by 9.8 percent, recording almost LE 402 billion compared to LE 366 billion during last year. The recorded increase comes with the expansion in all spending chapters except for purchases of goods and services, and purchases of non financial assets, both of which declined by 6.8 percent and 17.5 percent to LE 26.1 billion and LE 39.9 billion respectively during the year 2010/2011. Meanwhile other expenditures increased by 8.5 to almost LE 31.4 billion compared to LE 28.9 billion during 2009/2010. Also, compensation of employees increased by 12.8 percent to LE 96.3 billion compared to LE 85.4 billion during 2009/2010. Interest payments also increased by 17.6 percent to record almost LE 85 billion during 2010/2011 compared to LE 72.3 billion in the preceding year. In addition, Subsidies, grants and social benefits rose by 19.6 percent to LE 123 billion compared to almost LE 103 billion respectively during 2009/2010.

**Moreover, recent data for the period July- May of the fiscal year 2011/2012** showed that the overall budget deficit to GDP ratio rose to 8.8 percent, reaching LE 136.5 billion, compared to LE 112.6 billion during the period July- May 2010/2011. It is noteworthy that during the period of study fiscal revenues increased at higher rate than the growth in fiscal expenditures. Meanwhile, the primary deficit to GDP decreased to 2.7 percent compared to 2.9 percent during July- May 2010/2011. From the revenues side, total revenues increased notably by 29.4 percent during the period of study, registering almost LE 259.7 billion compared to LE 200.8 billion during July- May 2010/2011. The recorded increase is principally due to the 62.7 percent increase in non-tax revenues, in addition to a 18.4 percent increase in tax revenues.

On a more detailed level, the increase in tax revenues comes with the increase in all Tax Chapters mainly both of Income Tax and Property Taxes by 22.8 percent and 45 percent reaching LE 80.6 billion and LE 12 billion compared to LE 65.6 billion and almost LE 8.3 billion respectively during July- May 2010/2011.

It is noteworthy that the increase in revenues from Income Tax comes with the increase in proceeds from tax on income from employment by 17.8 percent reaching LE 14.4 billion during July- May 2011/2012 compared to LE 12.2 billion during July- May 2010/2011; in addition to the increase in proceeds from taxes from Corporate Profit mainly from EGPC by 37.3 percent reaching LE 31.3 billion compared to LE 22.8 billion during the same period last year, in addition to the increase in proceeds from both taxes From Suez Canal and Taxes on Other Companies by 14.9 percent and 21 percent reaching LE 10.8 billion and LE 19.7 billion during July- May 2011/2012, compared to LE 9.4 billion and LE 16.3 billion respectively during the same period last year. Moreover, revenues from Property Tax chapter increased mainly due to the increase in proceeds from tax on T-bills and bonds' payable interest by 50.5 percent to almost LE 9.2 billion compared to LE 6.1 billion during July- May 2010/2011.

Moreover, Non- Tax Revenues increased significantly by 62.7 percent during the period July- May 2011/2012 mainly due to the increase in proceeds from most non-tax revenue chapters specially the step up in grants recording LE 9 billion compared to LE 1.3 billion during the period July- May 2010/2011, due to the notable increase in grants from foreign

governments (includes a grant of US\$ 500 million from Qatar). Additionally, revenues from Property Income, and Sales of Goods and Services increased by 68.6 percent and 10 percent to almost LE 54 billion and LE 10.9 billion during July- May 2011/2012, compared to LE 32 billion and LE 9.9 billion during the same period last year.

On the other hand, total expenditures increased during July- May 2011/2012 by 25.9 percent, recording LE 396.7 billion compared to LE 315 billion during the same period last year. The recorded increase comes with the expansion growth in most spending chapters except for other expenditures and purchases of non financial assets which declined by 1.8 percent, and 18 percent, to LE 26.3 billion, and LE 23.8 billion during the period July- May 2011/2012 compared to LE 26.8 billion and LE 29 billion respectively during the same period last year. It is worth mentioning that the decrease in Other Expenditures Chapter could be explained in light of the decrease in Current Miscellaneous Expenditures by 10.7 percent to LE 2.3 billion during the period of study compared to LE 2.6 billion during the same period last month. While, the decrease in Purchase of non financial assets could be explained in light of the 18 percent decline in fixed assets reaching LE 21.4 billion compared to LE 26 billion during the same period last year.

However, compensation of employees has increased by 27.2 percent to LE 101.6 billion compared to LE 79.9 billion during July- May 2010/2011. Also, Interest payments (which represent almost 24 percent of total Expenditures) have increased by 31.3 percent recording almost LE 95.5 billion during July- May 2011/2012 compared to LE 72.7 billion during the same period last year. In addition, Subsidies, grants and social benefits (which represent almost 33 percent of total Expenditures) have increased by 46.6 percent to LE 131.5 billion compared to almost LE 89.7 billion during July- May last year.

### III. Domestic Debt Profile

**As for domestic debt figures, statistics issued by the Ministry of Finance depict consolidated debt stocks<sup>6</sup> at three different levels of compilation; the Budget Sector, General Government, and the Public Sector<sup>7</sup>.**

**Recent statistics show that domestic budget sector debt increased to 70.5 percent of GDP as of end of March 2012** to some LE 1089.4 billion compared to LE 932.6 billion as of end March 2011 (68.0 percent of GDP). As for net domestic budget sector debt, it reached LE 924.9 billion (59.8 percent of GDP) compared to LE 778.9 billion (56.8 percent of GDP) as of end March last year. Accumulated budget sector debt at end of March 2012 was mainly attained via increasing issuances of T-bills and T-bonds; outstanding stocks of T-bills and T-bonds at end of March 2012 amount to LE 382.8 billion and LE 250.1 billion respectively versus LE 320.4 billion and LE 206.8 billion at end of March last year reflecting government's growing borrowing needs.

**Gross domestic debt of the general government amounts to LE 1015 billion (65.6 percent of GDP) at end of March 2012, compared to some LE 847.9 billion (61.8 percent of GDP) at end of March last year.** Also, net domestic debt of the general government reached some LE 843 billion (54.5 percent of GDP) compared to LE 683.7 billion (49.8 percent of GDP) at end of March 2011. The increase in general government debt at end of March 2012 was driven by the increase in consolidated budget sector debt, in addition to the increase in consolidated debt of the National Investment Bank by nearly LE 11.1 million amounting to almost LE 181.3 billion at end of March 2012.

**Finally, gross domestic public debt reached LE 1052.7 billion (68.1 percent of GDP), compared to LE 890.7 billion at end of March last year (64.9 percent of GDP).** At the same time, net domestic public debt reached LE 861 billion (55.7 percent of GDP) compared to LE 704.6 billion (51.4 percent of GDP) at end of March 2011. It is noteworthy that the realized increase in domestic public

<sup>5</sup> It is noteworthy that the notable decline in non-tax revenues is due to the decrease in other non-tax revenues from Petroleum sector by some LE10 billion, coupled with the retreat in Miscellaneous revenues (Capital) by some LE 9.6 billion due to the repayment of loans to New Urban Communities Authorities . In addition, FY 2009/10 included an exceptional (non-recurrent) LE 8 billion in the form of self-Financing resources for investment expenditures.

<sup>6</sup> Consolidated debt stocks exclude interrelated debt between entities at each level of compilation.

<sup>7</sup> The Budget sector debt stock encompasses outstanding stocks of Central Government, Local Governments, and Public Service Authorities. The General Government debt stock includes the consolidated debt stocks of the Budget sector, the NIB, and SIF. The Public sector debt stock corresponds to the consolidated debt of the General Government and Economic Authorities.

debt at end of March 2012 was due to an increase in accumulated debt of the General government by 167.1 million to reach 1015 billion while Economic Authorities Domestic Debt declined by 4.9 million to reach 103.3 billion at end March 2012.

Meanwhile, domestic debt service increased by 11.8 percent to almost LE 90.1 billion at end of March 2012, compared to LE 80.7 billion during the same period last year.

The average life to maturity of outstanding T-bonds and T-bills declined to 1.3 years at end of March 2012 compared to 1.5 at end of March 2011. Meanwhile, average interest rates on outstanding stock of t-bills and t-bonds increased to 12.89 percent at end of March 2012 compared to 10.91 percent at end of March 2011.

#### **Egypt External Debt indicators showed slight improvement**

External debt decreased by 4.1 percent at end March 2012 to US\$ 33.4 billion compared to US\$ 34.8 billion at end of March a year earlier. The ratio of external debt to GDP decreased from 15.1 percent of GDP at end March 2011 to 13 percent of GDP at end March 2012. Government external debt decreased by 4.8 percent to US\$ 25.5 billion (76.2 percent of total external debt) as of end of March 2012 compared to US\$ 26.8 billion (76.8 percent of total external debt) at end of March 2011<sup>8</sup>.

#### **IV. Monetary Developments**

(It is noteworthy that detailed data for May 2012 are not yet available)

On the monetary side, monthly growth rate in total liquidity remains subdued by tight liquidity conditions, growing by 0.4 percent to register LE 1059 billion in April 2012, compared to LE 1055 billion in March 2012. Annual growth in total liquidity has increased in April 2012, recording 7.3 percent compared to 6.8 percent in the previous month, albeit falling short of the 10.8 percent rate recorded in April 2011. From the assets side, net foreign assets has continued to shrink on annual basis recording a contraction of 35.6 percent at end of the month of study, while annual growth rate of net claims on government and GASC recorded a growth of 30.9 percent, compared to higher growth of 32 percent in the previous month. As for the **liabilities side**, annual growth rate of M1 has inched up recording 8.6 percent at the end of April 2012 to LE 262.7 billion, compared to 8.2 percent at end of the previous month. Moreover, quasi money increased slightly reaching 6.9 percent during the month of study reaching LE 796.2 billion, compared to a growth of 6.3 percent in March 2012. Executive

On a more detailed level, net foreign assets has continued to shrink on annual basis, recording a contraction of 35.6 percent at end of April 2012 – it is worth noting that this contraction has peaked-off in December 2011, recording 37.7 – which brings total NFA of the banking sector to LE 164.9 billion, compared to LE 172.2 billion last month. **Central Bank's net foreign assets** continued its decelerating path which began with the eruption of political unrest, recording annual decline of 48.6 percent (compared to a peak of 55.5 percent in January 2012, highest rate of decline since July 2002) reaching LE 79.6 billion at end of April 2012. Moreover, **Bank's net foreign assets** has declined sharply by 15.8 percent to register LE 85.3 billion at the end of April 2012, compared to a weaker decline of 5.4 percent last month reaching LE 93.3 billion.

On the other hand, growth in net domestic assets of the banking sector has almost stabilized recording 22.4 percent at end of April 2012 recording LE 894 billion primarily derived by 30.9 percent growth in net claims on government and GASC, compared to a growth of 32 percent last month and a peak of 45.3 percent in January 2012. It is worth noting that net claims on government and GASC growth amounted to more than 183 percent of annual liquidity growth at the end of April 2012 reaching LE 559.6 billion.

Annual growth in the **credit to the private sector** increased in April 2012 registering 6.3 percent, compared to 5.5 percent in the previous month, and compared to an average growth rate of 3 percent during the previous twelve months. This has brought the stock of outstanding credit to the private sector to LE 444.3 billion. It is worth noting that "**net claims on the public business sector**" grew at 24.2 percent on annual basis up from an annual increase of 22.2 percent last month.

CBE net international reserves (NIR) have declined from a peak of US\$ 36 billion in December 2010, to US\$ 26.6 billion in June 2011 and further to US\$ 14.4 billion at end of July 2012, posting an overall decline of more than 60 percent since its peak. Moreover, the month of July witnessed a monthly decrease of 7.7 percent in NIR, which could be explained in the light of the maturity of the Egyptian Bonds and payment of the Paris Club member countries' debt totaling about US\$ 1.64 billion.

Annual growth in total deposits with the banking sector (excluding CBE) increased by 6.7 percent at end of April 2012 compared to previous month registering LE 1008.7 billion, while it stabilized if compared to April 2011. Out of total deposits, 87.7 percent belonged to the non-government sector at the reference date. Moreover, annual growth rate in total lending by banking sector (excluding CBE) also stabilized at 5.5 percent at the year ending April 2012, compared to last month while it increased if compared to an increase of 4.4 percent a year earlier. This brings total loans to almost LE 499 billion at end of April 2012. On a more detailed level, annual growth in total lending to non-government sector registered 7.8 percent to reach some LE 465.2 billion at end of April 2012, while annual growth in total lending to government sector continued its decline trend recording -18.6 percent to register LE 33.7 billion. As for the loans-to-deposits ratios, local currency loans-to-deposits has increased registering 46.5 percent at the end of April 2012, compared to 44.9 percent in April 2011. On the other hand, loans to deposits ratio in foreign currencies posted a more pronounced decrease on annual basis, registering 59 percent at the end of April 2012, compared to 65.5 percent in April 2011.

Moreover, dollarization in total liquidity has decelerated on annual basis during April 2012 recording 17.3 percent, compared to 17.4 percent last month and 18.1 percent in April 2011. Also, dollarization in total deposits slowed down during the month of study reaching 23.8 percent, compared to 24.0 percent last month and to 24.7 percent during the same month last year.

#### **V. Prices**

**Concerning domestic consumer prices, annual CPI inflation<sup>9</sup> in urban areas declined to 7.3 percent during June 2012 compared to 8.3 percent recorded during the previous month, and compared to 11.8 percent in June 2011. (As for overall Egypt, it also decreased during June 2012 recording 7.4 percent compared to 8.6 percent during the previous month, and compared to 12.1 percent in June 2011).** The decline in annual inflation rate during the month of the study compared to previous month is mainly attributed to the deceleration in annual inflation rate of several main groups, notably "Food and Beverages" group, and more specifically the sub items; "Vegetables", "Fruits", "Bread and Cereals", "Fish and Seafood", in addition to the slowdown in the annual inflation rate of both "Alcoholic Beverages, and Tobacco" group, and "Clothing and Footwear" group. Consequently, the average inflation rate for the FY 2011/2012 recorded 8.6 percent compared to 11 percent during last year.

Meanwhile, monthly inflation rate fell significantly for the second month in a row recording -0.6 percent during June 2012 compared to -0.2 percent during previous month.

Moreover, according to CBE inflation report, annual core inflation<sup>10</sup> decelerated slightly during June 2012 recording 7.0 percent compared to 7.2 percent during the previous month, and compared to 8.9 percent achieved during the same month a year ago.

**As for producer prices, year-on-year PPI inflation decelerated significantly to -3.7 percent during June 2012 compared to growth of 2.8**

<sup>9</sup> CPI inflation based on new CAPMAS series with January 2010 as base value for the index.

<sup>10</sup> The Core Index excludes items characterized by inherent price volatility specifically 'fruits and vegetables' (6.9 percent of headline CPI basket), and those with managed prices 'regulated items' (18.7 percent of headline CPI basket). It is important to note that Core CPI is merely an analytical tool that complements the Headline Index and does not replace it.

8 The CBE revised basis for foreign debt classification as of September 2008. Accordingly, Government debt statistics reflect an increase of US\$ 4.3 billion primarily due to the reclassification of on-lent loans as part of Central and Local Government debt instead of "Other Sectors" debt. It is noteworthy that such reclassification has not had any impact on the total outstanding foreign debt; which however may have changed due to the net flows of debt repayments and borrowings from abroad. So far, CBE has not released any figures for modified historical data.

percent recorded during previous month, and compared to 19.4 percent recorded in June 2011. Moreover, monthly PPI inflation fell down to -6.6 percent during June 2012 compared to -2.2 percent during May 2012. **Nevertheless, detailed data for June 2012 are not yet available.**

It is noteworthy that during May 2012, annual PPI inflation almost stabilized at 2.8 percent compared to 2.2 percent in April 2012. The annual PPI inflation rate stabilized during May 2012 mainly due to the unchanged annual inflation rates for most PPI groups, except for the decline in annual inflation of "Agriculture, Forestry, and Fishing", and "Manufacturing" recording 4.3 percent, and 2.8 percent during May 2012 compared to 4.5 percent, and 3.3 percent respectively during the previous month; while, "Mining and Quarrying" increased slightly by 0.4 percent during May 2012.

During the **Monetary Policy Committee** meeting held on the 26<sup>th</sup> of July, 2012, CBE has decided to keep the overnight deposit rate and overnight lending rate unchanged at 9.25 percent, and 10.25 percent respectively, and the 7-day repo at 9.75 percent. Moreover, the discount rate was also kept unchanged at 9.5 percent. The committee justified such decision in light of "the balance of risks surrounding the inflation on one hand and a slowdown in the growth of local economy on the other hand, in addition to the uncertainty at this juncture." Notwithstanding the present downside risks to growth posed by the ongoing political transition, inflationary pressures still exist in the economy mainly due to inefficiencies in local supply and distribution channels.

**Additionally, as part of its monetary policy framework, the CBE has decided to introduce a 28-day repurchasing agreement (repo) starting July 10, 2012, at variable rate tenders with a minimum bid equal to the 7-day repo rate.**

**It is worth mentioning that on its board meeting held on May 22<sup>nd</sup> 2012, CBE decided, for the second time in 2012, to lower its reserve requirement ratio (RRR) on local currency deposits by two percentage points from 12 percent to 10 percent, effective the maintenance period starting June 26<sup>th</sup> 2012. It is note worthy that the CBE has first lowered its reserve requirement ratio on local currency deposits in March 20<sup>th</sup> 2012, by two percentage points from 14 percent to 12 percent with the objective of easing liquidity pressures in the banking sector.**

## **VI. External Sector**

Balance of payments (BOP) statistics- published by the Central Bank for the period July-March of the FY 2011/2012 registered a **deficit of US\$ 11.2 billion in the overall balance**, compared to a deficit of US\$ 5.5 billion during the same period previous year. The recorded deficit comes as a result of the 37 percent rise in the current account deficit registering US\$ 6.4 billion, in addition to an outflow of US\$ 3.7 billion in the capital and financial account. In the meantime, net errors and omissions recorded a net outflow of US\$ 1.1 billion. This is mainly due to the recent events that took place in Egypt and the Arab region, which had negative effects on various proceeds specially tourism revenues and foreign investment inflows.

The trade deficit registered US\$ 23.5 billion during July-March FY 2011/2012, increasing by 14 percent from the previous year's figure of US\$ 20.7 billion. This is due to the increase of import payments by 10 percent reaching US\$ 43.6 billion, while export proceeds increased at a lower pace by 6 percent amounting US\$ 20.1 billion. The increase in export proceeds is due to the 19 percent increase in petroleum exports to US\$ 9.8 billion which offsets the 4 percent decrease in non-oil exports to US\$ 10.3 billion. As for total commodity imports, the increase witnessed in the period of study is due to the notable increase in petroleum imports by 29 percent to US\$ 8.3 billion; in addition to a lower increase in non-oil imports by 6 percent to US\$ 35.3 billion.

Moreover, the services balance has accumulated a lower surplus during July-March 2011/2012, recording US\$ 3.8 billion compared to US\$ 6.8 billion during the same period previous year. Total services receipts decreased to US\$ 15.6 billion as a result of the decline in most of the sub-items, except for the increase in receipts from transportation by 7 percent

to US\$ to 6.4 billion, which includes an increase of 5 percent from Suez Canal receipts to reach US\$ 3.9 billion; and the increase in government services receipts by 118 percent reaching US\$ 0.2 billion, compared to US\$ 90 million during the same period last year. This increase was counteracted by the 19 percent decrease in travel receipts to US\$ 7.1 billion; in addition to a 19 percent decrease in other receipts. Moreover, receipts from investment income declined by 44 percent amounting US\$ 0.2 billion.

On the other hand, services payments increased during July-March 2011/2012 reaching US\$ 11.8 billion compared to US\$ 10.4 billion during the same period previous year. This comes due to the increase in most of the services payments sub-items, except for government expenditures, which decreased by 5 percent reaching US\$ 0.9 billion; and transportation declining by 10 percent to almost US\$ 1 billion. On the other hand, investment income payments increased by 15 percent to reach US\$ 5.3 billion. Moreover, travel payments have increased by 18 percent to reach US\$ 1.9 billion, compared to US\$ 1.6 billion for the same period last year.

It is worth noting that the Net international reserves (NIR) imports coverage ratio has significantly decreased to 3.1 months during the period of study compared to 6.8 months during the period of July - March FY 2010/2011.

Also, it is note worthy that private transfers notably increased during July-March 2011/2012 by 43 percent to nearly US\$ 12.8 billion, compared to US\$ 8.9 billion for the same period last year, mainly due to Egyptian workers' remittances transferred from abroad. On the other hand public transfers increased during July-March 2011/2012 to reach US\$ 0.6 billion compared to almost US\$ 0.2 billion during the same period last year, due to the increase of cash grants transferred to the Egyptian government. Consequently, Current payments increased by 10.8 percent to US\$ 55.4 billion, while current account receipts increased by 8.1 percent to US\$ 49 billion, bringing the ratio of current receipts to current payments (including official transfers) down to 88.5 percent compared to 90.7 percent during the same period previous year.

As a result of the factors mentioned above, the current account deficit increased by 37 percent, recording US\$ 6.4 billion during July-March 2011/2012, compared to a deficit of US\$ 4.7 billion during the same period previous fiscal year.

On the other hand, the capital and financial account reported a net outflow of US\$ 3.7 billion; versus an outflow of US\$ 1.8 billion during July-March 2010/2011. This comes as portfolio investments in Egypt recorded a notable net outflow of US\$ 4.6 billion during July-March 2011/2012 due to the foreigners' sales of their holding of securities, especially T-Bills (nearly US\$ 3.9 billion, as compared to US\$ 1.8 billion during the same period in previous year). Moreover, net foreign direct investments in Egypt recorded a net inflow of US\$ 0.2 billion compared to a net inflow of US\$ 2.1 billion during July-March in the previous fiscal year. Other investments recorded a net inflow of US\$ 1.1 billion, compared to a net outflow of US\$ 2 billion during July-March 2010/2011, as other assets amounted to a net inflow of US\$ 1.5 billion compared to net outflow of US\$ 2.5 billion during the same period in the previous fiscal year.

Finally, net errors and omissions recorded a net outflow of US\$ 1.1 billion during the period of July-March 2011/2012, compared to a net inflow of US\$ 0.9 billion during the same period previous fiscal year.

## **VII. Stock Exchange**

The EGX-30 index increased by 23 points during June 2012, reaching 4709 compared to 4686 during May 2012. Similarly, market capitalization showed a slight improvement after three months of negative growth, recording a 1 percent increase during the month of study reaching LE 340 billion (22 percent of GDP) Such developments might indicate a slow recovery in light of the most recent developments on the political scene.

# Section 1

## GENERAL ECONOMIC AND FINANCIAL OUTLOOK

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## Section I: General Economic and Financial Outlook

|   | Annual Profile |         |           |           |                        | Quarterly Profile |                 |                |               |
|---|----------------|---------|-----------|-----------|------------------------|-------------------|-----------------|----------------|---------------|
|   | 2006/07        | 2007/08 | 2008/09   | 2009/10   | 2010/11* <sup>1/</sup> | Jan-Mar 2011*     | July- Sep 2011* | Oct- Dec 2011* | Jan-Mar 2012* |
| <b>A. Real Sector (Current Prices)</b>                              |                |         |           |           |                        |                   |                 |                |               |
| GDP at market prices ( LE Million)                                  | 744,800        | 895,500 | 1,042,200 | 1,206,600 | 1,371,800              | 316,100           | 402,100         | 377,300        | 362,500       |
| GDP at market prices ( US\$ Million)                                | 130,473        | 162,688 | 189,094   | 218,889   | 236,116                | 53,881            | 67,598          | 63,102         | 60,191        |
| GDP at factor cost ( LE Million)                                    | 710,388        | 855,302 | 994,055   | 1,150,590 | 1,309,906              | 301,540           | 386,001         | 361,762        | 346,317       |
| GDP at factor cost ( US\$ Million)                                  | 124,444        | 155,385 | 180,359   | 208,728   | 225,463                | 51,400            | 64,892          | 60,503         | 57,504        |
| GDP Per Capita ( EGP)   | 10,211         | 12,030  | 13,702    | 15,514    | 17,233                 | 15,881            | 19,760          | 18,542         | 17,814        |
| GDP Per Capita ( USD)   | 1,789          | 2,186   | 2,486     | 2,814     | 2,966                  | 2,707             | 3,322           | 3,101          | 2,958         |
| <b>B. Real Sector Indicators and Sources of Growth<sup>2/</sup></b> |                |         |           |           |                        |                   |                 |                |               |
| <b>(% Change)</b>   |                |         |           |           |                        |                   |                 |                |               |
| Real GDP at market prices <sup>3/</sup>                             | 7.1            | 7.2     | 4.7       | 5.1       | 1.8                    | -4.3              | 0.3             | 0.4            | 5.2           |
| Real GDP at factor cost <sup>3/</sup>                               | 7.1            | 7.2     | 4.7       | 5.1       | 1.9                    | -3.8              | 0.3             | 0.4            | 5.2           |
| Commodity Sector  | 6.3            | 6.1     | 5.0       | 4.3       | 1.1                    | -3.3              | -0.4            | -0.3           | 4.2           |
| Production Services   | 9.5            | 10.7    | 3.7       | 6.7       | 2.5                    | -6.8              | 0.3             | 0.3            | 7.5           |
| Social Services   | 4.3            | 3.5     | 5.8       | 4.5       | 3.4                    | 1.4               | 2.7             | 2.6            | 3.8           |
| Investments <sup>4/, 5/</sup>                                       | 23.8           | 15.5    | -9.1      | 8.0       | -4.4                   | -25.9             | -11.4           | 2.3            | 25.1          |
| Consumption <sup>4/</sup>   | 6.0            | 5.2     | 5.7       | 4.2       | 4.9                    | 6.4               | 4.8             | 5.3            | 6.8           |
| Private   | 6.9            | 5.7     | 5.7       | 4.1       | 5.0                    | 6.9               | 5.1             | 5.6            | 7.3           |
| Public  | 0.2            | 2.1     | 5.6       | 4.5       | 3.8                    | 3.6               | 2.8             | 3.0            | 3.5           |
| Exports of Goods and Services <sup>4/</sup>                         | 23.3           | 28.8    | -14.5     | -3.0      | 3.7                    | 1.5               | -2.9            | -6.5           | 7.0           |
| Real GDP Per Capita   | 5.1            | 5.0     | 2.4       | 2.8       | -0.6                   | -6.5              | -1.9            | -1.8           | 2.9           |
| <b>Domestic Savings<sup>6/</sup></b>                                |                |         |           |           |                        |                   |                 |                |               |
| Annual nominal growth rate  | 14.7           | 24.1    | -13.0     | 31.6      | 5.1                    | -34.8             | -42.7           | -28.4          | -10.5         |
| Percent of GDP  | 16.3           | 16.8    | 12.6      | 14.3      | 13.2                   | 10.5              | 5.8             | 9.9            | 8.2           |
| <b>Domestic Investments<sup>5/, 6/</sup></b>                        |                |         |           |           |                        |                   |                 |                |               |
| Annual nominal growth rate  | 34.2           | 29.1    | -0.2      | 17.7      | -0.3                   | -27.6             | -11.0           | 4.2            | 30.2          |
| Percent of GDP  | 20.9           | 22.4    | 19.2      | 19.5      | 17.1                   | 14.9              | 12.5            | 17.7           | 16.9          |

Source: Ministry of Economic Development.

\* Preliminary, subject to change.

# Revised in light of recent data from Ministry of Planning.

1/ It is noteworthy to mention that Ministry of Planning revised GDP data for FY 2010/2011 on quarterly basis.

2/ Real percent change is calculated using constant prices for 2001/2002, however, starting 2007/08 growth rates are calculated using constant prices for 2006/07.

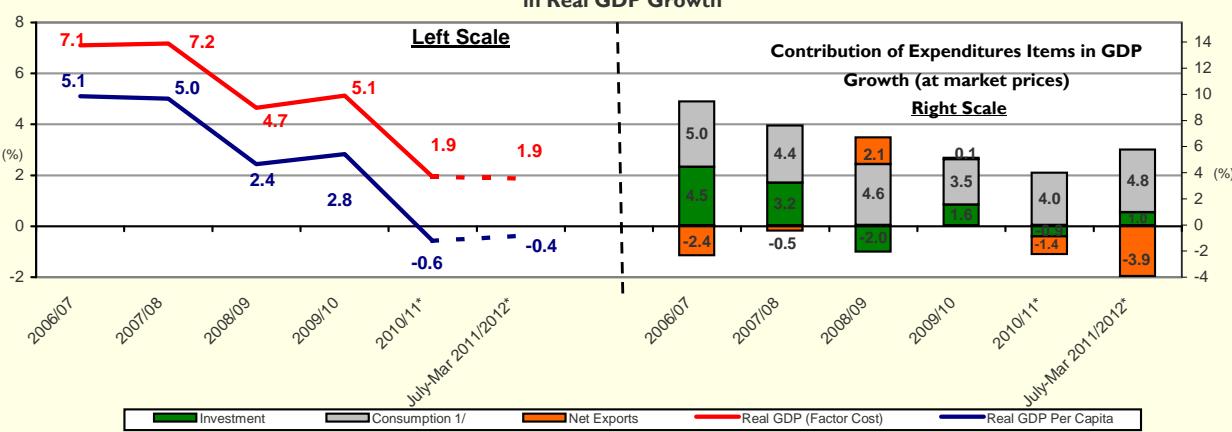
3/ Includes petroleum and natural gas activities.

4/ Includes Net Indirect Taxes.

5/ Gross Capital Formation. Includes change in inventory.

6/ Current prices.

**Fig. ( 1 ) : Annual GDP Growth and Contribution of Expenditure Items  
in Real GDP Growth**



Source : Ministry of Economic Development.

\* Preliminary, subject to change.

1/ Includes both public and private consumption.

## Section I: General Economic and Financial Outlook (Continued)

|  | Annual Profile |         |         |         |         | Quarterly Profile |              |              |                   |
|--|----------------|---------|---------|---------|---------|-------------------|--------------|--------------|-------------------|
|  | 2007/08        | 2008/09 | 2009/10 | 2010/11 | 2011/12 | Apr-Jun 2011      | Oct-Dec 2011 | Jan-Mar 2012 | Apr-Jun 2012      |
| <b>C. Population</b>   |                |         |         |         |         |                   |              |              |                   |
| <b>Total Population (Millions) <sup>1/</sup></b>             | 75.2           | 76.9    | 78.7    | 80.4    | 82.3    | 80.4              | 81.4         | 81.8         | 82.3              |
| <b>Population Growth</b>                                     | 2.1            | 2.3     | 2.3     | 2.2     | 2.3     | 2.2               | 2.2          | 2.1          | 2.3               |
| <b>D. Domestic Prices (Period Average)</b>                   |                |         |         |         |         |                   |              |              |                   |
| <b>Consumer Price Inflation in urban areas <sup>2/</sup></b> | 11.7           | 16.2    | 11.7    | 11.0    | 8.6     | 11.9              | 8.5          | 8.9          | 8.1               |
| <b>Producer Price Inflation <sup>3/</sup></b>                | 17.7           | 2.5     | 5.0     | 15.9    | 7.6     | 20.0              | 8.1          | 7.2          | 0.7               |
| <b>Discount Rate <sup>4/</sup></b>                           | 10.0           | 9.0     | 8.5     | 8.5     | 9.2     | 8.5               | 9.5          | 9.5          | 9.5               |
| <b>T-bills Rate (91 days)</b>                                | 7.0            | 11.3    | 9.9     | 10.2    | 13.3    | 11.5              | 13.2         | 13.8         | 14.3              |
| <b>3-Months Deposits <sup>4/</sup></b>                       | 6.5            | 6.5     | 6.3     | 6.5     | 7.2     | 6.6               | 7.2          | 7.7          | 7.6 <sup>6/</sup> |
| <b>Overnight Interbank Rate <sup>5/</sup></b>                | 10.3           | 9.5     | 8.3     | 8.5     | 9.4     | 8.96              | 9.25         | 9.65         | 9.7               |
| <b>Exchange Rate (LE /Dollars)</b>                           | 5.50           | 5.51    | 5.51    | 5.81    | 6.00    | 5.94              | 5.98         | 6.03         | 6.04              |

Sources: Ministry of Economic Development, Central Bank of Egypt and CAPMAS.

1/ Series break. Prior to 2007/2008, series reflects WPI indicators.

-- Data is unavailable.

1/ Excludes Egyptians living abroad.

2/ Starting August 2009, CPI Urban data is based on the weights derived from 2008/2009 income and expenditure survey, and using January 2010 as a base month. Prior to this date, the basket and weights were derived from 2004/2005 income and expenditure survey taking January 2007 as a base month.

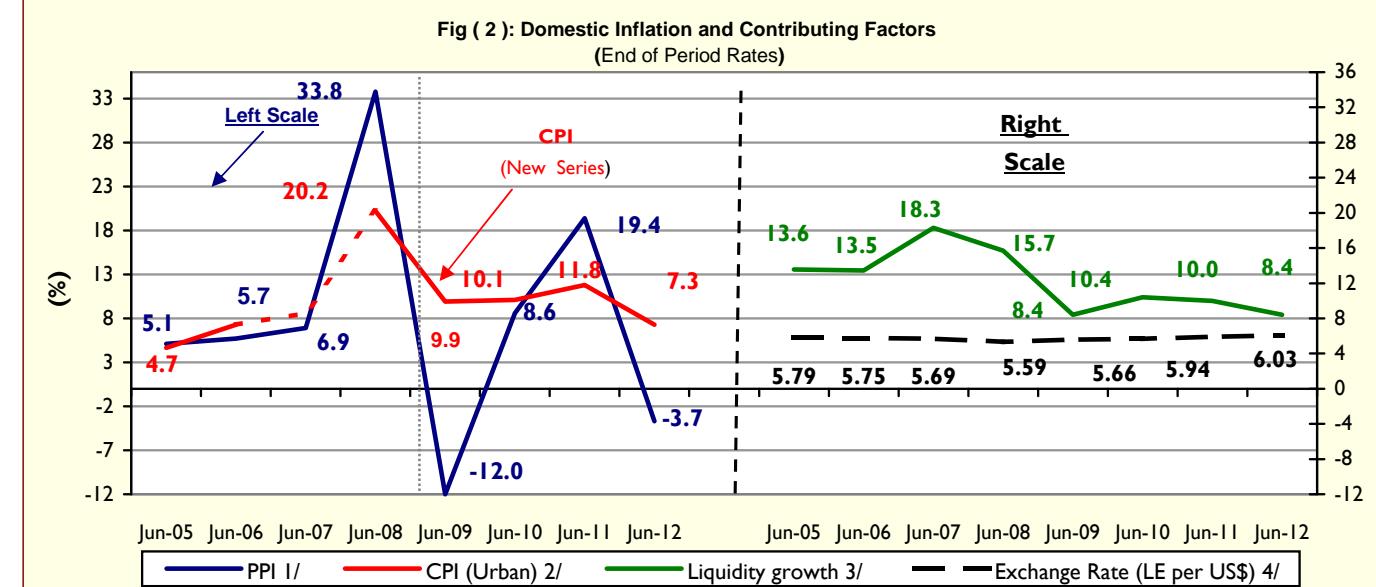
3/ The new series of Producer Price Index was issued by CAPMAS started September 2007 in replacement of the Wholesale Price Index, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004.

4/ End of period rate.

5/ Calendar Year averages.

6/ Reflects end of May 2012.

Fig ( 2 ) : Domestic Inflation and Contributing Factors  
(End of Period Rates)



Sources: Central Bank of Egypt and CAPMAS.

1/ Series break. Prior to June 2007, series reflects WPI indicators.

2/ Starting August 2009, CPI Urban data is based on the weights derived from 2008/2009 income and expenditure survey, and using January 2010 as a base month. Prior to this date, the basket and weights were derived from 2004/2005 income and expenditure survey taking January 2007 as a base month.

3/ Total Liquidity (M2) is defined from assets side as net foreign assets + net domestic assets of banking system. From liabilities side, it includes money (M1) and quasi money.

4/ Monthly average exchange rate.

### Section I: General Economic and Financial Outlook (Continued)

|   | 2006/07<br>Actual | 2007/08<br>Actual | 2008/09<br>Actual | 2009/10<br>Actual | 2010/11<br>Actual | 2012/13<br>Budget | 1/<br>Jul-May<br>2011/12 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------------|
| <b>E. Fiscal Sector<sup>2/</sup></b>                                    |                   |                   |                   |                   |                   |                   |                          |
| <b>i. Budget Sector (LE Millions)<sup>3/</sup></b>                      |                   |                   |                   |                   |                   |                   |                          |
| Total Revenues  | 180,215           | 221,404           | 282,505           | 268,114           | 265,286           | 393,476           | 259,729                  |
| Total Expenditure   | 222,029           | 282,290           | 351,500           | 365,987           | 401,866           | 533,785           | 396,698                  |
| Primary Deficit <sup>4/</sup>   | 6,998             | 10,594            | 19,016            | 25,705            | 49,383            | 1,383             | 41,032                   |
| Cash Deficit <sup>5/</sup>  | 41,815            | 60,886            | 68,995            | 97,872            | 136,580           | 140,309           | 136,968                  |
| Overall Deficit   | 54,697            | 61,122            | 71,826            | 98,038            | 134,460           | 134,995           | 136,493                  |
| <b>ii. Budget Sector<sup>3/</sup> (% change)</b>                        |                   |                   |                   |                   |                   |                   |                          |
| Total Revenues  | 19.1              | 22.9              | 27.6              | -5.1              | -1.1              | 12.5              | 29.4                     |
| Tax Revenues  | 16.9              | 20.0              | 19.0              | 4.5               | 12.7              | 14.9              | 18.4                     |
| Non Tax Revenues  | 23.2              | 27.8              | 41.7              | -18.2             | -25.0             | 7.8               | 62.7                     |
| Total Expenditure   | 6.8               | 27.1              | 24.5              | 4.1               | 9.8               | 12.1              | 25.9                     |
| Compensation of Employees   | 11.6              | 20.5              | 21.2              | 12.1              | 12.8              | 23.6              | 27.2                     |
| Interest Payments   | 29.6              | 5.9               | 4.5               | 37.0              | 17.6              | 26.9              | 31.3                     |
| <b>iii - Consolidated General Government (LE Millions)<sup>6/</sup></b> |                   |                   |                   |                   |                   |                   |                          |
| Total Revenues  | 205,654           | 248,834           | 288,544           | 303,374           | 302,010           | --                | --                       |
| Total Expenditure   | 244,018           | 305,794           | 356,942           | 396,693           | 440,411           | --                | --                       |
| Overall Deficit   | 56,213            | 67,563            | 72,378            | 98,796            | 134,138           | --                | --                       |
| <b>iv - As Percent of GDP<sup>7/</sup></b>                              |                   |                   |                   |                   |                   |                   |                          |
| <b>Budget Sector<sup>3/</sup></b>                                       |                   |                   |                   |                   |                   |                   |                          |
| Total Revenues (of which):  | 24.2              | 24.7              | 27.1              | 22.2              | 19.3              | 22.1              | 16.8                     |
| Tax Revenues  | 15.3              | 15.3              | 15.7              | 14.1              | 14.0              | 15.0              | 11.6                     |
| Non Tax Revenues  | 8.8               | 9.4               | 11.4              | 8.1               | 5.3               | 7.1               | 5.2                      |
| Total Expenditure (of which):   | 29.8              | 31.5              | 33.7              | 30.3              | 29.3              | 30.0              | 25.7                     |
| Compensation of Employees   | 7.0               | 7.0               | 7.3               | 7.1               | 7.0               | 7.7               | 6.6                      |
| Interest Payments   | 6.4               | 5.6               | 5.1               | 6.0               | 6.2               | 7.5               | 6.2                      |
| Primary Deficit <sup>4/</sup>   | 0.9               | 1.2               | 1.8               | 2.1               | 3.6               | 0.1               | 2.7                      |
| Cash Deficit <sup>5/</sup>  | 5.6               | 6.8               | 6.6               | 8.1               | 10.0              | 7.9               | 8.9                      |
| Overall Deficit   | 7.3               | 6.8               | 6.9               | 8.1               | 9.8               | 7.6               | 8.8                      |
| <b>General Government<sup>6/</sup></b>                                  |                   |                   |                   |                   |                   |                   |                          |
| Primary Deficit <sup>4/</sup>   | 2.4               | 3.0               | 2.7               | 3.0               | 4.2               | --                | --                       |
| Overall Deficit   | 7.5               | 7.5               | 6.9               | 8.2               | 9.8               | --                | --                       |

Source: Ministry of Finance.

-- Data unavailable

1/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the year 2012

2/ Based on IMF GFS 2001 (modified to cash basis).

3/ Includes Central Administration and Local Governments, and Public Services Authorities.

4/ Overall deficit net of interest payments.

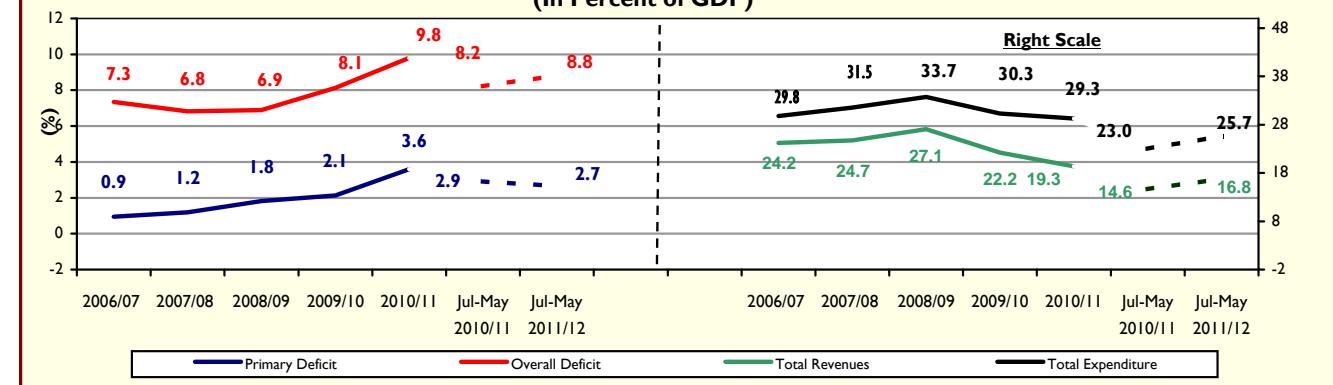
5/ Overall deficit excluding net acquisition of financial assets.

6/ Includes consolidated operations for the budget sector, National Investment Bank (NIB), and Social Insurance Funds (SIF). Data are prepared on consolidated basis; excluding financial interrelations between the three bodies.

7/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

**Fig ( 3 ) Budget Sector: Main Fiscal Indicators**

(In Percent of GDP)



Source: Ministry of Finance.

## Section I: General Economic and Financial outlook

(LE Millions)

|  | Annual Profile |                |                |                |                | Quarterly Profile |                  |                  |                  |
|--|----------------|----------------|----------------|----------------|----------------|-------------------|------------------|------------------|------------------|
|  | Jun-07         | Jun-08         | Jun-09         | Jun-10         | Jun-11         | Mar-11            | Sep-11           | Dec-11           | Mar-12           |
| <b>F. Summary of Public Domestic Debt:<sup>1/</sup></b>    |                |                |                |                |                |                   |                  |                  |                  |
| (In LE Million , End of Period Stock) <sup>2/</sup>        |                |                |                |                |                |                   |                  |                  |                  |
| <b>Gross Domestic Budget Sector Debt</b>                   | <b>591,001</b> | <b>599,603</b> | <b>699,667</b> | <b>808,384</b> | <b>967,290</b> | <b>932,626</b>    | <b>1,019,540</b> | <b>1,058,359</b> | <b>1,089,432</b> |
| (6.5)  | (1.5)          | (16.7)         | (15.5)         | (19.7)         |                | (15.1)            | (18.0)           | (19.0)           | (16.8)           |
| <b>Budget Sector Deposits</b>                              | <b>112,829</b> | <b>120,904</b> | <b>137,341</b> | <b>144,566</b> | <b>159,178</b> | <b>153,743</b>    | <b>162,859</b>   | <b>163,787</b>   | <b>164,514</b>   |
| (2.6)  | (7.2)          | (13.6)         | (5.3)          | (10.1)         |                | (7.7)             | (12.3)           | (9.0)            | (7.0)            |
| <b>Net Domestic Budget Sector Debt</b>                     | <b>478,172</b> | <b>478,699</b> | <b>562,326</b> | <b>663,818</b> | <b>808,112</b> | <b>778,883</b>    | <b>856,681</b>   | <b>894,572</b>   | <b>924,918</b>   |
| (7.5)  | (0.1)          | (17.5)         | (18.0)         | (21.7)         |                | (16.7)            | (19.2)           | (21.1)           | (18.7)           |
| <b>Gross Consolidated General Government Domestic Debt</b> | <b>486,241</b> | <b>512,982</b> | <b>615,849</b> | <b>733,387</b> | <b>889,045</b> | <b>847,921</b>    | <b>941,337</b>   | <b>981,525</b>   | <b>1,015,051</b> |
| (8.2)  | (5.5)          | (20.1)         | (19.1)         | (21.2)         |                | (16.8)            | (20.6)           | (21.8)           | (19.7)           |
| <b>General Government Deposits</b>                         | <b>116,964</b> | <b>131,043</b> | <b>148,811</b> | <b>158,531</b> | <b>166,527</b> | <b>164,261</b>    | <b>169,502</b>   | <b>170,373</b>   | <b>172,007</b>   |
| (-0.2)   | (12.0)         | (13.6)         | (6.5)          | (5.0)          |                | (6.8)             | (6.6)            | (4.8)            | (4.7)            |
| <b>Net Consolidated General Government Domestic Debt</b>   | <b>369,277</b> | <b>381,939</b> | <b>467,038</b> | <b>574,856</b> | <b>722,518</b> | <b>683,660</b>    | <b>771,835</b>   | <b>811,152</b>   | <b>843,044</b>   |
| (11.2)   | (3.4)          | (22.3)         | (23.1)         | (25.7)         |                | (19.5)            | (24.2)           | (26.1)           | (23.3)           |
| <b>Gross Consolidated Public Domestic Debt</b>             | <b>493,879</b> | <b>537,533</b> | <b>643,628</b> | <b>769,783</b> | <b>932,460</b> | <b>890,682</b>    | <b>976,580</b>   | <b>1,019,644</b> | <b>1,052,669</b> |
| (5.0)  | (8.8)          | (19.7)         | (19.6)         | (21.1)         |                | (18.0)            | (19.6)           | (20.4)           | (18.2)           |
| <b>Public Sector Deposits</b>                              | <b>130,605</b> | <b>150,501</b> | <b>167,733</b> | <b>170,171</b> | <b>191,116</b> | <b>186,108</b>    | <b>185,712</b>   | <b>189,972</b>   | <b>191,714</b>   |
| (-4.9)   | (15.2)         | (11.4)         | (1.5)          | (12.3)         |                | (7.9)             | (7.1)            | (5.5)            | (3.0)            |
| <b>Net Consolidated Public Domestic Debt</b>               | <b>363,274</b> | <b>387,032</b> | <b>475,895</b> | <b>599,612</b> | <b>741,344</b> | <b>704,574</b>    | <b>790,868</b>   | <b>829,672</b>   | <b>860,955</b>   |
| (9.1)  | (6.5)          | (23.0)         | (26.0)         | (23.6)         |                | (21.0)            | (22.9)           | (24.4)           | (22.2)           |
| <b>G. Gross External Debt (CBE classification)</b>         |                |                |                |                |                |                   |                  |                  |                  |
| (In Million US\$. End of Period Stock)                     |                |                |                |                |                |                   |                  |                  |                  |
| <b>Gross External Government Debt</b>                      | <b>19,492</b>  | <b>21,641</b>  | <b>25,818</b>  | <b>26,249</b>  | <b>27,092</b>  | <b>26,755</b>     | <b>26,065</b>    | <b>25,718</b>    | <b>25,483</b>    |
| <b>Gross External Non-Government Debt</b>                  | <b>10,406</b>  | <b>12,252</b>  | <b>5,713</b>   | <b>7,445</b>   | <b>7,814</b>   | <b>8,087</b>      | <b>7,933</b>     | <b>7,975</b>     | <b>7,939</b>     |
| <b>H. Government Debt Service (LE Millions, Flows)</b>     |                |                |                |                |                |                   |                  |                  |                  |
| Total Debt Service   | <b>54,725</b>  | <b>60,004</b>  | <b>71,123</b>  | <b>98,856</b>  | <b>117,251</b> | <b>91,647</b>     | <b>36,884</b>    | <b>63,179</b>    | <b>107,202</b>   |
| Domestic Debt Service                                      | <b>47,639</b>  | <b>52,435</b>  | <b>59,577</b>  | <b>87,560</b>  | <b>104,625</b> | <b>80,659</b>     | <b>26,634</b>    | <b>50,974</b>    | <b>90,143</b>    |
| Foreign Debt Service                                       | <b>7,086</b>   | <b>7,569</b>   | <b>11,546</b>  | <b>11,296</b>  | <b>12,627</b>  | <b>10,988</b>     | <b>10,251</b>    | <b>12,205</b>    | <b>17,060</b>    |
| <b>Memorandum Items: (As Percent of GDP) 8/</b>            |                |                |                |                |                |                   |                  |                  |                  |
| <b>Gross Domestic Budget Sector Debt</b>                   | 79.4%          | 67.0%          | 67.1%          | 67.0%          | 70.5%          | 68.0%             | 65.9%            | 68.4%            | 70.5%            |
| <b>Net Domestic Budget Sector Debt</b>                     | 64.2%          | 53.5%          | 54.0%          | 55.0%          | 58.9%          | 56.8%             | 55.4%            | 57.9%            | 59.8%            |
| <b>Gross Consolidated General Government Domestic I</b>    | 65.3%          | 57.3%          | 59.1%          | 60.8%          | 64.8%          | 61.8%             | 60.9%            | 63.5%            | 65.6%            |
| <b>Net Consolidated General Government Domestic De</b>     | 49.6%          | 42.7%          | 44.8%          | 47.6%          | 52.7%          | 49.8%             | 49.9%            | 52.5%            | 54.5%            |
| <b>Gross Consolidated Public Domestic Debt</b>             | 66.3%          | 60.0%          | 61.8%          | 63.8%          | 68.0%          | 64.9%             | 63.2%            | 65.9%            | 68.1%            |
| <b>Net Consolidated Public Domestic Debt</b>               | 48.8%          | 43.2%          | 45.7%          | 49.7%          | 54.0%          | 51.4%             | 51.1%            | 53.7%            | 55.7%            |
| <b>Gross External Debt</b>                                 | 22.8%          | 20.1%          | 16.9%          | 15.9%          | 15.2%          | 15.1%             | 13.1%            | 13.1%            | 13.0%            |
| <b>Gross External Government Debt</b>                      | 14.9%          | 12.9%          | 13.8%          | 12.4%          | 11.8%          | 11.6%             | 10.0%            | 10.0%            | 9.9%             |

Source: Ministry of Finance - Central Bank of Egypt.

1) Annual percentage change

\* Preliminary.

1/ Debt figures depict consolidated stocks at three different levels of compilation; the Budget Sector, the General Government, and the Public Sector. The Budget sector debt stock encompasses outstanding stocks of Central Administration, Local Governments, and Public Service Authorities. The General Government debt stock includes the consolidated debt stocks of the Budget sector, the NIB, and SIF.

The Public sector debt stock corresponds to the consolidated debt of the General Government and Economic Authorities.

2/ Outstanding domestic debt stocks due on Central Administration, Local Governments, and Public Service Authorities.

3/ Consolidated domestic debt of the Budget sector, NIB, and SIF. This level of compilation entails the deduction of Budget Sector borrowings from NIB, MOF securities held by the SIF and NIB, the SIF bonds, and NIB borrowings from SIF.

4/ Consolidated domestic debt due on the General Government and Economic Authorities. This level of compilation excludes outstanding debt of Economic Authorities to NIB as well as Budget Sector borrowing from Economic Authorities.

5/ Total deposits of General Government and Economic Authorities (net of SIF deposits and Budget Sector borrowing from Economic Authorities).

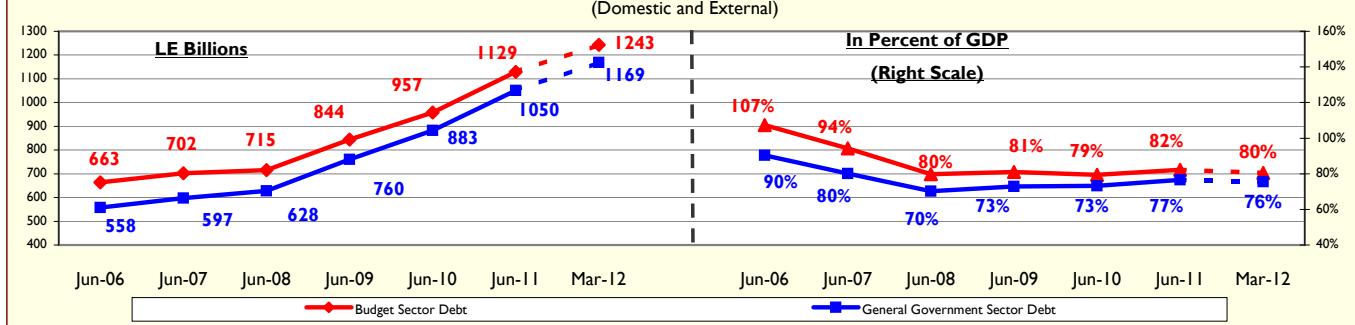
6/ CBE reclassified US\$ 4.3 billion as part of Central and Local Government debt, that was only reflected in its statistics starting September 2008. It is noteworthy that such reclassification has not had any impact on the total outstanding foreign debt.

7/ Quarterly debt service data represent cumulative flows from beginning of fiscal year.

8/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

Fig(4): Total Government Debt

(Domestic and External)



Source: Ministry of Finance and Central Bank of Egypt.

## Section I: General Economic and Financial Outlook (Continued)

|   | Annual Profile |         |         |         |           | Latest Data Available |           |                     |                     |
|---|----------------|---------|---------|---------|-----------|-----------------------|-----------|---------------------|---------------------|
|   | 2006/07        | 2007/08 | 2008/09 | 2009/10 | 2010/11   | Jan-12                | Feb-12    | Mar-12 <sup>#</sup> | Apr-12 <sup>*</sup> |
| <b>I. Monetary Sector (End of Period)</b> |                |         |         |         |           |                       |           |                     |                     |
| <b>(LE Millions)</b>                      |                |         |         |         |           |                       |           |                     |                     |
| Reserve Money <sup>1/</sup>               | 134,126        | 169,911 | 175,104 | 203,071 | 250,992   | 260,619               | 252,926   | 251,302             | 245,371             |
| Total Liquidity                           | 662,688        | 766,664 | 831,211 | 917,459 | 1,009,411 | 1,043,877             | 1,050,128 | 1,054,996           | 1,058,770           |
| Money <sup>2/</sup>                       | 131,290        | 170,579 | 182,991 | 214,040 | 248,707   | 258,977               | 258,736   | 260,681             | 262,693             |
| Quasi Money <sup>3/</sup>                 | 531,398        | 596,085 | 648,220 | 703,419 | 760,704   | 784,900               | 791,392   | 794,315             | 796,077             |
| <b>Annual Percent Change:</b>             |                |         |         |         |           |                       |           |                     |                     |
| Reserve Money <sup>1/</sup>               | 15.6           | 26.7    | 3.1     | 16.0    | 23.6      | 12.9                  | 2.4       | 7.0                 | 1.9                 |
| Total Liquidity                           | 18.3           | 15.7    | 8.4     | 10.4    | 10.0      | 7.6                   | 6.9       | 6.8                 | 7.3                 |
| Net Foreign Assets <sup>4/</sup>          | 63.9           | 38.9    | -16.3   | 11.1    | -10.2     | -37.2                 | -35.2     | -35.3               | -35.7               |
| Net Domestic Assets <sup>4/</sup>         | 4.0            | 4.3     | 24.6    | 10.0    | 19.0      | 26.4                  | 23.2      | 22.3                | 22.4                |
| Credit to Private Sector <sup>5/</sup>    | 12.3           | 12.6    | 5.1     | 7.7     | 0.8       | 5.4                   | 5.2       | 5.5                 | 6.3                 |
| Loans to Deposit Ratio <sup>6/</sup>      |                |         |         |         |           |                       |           |                     |                     |
| Government Sector                         | 34.7           | 35.5    | 30.0    | 34.9    | 34.0      | 30.4                  | 29.8      | 27.6                | 27.1                |
| Non Government Sector                     | 56.3           | 55.4    | 55.6    | 54.2    | 51.2      | 52.3                  | 52.3      | 52.4                | 52.6                |
| Local Currency                            | 55.9           | 50.9    | 51.5    | 47.6    | 46.4      | 48.6                  | 48.7      | 48.8                | 49.0                |
| Foreign Currency                          | 57.2           | 69.7    | 69.0    | 79.9    | 69.0      | 65.8                  | 65.1      | 65.7                | 66.3                |
| Indicators:                               |                |         |         |         |           |                       |           |                     |                     |
| M2 Multiplier <sup>7/</sup>               | 4.94           | 4.51    | 4.75    | 4.52    | 4.02      | 4.01                  | 4.15      | 4.20                | 4.31                |
| M2 Velocity (centered) <sup>8/</sup>      | 1.22           | 1.25    | 1.30    | 1.38    | 1.42      | 1.54                  | 1.52      | 1.51                | 1.51                |
| M2 Dollarization <sup>9/</sup>            | 23.2           | 20.8    | 20.1    | 17.2    | 17.5      | 17.7                  | 17.8      | 17.4                | 17.3                |
| Deposits Dollarization <sup>10/</sup>     | 28.4           | 25.8    | 25.7    | 22.9    | 24.0      | 24.0                  | 24.2      | 24.0                | 23.8                |

Source: Central Bank of Egypt and Ministry of Finance calculations.

\* Preliminary.

# Revised.

1/ Includes currency in circulation outside CBE and banks' LE deposits with CBE.

2/ Includes currency in circulation outside the banking system, and demand deposits in local currency. Excludes drafts and checks under collection.

3/ Includes time and savings deposits in local currency, demand deposits and time and savings deposits in foreign currency.

4/ 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.

5/ Includes claims on private business sector and household sector.

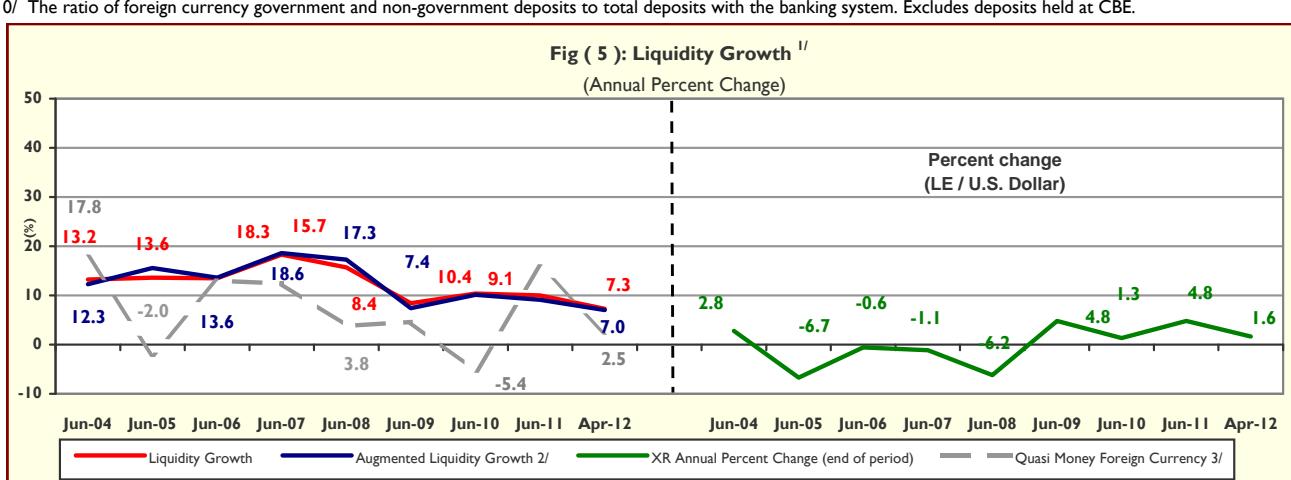
6/ Excludes deposits/loans held /provided by CBE.

7/ M2/ Reserve Money.

8/ GDP / M2 centered. M2 centered equals  $[(M2)_t + (M2)_{t-1}] / 2$ .

9/ Denotes the ratio of foreign currency demand, and time and savings deposits to total liquidity . Excludes non-residents deposits (which is part of net foreign assets) as well as government deposits.

10/ The ratio of foreign currency government and non-government deposits to total deposits with the banking system. Excludes deposits held at CBE.



Source: Central Bank of Egypt and Ministry of Finance calculations.

1/ Total Liquidity includes money and quasi money.

2/ M2 growth at constant exchange rate, calculated by applying previous period's exchange rate to the current period.

3/ Foreign currency demand deposits, and time and saving deposits.

## Section I: General Economic and Financial Outlook (Continued)

|   | Annual Profile |           |                   |           |           | Quarterly Profile |           |           |           |
|---|----------------|-----------|-------------------|-----------|-----------|-------------------|-----------|-----------|-----------|
|   | 2006/07        | 2007/08   | 2008/09           | 2009/10   | 2010/11   | Mar-11            | Sep-11    | Dec-11    | Mar-12    |
| <b>J. Investments and Financial Sector</b>                  |                |           |                   |           |           |                   |           |           |           |
| <b>Domestic Investments as Percent of GDP <sup>1/</sup></b> | 20.9           | 22.4      | 19.2              | 19.5      | 17.1      | 3.4               | 3.2       | 4.3       | 4.0       |
| <b>FDI as Percent of GDP <sup>1/ 2/</sup></b>               | 8.5            | 8.1       | 4.3               | 3.1       | 0.9       | -0.1              | 0.2       | -0.3      | 0.2       |
| <b>Capital Market Indicators (End of Calendar Year)</b>     |                |           |                   |           |           |                   |           |           |           |
| <b>CMA Index</b>  | 2381           | 3412      | --                | 1401      | 1504      | --                | --        | 318       | 679       |
| <b>CMA Market Volatility <sup>3/</sup></b>                  | 0.9            | 1.1       | --                | 1.9       | 0.7       | --                | 4.3       | 4.1       | 3.1       |
| <b>Hermes Index</b>   | 61291          | 92734     | 427 <sup>4/</sup> | 573       | 664       | 532               | 420       | 382       | 497       |
| <b>Hermes Index Market Volatility <sup>3/</sup></b>         | 0.89           | 1.20      | 1.47              | 2.22      | 0.49      | 3.54              | 1.45      | 1.21      | 1.77      |
| <b>Market Capitalization (LE Billion) <sup>5/</sup></b>     | 534            | 768       | 474               | 500       | 488       | 408               | 314       | 288       | 362       |
| <b>Market Capitalization (Percent of GDP) <sup>6/</sup></b> | 71.7           | 85.8      | 45.4              | 41.4      | 35.6      | 29.7              | 20.3      | 18.7      | 23.4      |
| <b>P/E Ratio <sup>7/</sup></b>                              | 21.0           | 19.1      | 7.6               | 12.1      | 14.7      | --                | 11.2      | 10.5      | 11.7      |
| <b>Dividend Yield (%) <sup>8/</sup></b>                     | 4.2            | 5.1       | 6.6               | 7.0       | 7.1       | --                | 9.6       | 10.4      | 8.7       |
| <b>Listed Bonds (LE Million)</b>                            | 64,366         | 71,545    | 78,841            | 134,226   | 226,799   | 230,285           | 238,959   | 248,869   | 252,986   |
| <b>Banking Sector: <sup>9/</sup></b>                        |                |           |                   |           |           |                   |           |           |           |
| <b>(LE Millions)</b>  |                |           |                   |           |           |                   |           |           |           |
| <b>Total Assets</b>   | 937,923        | 1,083,311 | 1,091,993         | 1,220,655 | 1,269,690 | 1,273,543         | 1,296,085 | 1,308,026 | 1,322,413 |
| <b>Total Loans and Discounts</b>                            | 353,746        | 401,425   | 429,957           | 465,990   | 474,139   | 469,961           | 478,956   | 489,729   | 495,125   |
| <b>Capital</b>  | 33,037         | 37,576    | 41,550            | 46,598    | 59,049    | 52,508            | 59,346    | 60,059    | 60,058    |
| <b>Total Deposits</b>                                       | 649,953        | 747,199   | 809,694           | 892,492   | 957,037   | 940,849           | 969,780   | 981,258   | 990,723   |
| <b>Indicators</b>   |                |           |                   |           |           |                   |           |           |           |
| <b>Commercial Banks Liquidity Ratios</b>                    |                |           |                   |           |           |                   |           |           |           |
| <b>Foreign Assets / Foreign Liabilities <sup>10/</sup></b>  | 109.4          | 109.3     | 114.6             | 113.5     | 114.9     | 114.9             | 114.9     | --        | --        |
| <b>Loans to Deposit Ratio <sup>11/</sup></b>                | 53.7           | 53.1      | 52.4              | 51.8      | 49.1      | 49.5              | 49.0      | 49.5      | 49.3      |
| <b>Loans / Assets <sup>10/</sup></b>                        | 37.7           | 37.1      | 39.4              | 38.2      | 37.3      | 36.9              | 37.0      | 37.4      | 37.4      |
| <b>Securities / Assets <sup>10/</sup></b>                   | 18.8           | 18.6      | 30.5              | 33.3      | 37.3      | 35.4              | 36.9      | 38.5      | 38.3      |
| <b>Deposits / Assets <sup>10/</sup></b>                     | 69.3           | 69.0      | 74.1              | 73.1      | 75.4      | 73.9              | 74.8      | 75.0      | 74.9      |
| <b>Equity / Assets <sup>10/</sup></b>                       | 4.9            | 4.9       | 5.8               | 6.2       | 6.4       | 6.6               | 6.5       | 6.2       | 6.2       |
| <b>Provisions / Assets <sup>10/</sup></b>                   | 5.7            | 5.8       | 6.4               | 5.8       | 4.3       | 4.3               | 4.0       | 4.0       | 4.2       |

Sources: Capital Market Authority and Central Bank of Egypt.

-- Data unavailable.

1/ Quarterly ratios calculated as percent of full year GDP.

2/ FDI inflows include investments in the oil sector.

3/Calculated as the standard deviation of daily returns during the month of study .Annual data reflects end of December in each year.

4/ Series revised.

5/ The market value of outstanding shares, computed by multiplying outstanding number of shares by their current prevailing market prices.

6/ According to the Ministry of Economic Development, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

7/ Price / earning ratio, also known as the "Multiple", is the ratio of stocks' prevailing market prices to annual earnings.

8/ Annual dividends / current stock price.

9/ Reflects Commercial Banks' data.

10/ Banks operating in Egypt, excluding Central Bank of Egypt.

11/ Includes government and non government loans and deposits. Excludes deposits held at CBE.

## Section I: General Economic and Financial Outlook (Continued)

|  | Annual Profile |         |         |           |            | Quarterly Profile |               |               |               |
|--|----------------|---------|---------|-----------|------------|-------------------|---------------|---------------|---------------|
|  | 2006/07        | 2007/08 | 2008/09 | 2009/2010 | 2010/2011* | Jan-Mar 2011#     | Apr-Jun 2011* | Oct-Dec 2011* | Jan-Mar 2012* |
| <b>K. External Sector</b>                                    |                |         |         |           |            |                   |               |               |               |
| <b>(In US \$ Millions)</b>                                   |                |         |         |           |            |                   |               |               |               |
| <b>Current Account Receipts</b>                              | 49,534         | 65,904  | 57,217  | 57,899    | 62,002     | 13,284            | 16,665        | 16,440        | 16,370        |
| <b>Current Account Payments</b>                              | 47,265         | 65,016  | 61,641  | 62,217    | 64,771     | 15,382            | 14,775        | 18,319        | 18,709        |
| <b>Trade Balance</b>   | -16,291        | -23,415 | -25,173 | -25,120   | -23,784    | -6,191            | -3,110        | -7,775        | -7,929        |
| <b>Services Balance</b>                                      | 11,498         | 14,966  | 12,502  | 10,339    | 7,878      | 1,265             | 1,030         | 1,501         | 675           |
| <b>Current Account Balance</b>                               | 2,269          | 888     | -4,424  | -4,318    | -2,769     | -2,098            | 1,890         | -1,879        | -2,339        |
| <b>Capital and Financial Account Net Flows</b>               | 853            | 7,558   | 2,285   | 8,325     | -4,824     | -4,594            | -3,047        | -2,914        | -1,257        |
| <b>Overall Balance</b>                                       | 5,282          | 5,420   | -3,378  | 3,356     | -9,754     | -6,071            | -4,255        | -5,649        | -3,165        |
| <b>Net International Reserves<sup>2/</sup></b>               | 28,559         | 34,572  | 31,310  | 35,221    | 26,569     | 30,106            | 26,569        | 18,119        | 15,119        |
| <b>(In Percent of GDP)<sup>3/</sup></b>                      |                |         |         |           |            |                   |               |               |               |
| <b>Current Account Receipts</b>                              | 38.0           | 40.5    | 30.3    | 26.5      | 26.3       | 5.7               | 7.2           | 6.4           | 6.4           |
| <b>Current Account Payments</b>                              | 36.2           | 40.0    | 32.6    | 28.4      | 27.4       | 6.6               | 6.4           | 7.1           | 7.3           |
| <b>Trade Balance</b>   | -12.5          | -14.4   | -13.3   | -11.5     | -10.1      | -2.6              | -1.3          | -3.0          | -3.1          |
| <b>Services Balance</b>                                      | 8.8            | 9.2     | 6.6     | 4.7       | 3.3        | 0.5               | 0.4           | 0.6           | 0.3           |
| <b>Current Account Balance</b>                               | 1.7            | 0.5     | -2.3    | -2.0      | -1.2       | -0.9              | 0.8           | -0.7          | -0.9          |
| <b>Overall Balance</b>                                       | 4.0            | 3.3     | -1.8    | 1.5       | -4.1       | -2.6              | -1.8          | -2.2          | -1.2          |
| <b>(In Percent of Current Account Receipts)<sup>4/</sup></b> |                |         |         |           |            |                   |               |               |               |
| <b>Non -Oil Exports</b>                                      | 24.4           | 22.9    | 25.0    | 23.9      | 24.3       | 25.8              | 26.1          | 20.8          | 20.9          |
| <b>Oil-Exports</b>   | 20.7           | 22.3    | 19.4    | 18.0      | 19.8       | 21.4              | 24.0          | 22.0          | 18.7          |
| <b>Tourism</b>   | 16.8           | 16.7    | 18.5    | 20.4      | 17.3       | 13.5              | 11.5          | 14.8          | 12.4          |
| <b>Private Transfers</b>                                     | 12.8           | 12.9    | 13.5    | 16.7      | 20.2       | 21.0              | 21.3          | 24.4          | 29.8          |
| <b>Other Indicators (%):</b>                                 |                |         |         |           |            |                   |               |               |               |
| <b>Commodity Exports / Commodity Imports</b>                 | 57             | 56      | 50      | 48.7      | 53.2       | 50.2              | 72.2          | 46.7          | 45.0          |
| <b>Services Receipts / Service Payments</b>                  | 228            | 222     | 211     | 178       | 156        | 143               | 129           | 140           | 116           |
| <b>NIR Import Coverage<sup>5/</sup></b>                      | 8.9            | 7.9     | 7.5     | 8.6       | 6.3        | 7.3               | 7.1           | 3.7           | 3.1           |
| <b>NIR to Foreign Debt (%)<sup>6/</sup></b>                  | 95.8           | 102.1   | 99.6    | 104.8     | 76.2       | 86.5              | 76.2          | 53.8          | 45.2          |

Source: Central Bank of Egypt.

\* Preliminary.

# Figures revised by the Central Bank of Egypt.

-- Data unavailable.

1/ Quarterly data for the third quarter January-March 2011/2012 reflects the discrepancy between the period July-March 2011/2012 and the period July-December 2011/2012.

2/ Discrepancy in NIR valuation may occur due to applying different exchange rates for various components in the reserves portfolio .

3/ Quarterly ratios are calculated based on full year GDP figures. According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

4/ Excludes official transfers.

5/ In months of commodity imports.

6/ Excludes private sector non-guaranteed debt.

# **Section 2**

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## **REAL SECTOR INDICATORS**

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**Table ( 1 ) :Gross Domestic Product (at Market Prices) <sup>1/</sup>  
(In Current Prices)**

|  | 2005/06      | 2006/07      | 2007/08      | 2008/09       | 2009/10       | 2010/11*<br>/2 | (LE Billions)<br>July-MAr<br>2011/12* | REAL SECTOR<br>INDICATORS |
|--|--------------|--------------|--------------|---------------|---------------|----------------|---------------------------------------|---------------------------|
| <b>GDP</b>                                   | <b>617.7</b> | <b>744.8</b> | <b>895.5</b> | <b>1042.2</b> | <b>1206.6</b> | <b>1371.8</b>  | <b>1141.9</b>                         |                           |
|  | (14.7)       | (20.6)       | (20.2)       | (16.4)        | (15.8)        | (13.7)         | (14.7)                                |                           |
| <b>Domestic Demand</b>                       | <b>632.8</b> | <b>778.9</b> | <b>945.6</b> | <b>1111.4</b> | <b>1269.8</b> | <b>1425.4</b>  | <b>1229.3</b>                         |                           |
| Final Consumption                            | 517.1        | 623.6        | 745.1        | 911.4         | 1034.5        | 1190.9         | 1051.2                                |                           |
| Private Consumption                          | 441.2        | 539.2        | 647.6        | 793.1         | 899.8         | 1035.9         | 922.5                                 |                           |
| Public Consumption                           | 75.9         | 84.4         | 97.5         | 118.3         | 134.7         | 155.0          | 128.7                                 |                           |
| Investment <sup>3/</sup>                     | 115.7        | 155.3        | 200.5        | 200.0         | 235.3         | 234.5          | 178.1                                 |                           |
| <b>Net Exports</b>                           | <b>-15.1</b> | <b>-34.1</b> | <b>-50.1</b> | <b>-69.2</b>  | <b>-63.2</b>  | <b>-53.6</b>   | <b>-87.4</b>                          |                           |
| Exports of Goods and Services <sup>4/</sup>  | 193.2        | 225.3        | 295.9        | 260.1         | 257.6         | 282.0          | 213.0                                 |                           |
| Imports of Goods and Services                | 208.3        | 259.4        | 346.0        | 329.3         | 320.8         | 335.6          | 300.4                                 |                           |
| <b>Memorandum Items: (In Percent of GDP)</b> |              |              |              |               |               |                |                                       |                           |
| Final Consumption                            | 83.7         | 83.7         | 83.2         | 87.4          | 85.7          | 86.8           | 92.1                                  |                           |
| Investment <sup>3/</sup>                     | 18.7         | 20.9         | 22.4         | 19.2          | 19.5          | 17.1           | 15.6                                  |                           |
| Exports of Goods and Services <sup>4/</sup>  | 31.3         | 30.2         | 33.0         | 25.0          | 21.3          | 20.6           | 18.7                                  |                           |
| Imports of Goods and Services                | 33.7         | 34.8         | 38.6         | 31.6          | 26.6          | 24.5           | 26.3                                  |                           |

Source: Ministry of Economic Development.

\* Preliminary, subject to change. According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

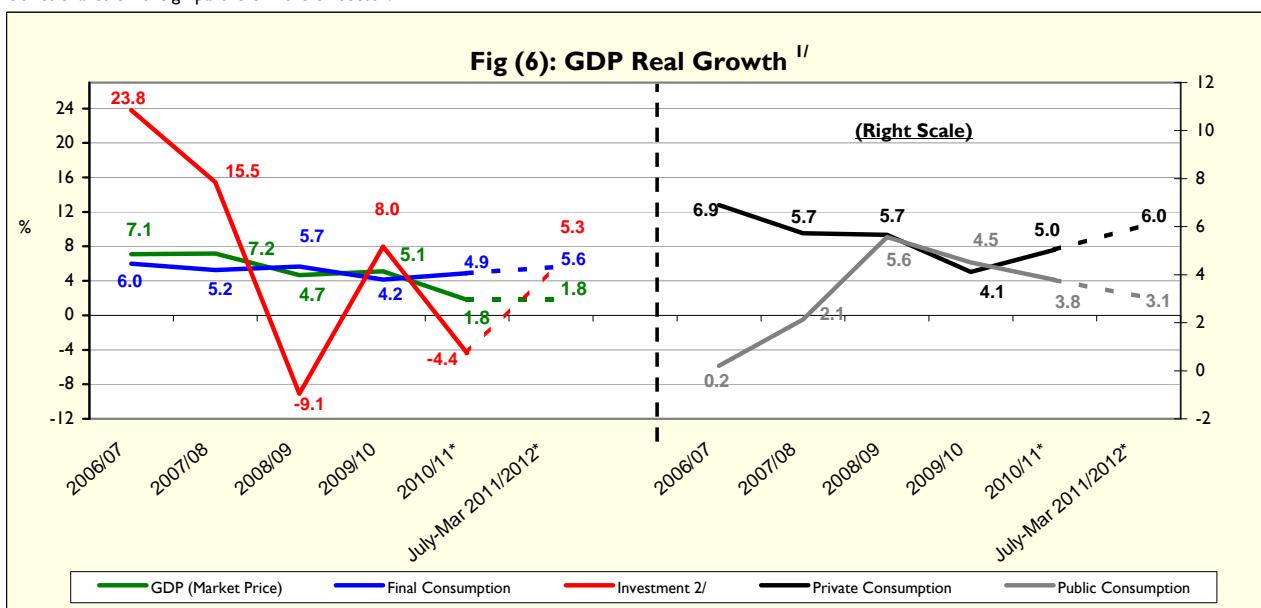
( ) Percent change over same period in the previous year.

1/ Includes net indirect taxes.

2/ It is noteworthy to mention that the Ministry of Economic Development revised GDP data for FY 2010/2011 on a quarterly basis.

3/ Includes fixed capital formation and change in inventory. The change in inventory amounts to LE 14 billion during the period July-March 2011/12, compared to LE 2.6 billion during the same period in 2010/11.

4/ Includes shares of foreign partners in the oil sector.



Source: Ministry of Economic Development.

\* Preliminary, subject to change.

1/ Using 2001/02 prices for the period 2002/03 - 2006/07, and 2006/07 prices for 2007/08, 2008/09, 2009/10 and 2010/11.

2/ Includes fixed capital formation and change in inventory.

**Table ( 2 ) : Gross Domestic Product by Sector (at Factor Cost)  
(In Current Prices)**

|  | 2005/06        | 2006/07        | 2007/08        | 2008/09        | 2009/10          | 2010/11 <sup>1/</sup> | (LE Millions)        |
|--|----------------|----------------|----------------|----------------|------------------|-----------------------|----------------------|
|  |                |                |                |                |                  |                       | July-MAR<br>2011/12* |
| <b>GDP</b>                               | <b>581,144</b> | <b>710,388</b> | <b>855,302</b> | <b>994,055</b> | <b>1,150,590</b> | <b>1,309,906</b>      | <b>1,094,080</b>     |
|  | (14.7)         | (22.2)         | (20.4)         | (16.2)         | (15.7)           | (13.8)                | (11.9)               |
| <b>Total Commodity Sector</b>            | <b>305,094</b> | <b>360,530</b> | <b>436,727</b> | <b>508,001</b> | <b>591,903</b>   | <b>682,156</b>        | <b>573,774</b>       |
|  | (17.7)         | (18.2)         | (21.1)         | (16.3)         | (16.5)           | (15.2)                | (13.0)               |
| <b>Agriculture, Forestry and Fishing</b> | <b>81,766</b>  | <b>99,953</b>  | <b>113,104</b> | <b>135,465</b> | <b>160,970</b>   | <b>190,159</b>        | <b>169,207</b>       |
| <b>Extractive Industry</b>               | <b>89,834</b>  | <b>103,656</b> | <b>133,674</b> | <b>147,966</b> | <b>165,747</b>   | <b>195,136</b>        | <b>163,453</b>       |
| Petroleum                                | 40,586         | 44,059         | 56,722         | 61,759         | 68,538           | 81,566                | 69,077               |
| Natural Gas                              | 48,311         | 56,590         | 73,495         | 82,206         | 92,538           | 108,206               | 89,921               |
|  | (75.3)         | (17.1)         | (29.9)         | (11.9)         | (12.6)           | (16.9)                | (16.2)               |
| Other                                    | 937            | 3,007          | 3,457          | 4,001          | 4,671            | 5,364                 | 4,455                |
| <b>Manufacturing Industry</b>            | <b>98,693</b>  | <b>114,475</b> | <b>139,003</b> | <b>164,523</b> | <b>194,290</b>   | <b>216,184</b>        | <b>175,980</b>       |
| Petroleum Refinement                     | 5,601          | 6,055          | 7,922          | 10,257         | 12,516           | 14,829                | 12,733               |
| Other                                    | 93,092         | 108,420        | 131,081        | 154,266        | 181,774          | 201,355               | 163,247              |
| <b>Electricity</b>                       | <b>8,880</b>   | <b>9,880</b>   | <b>11,507</b>  | <b>13,043</b>  | <b>14,897</b>    | <b>16,832</b>         | <b>14,079</b>        |
| <b>Water</b>                             | <b>2,158</b>   | <b>2,390</b>   | <b>2,659</b>   | <b>2,977</b>   | <b>3,390</b>     | <b>3,775</b>          | <b>3,192</b>         |
| <b>Construction and Building</b>         | <b>23,763</b>  | <b>30,175</b>  | <b>36,780</b>  | <b>44,026</b>  | <b>52,609</b>    | <b>60,070</b>         | <b>47,863</b>        |
|  | (18.2)         | (27.0)         | (21.9)         | (19.7)         | (19.5)           | (14.2)                | (10.6)               |
| <b>Total Production Services</b>         | <b>183,567</b> | <b>233,052</b> | <b>279,606</b> | <b>318,566</b> | <b>364,518</b>   | <b>404,837</b>        | <b>337,006</b>       |
|  | (12.7)         | (27.0)         | (20.0)         | (13.9)         | (14.4)           | (11.1)                | (9.7)                |
| Transport and Warehousing                | 24,519         | 29,549         | 34,790         | 40,962         | 47,400           | 53,351                | 42,563               |
| Telecommunications                       | 11,974         | 23,062         | 27,151         | 31,185         | 34,818           | 37,301                | 28,276               |
| Suez Canal                               | 23,399         | 24,084         | 28,729         | 26,826         | 25,803           | 29,311                | 23,089               |
|  | (16.1)         | (2.9)          | (19.3)         | -(6.6)         | -(3.8)           | (13.6)                | (7.7)                |
| Wholesale and Retail Trade               | 63,583         | 77,675         | 93,382         | 113,398        | 133,774          | 150,658               | 128,262              |
| Financial Intermediation                 | 28,798         | 27,531         | 31,756         | 36,125         | 41,174           | 44,834                | 39,532               |
| Insurance and Social Insurance           | 12,497         | 26,372         | 31,375         | 35,689         | 41,521           | 47,627                | 40,090               |
| Tourism (Hotels and Restaurants)         | 18,798         | 24,778         | 32,424         | 34,382         | 40,028           | 41,755                | 35,194               |
|  | (12.5)         | (31.8)         | (30.9)         | (6.0)          | (16.4)           | (4.3)                 | (6.3)                |
| <b>Total Social Services</b>             | <b>92,483</b>  | <b>116,806</b> | <b>138,970</b> | <b>167,488</b> | <b>194,170</b>   | <b>222,912</b>        | <b>183,300</b>       |
|  | (9.5)          | (26.3)         | (19.0)         | (20.5)         | (15.9)           | (14.8)                | (12.9)               |
| Real Estate                              | 19,055         | 20,943         | 23,334         | 26,575         | 30,262           | 34,066                | 26,887               |
| General Government                       | 56,930         | 64,220         | 79,737         | 98,575         | 114,944          | 133,688               | 110,030              |
| Education                                | 3,496          | 8,376          | 9,492          | 11,133         | 12,828           | 14,558                | 12,172               |
| Health                                   | 6,563          | 9,908          | 10,961         | 12,971         | 14,797           | 16,595                | 14,056               |
| Other Services <sup>2/</sup>             | 6,439          | 13,359         | 15,446         | 18,234         | 21,339           | 24,005                | 20,155               |

Source: Ministry of Economic Development.

( ) Percent change over same period in the previous year.

\* Preliminary, subject to change.

1/ It is noteworthy to mention that the Ministry of Economic Development revised revising GDP data for FY 2010/2011 on a quarterly basis.

2/ Includes sewage services and information.

**Table ( 3 ) : Distribution of Total Investments by Economic Agents**  
**( July - March 2011/2012 \*) <sup>1/</sup>**

|   |                |                      |                        |                         |               |                        | (LE Millions) |
|---|----------------|----------------------|------------------------|-------------------------|---------------|------------------------|---------------|
|   | Government     | Economic Authorities | Public Business Sector | Private Business Sector | Total         | % to Total Investments |               |
| <b>Total Investments</b>                            | <b>24973.2</b> | <b>7839.2</b>        | <b>21131.1</b>         | <b>110170.7</b>         | <b>164114</b> | <b>100</b>             |               |
| <b>Commodity Sector</b>                             | <b>4818.9</b>  | <b>1686</b>          | <b>15517</b>           | <b>44002</b>            | <b>66024</b>  | <b>40.2</b>            |               |
| Agriculture, Irrigation & Fishing                   | 1933           | 18                   | 0.2                    | 1787                    | 3739          | 2.3                    |               |
| Crude Oil, Mining & Natural Gas                     | 3              | 3.7                  | 2762                   | 31770                   | 34538         | 21.0                   |               |
| Manufacturing Industries & Petroleum Products       | 100            | 19                   | 1171                   | 9815                    | 11104         | 6.8                    |               |
| Electricity & Water                                 | 2721           | 1646                 | 11082                  | 0                       | 15448         | 9.4                    |               |
| Construction & Building                             | 63             | 0                    | 502                    | 630                     | 1195          | 0.7                    |               |
| <b>Production Services</b>                          | <b>6046.1</b>  | <b>1996</b>          | <b>5577</b>            | <b>30919</b>            | <b>44537</b>  | <b>27.1</b>            |               |
| Transportation & Communication <sup>2/</sup>        | 5988           | 1687                 | 4230                   | 20819                   | 32724         | 19.9                   |               |
| Wholesale & Retail Trade                            | 0              | 255                  | 78                     | 6300                    | 6633          | 4.0                    |               |
| Financial Services, Insurance and Social solidarity | 55             | 43                   | 868                    | 0                       | 966           | 0.6                    |               |
| Tourism   | 2.8            | 12                   | 400                    | 3800                    | 4215          | 2.6                    |               |
| <b>Social Services</b>                              | <b>14108</b>   | <b>4157</b>          | <b>38</b>              | <b>35250</b>            | <b>53553</b>  | <b>32.6</b>            |               |
| Housing and Real Estate Activities                  | 126            | 1021                 | 0                      | 29000                   | 30147         | 18.4                   |               |
| Educational Services                                | 3052           | 114                  | 0                      | 1700                    | 4866          | 3.0                    |               |
| Health Services                                     | 1222           | 67                   | 0                      | 1350                    | 2639          | 1.6                    |               |
| Other Services <sup>3/</sup>                        | 9708           | 2956                 | 38                     | 3200                    | 15902         | 9.7                    |               |

**Memorandum Items: Production Indices for Main Economic Sectors (2002 = 100)**

|  | 2010/11      |              |              | 2011/2012    |              |              |  |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--|
|  | Oct-Dec      | Jan-Mar      | Apr-Jun      | Jul-Sep      | Oct- Dec     | Jan- Mar     |  |
| <b>General Index</b>                   | <b>174.5</b> | <b>162.3</b> | <b>172.7</b> | <b>168.2</b> | <b>169.7</b> | <b>188.9</b> |  |
| Manufacturing Industries <sup>4/</sup> | 136.9        | 128.2        | 170.2        | 140.1        | 146.9        | 155.0        |  |
| Oil Products                           | 144.4        | 154.1        | 144.3        | 143.2        | 140.3        | 146.5        |  |
| Natural Gas                            | 163.9        | 183.6        | 190.3        | 186.2        | 184.5        | 204.6        |  |
| Electricity                            | 173.7        | 166.0        | 183.9        | 182.2        | 178.1        | 191.8        |  |
| Construction                           | 179.8        | 191.1        | 166.5        | 206.7        | 195.7        | 226.4        |  |
| Transportation <sup>5/</sup>           | 85.0         | 83.6         | 75.2         | 66.4         | 76.2         | 85.6         |  |
| Suez Canal <sup>6/</sup>               | 239.1        | 275.0        | 276.8        | 264.0        | 251.2        | 282.8        |  |
| Tourism                                | 346.7        | 260.1        | 246.2        | 280.3        | 278.8        | 332.5        |  |

Source: Ministry of Economic Development.

\* Preliminary, subject to change.

-- Data unavailable.

1/ Excluding change in inventory.

2/ Including Suez Canal.

3/ Including information, sewage services, and replacing and maintenance of assets.

4/ Manufacturing index was revised in September 2011.

5/ Excluding Suez Canal.

6/ Based on Suez Canal receipts in US dollars.

# Section 3

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## DOMESTIC PRICES

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Table ( 4 ): Annual Inflation In Domestic Price Indices <sup>1/ 2/ 3/</sup>

Summary Profile  
2009 - 2012

|           | 2009  |               |      |       | 2010  |               |      |      | 2011  |               |      |      | 2012  |               |      |      |
|-----------|-------|---------------|------|-------|-------|---------------|------|------|-------|---------------|------|------|-------|---------------|------|------|
|           | CPI   |               | Core | PPI   | CPI   |               | Core | PPI  | CPI   |               | Core | PPI  | CPI   |               | Core | PPI  |
|           | Urban | Overall Egypt |      |       | Urban | Overall Egypt |      |      | Urban | Overall Egypt |      |      | Urban | Overall Egypt | Core |      |
| January   | 14.3  | 14.0          | 14.7 | -2.7  | 13.6  | 13.6          | 7.4  | 12.9 | 10.8  | 11.0          | 9.7  | 14.7 | 8.6   | 9.2           | 6.9  | 7.4  |
| February  | 13.5  | 14.2          | 13.6 | -7.6  | 12.6  | 12.5          | 6.9  | 13.1 | 10.7  | 10.8          | 9.5  | 16.8 | 9.2   | 9.9           | 7.3  | 8.8  |
| March     | 12.1  | 11.6          | 11.2 | -10.4 | 11.9  | 11.7          | 7.0  | 13.7 | 11.5  | 11.8          | 8.5  | 20.4 | 9.0   | 9.5           | 8.7  | 5.4  |
| April     | 11.7  | 12.2          | 10.3 | -11.8 | 10.8  | 10.8          | 6.6  | 15.9 | 12.1  | 12.4          | 8.8  | 20.6 | 8.8   | 9.3           | 8.4  | 2.9  |
| May       | 10.2  | 9.8           | 8.5  | -12.4 | 10.0  | 9.8           | 6.7  | 9.9  | 11.8  | 12.2          | 8.8  | 20.1 | 8.3   | 8.6           | 7.2  | 2.8  |
| June      | 9.9   | 9.8           | 7.9  | -12.0 | 10.1  | 10.0          | 6.7  | 8.6  | 11.8  | 12.1          | 8.9  | 19.4 | 7.3   | 7.4           | 7.0  | -3.7 |
| July      | 9.9   | 9.7           | 7.2  | -13.4 | 10.4  | 10.4          | 7.1  | 10.3 | 10.4  | 10.7          | 8.7  | 17.3 |       |               |      |      |
| August    | 9.0   | 8.4           | 5.8  | -8.4  | 10.9  | 11.5          | 8.2  | 10.3 | 8.5   | 8.8           | 7.0  | 14.0 |       |               |      |      |
| September | 10.8  | 10.2          | 6.3  | -6.7  | 11.0  | 11.7          | 7.6  | 14.1 | 8.2   | 8.5           | 8.0  | 11.8 |       |               |      |      |
| October   | 13.3  | 12.8          | 6.5  | 1.6   | 11.0  | 11.4          | 8.1  | 16.9 | 7.1   | 7.5           | 7.6  | 6.0  |       |               |      |      |
| November  | 13.2  | 12.9          | 6.6  | 8.7   | 10.2  | 10.2          | 8.9  | 13.5 | 9.1   | 10.0          | 7.0  | 9.1  |       |               |      |      |
| December  | 13.2  | 13.1          | 6.9  | 13.4  | 10.3  | 10.3          | 9.7  | 12.8 | 9.6   | 10.40         | 7.1  | 9.2  |       |               |      |      |

Source: CAPMAS.

1/ Starting August 2009, CPI Urban data is based on the weights derived from 2008/2009 income and expenditure survey, and using January 2010 as a base month. Prior to this date, the basket and weights were derived from 2004/2005 income and expenditure survey taking January 2007 as a base month.

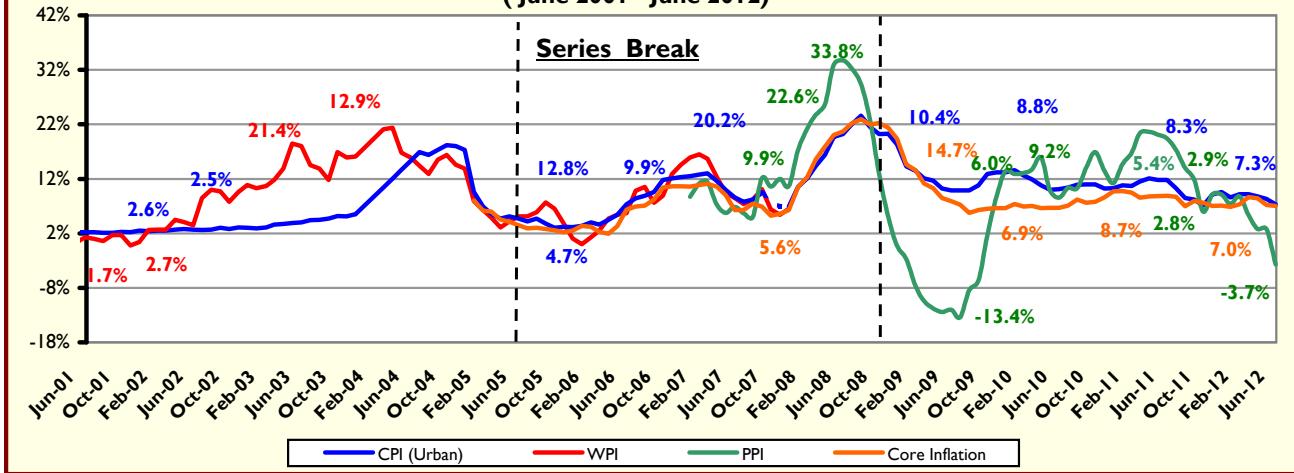
2/ The new series of Producer Price Index was issued by CAPMAS starting September 2007, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004. It is worth mentioning that Producer Price Index series before September 2007 are not available so far.

3/The Central Bank of Egypt launched "Core Inflation Index" derived from the CAPMAS headline CPI, however it excludes items characterized by inherent price volatility and those with managed prices, specifically 'fruits and vegetables' (6.9 percent of headline CPI basket) as well as 'regulated items' (18.7 percent of headline CPI basket).

4/ Revised data

4/ It is noteworthy that detailed data for June 2012 is not yet available .

Fig ( 7 ): Annual Inflation Rates  
( June 2001 - June 2012 )



Source: CAPMAS.

**Table ( 5 ): Inflation in Consumer Prices <sup>1/</sup>**  
**(Percent Change)**

|   | Year on Year Quarterly 2/ |                 |                 |                 | Year on Year Monthly 3/ |            |            |            |            |
|---|---------------------------|-----------------|-----------------|-----------------|-------------------------|------------|------------|------------|------------|
|   | Apr-Jun<br>2011           | Oct-Dec<br>2011 | Jan-Mar<br>2012 | Apr-Jun<br>2012 | Jun-11                  | Mar-12     | Apr-12     | May-12     | Jun-12     |
| <b>CPI Inflation</b>                    | <b>11.9</b>               | <b>8.5</b>      | <b>8.9</b>      | <b>8.1</b>      | <b>11.8</b>             | <b>9.0</b> | <b>8.8</b> | <b>8.3</b> | <b>7.3</b> |
| Food & Beverages                        | 20.1                      | 11.1            | 11.6            | 10.3            | 19.0                    | 10.9       | 10.8       | 10.8       | 9.2        |
| Tobacco                                 | 57.0                      | 36.0            | 37.4            | 28.5            | 69.9                    | 37.4       | 37.4       | 30.9       | 18.8       |
| Clothing & Footwear                     | 1.4                       | 3.4             | 5.8             | 5.4             | 2.2                     | 6.8        | 6.8        | 5.0        | 4.5        |
| Housing, Water, Electricity and Fuel    | 0.9                       | 8.9             | 9.1             | 7.8             | 1.1                     | 10.2       | 8.7        | 7.2        | 7.2        |
| Furniture and Equipment and Maintenance | 2.0                       | 5.9             | 6.5             | 8.0             | 2.5                     | 6.7        | 6.7        | 8.7        | 8.8        |
| Medical Care                            | 1.9                       | 0.8             | 0.5             | 0.1             | 1.9                     | 0.3        | 0.1        | 0.1        | 0.1        |
| Transportation Expenditures             | 1.4                       | 1.3             | 1.8             | 2.8             | 1.0                     | 2.9        | 2.9        | 2.8        | 2.8        |
| Communication                           | 0.1                       | -5.1            | -5.7            | -4.5            | 0.1                     | -4.5       | -4.5       | -4.5       | -4.5       |
| Entertainment                           | 6.8                       | 10.4            | 8.7             | 8.5             | 5.9                     | 8.1        | 8.6        | 8.1        | 8.6        |
| Education                               | 24.3                      | 9.9             | 9.9             | 9.9             | 24.3                    | 9.9        | 9.9        | 9.9        | 9.9        |
| Hotels and Restaurants                  | 12.2                      | 2.1             | 2.0             | 3.6             | 12.1                    | 2.8        | 3.5        | 3.6        | 3.6        |
| Miscellaneous                           | 2.3                       | 2.8             | 3.0             | 1.8             | 2.4                     | 2.8        | 2.3        | 1.9        | 1.3        |

Source: CAPMAS.

1/ In urban areas.

2/ Change in index over the same quarter in the previous year. Starting the period October-December 2010, data are based on new CPI series recently published by CAPMAS which use January 2010 as a base month and assume new weights for sub-groups in accordance with 2008/2009 income expenditure survey.

3/ Change in index over the same month in the previous year . Starting August 2009, data are based on new CPI series recently published by CAPMAS.

**Table ( 6 ): Inflation in Producer Prices According to Economic Activity Classification <sup>1/ 4/</sup>**  
**(Percent Change)**

|   | Year on Year Quarterly 2/ |                  |                 |                 | Year on Year Monthly 3/ |             |             |            |            |
|---|---------------------------|------------------|-----------------|-----------------|-------------------------|-------------|-------------|------------|------------|
|   | Jan-Mar<br>2011           | July-Sep<br>2011 | Oct-Dec<br>2011 | Jan-Mar<br>2012 | May-11                  | Feb-12      | Mar-12      | Apr-12     | May-12     |
|   | 17.3                      | 14.3             | 8.1             | 7.2             | 20.1                    | 8.8         | 5.4         | 2.9        | 2.8        |
| <b>Overall PPI Inflation</b>  |                           |                  |                 |                 |                         |             |             |            |            |
| <b>Agriculture, Forestry and Fishing</b>                                    | <b>19.9</b>               | <b>10.8</b>      | <b>5.5</b>      | <b>9.2</b>      | <b>27.2</b>             | <b>12.5</b> | <b>5.6</b>  | <b>4.5</b> | <b>4.3</b> |
| activities  | 21.5                      | 11.3             | 5.4             | 9.0             | 29.4                    | 12.6        | 5.0         | 3.6        | 3.5        |
| Fishing and Aquaculture   | 1.0                       | 4.4              | 6.1             | 11.6            | 1.2                     | 11.4        | 14.1        | 19.0       | 17.0       |
| <b>Mining and Quarrying</b>   | <b>28.3</b>               | <b>35.6</b>      | <b>19.6</b>     | <b>12.9</b>     | <b>37.5</b>             | <b>16.0</b> | <b>9.3</b>  | <b>0.1</b> | <b>0.4</b> |
| Extraction of crude petroleum and natural gas                               | 28.5                      | 35.8             | 19.7            | 12.8            | 37.8                    | 16.0        | 9.2         | -0.6       | -0.3       |
| Other mining and quarrying  | 10.5                      | 13.6             | 15.3            | 24.5            | 11.3                    | 24.5        | 24.5        | 81.5       | 81.5       |
| <b>Manufacturing</b>  | <b>11.9</b>               | <b>8.8</b>       | <b>5.9</b>      | <b>3.4</b>      | <b>8.8</b>              | <b>3.1</b>  | <b>3.7</b>  | <b>3.3</b> | <b>2.8</b> |
| Food products   | 17.3                      | 10.0             | 4.6             | 2.8             | 12.4                    | 2.0         | 4.4         | 4.4        | 4.4        |
| Beverages   | 0.0                       | 3.9              | 4.1             | 4.2             | 0.2                     | 4.2         | 4.2         | 4.0        | 4.0        |
| Tobacco products  | 53.4                      | 6.7              | 6.7             | 8.3             | 54.0                    | 7.9         | 7.9         | 12.8       | 12.8       |
| Textiles  | 1.7                       | 5.5              | 22.7            | 20.2            | 5.4                     | 20.2        | 20.2        | 15.2       | 15.2       |
| Wearing apparel   | 11.2                      | 4.1              | 4.1             | 2.9             | 14.3                    | 2.9         | 2.9         | 0.0        | 0.0        |
| Leather and related products  | 3.4                       | 4.1              | 0.6             | 0.6             | 3.5                     | 0.6         | 0.6         | 0.6        | 0.6        |
| Wood and wood products  | 15.2                      | 16.6             | 19.8            | 7.5             | 13.5                    | 5.1         | 6.0         | 16.0       | 10.5       |
| Paper and paper products  | 4.0                       | 2.7              | 4.6             | 3.5             | 2.9                     | 3.5         | 3.5         | 1.7        | 1.7        |
| Printing and reproduction of recorded media                                 | -0.7                      | 0.0              | 0.0             | 0.0             | 7.4                     | 0.0         | 0.0         | 0.0        | 0.0        |
| Coke and refined petroleum  | 4.3                       | 7.7              | 5.6             | 4.8             | 4.1                     | 4.6         | 4.8         | 5.3        | 5.3        |
| Chemicals and chemical products   | 12.4                      | 7.8              | 6.8             | 5.1             | 5.4                     | 5.1         | 5.1         | 1.4        | 1.4        |
| Pharmaceuticals, medicinal, chemical and botanical products                 | 2.6                       | 0.0              | 0.0             | 0.0             | 0.0                     | 0.0         | 0.0         | 0.0        | 0.0        |
| Rubber and plastic products   | 7.0                       | 4.6              | -1.0            | -6.0            | 6.2                     | -6.0        | -6.0        | 3.8        | 1.2        |
| Other non-metallic mineral products   | 2.5                       | 1.1              | -7.0            | -3.6            | 1.1                     | -3.7        | -3.7        | -2.1       | -2.2       |
| Basic Metals  | 29.4                      | 19.8             | 10.0            | -0.2            | 13.3                    | -0.2        | -0.3        | -0.9       | -3.2       |
| Fabricated Metal products, except machinery and equipment                   | 1.7                       | 4.8              | 2.2             | 1.0             | 4.1                     | 1.0         | 0.9         | -1.9       | -3.0       |
| Computer, electronic and optical products                                   | -9.1                      | -5.9             | 3.2             | 3.2             | -5.9                    | 3.2         | 3.2         | 3.0        | 3.0        |
| Electrical equipment  | 7.6                       | 15.6             | 17.6            | 11.3            | 17.7                    | 8.1         | 8.1         | 2.1        | 2.1        |
| Machinery and Equipment, n.o.i  | 0.9                       | 1.6              | 1.6             | 0.8             | 1.6                     | 0.8         | 0.8         | 0.0        | 0.0        |
| Motor vehicles, trailers and semi-trailers                                  | 1.0                       | 2.1              | 4.5             | 4.5             | 2.1                     | 4.5         | 4.5         | 2.9        | 2.9        |
| Other transport Equipment   | 0.0                       | 0.0              | 0.0             | 0.0             | 0.0                     | 0.0         | 0.0         | 0.0        | 0.0        |
| Furniture   | 0.0                       | 0.2              | 0.4             | 0.4             | 0.0                     | 0.4         | 0.4         | 0.4        | 0.4        |
| Other manufacturing   | 30.3                      | 34.5             | 21.9            | 20.8            | 23.3                    | 23.8        | 17.5        | 12.4       | 5.2        |
| <b>Electricity, steam, gas and air conditioning supply</b>                  | <b>0.0</b>                | <b>0.0</b>       | <b>0.0</b>      | <b>0.0</b>      | <b>0.0</b>              | <b>0.0</b>  | <b>0.0</b>  | <b>0.0</b> | <b>0.0</b> |
| <b>Water supply, sewerage, waste management, and remediation activities</b> | <b>0.0</b>                | <b>4.9</b>       | <b>7.3</b>      | <b>7.3</b>      | <b>0.0</b>              | <b>7.3</b>  | <b>7.3</b>  | <b>7.3</b> | <b>7.3</b> |
| Water collection, treatment and supply                                      | 0.0                       | 0.0              | 0.0             | 0.0             | 0.0                     | 0.0         | 0.0         | 0.0        | 0.0        |
| Waste collection, treatment and disposal activities                         | 0.0                       | 9.1              | 13.6            | 13.6            | 0.0                     | 13.6        | 13.6        | 13.6       | 13.6       |
| <b>Transportation and storage</b>   | <b>2.0</b>                | <b>5.1</b>       | <b>3.0</b>      | <b>3.0</b>      | <b>2.0</b>              | <b>3.0</b>  | <b>3.0</b>  | <b>3.0</b> | <b>3.0</b> |
| Land transport and transport via Pipelines                                  | 0.0                       | 0.0              | 0.0             | 0.0             | 0.0                     | 0.0         | 0.0         | 0.0        | 0.0        |
| Water transport   | 0.0                       | 0.0              | 0.0             | 0.0             | 0.0                     | 0.0         | 0.0         | 0.0        | 0.0        |
| Air Transport   | 2.4                       | 5.9              | 3.5             | 3.5             | 2.4                     | 3.5         | 3.5         | 3.5        | 3.5        |
| Postal and courier activities   | 0.0                       | 0.0              | 0.0             | 0.0             | 0.0                     | 0.0         | 0.0         | 0.0        | 0.0        |
| <b>Accommodation and Food Service Activities</b>                            | <b>22.2</b>               | <b>11.3</b>      | <b>-1.6</b>     | <b>-3.6</b>     | <b>13.1</b>             | <b>-3.6</b> | <b>-3.6</b> | <b>3.3</b> | <b>3.3</b> |
| Accommodation   | 23.6                      | 11.1             | -2.6            | -7.1            | 11.7                    | -7.1        | -7.1        | 3.3        | 3.3        |
| Food and beverage service activities  | 19.7                      | 11.6             | 0.0             | 2.7             | 15.7                    | 2.7         | 2.7         | 3.3        | 3.3        |
| <b>Information and communications</b>                                       | <b>0.0</b>                | <b>0.0</b>       | <b>0.0</b>      | <b>0.0</b>      | <b>0.0</b>              | <b>0.0</b>  | <b>0.0</b>  | <b>0.0</b> | <b>0.0</b> |

Source: CAPMAS.

-- Data unavailable.

1/ The new series of Producer Price Index was issued by CAPMAS starting September 2007, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004.

2/ Change in index over the same quarter in the previous year.

3/ Change in index over the same month in the previous year . It is noteworthy that detailed data for June 2012 are not yet available .

**Table ( 7 ): Inflation in Producer Prices According to End Use Classification <sup>1/</sup>**

|                            | Year on Year Quarterly 2/ |               |              |              | Year on Year Monthly 3/ |            |            |            |            |
|----------------------------|---------------------------|---------------|--------------|--------------|-------------------------|------------|------------|------------|------------|
|                            | Jan-Mar 2011              | July-Sep 2011 | Oct-Dec 2011 | Jan-Mar 2012 | May-11                  | Feb-12     | Mar-12     | Apr-12     | May-12     |
| <b>Overall PPI Index</b>   | <b>17.3</b>               | <b>14.3</b>   | <b>8.1</b>   | <b>7.2</b>   | <b>20.1</b>             | <b>8.8</b> | <b>5.4</b> | <b>2.9</b> | <b>2.8</b> |
| Fuel                       | 4.3                       | 7.7           | 5.6          | 4.8          | 4.1                     | 4.6        | 4.8        | 5.3        | 5.3        |
| Raw Materials              | 38.3                      | 44.8          | 22.7         | 15.4         | 49.6                    | 18.1       | 11.7       | 1.9        | 1.6        |
| Intermediate Goods         | 11.9                      | 9.0           | 4.5          | 0.4          | 6.8                     | 0.2        | 0.1        | -0.3       | -1.4       |
| Non-Durable Consumer Goods | 14.0                      | 4.8           | 2.9          | 6.9          | 19.0                    | 9.6        | 4.6        | 4.5        | 4.9        |
| Durable Consumer Goods     | -1.9                      | 3.6           | 5.9          | 6.5          | 3.8                     | 6.5        | 6.5        | 2.1        | 2.1        |
| Capital Goods              | 16.3                      | 9.1           | 9.4          | 4.5          | 7.0                     | 4.1        | 4.1        | 2.9        | 2.5        |

**Table ( 8 ): Inflation in Producer Prices According to Stage of Processing Classification <sup>1/</sup>**

|                          | Year on Year Quarterly 2/ |               |              |              | Year on Year Monthly 3/ |            |            |            |            |
|--------------------------|---------------------------|---------------|--------------|--------------|-------------------------|------------|------------|------------|------------|
|                          | Jan-Mar 2011              | July-Sep 2011 | Oct-Dec 2011 | Jan-Mar 2012 | May-11                  | Feb-12     | Mar-12     | Apr-12     | May-12     |
| <b>Overall PPI Index</b> | <b>17.3</b>               | <b>14.3</b>   | <b>8.1</b>   | <b>7.2</b>   | <b>20.1</b>             | <b>8.8</b> | <b>5.4</b> | <b>2.9</b> | <b>2.8</b> |
| Fuel                     | 26.9                      | 34.5          | 19.3         | 12.9         | 35.2                    | 15.7       | 9.6        | 0.7        | 1.0        |
| Cotton                   | 89.5                      | 89.5          | -20.7        | -20.7        | 89.5                    | -20.7      | -20.7      | -20.7      | -20.7      |
| Raw Materials            | 18.3                      | 9.3           | 5.8          | 10.1         | 25.8                    | 13.5       | 6.4        | 5.5        | 5.3        |
| Semi-Finished Goods      | 8.7                       | 5.0           | 2.2          | 1.2          | 6.2                     | 0.6        | 2.6        | 1.8        | 1.7        |
| Finished Goods           | 12.9                      | 8.9           | 6.6          | 3.6          | 9.4                     | 3.4        | 3.5        | 3.1        | 2.4        |

Source: CAPMAS.

1/ The new series of Producer Price Index was issued by CAPMAS starting September 2007, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004.

2/ Change in index over the same quarter in the previous year.

3/ Change in index over the same month in the previous year. It is noteworthy that detailed data for June 2012 are not yet available .

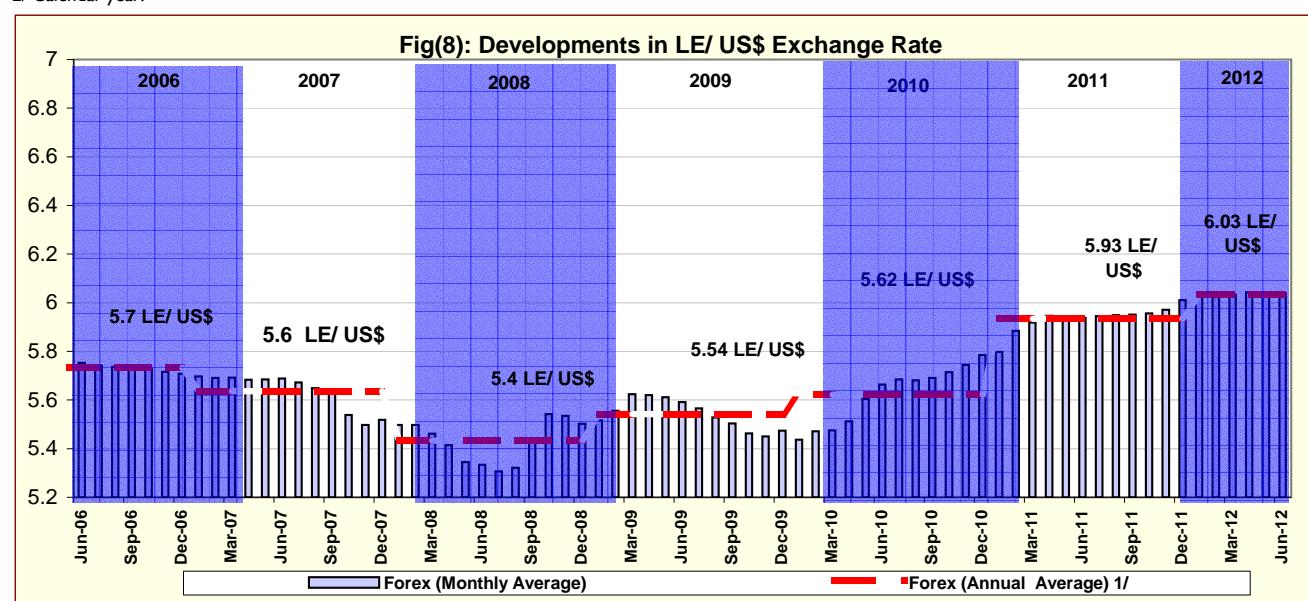
**Table ( 9 ) : Exchange Rates**

|                                      | Domestic Market                     |                |       | International Markets    |                |
|--------------------------------------|-------------------------------------|----------------|-------|--------------------------|----------------|
|                                      | (LE / currency units) <sup>1/</sup> |                |       | (US \$ / currency units) |                |
|                                      | US Dollar                           | Pound Sterling | Euro  | Euro                     | Pound Sterling |
| <b>Yearly Averages</b> <sup>2/</sup> |                                     |                |       |                          |                |
| 2003                                 | 5.861                               | 9.595          | 6.654 | 1.132                    | 1.636          |
| 2004                                 | 6.194                               | 11.348         | 7.701 | 1.244                    | 1.833          |
| 2005                                 | 5.779                               | 10.569         | 7.226 | 1.246                    | 1.821          |
| 2006                                 | 5.733                               | 10.648         | 7.255 | 1.256                    | 1.843          |
| 2007                                 | 5.636                               | 11.448         | 7.836 | 1.370                    | 2.002          |
| 2008                                 | 5.431                               | 10.186         | 8.078 | 1.471                    | 1.855          |
| 2009                                 | 5.542                               | 8.764          | 7.804 | 1.394                    | 1.565          |
| 2010                                 | 5.622                               | 8.783          | 7.541 | 1.329                    | 1.546          |
| 2011                                 | 5.933                               | 9.507          | 8.253 | 1.393                    | 1.604          |
| <b>Monthly Averages</b>              |                                     |                |       |                          |                |
| Jan-11                               | 5.797                               | 9.081          | 7.696 | 1.336                    | 1.577          |
| Feb-11                               | 5.884                               | 9.409          | 7.967 | 1.365                    | 1.612          |
| Mar-11                               | 5.918                               | 9.540          | 8.265 | 1.400                    | 1.616          |
| Apr-11                               | 5.947                               | 9.698          | 8.564 | 1.444                    | 1.635          |
| May-11                               | 5.935                               | 9.707          | 8.511 | 1.434                    | 1.636          |
| Jun-11                               | 5.937                               | 9.605          | 8.512 | 1.438                    | 1.623          |
| Jul-11                               | 5.945                               | 9.581          | 8.491 | 1.431                    | 1.614          |
| Aug-11                               | 5.949                               | 9.749          | 8.542 | 1.435                    | 1.637          |
| Sep-11                               | 5.951                               | 9.443          | 8.238 | 1.381                    | 1.583          |
| Oct-11                               | 5.956                               | 9.411          | 8.185 | 1.370                    | 1.576          |
| Nov-11                               | 5.971                               | 9.473          | 8.132 | 1.359                    | 1.583          |
| Dec-11                               | 6.011                               | 9.389          | 7.937 | 1.319                    | 1.560          |
| Jan-12                               | 6.023                               | 9.357          | 7.782 | 1.290                    | 1.551          |
| Feb-12                               | 6.023                               | 9.532          | 7.978 | 1.322                    | 1.580          |
| Mar-12                               | 6.033                               | 9.546          | 7.972 | 1.321                    | 1.582          |
| Apr-12                               | 6.043                               | 9.624          | 7.922 | 1.317                    | 1.600          |
| May-12                               | 6.044                               | 9.641          | 7.761 | 1.284                    | 1.595          |
| Jun-12                               | 6.038                               | 9.385          | 7.569 | 1.254                    | 1.554          |

Sources: Central Bank of Egypt, Reuters and Oanda (www.oanda.com).

1/ Average of the Bid / Ask rates.

2/ Calendar year.



Source: Central Bank of Egypt and Reuters.

1/ Calendar year average.

# Section 4

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## FISCAL SECTOR

|  |        |
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**Table ( 10 ): Summary of Government Fiscal Operations**

|  | 2007/08                     |                                  | 2008/09                     |                                  | 2009/10                     |                                  | 2010/11                     |                                  | (LE Million)                |                             |
|--|-----------------------------|----------------------------------|-----------------------------|----------------------------------|-----------------------------|----------------------------------|-----------------------------|----------------------------------|-----------------------------|-----------------------------|
|  | Actual                      |                                  | Actual                      |                                  | Actual                      |                                  | Actual                      |                                  | 2011/12                     | 2012/13                     |
|  | Budget Sector <sup>2/</sup> | General Government <sup>3/</sup> | Budget Sector <sup>2/</sup> | Budget Sector <sup>2/</sup> |
| <b>Total Revenues</b>                      | <b>221,404</b>              | <b>248,834</b>                   | <b>282,505</b>              | <b>288,544</b>                   | <b>268,114</b>              | <b>303,374</b>                   | <b>265,286</b>              | <b>302,010</b>                   | <b>349,647</b>              | <b>393,476</b>              |
| Tax Revenues                               | 137,195                     | 137,195                          | 163,222                     | 163,222                          | 170,494                     | 170,495                          | 192,072                     | 192,073                          | 232,232                     | 266,905                     |
| Grants                                     | 1,463                       | 1,463                            | 7,984                       | 7,984                            | 4,333                       | 4,332                            | 2,287                       | 2,287                            | 9,974                       | 9,021                       |
| Other Revenues                             | 82,746                      | 110,177                          | 111,299                     | 117,339                          | 93,288                      | 128,547                          | 70,927                      | 107,650                          | 107,441                     | 117,549                     |
| <b>Total Expenditures</b>                  | <b>282,290</b>              | <b>305,794</b>                   | <b>351,500</b>              | <b>356,942</b>                   | <b>365,987</b>              | <b>396,693</b>                   | <b>401,866</b>              | <b>440,411</b>                   | <b>476,290</b>              | <b>533,785</b>              |
| Wages and Salaries                         | 62,839                      | 63,532                           | 76,147                      | 76,968                           | 85,369                      | 86,377                           | 96,271                      | 97,560                           | 110,497                     | 136,627                     |
| Purchases of Goods and Services            | 18,470                      | 18,789                           | 25,072                      | 25,203                           | 28,059                      | 28,246                           | 26,148                      | 26,645                           | 29,255                      | 28,765                      |
| Interest Payments                          | 50,528                      | 40,946                           | 52,810                      | 43,755                           | 72,333                      | 62,199                           | 85,077                      | 76,362                           | 105,300                     | 133,612                     |
| Subsidies, Grants and Social benefits      | 92,371                      | 124,249                          | 127,033                     | 140,261                          | 102,974                     | 142,360                          | 123,125                     | 168,265                          | 154,454                     | 145,838                     |
| Other Expenditures                         | 23,892                      | 23,983                           | 27,007                      | 27,276                           | 28,901                      | 29,047                           | 31,364                      | 31,553                           | 31,122                      | 33,325                      |
| Purchases of Non-Financial assets          | 34,191                      | 34,297                           | 43,430                      | 43,479                           | 48,350                      | 48,464                           | 39,881                      | 40,026                           | 45,661                      | 55,618                      |
| <b>Cash Deficit<sup>4/</sup></b>           | <b>60,886</b>               | <b>56,960</b>                    | <b>68,995</b>               | <b>68,398</b>                    | <b>97,872</b>               | <b>93,319</b>                    | <b>136,580</b>              | <b>138,401</b>                   | <b>126,643</b>              | <b>140,309</b>              |
| <b>Net Acquisition of Financial asset:</b> | <b>236</b>                  | <b>10,603</b>                    | <b>2,831</b>                | <b>3,980</b>                     | <b>166</b>                  | <b>5,477</b>                     | <b>-2,120</b>               | <b>-4,263</b>                    | <b>-6,663</b>               | <b>-5,314</b>               |
| <b>Overall Fiscal Deficit</b>              | <b>61,122</b>               | <b>67,563</b>                    | <b>71,826</b>               | <b>72,378</b>                    | <b>98,038</b>               | <b>98,796</b>                    | <b>134,460</b>              | <b>134,138</b>                   | <b>119,980</b>              | <b>134,995</b>              |
| <b>Memorandum items:</b>                   |                             |                                  |                             |                                  |                             |                                  |                             |                                  |                             |                             |
| Overall Deficit/ GDP (%) <sup>5/</sup>     | 6.8                         | 7.5                              | 6.9                         | 6.9                              | 8.1                         | 8.2                              | 9.8                         | 9.8                              | 7.8                         | 7.6                         |
| Primary Deficit / GDP (%) <sup>5/</sup>    | 1.2                         | 3.0                              | 1.8                         | 2.7                              | 2.1                         | 3.0                              | 3.6                         | 4.2                              | 0.9                         | 0.1                         |
| Revenues/ GDP (%) <sup>5/</sup>            | 24.7                        | 27.8                             | 27.1                        | 27.7                             | 22.2                        | 25.1                             | 19.3                        | 22.0                             | 22.6                        | 22.1                        |
| Expenditure/ GDP (%) <sup>5/</sup>         | 31.5                        | 34.1                             | 33.7                        | 34.2                             | 30.3                        | 32.9                             | 29.3                        | 32.1                             | 30.8                        | 30.0                        |

FISCAL SECTOR

Source: Ministry of Finance.

# Revised figures.

1/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the year 2012

2/ Covers Central Administration and Local Governments, and Public Services Authorities.

3/ Includes consolidated operations for the Budget sector, National Investment Bank (NIB), and Social Insurance Funds (SIF). Data prepared on consolidated basis; excluding financial interrelations between the three bodies.

4/ Overall deficit excluding net acquisition of financial assets.

5/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

**Table ( 11 ) Budget Sector : Summary of Main Budget Operations <sup>1/ 2/</sup>**

(LE Millions)

|  | Budget         | Actuals               |                |                |                |                |                |                |
|--|----------------|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  |                | 2012/13 <sup>3/</sup> | 2006/07        | 2007/08        | 2008/09        | 2009/10        | 2010/11        | 2011/12        |
| <b>Total Revenues</b>                      | <b>393,476</b> | <b>180,215</b>        | <b>221,404</b> | <b>282,505</b> | <b>268,114</b> | <b>265,286</b> | <b>200,783</b> | <b>259,729</b> |
| Tax Revenues                               | 266,905        | 114,326               | 137,195        | 163,222        | 170,494        | 192,072        | 151,259        | 179,162        |
| Income Tax                                 | 121,654        | 58,535                | 67,059         | 80,255         | 76,618         | 89,593         | 65,628         | 80,593         |
| Property Taxes                             | 19,403         | 1,788                 | 2,052          | 2,763          | 8,770          | 9,452          | 8,291          | 12,024         |
| Taxes on Goods and Services                | 100,702        | 39,436                | 49,747         | 62,650         | 67,095         | 76,068         | 63,427         | 70,773         |
| Taxes on International Trade               | 20,759         | 10,370                | 14,020         | 14,091         | 14,702         | 13,858         | 11,829         | 13,206         |
| Other Taxes                                | 4,388          | 4,198                 | 4,317          | 3,464          | 3,309          | 3,102          | 2,084          | 2,566          |
| Non-Tax Revenue                            | 126,570        | 65,889                | 84,209         | 119,283        | 97,621         | 73,214         | 49,525         | 80,567         |
| Grants                                     | 9,021          | 3,886                 | 1,463          | 7,984          | 4,333          | 2,287          | 1,295          | 8,987          |
| From Foreign Governments                   | 8,220          | 3,398                 | 1,155          | 7,535          | 3,497          | 924            | 624            | 8,832          |
| From International Organizations           | 400            | 289                   | 109            | 148            | 332            | 392            | 236            | 7              |
| Other                                      | 402            | 200                   | 198            | 301            | 503            | 971            | 435            | 148            |
| Other Revenues                             | 117,549        | 62,003                | 82,746         | 111,299        | 93,288         | 70,927         | 48,229         | 71,580         |
| Property Income                            | 69,973         | 45,110                | 52,455         | 53,395         | 54,571         | 41,188         | 32,097         | 54,102         |
| Proceeds from Sales of Goods and Services  | 17,104         | 9,774                 | 12,037         | 16,216         | 17,212         | 17,405         | 9,864          | 10,863         |
| Fines, Penalties and Forfeits              | 8,003          | 237                   | 247            | 566            | 421            | 640            | 219            | 283            |
| Voluntary Transfers                        | 57             | 462                   | 557            | 514            | 684            | 916            | 250            | 151            |
| Miscellaneous Revenues                     | 22,413         | 6,419                 | 17,450         | 40,608         | 20,400         | 10,779         | 5,801          | 6,181          |
| <b>Total Expenditures</b>                  | <b>533,785</b> | <b>222,029</b>        | <b>282,290</b> | <b>351,500</b> | <b>365,987</b> | <b>401,866</b> | <b>315,097</b> | <b>396,698</b> |
| Compensation of Employees                  | 136,627        | 52,153                | 62,839         | 76,147         | 85,369         | 96,271         | 79,857         | 101,552        |
| Purchases of Goods and Services            | 28,765         | 17,028                | 18,470         | 25,072         | 28,059         | 26,148         | 17,057         | 18,119         |
| Interest Payments                          | 133,612        | 47,700                | 50,528         | 52,810         | 72,333         | 85,077         | 72,701         | 95,461         |
| Subsidies, Grants and Social benefits      | 145,838        | 58,442                | 92,371         | 127,033        | 102,974        | 123,125        | 89,693         | 131,502        |
| Other Expenditures                         | 33,325         | 21,208                | 23,892         | 27,007         | 28,901         | 31,364         | 26,790         | 26,299         |
| Purchases of Non-Financial assets          | 55,618         | 25,498                | 34,191         | 43,430         | 48,350         | 39,881         | 28,999         | 23,766         |
| <b>Total Cash Deficit <sup>4/</sup></b>    | <b>140,309</b> | <b>41,815</b>         | <b>60,886</b>  | <b>68,995</b>  | <b>97,872</b>  | <b>136,580</b> | <b>114,314</b> | <b>136,968</b> |
| <b>Net Acquisition of Financial assets</b> | <b>-5,314</b>  | <b>12,883</b>         | <b>236</b>     | <b>2,831</b>   | <b>166</b>     | <b>-2,120</b>  | <b>-1,711</b>  | <b>-476</b>    |
| <b>Overall Fiscal Deficit</b>              | <b>134,995</b> | <b>54,697</b>         | <b>61,122</b>  | <b>71,826</b>  | <b>98,038</b>  | <b>134,460</b> | <b>112,603</b> | <b>136,493</b> |
| <b>Memorandum items:</b>                   |                |                       |                |                |                |                |                |                |
| Overall Deficit/ GDP (%) <sup>5/</sup>     | 7.6            | 7.3                   | 6.8            | 6.9            | 8.1            | 9.8            | 8.2            | 8.8            |
| Primary Deficit / GDP (%) <sup>5/</sup>    | 0.1            | 0.9                   | 1.2            | 1.8            | 2.1            | 3.6            | 2.9            | 2.7            |
| Revenues/ GDP (%) <sup>5/</sup>            | 22.1           | 24.2                  | 24.7           | 27.1           | 22.2           | 19.3           | 14.6           | 16.8           |
| Expenditure/ GDP (%) <sup>5/</sup>         | 30.0           | 29.8                  | 31.5           | 33.7           | 30.3           | 29.3           | 23.0           | 25.7           |

Source: Ministry of Finance.

1/ Includes Central Administration and Local Governments, and Public Services Authorities.

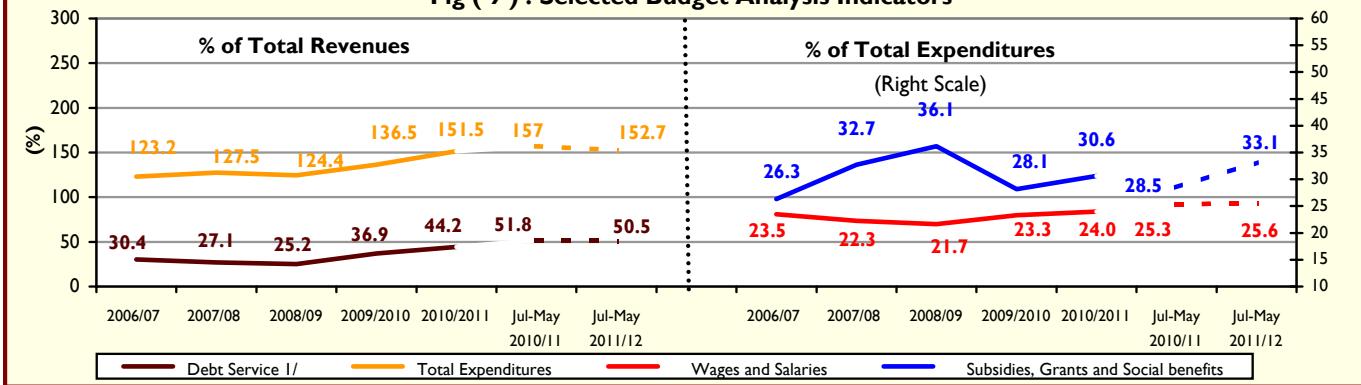
2/ Based on IMF GFS 2001 (modified to cash basis).

3/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the year 2012

4/ Overall deficit excluding net acquisition of financial assets.

5/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

**Fig ( 9 ) : Selected Budget Analysis Indicators**



Source: Ministry of Finance.

1/ Includes Interest and Principal Payments (excluding arrears).

Table ( 11 ) Budget Sector : Summary of Main Budget Operations <sup>1/</sup> (continued)

(LE Millions)

|   | Actuals       |               |                      |               |                |                |
|---|---------------|---------------|----------------------|---------------|----------------|----------------|
|   | 2006/07       | 2007/08       | 2008/09              | 2009/10       | 2010/11        | 2011/12        |
|   | Jul-Mar       |               |                      |               |                |                |
| <b>Overall Fiscal Deficit</b>                           | <b>54,697</b> | <b>61,122</b> | <b>71,826</b>        | <b>98,038</b> | <b>134,460</b> | <b>113,138</b> |
| <b>Sources of Finance</b>                               | <b>54,697</b> | <b>61,122</b> | <b>71,826</b>        | <b>98,038</b> | <b>134,460</b> | <b>113,138</b> |
| Net Privatization Proceeds                              | 172           | 673           | 183                  | 425           | 22             | 0              |
| Domestic Sources  | 33,286        | 527           | 83,627               | 101,492       | 144,295        | 136,977        |
| Non-Banks   | 54,212        | 3,714         | -15,191              | 61,229        | 34,712         | 18,941         |
| Banks   | -20,926       | -3,187        | 98,818               | 40,263        | 109,583        | 118,036        |
| Foreign Sources   | 3,581         | 11,439        | -1,812 <sup>2/</sup> | 2,458         | 5,022          | -9,691         |
| Blocked Accounts Used in Amortization of CBE Bonds      | -             | 38,970        | -                    | -             | -              | -              |
| Payments of Outstanding Arrears                         | -693          | -56           | -4                   | -             | -              | -              |
| Other   | 19,922        | 14,791        | -602                 | 347           | 3,553          | -14,925        |
| Exchange Rate Revaluation                               | -432          | -4,276        | 3,366                | 1,328         | 3,922          | 1,072          |
| Difference between T-Bills face value and present value | -1,168        | -1,149        | -10,915              | -227          | -7,419         | 12,036         |
| Undistributed   | 29            | 203           | -2,017               | -7,785        | -14,935        | -12,331        |

Source: Ministry of Finance.

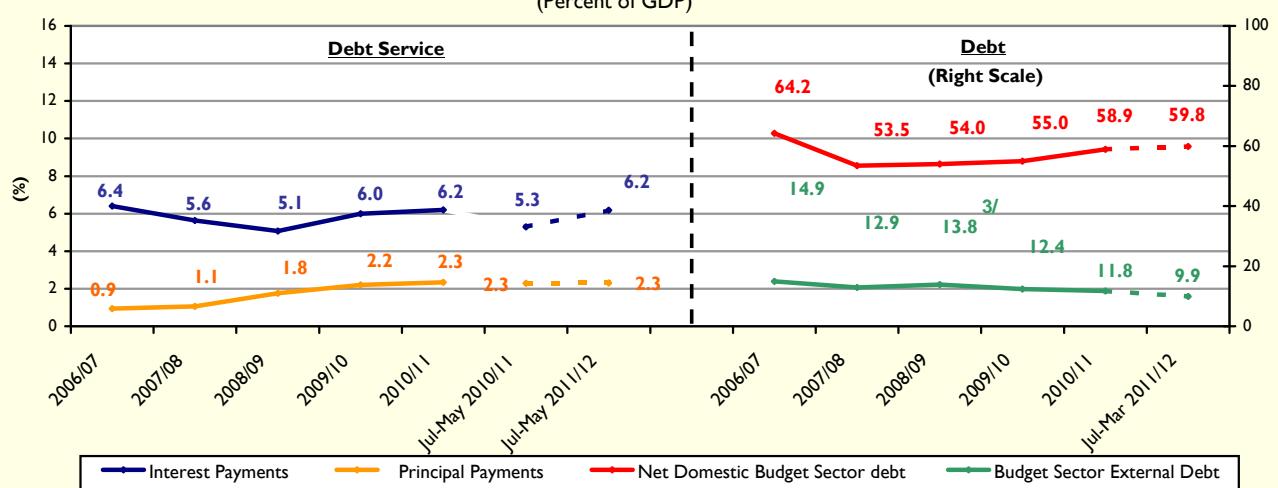
1/ Based on IMF GFS 2001 (modified to cash basis).

2/ Includes reclassified on-lent loans that have been redefined as part of Central and Local Government debt instead of Other Sectors' External Debt.

FISCAL SECTOR

Fig ( 10 ) : Debt Service Indicators (Budget Sector <sup>1/</sup> )

(Percent of GDP)<sup>2/</sup>



Source: Ministry of Finance and Central Bank of Egypt.

1/ Includes Central Administration and Local Governments, and Public Services Authorities.

2/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

3/ Using CBE classification of government external debt. CBE reclassified US\$ 4.3 billion as part of Central and Local Government debt, that was only reflected in its statistics starting September 2008. It is noteworthy that such reclassification had not any impact on the total external debt.

**Table ( 12-a ): Revenues Breakdown  
(Main Tax Revenues)**

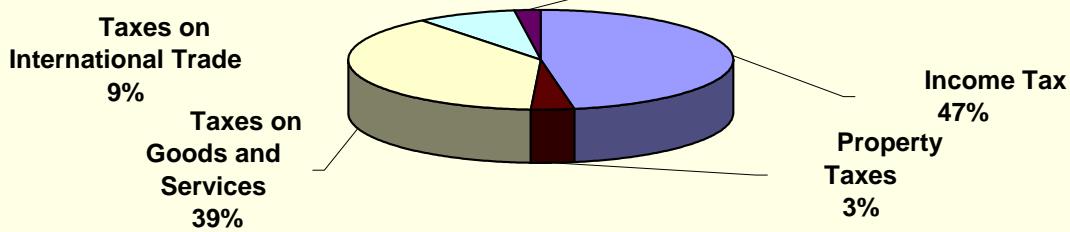
|  | 2006/07<br>Actual | 2007/08<br>Actual | 2008/09<br>Actual | 2009/10<br>Actual | 2012/13<br>Budget | 1/<br>2010/11<br>Jul-May | (LE Millions)<br>2011/12<br>Jul-May |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------------|-------------------------------------|
| <b>Total Revenues</b>  | <b>180,215</b>    | <b>221,404</b>    | <b>282,505</b>    | <b>268,114</b>    | <b>393,476</b>    | <b>200,783</b>           | <b>259,729</b>                      |
| <b>Tax Revenues</b>  | <b>114,326</b>    | <b>137,195</b>    | <b>163,222</b>    | <b>170,494</b>    | <b>266,905</b>    | <b>151,259</b>           | <b>179,162</b>                      |
| <b>Taxes on Income, Capital Gains and Profits, of which</b>  | <b>58,535</b>     | <b>67,059</b>     | <b>80,255</b>     | <b>76,618</b>     | <b>121,654</b>    | <b>65,628</b>            | <b>80,593</b>                       |
| Taxes on income from employment                              | 6,192             | 7,351             | 9,144             | 11,401            | 20,835            | 12,221                   | 14,399                              |
| Taxes on income from activity other than employment          | 3,498             | 4,102             | 5,080             | 4,918             | 9,081             | 4,859                    | 4,302                               |
| Capital Gains Tax  | 31                | 43                | 60                | 84                | 98                | 75                       | 87                                  |
| Taxes on Corporate Profits, of which                         | 48,815            | 55,563            | 65,971            | 60,215            | 89,740            | 48,472                   | 61,805                              |
| From EGPC  | 25,380            | 29,268            | 34,135            | 32,181            | 45,816            | 22,811                   | 31,326                              |
| From Suez Canal  | 9,144             | 10,268            | 10,391            | 9,443             | 14,095            | 9,400                    | 10,800                              |
| From other companies   | 14,136            | 15,997            | 21,416            | 18,576            | 29,829            | 16,259                   | 19,680                              |
| <b>Taxes on Property</b>                                     | <b>1,788</b>      | <b>2,052</b>      | <b>2,763</b>      | <b>8,770</b>      | <b>19,403</b>     | <b>8,291</b>             | <b>12,024</b>                       |
| <b>Recurrent Tax on Immovable Property</b>                   | <b>352</b>        | <b>407</b>        | <b>612</b>        | <b>518</b>        | <b>1,004</b>      | <b>0</b>                 | <b>477</b>                          |
| Lands  | 165               | 176               | 278               | 189               | 252               | 0                        | 164                                 |
| Buildings  | 188               | 231               | 334               | 329               | 752               | 0                        | 313                                 |
| <b>Taxes on Financial and Capital Transactions, of which</b> | <b>461</b>        | <b>534</b>        | <b>546</b>        | <b>6,415</b>      | <b>15,554</b>     | <b>6,636</b>             | <b>9,784</b>                        |
| Tax on T-bills and bonds' payable interest                   | -                 | -                 | -                 | 5808              | 14,854            | 6,121                    | 9,212                               |
| <b>Taxes and Fees on Cars</b>                                | <b>974</b>        | <b>1,111</b>      | <b>1,605</b>      | <b>1,837</b>      | <b>2,844</b>      | <b>1,655</b>             | <b>1,764</b>                        |
| <b>Taxes on Goods and Services, of which</b>                 | <b>39,436</b>     | <b>49,747</b>     | <b>62,650</b>     | <b>67,095</b>     | <b>100,702</b>    | <b>63,427</b>            | <b>70,773</b>                       |
| General Sales Tax on Goods                                   | 18,036            | 25,448            | 27,605            | 30,712            | 43,561            | 27,220                   | 33,595                              |
| Domestic   | 6,186             | 8,927             | 9,542             | 11,735            | 19,638            | 10,357                   | 14,227                              |
| Imported   | 11,850            | 16,521            | 18,063            | 18,977            | 23,923            | 16,862                   | 19,368                              |
| General Sales Tax on Services                                | 6,057             | 7,058             | 8,804             | 9,152             | 12,513            | 8,404                    | 8,039                               |
| Excises on Domestic Commodities (Table I)                    | 6,414             | 7,164             | 14,451            | 15,516            | 27,311            | 18,205                   | 19,063                              |
| Excises on Imports (Table I)                                 | 65                | 27                | 23                | 50                | 100               | 49                       | 65                                  |
| Taxes on Specific Services                                   | 595               | 684               | 1,056             | 917               | 1,062             | 710                      | 799                                 |
| Stamp tax (excludes stamp tax on salaries)                   | 3,245             | 4,303             | 5,165             | 5,062             | 8,568             | 4,304                    | 4,614                               |
| <b>Taxes on International Trade, of which</b>                | <b>10,370</b>     | <b>14,020</b>     | <b>14,091</b>     | <b>14,702</b>     | <b>20,759</b>     | <b>11,829</b>            | <b>13,206</b>                       |
| Tax on Valued Customs  | 9,814             | 12,956            | 13,064            | 13,242            | 19,710            | 11,054                   | 12,433                              |
| <b>Other Taxes</b>   | <b>4,198</b>      | <b>4,317</b>      | <b>3,464</b>      | <b>3,309</b>      | <b>4,388</b>      | <b>2,084</b>             | <b>2,566</b>                        |

Source: Ministry of Finance

I/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the year 2012

**Fig ( 11 ) : Breakdown of Tax Revenues**

(4 Years Average : 2007/08 - 2010/11)



Source: Ministry of Finance

**Table ( 12-b ): Revenues Breakdown  
(Non-Tax Revenues)**

|  | (LE Millions) |               |                |               |               |                       |               |               |
|--|---------------|---------------|----------------|---------------|---------------|-----------------------|---------------|---------------|
|  | 2006/07       | 2007/08       | 2008/09        | 2009/10       | 2010/11       | 2012/13 <sup>1/</sup> | 2010/11       | 2011/12       |
|  | Actual        | Actual        | Actual         | Actual        | Actual        | Budget                | Jul-May       | Jul-May       |
| <b>Total Non-Tax revenues</b>  | <b>65,889</b> | <b>84,209</b> | <b>119,283</b> | <b>97,621</b> | <b>73,214</b> | <b>126,570</b>        | <b>49,525</b> | <b>80,567</b> |
| <b>Grants</b>  | <b>3,886</b>  | <b>1,463</b>  | <b>7,984</b>   | <b>4,333</b>  | <b>2,287</b>  | <b>9,021</b>          | <b>1,295</b>  | <b>8,987</b>  |
| From Foreign Governments   | 3,398         | 1,155         | 7,535          | 3,497         | 924           | 8,220                 | 624           | 8,832         |
| From International Organizations   | 289           | 109           | 148            | 332           | 392           | 400                   | 236           | 7             |
| Other  | 200           | 198           | 301            | 503           | 971           | 402                   | 435           | 148           |
| <b>Other Revenues</b>  | <b>62,003</b> | <b>82,746</b> | <b>111,299</b> | <b>93,288</b> | <b>70,927</b> | <b>117,549</b>        | <b>48,229</b> | <b>71,580</b> |
| <b>Property Income</b>   | <b>45,110</b> | <b>52,455</b> | <b>53,395</b>  | <b>54,571</b> | <b>41,188</b> | <b>69,973</b>         | <b>32,097</b> | <b>54,102</b> |
| Interest Income, of which  | 1,343         | 1,335         | 4,849          | 3,928         | 1,130         | 1,784                 | 860           | 865           |
| Onlent Loans (included interests on foreign loans re-lent by the treasury) | 882           | 1,043         | 4,588          | 3,772         | 979           | 1,619                 | 772           | 741           |
| Dividends, of which  | 25,750        | 46,112        | 40,356         | 43,186        | 41,315        | 64,379                | 29,723        | 51,245        |
| EGPC   | 11,014        | 25,282        | 21,637         | 25,546        | 21,010        | 25,986                | 11,275        | 19,027        |
| Suez Canal   | 11,931        | 15,098        | 13,573         | 12,729        | 15,252        | 18,636                | 13,649        | 14,418        |
| Economic Authorities   | 581           | 3,047         | 1,245          | 1,431         | 1,287         | 2,908                 | 1,185         | 2,022         |
| Public Enterprise Sector Companies   | 2,118         | 2,784         | 3,873          | 3,099         | 3,263         | 4,500                 | 3,112         | 2,875         |
| Rent, of which   | 2,738         | 1,901         | 7,536          | 5,899         | 1,655         | 3,410                 | 714           | 1,992         |
| Royalties on Petroleum   | 1,797         | 1,444         | 3,662          | 2,750         | 1,465         | 2,933                 | 560           | 1,800         |
| Other Property Income <sup>2/</sup>  | 15,280        | 3,108         | 655            | 1,557         | -2,912        | 400                   | 800           | 0             |
| <b>Sales of Goods and Services</b>   | <b>9,774</b>  | <b>12,037</b> | <b>16,216</b>  | <b>17,212</b> | <b>17,405</b> | <b>17,104</b>         | <b>9,864</b>  | <b>10,863</b> |
| Service fees, of which   | 9,684         | 11,986        | 14,758         | 15,977        | 17,280        | 17,081                | 9,744         | 10,844        |
| Current revenue from special accounts and funds <sup>3/</sup>              | 8,086         | 9,393         | 11,468         | 12,268        | 13,741        | 11,924                | 6,686         | 7,777         |
| Sales of Goods, of which   | 90            | 51            | 1,458          | 1,235         | 125           | 23                    | 120           | 19            |
| Revenue from natural gas price reform <sup>4/</sup>                        | -             | -             | 1,415          | 1,200         | 100           | 0                     | 100           | 0             |
| <b>Fines, Penalties and Forfeits</b>                                       | <b>237</b>    | <b>247</b>    | <b>566</b>     | <b>421</b>    | <b>640</b>    | <b>8,003</b>          | <b>219</b>    | <b>283</b>    |
| <b>Voluntary Transfers other than grants</b>                               | <b>462</b>    | <b>557</b>    | <b>514</b>     | <b>684</b>    | <b>916</b>    | <b>57</b>             | <b>250</b>    | <b>151</b>    |
| Current  | 416           | 330           | 393            | 460           | 676           | 52                    | 207           | 130           |
| Capital  | 47            | 226           | 120            | 225           | 240           | 5                     | 43            | 21            |
| <b>Miscellaneous Revenues</b>  | <b>6,419</b>  | <b>17,450</b> | <b>40,608</b>  | <b>20,400</b> | <b>10,779</b> | <b>22,413</b>         | <b>5,801</b>  | <b>6,181</b>  |
| Current  | 1,864         | 5,505         | 31,055         | 3,373         | 2,865         | 4,207                 | 1,922         | 2,567         |
| Capital, of which  | 4,555         | 11,945        | 9,554          | 17,027        | 7,914         | 18,206                | 3,879         | 3,614         |
| Decrease in Advanced payments <sup>5/</sup>                                | 2,105         | 2,150         | 3,091          | 3,081         | 3,580         | 0                     | 958           | 1,147         |
| Other capital revenue to finance investments                               | 2,224         | 3,389         | 4,643          | 5,567         | 4,550         | 9,851                 | 2,638         | 1,579         |

Source: Ministry of Finance

- Data not available.

1/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the Year 2012.

2/ Other property income was marked in FY 2009/2010 by exceptional revenues worth LE 1.5 billion, as well as in FY 2007/2008 by LE 3.1 billion from granting the "third generation" licence to mobile companies. As for FY 2006/2007, it was marked by LE 15.2 billion earned from the sale of the third mobile licence to a foreign investor.

3/ Revenues from special accounts and funds belonging to budget sector entities like public universities, medical centers and research institutes. Such revenues are met by equivalent amounts on the expenditures side.

4/ Reflects the impact of enacting Law 114, 2008 on revenues from sale of natural gas at higher prices to energy-intensive industries. The revenues depicted above reflect the impact of price reform.

5/ Reflects allocations to finance investment projects in previous year, which were not used during that year. Such allocations are thus carried forward to the current fiscal year and recorded as self-financing sources of investment under miscellaneous revenues.

**Table ( 13 ): Receipts by Customs Authority <sup>1/</sup>  
(Based on U.N. Broad Economic Category Classification)**

(LE Millions)

| Code  | Imports        |                |                |                |                 | Customs Revenue 2/ |               |               |               |                 |
|---|----------------|----------------|----------------|----------------|-----------------|--------------------|---------------|---------------|---------------|-----------------|
|   | 2007/08        | 2008/09        | 2009/10        | 2010/11        | Jul-May 2011/12 | 2007/08            | 2008/09       | 2009/10       | 2010/11       | Jul-May 2011/12 |
| <b>Total</b>                                      | <b>229,107</b> | <b>247,704</b> | <b>238,930</b> | <b>327,026</b> | <b>329,000</b>  | <b>14,012</b>      | <b>14,091</b> | <b>14,655</b> | <b>13,857</b> | <b>12,465</b>   |
|   | (22.2)         | (8.1)          | -(3.5)         | (36.9)         | (10.5)          | (35.5)             | (0.6)         | (4.0)         | -(5.4)        | (3.5)           |
| 111 Primary Foodstuffs (for Industry)             | 17,440         | 16,093         | 18,052         | 24,628         | 27,159          | 5                  | 5             | 5             | 19            | 21              |
| 112 Primary Foodstuffs (for consumption)          | 3,431          | 2,181          | 2,770          | 6,600          | 8,250           | 37                 | 48            | 46            | 31            | 88              |
| 121 Manufactured Foodstuffs (for Industry)        | 8,215          | 8,651          | 7,475          | 12,599         | 24,817          | 132                | 117           | 47            | 41            | 21              |
| 122 Manufactured Foodstuffs (for consumption)     | 7,143          | 7,931          | 7,825          | 15,310         | 17,537          | 229                | 323           | 352           | 1,090         | 361             |
| 21 Primary Industrial Inputs                      | 17,152         | 17,516         | 17,517         | 28,992         | 31,108          | 217                | 181           | 211           | 175           | 140             |
| 22 Primary Manufactured Inputs                    | 89,767         | 89,304         | 91,507         | 107,471        | 111,664         | 2,948              | 3,393         | 2,756         | 2,334         | 2,194           |
| 31 Fuel and oil (crude)                           | 7,731          | 5,828          | 10,456         | 3,670          | 7,164           | 92                 | 2             | 185           | 154           | 0.1             |
| 32 Manufactured Fuels, Oil (Other)                | 12,051         | 12,271         | 2,890          | 16,278         | 18,054          | 612                | 121           | 368           | 899           | 1,215           |
| 41 Capital goods, except transport equipment      | 24,280         | 34,594         | 29,625         | 40,165         | 23,817          | 897                | 879           | 996           | 851           | 698             |
| 42 Spare parts and accessories for capital goods  | 9,454          | 11,588         | 11,745         | 17,087         | 14,583          | 375                | 443           | 483           | 507           | 459             |
| 51 Passenger motor cars                           | 7,896          | 7,580          | 7,656          | 7,573          | 6,508           | 3,348              | 2,931         | 3,234         | 2,388         | 2,921           |
| 52 Motor cars (other)                             | 6,328          | 6,555          | 6,387          | 9,055          | 6,435           | 1115               | 1121          | 847           | 846           | 735             |
| 53 Spare parts and accessories for transportation | 7,723          | 6,703          | 7,739          | 13,645         | 12,068          | 522                | 557           | 513           | 634           | 646             |
| 61 Durable consumption goods                      | 2,416          | 10,188         | 5,050          | 4,621          | 3,524           | 334                | 432           | 415           | 743           | 590             |
| 62 Semi-durable consumption goods                 | 2,945          | 2,943          | 3,427          | 7,094          | 5,361           | 470                | 564           | 569           | 1,113         | 548             |
| 63 Non-Durable consumption goods                  | 5,076          | 7,768          | 8,765          | 12,057         | 10,825          | 317                | 454           | 490           | 560           | 205             |
| 7 Other Commodities                               | 58             | 11             | 45             | 182            | 127             | 2,360              | 2,520         | 3,140         | 1,470         | 1,623           |
| <b>Memorandum Items</b>                           |                |                |                |                |                 |                    |               |               |               |                 |
| Total Imports (US\$ Millions)                     | 41,626         | 44,943         | 43,344         | 56,288         | 54,897          |                    |               |               |               |                 |
| Customs / GDP <sup>3/</sup>                       |                |                |                |                |                 | 1.6                | 1.4           | 1.2           | 1.0           | 0.8             |
| Customs / Total Revenues and grants               |                |                |                |                |                 | 6.3                | 5.0           | 5.5           | 5.2           | 4.8             |
| Customs / Total Taxes <sup>4/</sup>               |                |                |                |                |                 | 10.7               | 9.1           | 9.0           | 7.5           | 7.3             |

Sources: Ministry of Finance, Egyptian Customs Authority.

( ) Percent change over same period in previous year.

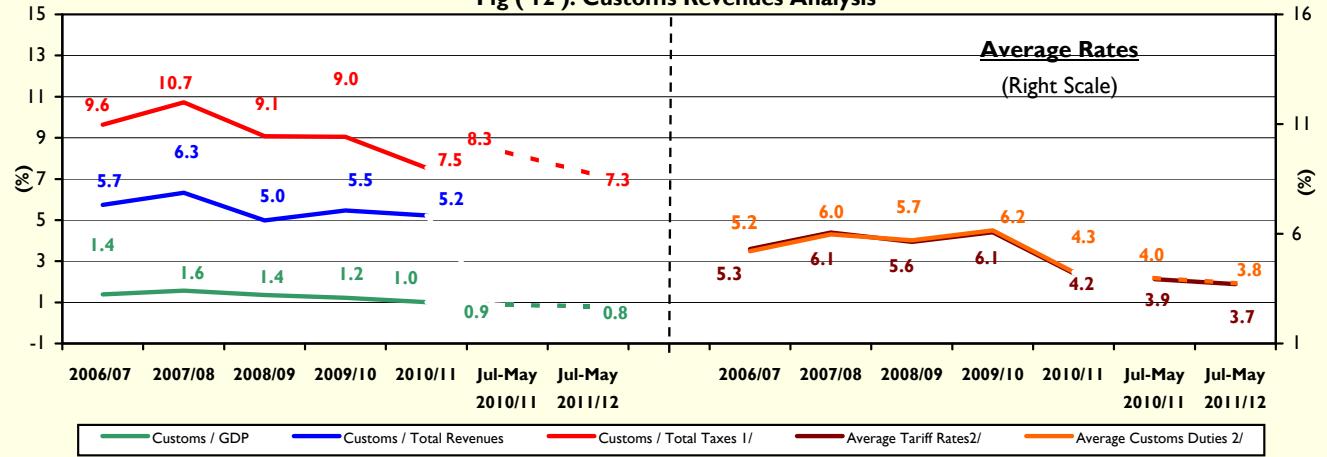
1/ Aggregate receipts in this table may differ from those presented in the Budget due to different distribution of Customs Authority proceeds among various budget lines, such as taxes on international trade, taxes on goods and services, and other taxes.

2/ Includes sovereign as well as current revenues. It is noteworthy to mention that Customs Revenue data for FY 2010/2011 are currently being revised on monthly basis.

3/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

4/ Total taxes as collected by tax authorities (Income, Sales ,Customs and Property taxes).

**Fig ( 12 ): Customs Revenues Analysis**



Sources: Ministry of Finance, Egyptian Customs Authority.

1/ Total taxes as collected by tax authorities (Income, Sales ,Customs and Property taxes).

2/ As percent of total imports.

**Table ( 14): Expenditures Breakdown <sup>1/</sup>**

|  | (LE Millions)  |                |                |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | 2006/07        | 2007/08        | 2008/09        | 2009/10        | 2010/11        | 2012/13        | 2010/11        | 2011/12        |
|  | Actual         | Actual         | Actual         | Actual         | Actual         | Budget         | Jul-May        | Jul-May        |
| <b>Total Expenditures</b>                          | <b>222,029</b> | <b>282,290</b> | <b>351,500</b> | <b>365,987</b> | <b>401,866</b> | <b>533,785</b> | <b>315,097</b> | <b>396,698</b> |
| <b>Compensation of Employees, of which</b>         | <b>52,153</b>  | <b>62,839</b>  | <b>76,147</b>  | <b>85,369</b>  | <b>96,271</b>  | <b>136,627</b> | <b>79,857</b>  | <b>101,552</b> |
| <b>Salaries and wages in cash and in-kind</b>      | <b>42,399</b>  | <b>51,172</b>  | <b>62,658</b>  | <b>70,321</b>  | <b>78,270</b>  | <b>108,187</b> | <b>65,618</b>  | <b>82,978</b>  |
| Permanent staff                                    | 12,671         | 13,939         | 15,157         | 15,840         | 17,917         | 23,123         | 16,271         | 17,336         |
| Temporary staff                                    | 526            | 701            | 969            | 1,191          | 1,748          | 2,075          | 1,527          | 1,890          |
| Rewards  | 18,549         | 21,943         | 26,710         | 29,940         | 35,093         | 59,008         | 27,866         | 43,060         |
| Specific Allowances                                | 2,015          | 3,966          | 6,223          | 9,381          | 9,981          | 10,505         | 8,309          | 9,150          |
| Cash Benefit/Allowance                             | 7,400          | 9,051          | 11,738         | 11,710         | 11,396         | 10,808         | 10,055         | 9,828          |
| In-kind Benefit/Allowance                          | 1,237          | 1,573          | 1,861          | 2,260          | 2,135          | 2,667          | 1,591          | 1,714          |
| <b>Insurance Benefits</b>                          | <b>5,518</b>   | <b>6,165</b>   | <b>7,210</b>   | <b>7,850</b>   | <b>9,103</b>   | <b>12,508</b>  | <b>7,906</b>   | <b>9,987</b>   |
| Government share in government insurance fund      | 4,886          | 5,464          | 6,412          | 6,970          | 8,070          | 10,896         | 6,998          | 8,874          |
| Other Insurance benefits                           | 631            | 701            | 798            | 880            | 1,033          | 1,612          | 907            | 1,113          |
| <b>Purchases of Goods and Services, of which</b>   | <b>17,028</b>  | <b>18,470</b>  | <b>25,072</b>  | <b>28,059</b>  | <b>26,148</b>  | <b>28,765</b>  | <b>17,057</b>  | <b>18,119</b>  |
| <b>    Goods, of which</b>                         | <b>6,538</b>   | <b>7,272</b>   | <b>11,404</b>  | <b>11,967</b>  | <b>9,979</b>   | <b>13,324</b>  | <b>7,423</b>   | <b>7,720</b>   |
| Raw materials                                      | 2,844          | 3,102          | 3,482          | 4,149          | 4,031          | 6,361          | 2,940          | 3,335          |
| Operating Fuels, oil, and moving parts             | 537            | 641            | 1,046          | 1,537          | 871            | 979            | 774            | 619            |
| Water and Lighting                                 | 2,273          | 2,621          | 5,831          | 4,993          | 3,846          | 4,290          | 2,891          | 2,906          |
| <b>    Services, of which</b>                      | <b>6,984</b>   | <b>7,625</b>   | <b>9,805</b>   | <b>11,442</b>  | <b>10,716</b>  | <b>11,382</b>  | <b>7,759</b>   | <b>8,420</b>   |
| Maintenance  | 2,116          | 2,401          | 2,925          | 3,428          | 3,336          | 4,384          | 2,601          | 2,469          |
| Copy expenditures, periodicals, and writing rights | 1,250          | 1,284          | 1,094          | 1,264          | 842            | 1,220          | 404            | 905            |
| Public transportation                              | 924            | 1,134          | 1,349          | 1,900          | 2,112          | 2,431          | 1,794          | 1,833          |
| Various Services 3/                                | 1,659          | 1,745          | 3,158          | 3,459          | 3,133          | 2,296          | 2,300          | 2,575          |
| <b>    Other</b>                                   | <b>3,505</b>   | <b>3,574</b>   | <b>3,864</b>   | <b>4,650</b>   | <b>5,453</b>   | <b>4,059</b>   | <b>1,875</b>   | <b>1,979</b>   |

Sources: Ministry of Finance, Egyptian Tax Authority

1/ Based on IMF GFS 2001 (modified to cash basis).

2/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the year 2012.

3/ Accounts for other various types of expenditures on services, of which judicial judgement execution expenses is most significant.

**Table ( 14 ): Expenditures Breakdown (Continued)**

|  | 2006/07<br>Actual | 2007/08<br>Actual | 2008/09<br>Actual | 2009/10<br>Actual | 2010/11<br>Actual | 2011/12<br>Budget | 2012/13<br>Budget | (LE Millions) | 2010/11<br>Jul-May | 2011/12<br>Jul-May |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------|--------------------|--------------------|
| <b>Interest, of which</b>  | <b>47,700</b>     | <b>50,528</b>     | <b>52,810</b>     | <b>72,333</b>     | <b>85,077</b>     | <b>105,300</b>    | <b>133,612</b>    | <b>72,701</b> | <b>95,461</b>      |                    |
| Foreign  | 3,033             | 3,737             | 3,598             | 2,840             | 3,416             | 4,664             | 6,091             | 3,149         | 3,310              |                    |
| Domestic (to Non-Government Individuals)                         | 27,975            | 30,691            | 32,672            | 53,128            | 61,134            | 83,762            | 109,433           | 54,467        | 77,063             |                    |
| Domestic (to Government units)                                   | 16,526            | 15,892            | 16,403            | 16,178            | 20,400            | 16,654            | 17,880            | 15,038        | 15,046             |                    |
| Other  | 165               | 208               | 138               | 187               | 127               | 220               | 208               | 47            | 41                 |                    |
| <b>Subsidies, Grants and Social Benefits, of which</b>           | <b>58,442</b>     | <b>92,371</b>     | <b>127,033</b>    | <b>102,974</b>    | <b>123,125</b>    | <b>154,454</b>    | <b>145,838</b>    | <b>89,693</b> | <b>131,502</b>     |                    |
| <b>Subsidies</b>   | <b>53,959</b>     | <b>84,205</b>     | <b>93,830</b>     | <b>93,570</b>     | <b>111,211</b>    | <b>130,473</b>    | <b>112,987</b>    | <b>79,163</b> | <b>120,557</b>     |                    |
| To Non-financial public corporations, of which                   | 52,476            | 82,017            | 91,185            | 91,216            | 108,316           | 127,433           | 110,746           | 76,547        | 117,837            |                    |
| GASC   | 9,406             | 16,445            | 21,072            | 16,819            | 32,743            | 18,884            | 26,600            | 29,871        | 25,608             |                    |
| EGPC   | 40,130            | 60,249            | 62,703            | 66,524            | 67,680            | 95,535            | 70,000            | 40,051        | 86,885             |                    |
| To Financial public corporations                                 | 1,483             | 2,188             | 2,645             | 2,354             | 2,895             | 3,040             | 2,240             | 2,616         | 2,720              |                    |
| Grants   | 2,599             | 3,890             | 4,213             | 4,380             | 5,319             | 6,375             | 6,013             | 4,665         | 4,299              |                    |
| To foreign governments   | 39                | 2                 | 169               | 128               | 200               | 186               | 183               | 569           | 183                |                    |
| To international organizations                                   | -                 | -                 | -                 | -                 | 1.20              | -                 | -                 | 0.2           | 0.2                |                    |
| To general government units                                      | 2,560             | 3,889             | 4,044             | 4,252             | 5,118             | 6,189             | 5,830             | 4,096         | 4,116              |                    |
| Social Benefits, of which  | 1,612             | 4,050             | 28,707            | 4,483             | 6,118             | 13,766            | 23,909            | 5,476         | 6,084              |                    |
| Social security benefits   | 1,147             | 993               | 1,236             | 1,464             | 2,048             | 2,555             | 2,658             | 1,817         | 2,547              |                    |
| Social assistance benefits <sup>2/</sup>                         | 1                 | 2,600             | 26,805            | 2,400             | 3,438             | 10,700            | 20,700            | 3,178         | 2,750              |                    |
| Service expenditures for non employees                           | 436               | 418               | 625               | 570               | 572               | 455               | 484               | 427           | 728                |                    |
| Social benefits for employees                                    | 27                | 38                | 41                | 49                | 60                | 56                | 67                | 53            | 59                 |                    |
| Other Expenditures, of which                                     | 21,208            | 23,892            | 27,007            | 28,901            | 31,364            | 31,122            | 33,325            | 26,790        | 26,299             |                    |
| Current Miscellaneous Expenditures                               | 2,437             | 3,387             | 3,909             | 3,909             | 3,365             | 2,549             | 3,079             | 2,615         | 2,336              |                    |
| Taxes and fees   | 52                | 95                | 100               | 74                | 67                | 87                | 88                | 56            | 51                 |                    |
| Contributions  | 169               | 324               | 256               | 246               | 162               | 330               | 330               | 149           | 196                |                    |
| Other  | 2,216             | 2,967             | 3,553             | 3,589             | 3,136             | 2,132             | 2,661             | 2,410         | 2,089              |                    |
| Contingency Reserves <sup>3/</sup>                               | 18,771            | 20,505            | 23,098            | 24,992            | 28,000            | 28,573            | 30,246            | 24,176        | 23,963             |                    |
| <b>Purchases of Non-Financial Assets (Investments), of which</b> | <b>25,498</b>     | <b>34,191</b>     | <b>43,430</b>     | <b>48,350</b>     | <b>39,881</b>     | <b>45,661</b>     | <b>55,618</b>     | <b>28,999</b> | <b>23,766</b>      |                    |
| <b>Fixed Assets</b>  | <b>20,928</b>     | <b>28,186</b>     | <b>34,654</b>     | <b>39,205</b>     | <b>33,303</b>     | <b>41,535</b>     | <b>49,297</b>     | <b>26,087</b> | <b>21,358</b>      |                    |
| Direct investment (including customs fees)                       | 20,524            | 27,734            | 34,161            | 38,622            | 32,648            | 40,836            | 48,118            | 25,343        | 21,002             |                    |
| Postponed (operational) expenses                                 | 405               | 452               | 493               | 583               | 655               | 699               | 1,179             | 745           | 356                |                    |
| <b>Non-Productive Assets<sup>4/</sup></b>                        | <b>155</b>        | <b>270</b>        | <b>448</b>        | <b>680</b>        | <b>508</b>        | <b>586</b>        | <b>945</b>        | <b>583</b>    | <b>477</b>         |                    |
| Other non-financial assets                                       | 4,415             | 5,735             | 8,329             | 8,465             | 6,070             | 2,971             | 4,726             | 2,329         | 1,931              |                    |

Source: Ministry of Finance.

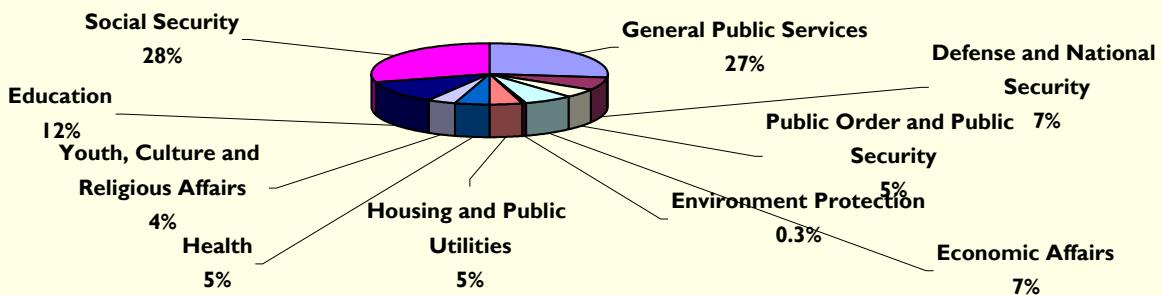
1/ Data reflects budget figures after being approved by Supreme Council of the Armed Forces, Decree Number 27 for the year 2012

2/ Reflects Treasury contributions towards Pension Funds.

3/ Includes expenditures on defense.

4/ Reflects purchases of natural assets.

**Fig ( 13 ): Functional Classification of Public Expenditures ( 4 Years Average : 2007/08 - 2010/11 )**



Source: Ministry of Finance.

# Section 5

## GOVERNMENT DEBT & DEBT PROFILE

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**Table ( 15 ) : Summary of Public Domestic Debt**

**At Different Consolidation Levels 1/**

(LE Millions)

|  | Annual Profile           |                          |                          |                          |                          | Quarterly Profile        |                            |                            |                            |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|----------------------------|
|  | Jun-07                   | Jun-08                   | Jun-09                   | Jun-10                   | Jun-11                   | Mar-11                   | Sep-11                     | Dec-11                     | Mar-12                     |
| <b>Gross Domestic Budget Sector Debt</b> <sup>2/</sup>       | <b>591,001</b><br>(6.5)  | <b>599,603</b><br>(1.5)  | <b>699,667</b><br>(16.7) | <b>808,384</b><br>(15.5) | <b>967,290</b><br>(19.7) | <b>932,626</b><br>(15.1) | <b>1,019,540</b><br>(18.0) | <b>1,058,359</b><br>(19.0) | <b>1,089,432</b><br>(16.8) |
| <b>Budget Sector Deposits</b>                                | <b>112,829</b><br>(2.6)  | <b>120,904</b><br>(7.2)  | <b>137,341</b><br>(13.6) | <b>144,566</b><br>(5.3)  | <b>159,178</b><br>(10.1) | <b>153,743</b><br>(7.7)  | <b>162,859</b><br>(12.3)   | <b>163,787</b><br>(9.0)    | <b>164,514</b><br>(7.0)    |
| <b>Net Domestic Budget Sector Debt</b>                       | <b>478,172</b><br>(7.5)  | <b>478,699</b><br>(0.1)  | <b>562,326</b><br>(17.5) | <b>663,818</b><br>(18.0) | <b>808,112</b><br>(21.7) | <b>778,883</b><br>(16.7) | <b>856,681</b><br>(19.2)   | <b>894,572</b><br>(21.1)   | <b>924,918</b><br>(18.7)   |
| <b>Gross Consolidated General Government Domestic Debt</b>   | <b>486,241</b><br>(8.2)  | <b>512,982</b><br>(5.5)  | <b>615,849</b><br>(20.1) | <b>733,387</b><br>(19.1) | <b>889,045</b><br>(21.2) | <b>847,921</b><br>(16.8) | <b>941,337</b><br>(20.6)   | <b>981,525</b><br>(21.8)   | <b>1,015,051</b><br>(19.7) |
| <b>General Government Deposits</b>                           | <b>116,964</b><br>(-0.2) | <b>131,043</b><br>(12.0) | <b>148,811</b><br>(13.6) | <b>158,531</b><br>(6.5)  | <b>166,527</b><br>(5.0)  | <b>164,261</b><br>(6.8)  | <b>169,502</b><br>(6.6)    | <b>170,373</b><br>(4.8)    | <b>172,007</b><br>(4.7)    |
| <b>Net Consolidated General Government Domestic Debt</b>     | <b>369,277</b><br>(11.2) | <b>381,939</b><br>(3.4)  | <b>467,038</b><br>(22.3) | <b>574,856</b><br>(23.1) | <b>722,518</b><br>(25.7) | <b>683,660</b><br>(19.5) | <b>771,835</b><br>(24.2)   | <b>811,152</b><br>(26.1)   | <b>843,044</b><br>(23.3)   |
| <b>Gross Consolidated Public Domestic Debt</b> <sup>4/</sup> | <b>493,879</b><br>(5.0)  | <b>537,533</b><br>(8.8)  | <b>643,628</b><br>(19.7) | <b>769,783</b><br>(19.6) | <b>932,460</b><br>(21.1) | <b>890,682</b><br>(18.0) | <b>976,580</b><br>(19.6)   | <b>1,019,644</b><br>(20.4) | <b>1,052,669</b><br>(18.2) |
| <b>Public Sector Deposits</b> <sup>5/</sup>                  | <b>130,605</b><br>(-4.9) | <b>150,501</b><br>(15.2) | <b>167,733</b><br>(11.4) | <b>170,171</b><br>(1.5)  | <b>191,116</b><br>(12.3) | <b>186,108</b><br>(7.9)  | <b>185,712</b><br>(7.1)    | <b>189,972</b><br>(5.5)    | <b>191,714</b><br>(3.0)    |
| <b>Net Consolidated Public Domestic Debt</b>                 | <b>363,274</b><br>(9.1)  | <b>387,032</b><br>(6.5)  | <b>475,895</b><br>(23.0) | <b>599,612</b><br>(26.0) | <b>741,344</b><br>(23.6) | <b>704,574</b><br>(21.0) | <b>790,868</b><br>(22.9)   | <b>829,672</b><br>(24.4)   | <b>860,955</b><br>(22.2)   |
| <b>Memorandum Items: (As Percent of GDP) 6/</b>              |                          |                          |                          |                          |                          |                          |                            |                            |                            |
| Gross Domestic Budget Sector Debt                            | 79.4%                    | 67.0%                    | 67.1%                    | 67.0%                    | 70.5%                    | 68.0%                    | 65.9%                      | 68.4%                      | 70.5%                      |
| Net Domestic Budget Sector Debt                              | 64.2%                    | 53.5%                    | 54.0%                    | 55.0%                    | 58.9%                    | 56.8%                    | 55.4%                      | 57.9%                      | 59.8%                      |
| Gross Consolidated General Government Domestic Debt          | 65.3%                    | 57.3%                    | 59.1%                    | 60.8%                    | 64.8%                    | 61.8%                    | 60.9%                      | 63.5%                      | 65.6%                      |
| Net Consolidated General Government Domestic Debt            | 49.6%                    | 42.7%                    | 44.8%                    | 47.6%                    | 52.7%                    | 49.8%                    | 49.9%                      | 52.5%                      | 54.5%                      |
| Gross Consolidated Public Domestic Debt                      | 66.3%                    | 60.0%                    | 61.8%                    | 63.8%                    | 68.0%                    | 64.9%                    | 63.2%                      | 65.9%                      | 68.1%                      |
| Net Consolidated Public Domestic Debt                        | 48.8%                    | 43.2%                    | 45.7%                    | 49.7%                    | 54.0%                    | 51.4%                    | 51.1%                      | 53.7%                      | 55.7%                      |

Source: Ministry of Finance - Central Bank of Egypt.

( ) Annual percentage change

\* Preliminary, subject to revision.

1/ Domestic debt figures were revised in consistency with international standards of classification. Debt figures depict consolidated stocks at three different levels of compilation; the Budget Sector, the General Government, and the Public Sector. The Budget sector debt stock encompasses outstanding stocks of Central Administration, Local Governments, and Public Service Authorities. The General Government debt stock includes the consolidated debt stocks of the Budget sector, the NIB, and SIF. The Public sector debt stock corresponds to the consolidated debt of the General Government and Economic Authorities.

2/ Outstanding domestic debt stocks due on Central Administration, Local Governments, and Public Service Authorities.

3/ Consolidated domestic debt of the Budget sector, NIB, and SIF. This level of compilation entails the deduction of Budget Sector borrowings from NIB, MOF securities held by the SIF and NIB, the SIF bonds, and NIB borrowings from SIF.

4/ Consolidated domestic debt due on the General Government and Economic Authorities. This level of compilation excludes outstanding debt of Economic Authorities to NIB as well as Budget Sector borrowing from Economic Authorities.

5/ Total deposits of General Government and Economic Authorities (net of SIF deposits and Budget Sector borrowing from Economic Authorities).

6/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

Table ( 16 ) : Budget Sector Domestic Debt: <sup>1/</sup>

Detailed Profile

(LE Millions)

|   | Annual Profile |                |                |                |                | Quarterly Profile |                  |                  |                  |
|---|----------------|----------------|----------------|----------------|----------------|-------------------|------------------|------------------|------------------|
|   | Jun-07         | Jun-08         | Jun-09         | Jun-10         | Jun-11 *       | Mar-11            | Sep-11           | Dec-11           | Mar-12 *         |
| <b>Gross Domestic Budget Sector Debt</b>                | <b>591,001</b> | <b>599,603</b> | <b>699,667</b> | <b>808,384</b> | <b>967,290</b> | <b>932,626</b>    | <b>1,019,540</b> | <b>1,058,359</b> | <b>1,089,432</b> |
| <b>Ministry of Finance Securities</b>                   | <b>562,897</b> | <b>568,848</b> | <b>681,837</b> | <b>779,232</b> | <b>916,976</b> | <b>879,156</b>    | <b>919,783</b>   | <b>951,670</b>   | <b>981,779</b>   |
| Treasury bills <sup>2/</sup>                            | 118,657        | 146,439        | 239,080        | 266,121        | 356,103        | 320,391           | 349,928          | 371,194          | 382,803          |
| Bills Reverse Repo                                      | -              | -              | -              | -              | -              | -                 | -                | -                | -                |
| Treasury bonds  | 57,000         | 78,500         | 92,500         | 159,767        | 206,767        | 206,767           | 221,267          | 231,567          | 250,067          |
| Treasury bonds and notes issued to CBE                  | 144,517        | 121,783        | 121,113        | 112,470        | 112,470        | 112,470           | 112,470          | 112,470          | 112,470          |
| Revaluation bonds                                       | 19,582         | -              | -              | 9,063          | 18,126         | 18,126            | 16,626           | 16,626           | 16,626           |
| Commercial Banks recapitalization bonds                 | 4,000          | 4,000          | 4,000          | 4,000          | 4,000          | 4,000             | 4,000            | 4,000            | 4,000            |
| GASC bonds  | 1,881          | 595            | 595            | -              | -              | -                 | -                | -                | -                |
| Bank restructuring bonds                                | 11,886         | 11,126         | 11,677         | 11,883         | -              | -                 | -                | -                | -                |
| Insurance notes   | 2,000          | 2,000          | 2,000          | 2,000          | 2,000          | 2,000             | 2,000            | 2,000            | 2,000            |
| Eurobonds (held domestically) <sup>3/</sup>             | 3,868          | 3,750          | 4,036          | 6,005          | 7,583          | 7,316             | 3,438            | 3,755            | 3,755            |
| Egyptian Notes Issued Abroad and Purchased Domestically | -              | -              | 3,773          | 3,807          | 3,954          | 3,953             | 4,078            | 4,082            | 4,082            |
| Housing bonds   | 119            | 117            | 115            | 114            | 115            | 115               | 118              | 111              | 111              |
| The 5 % Government bonds                                | 1,588          | 1,636          | 1,700          | 1,765          | 1,830          | 1,781             | 1,830            | 1,837            | 1,837            |
| SIF Bonds <sup>4/</sup>                                 | 197,799        | 198,902        | 201,248        | 202,237        | 204,028        | 202,237           | 204,028          | 204,028          | 204,028          |
| <b>Facilities from SIF</b> <sup>5/</sup>                | <b>4,517</b>   | <b>2,343</b>   | <b>2,343</b>   | <b>2,343</b>   | <b>2,343</b>   | <b>2,343</b>      | <b>2,143</b>     | <b>2,143</b>     | <b>2,143</b>     |
| <b>Borrowing from Other Sources</b>                     | -              | -              | -              | -              | 2,000          | 2,000             | 8,056            | 8,122            | 8,122            |
| <b>Budget Sector Bank Loans</b>                         | <b>23,587</b>  | <b>28,412</b>  | <b>15,487</b>  | <b>26,809</b>  | <b>45,971</b>  | <b>49,127</b>     | <b>89,558</b>    | <b>96,424</b>    | <b>97,388</b>    |
| Of Which Economic Authorities' Deposits in TSA          | 21,235         | 15,014         | 12,887         | 12,239         | 13,166         | 12,717            | 11,459           | 11,113           | 12,039           |
| <b>Budget Sector Deposits</b>                           | <b>112,829</b> | <b>120,904</b> | <b>137,341</b> | <b>144,566</b> | <b>159,178</b> | <b>153,743</b>    | <b>162,859</b>   | <b>163,787</b>   | <b>164,514</b>   |
| <b>Net Domestic Budget Sector Debt</b>                  | <b>478,172</b> | <b>478,699</b> | <b>562,326</b> | <b>663,818</b> | <b>808,112</b> | <b>778,883</b>    | <b>856,681</b>   | <b>894,572</b>   | <b>924,918</b>   |

**Memorandum Items: (As Percent of GDP) 46/**

|                                   |       |       |       |       |       |       |       |       |       |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Gross Domestic Budget Sector Debt | 79.4% | 67.0% | 67.1% | 67.0% | 70.5% | 68.0% | 65.9% | 68.4% | 70.5% |
| Net Domestic Budget Sector Debt   | 64.2% | 53.5% | 54.0% | 55.0% | 58.9% | 56.8% | 55.4% | 57.9% | 59.8% |

Source: Ministry of Finance and Central Bank of Egypt

\* Preliminary, subject to revision.

2/ Includes T-bills issued in US dollar worth LE 15.2 billion

3/ Includes Eurobonds issued in 2001 and 2010.

4/ In light of the enhanced transparency of the new fiscal policy framework, the outstanding debt on Treasury to SIF (through NIB) was registered as a direct liability on the first to the latter on July 1<sup>st</sup>, 2006. This was associated with the issuance of two treasury bonds in interest of SIF, worth L.E 197.725 billions. The third bond worth LE 74.5 million was issued at end of June 2007. The fourth bond worth LE 1.1 billion was issued at end June 2008. Another bond was issued at end June 2009 worth LE 2.3 billion and lastly, a bond worth LE 988.8 million was issued at end June 2010.

5/ Part of SIF deposits that are used as loan facilities for the budget sector, currently recognized as part of budget sector domestic debt obligations.

6/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

**Table ( 17 ) : General Government Domestic Debt: <sup>1/</sup>  
Detailed Profile**

|  | (LE Millions)  |         |         |         |                     |                   |           |           |                     |  |
|--|----------------|---------|---------|---------|---------------------|-------------------|-----------|-----------|---------------------|--|
|  | Annual Profile |         |         |         |                     | Quarterly Profile |           |           |                     |  |
|  | Jun-07         | Jun-08  | Jun-09  | Jun-10  | Jun-11 <sup>*</sup> | Mar-11            | Sep-11    | Dec-11    | Mar-12 <sup>*</sup> |  |
| <b>Gross Consolidated General Government Domestic Debt</b> | 486,241        | 512,982 | 615,849 | 733,387 | 889,045             | 847,921           | 941,337   | 981,525   | 1,015,051           |  |
| <b>Consolidated Budget Sector Debt</b>                     | 365,081        | 371,619 | 464,817 | 564,670 | 710,839             | 677,782           | 761,539   | 801,553   | 833,777             |  |
| Gross Domestic Budget Sector Debt                          | 591,001        | 599,603 | 699,667 | 808,384 | 967,290             | 932,626           | 1,019,540 | 1,058,359 | 1,089,432           |  |
| Less:  |                |         |         |         |                     |                   |           |           |                     |  |
| Budget Sector Borrowings from NIB <sup>2/</sup>            | -              | -       | -       | -       | -                   | -                 | -         | -         | -                   |  |
| MOF securities held by NIB                                 | 6,231          | 8,528   | 9,977   | 13,665  | 15,527              | 16,487            | 15,272    | 14,813    | 14,285              |  |
| MOF securities held by SIF                                 | 17,373         | 18,211  | 21,282  | 25,469  | 34,553              | 33,777            | 36,558    | 35,822    | 35,199              |  |
| <sup>2/</sup> SIF Bonds                                    | 197,799        | 198,902 | 201,248 | 202,237 | 204,028             | 202,237           | 204,028   | 204,028   | 204,028             |  |
| <sup>3/</sup> Facilities from SIF                          | 4,517          | 2,343   | 2,343   | 2,343   | 2,343               | 2,343             | 2,143     | 2,143     | 2,143               |  |
| <b>Consolidated NIB Debt</b>                               | 121,160        | 141,363 | 151,032 | 168,717 | 178,206             | 170,139           | 179,798   | 179,972   | 181,274             |  |
| Gross Domestic Debt of NIB <sup>2/</sup>                   | 169,162        | 193,071 | 205,565 | 227,714 | 240,851             | 229,136           | 241,923   | 241,249   | 241,867             |  |
| NIB borrowing from SIF                                     | 48,002         | 51,708  | 54,533  | 58,997  | 62,645              | 58,997            | 62,125    | 61,277    | 60,593              |  |
| Investment Certificates                                    | 76,064         | 86,741  | 90,112  | 99,782  | 103,382             | 102,825           | 104,005   | 104,437   | 105,100             |  |
| Post Office savings  | 43,518         | 49,255  | 54,487  | 64,836  | 71,978              | 65,837            | 71,978    | 71,978    | 71,978              |  |
| Other  | 1,578          | 5,367   | 6,433   | 4,099   | 2,846               | 1,477             | 3,815     | 3,557     | 4,196               |  |
| Less:  |                |         |         |         |                     |                   |           |           |                     |  |
| <sup>2/</sup> NIB borrowing from SIF                       | 48,002         | 51,708  | 54,533  | 58,997  | 62,645              | 58,997            | 62,125    | 61,277    | 60,593              |  |
| <b>General Government Deposits</b>                         | 116,964        | 131,043 | 148,811 | 158,531 | 166,527             | 164,261           | 169,502   | 170,373   | 172,007             |  |
| Budget Sector Deposits                                     | 112,829        | 120,904 | 137,341 | 144,566 | 159,178             | 153,743           | 162,859   | 163,787   | 164,514             |  |
| NIB Deposits   | 2,961          | 3,891   | 4,806   | 5,510   | 2,672               | 4,584             | 2,317     | 1,521     | 1,881               |  |
| <sup>4/</sup> SIF Deposits                                 | 1,174          | 6,248   | 6,664   | 8,455   | 4,677               | 5,934             | 4,326     | 5,065     | 5,612               |  |
| <b>Net Consolidated General Government Domestic Debt</b>   | 369,277        | 381,939 | 467,038 | 574,856 | 722,518             | 683,660           | 771,835   | 811,152   | 843,044             |  |

**Memorandum Items: (As Percent of GDP) <sup>5/</sup>**

|   |       |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Gross Consolidated General Government Domestic Debt | 65.3% | 57.3% | 59.1% | 60.8% | 64.8% | 61.8% | 60.9% | 63.5% | 65.6% |
| Net Consolidated General Government Domestic Debt   | 49.6% | 42.7% | 44.8% | 47.6% | 52.7% | 49.8% | 49.9% | 52.5% | 54.5% |

Source: Ministry of Finance and Central Bank of Egypt

\* Preliminary, subject to revision.

1/ Consolidated domestic debt of the Budget sector, NIB, and SIF. This level of compilation entails the deduction of Budget Sector borrowings from NIB, MOF securities held by the SIF and NIB, the SIF bonds, and NIB borrowings from SIF.

2/ In light of the enhanced transparency of the new fiscal policy framework, the outstanding debt on Treasury to SIF (through NIB) was registered as a direct liability on the first to the latter on July 1<sup>st</sup>, 2006. This was associated with the issuance of two treasury bonds in interest of SIF, worth L.E 197.725 billions. The third bond worth LE 74.5 million was issued at end of June 2007. The fourth bond worth LE 1.1 billion was issued at end June 2008. Another bond was issued at end June 2009 worth LE 2.3 billion and lastly, a bond worth LE 988.8 million was issued at end June 2010.

3/ Part of SIF deposits used as loan facilities for the budget sector, currently recognized as part of budget sector domestic debt obligations.

4/ Data revised to exclude deposits used as loan facilities for budget sector starting June 2006.

5/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

Table ( 18 ) : Domestic Public Debt: <sup>1/</sup>

**Detailed Profile**

|   | Annual Profile |                |                |                |                | Quarterly Profile |                |                  |                  | (LE Millions) |
|---|----------------|----------------|----------------|----------------|----------------|-------------------|----------------|------------------|------------------|---------------|
|   | Jun-07         | Jun-08         | Jun-09         | Jun-10         | Jun-11 *       | Mar-11            | Sep-11         | Dec-11           | Mar-12 *         |               |
|   |                |                |                |                |                |                   |                |                  |                  |               |
| <b>Gross Consolidated Public Domestic Debt</b>      | <b>493,879</b> | <b>537,533</b> | <b>643,628</b> | <b>769,783</b> | <b>932,460</b> | <b>890,682</b>    | <b>976,580</b> | <b>1,019,644</b> | <b>1,052,669</b> |               |
| Gross Consolidated General Government Domes         | 486,241        | 512,982        | 615,849        | 733,387        | 889,045        | 847,921           | 941,337        | 981,525          | 1,015,051        |               |
| Economic Authorities' Domestic Debt                 | 80,607         | 90,844         | 90,728         | 100,104        | 109,251        | 108,142           | 99,372         | 102,307          | 103,286          |               |
| Less:   |                |                |                |                |                |                   |                |                  |                  |               |
| Economic Authorities' Borrowings from NIB           | 51,734         | 51,279         | 50,062         | 51,469         | 52,670         | 52,664            | 52,670         | 53,075           | 53,629           |               |
| Economic Authorities' Deposits in TSA <sup>2/</sup> | 21,235         | 15,014         | 12,887         | 12,239         | 13,166         | 12,717            | 11,459         | 11,113           | 12,039           |               |
| <b>Public Sector Deposits</b>                       | <b>130,605</b> | <b>150,501</b> | <b>167,733</b> | <b>170,171</b> | <b>191,116</b> | <b>186,108</b>    | <b>185,712</b> | <b>189,972</b>   | <b>191,714</b>   |               |
| General Government Deposits                         | 116,964        | 131,043        | 148,811        | 158,531        | 166,527        | 164,261           | 169,502        | 170,373          | 172,007          |               |
| Net Deposits of Economic Authorities                | 13,641         | 19,458         | 18,922         | 11,640         | 24,589         | 21,847            | 16,210         | 19,599           | 19,707           |               |
| Economic Authorities Gross Deposits                 | 36,050         | 40,720         | 38,473         | 32,334         | 42,432         | 40,498            | 31,995         | 35,777           | 37,358           |               |
| Less:   |                |                |                |                |                |                   |                |                  |                  |               |
| <sup>3/ 4/</sup> SIF Deposits                       | 1,174          | 6,248          | 6,664          | 8,455          | 4,677          | 5,934             | 4,326          | 5,065            | 5,612            |               |
| <sup>2/</sup> Economic Authorities' Deposits in TSA | 21,235         | 15,014         | 12,887         | 12,239         | 13,166         | 12,717            | 11,459         | 11,113           | 12,039           |               |
| <b>Net Consolidated Public Domestic Debt</b>        | <b>363,274</b> | <b>387,032</b> | <b>475,895</b> | <b>599,612</b> | <b>741,344</b> | <b>704,574</b>    | <b>790,868</b> | <b>829,672</b>   | <b>860,955</b>   |               |
| <b>Memorandum Items: (As Percent of GDP) 5/</b>     |                |                |                |                |                |                   |                |                  |                  |               |
| Gross Consolidated Public Domestic Debt             | 66.3%          | 60.0%          | 61.8%          | 63.8%          | 68.0%          | 64.9%             | 63.2%          | 65.9%            | 68.1%            |               |
| Net Consolidated Public Domestic Debt               | 48.8%          | 43.2%          | 45.7%          | 49.7%          | 54.0%          | 51.4%             | 51.1%          | 53.7%            | 55.7%            |               |

Source: Ministry of Finance and Central Bank of Egypt

\* Preliminary, subject to revision.

1/ Consolidated domestic debt due on the General Government and Economic Authorities. This level of compilation excludes outstanding debt of Economic Authorities to NIB.

2/ This represents part of the Economic Authorities' deposits at TSA that is borrowed by the Budget sector in the form of loan facilities. Hence it represents an interrelated debt between the Budget and Economic Authorities and is therefore deducted on consolidation from both gross Public Sector debt and deposits of Economic Authorities.

3/ SIF deposits were previously included in General Government deposits, see Table (16).

4/ Data revised to exclude deposits used as loan facilities for budget sector starting June 2006.

5/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

**Table ( 19 ): Gross External Debt**

|   | Jun-06        | Jun-07        | Jun-08        | Jun-09        | Jun-10        | Jun-11        | (US \$ Million)<br>Mar-12 <sup>*</sup> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|--|
| <b>Gross External Debt</b>                            | <b>29,593</b> | <b>29,898</b> | <b>33,893</b> | <b>31,531</b> | <b>33,694</b> | <b>34,906</b> | <b>33,422</b>                          |
| 1/ 2/   | (2.2)         | (1.0)         | (13.4)        | -(7.0)        | (6.9)         | (3.6)         | -(4.1)                                 |
| <b>Gross External Government Debt</b>                 | <b>18,865</b> | <b>19,492</b> | <b>21,641</b> | <b>25,818</b> | <b>26,249</b> | <b>27,092</b> | <b>25,483</b>                          |
|   | (3.5)         | (3.3)         | (11.0)        | (19.3)        | (1.7)         | (3.2)         | -(4.8)                                 |
| Bonds and Notes                                       | 1,862         | 1,570         | 2,652         | 1,926         | 3,080         | 2,821         | 2,424                                  |
| Loans   | 17,003        | 17,922        | 18,989        | 23,892        | 23,170        | 24,271        | 23,059                                 |
| <b>Gross External Non- Government Debt</b>            | <b>10,728</b> | <b>10,406</b> | <b>12,252</b> | <b>5,713</b>  | <b>7,445</b>  | <b>7,814</b>  | <b>7,939</b>                           |
|   | (0.1)         | -(3.0)        | (17.7)        | -(53.4)       | (30.3)        | (5.0)         | -(1.8)                                 |
| Monetary Authorities                                  | 664           | 316           | 290           | 212           | 1,260         | 1,500         | 1,639                                  |
| Banks   | 2,120         | 1,954         | 2,542         | 1,797         | 1,964         | 1,725         | 1,568                                  |
| Other Sectors   | 7,944         | 8,136         | 9,420         | 3,705         | 4,221         | 4,589         | 4,732                                  |
| <b>Memorandum Items:</b>                              |               |               |               |               |               |               |  |
| Gross External Debt / GDP                             | 27.6          | 22.8          | 20.1          | 16.9          | 15.9          | 15.2          | 13.0                                   |
| Gross External Government Debt/GDP                    | 17.6          | 14.9          | 12.9          | 13.8          | 12.4          | 11.8          | 9.9                                    |
| Non Government Debt / GDP                             | 10.0          | 7.9           | 7.3           | 3.1           | 3.5           | 3.4           | 3.1                                    |
| Gross External Debt / Exports of Goods and Services   | 82.4          | 70.4          | 59.9          | 64.4          | 71.0          | 71.4          | 291.8                                  |
| Non Government Debt / Total External Debt             | 36.3          | 34.8          | 36.1          | 18.1          | 22.1          | 22.4          | 23.8                                   |
| Short Term Debt / Total External Debt                 | 5.5           | 4.8           | 7.4           | 6.8           | 8.8           | 7.9           | 8.9                                    |
| Short term Debt / Net International Reserves          | 7.1           | 5.1           | 7.3           | 6.8           | 8.4           | 10.4          | 19.6                                   |
| Private Sector Debt / Total External Debt             | 0.3           | 0.3           | 0.1           | 0.3           | 0.2           | 0.2           | 0.1                                    |
| External Debt Service / Current Account Receipts      | 7.3           | 5.9           | 3.9           | 5.3           | 4.5           | 4.5           | 6.2                                    |
| External Debt Service / Exports of Goods and Services | 8.5           | 6.9           | 4.6           | 6.2           | 5.5           | 5.7           | 8.8                                    |
| External Debt per Capita (US\$)                       | 401.7         | 398.5         | 450.0         | 418.6         | 399.2         | 399.2         | 378.8                                  |

Source: Central Bank of Egypt and Ministry of Finance.

\* Preliminary.

-- Data unavailable.

1/ Based on CBE classification. CBE writes-off outstanding debt on government entities (both direct and indirect) to Paris Club according to rescheduled dates of repayments. On the other hand, indebted government entities write-off these debts (dominated in EGP) once they are paid back to CBE and according to original schedule, which precedes rescheduled dates.

2/ CBE reclassified US\$ 4.3 billion as part of Central and Local Government debt, that was only reflected in its statistics starting September 2008. It is noteworthy that such reclassification has not had any impact on the total outstanding foreign debt.

**Table ( 20 ): Debt Service Profile (Domestic and Foreign)**

|  | 2005/06       | 2006/07       | 2007/08       | 2008/09       | 2009/10       | 2010/11        | (LE Millions)<br>July - May<br>2011/12 |
|--|---------------|---------------|---------------|---------------|---------------|----------------|--|
| <b>Total Government Debt Service</b>           | <b>59,552</b> | <b>54,725</b> | <b>60,004</b> | <b>71,123</b> | <b>98,856</b> | <b>117,251</b> | <b>131,120</b>                         |
|  | (31.1)        | -(8.1)        | (9.6)         | (18.5)        | (39.0)        | (18.6)         | (26.1)                                 |
| <b>Interest Payments</b>                       | <b>36,814</b> | <b>47,700</b> | <b>50,528</b> | <b>52,810</b> | <b>72,333</b> | <b>85,077</b>  | <b>95,461</b>                          |
|  | (12.3)        | (29.6)        | (5.9)         | (4.5)         | (37.0)        | (17.6)         | (31.3)                                 |
| Domestic Debt                                  | 33,992        | 44,667        | 46,791        | 49,212        | 69,493        | 81,661         | 92,151                                 |
| Foreign Debt                                   | 2,823         | 3,033         | 3,737         | 3,598         | 2,840         | 3,416          | 3,310                                  |
| <b>Principal Payments</b>                      | <b>22,738</b> | <b>7,026</b>  | <b>9,476</b>  | <b>18,313</b> | <b>26,523</b> | <b>32,174</b>  | <b>35,659</b>                          |
|  | (79.7)        | -(69.1)       | (34.9)        | (93.3)        | (44.8)        | (21.3)         | (14.0)                                 |
| Domestic Debt                                  | 19,058        | 2,973         | 5,644         | 10,365        | 18,067        | 22,964         | 21,036                                 |
| Foreign Debt                                   | 3,680         | 4,053         | 3,832         | 7,948         | 8,455         | 9,211          | 14,623                                 |
| <b>Net Interest Payments</b>                   | <b>35,501</b> | <b>46,357</b> | <b>49,193</b> | <b>47,961</b> | <b>68,405</b> | <b>83,947</b>  | <b>94,596</b>                          |
| <b>Domestic</b>                                | <b>32,679</b> | <b>43,324</b> | <b>45,456</b> | <b>44,364</b> | <b>65,565</b> | <b>80,531</b>  | <b>91,286</b>                          |
| Interest Payments                              | 33,992        | 44,667        | 46,791        | 49,212        | 69,493        | 81,661         | 92,151                                 |
| Interest Income                                | 1,313         | 1,343         | 1,335         | 4,849         | 3,928         | 1,130          | 865                                    |
| <b>Foreign</b>                                 | <b>2,823</b>  | <b>3,033</b>  | <b>3,737</b>  | <b>3,598</b>  | <b>2,840</b>  | <b>3,416</b>   | <b>3,310</b>                           |
| Interest Payments                              | 2,823         | 3,033         | 3,737         | 3,598         | 2,840         | 3,416          | 3,310                                  |
| Interest Income                                | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0            | 0.0                                    |
| <b>Memorandum Items:</b>                       |               |               |               |               |               |                |  |
| <b>In Percent of GDP <sup>1/</sup></b>         |               |               |               |               |               |                |  |
| Total Interest Payments                        | 6.0%          | 6.4%          | 5.6%          | 5.1%          | 6.0%          | 6.2%           | 6.2% <sup>2/</sup>                     |
| Total Principal Payments                       | 3.7%          | 0.9%          | 1.1%          | 1.8%          | 2.2%          | 2.3%           | 2.3% <sup>2/</sup>                     |
| <b>In Percent of Period Total Expenditures</b> |               |               |               |               |               |                |  |
| Total Interest Payments                        | 17.7%         | 21.5%         | 17.9%         | 15.0%         | 19.8%         | 21.2%          | 24.1% <sup>3/</sup>                    |
| Total Principal Payments                       | 10.9%         | 3.2%          | 3.4%          | 5.2%          | 7.2%          | 8.0%           | 9.0% <sup>3/</sup>                     |

Source: Ministry of Finance.

( ) Percent change over same period in previous year.

\* Preliminary. It is noteworthy that fiscal data for the year 2010/2011 is preliminary and subject to further revision until final accounts for governmental units are disclosed.

1/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

2/ July- May 2011/12 ratios are in percent of full year 2011/12 GDP estimates.

3/ July-May 2011/12 ratios are in percent of July- May 2011/12 expenditure.

**Table ( 21 ) : Government Securities Issuances <sup>1/</sup>  
From 2005/2006 to July-May 2011/2012**

|  | 2005/06      | 2006/07      | 2007/08            | 2008/09      | 2009/10      | 2010/11      | July-May <sup>2/</sup><br>2011/12 |
|--|--------------|--------------|--------------------|--------------|--------------|--------------|-----------------------------------|
| <b>Issued</b>                            | <b>179.1</b> | <b>180.7</b> | <b>239.9</b>       | <b>355.2</b> | <b>452.5</b> | <b>548.8</b> | <b>604.1</b>                      |
| T- Bills                                 | 146.1        | 174.7        | 210.4              | 332.2        | 377.3        | 491.8        | 525.3                             |
| T- Bonds                                 | 33.0         | 6.0          | 29.5 <sup>4/</sup> | 23.0         | 75.2         | 57.0         | 78.8                              |
| <b>Matured</b>                           | <b>124.9</b> | <b>166.2</b> | <b>184.6</b>       | <b>248.5</b> | <b>358.3</b> | <b>411.8</b> | <b>506.7</b>                      |
| T- Bills                                 | 122.9        | 159.2        | 182.6              | 239.5        | 350.3        | 401.8        | 486.3                             |
| T- Bonds                                 | 2.0          | 7.0          | 2.0                | 9.0          | 8.0          | 10.0         | 20.4                              |
| <b>Net Issuances 3/</b>                  | <b>54.2</b>  | <b>14.5</b>  | <b>55.3</b>        | <b>106.7</b> | <b>94.2</b>  | <b>137.0</b> | <b>97.4</b>                       |
| <b>Outstanding Stock (End of Period)</b> | <b>161.1</b> | <b>175.6</b> | <b>230.9</b>       | <b>337.6</b> | <b>431.8</b> | <b>568.8</b> | <b>666.2</b>                      |
| T- Bills                                 | 103.1        | 118.6        | 146.4              | 239.1        | 266.1        | 356.1        | 395.1                             |
| T- Bonds                                 | 58.0         | 57.0         | 84.5               | 98.5         | 165.7        | 212.7        | 271.1                             |
| <b>Average Interest Rates: 5/</b>        |              |              |                    |              |              |              |                                   |
| 91 Day T- Bills                          | 8.7          | 8.6          | 6.8                | 11.3         | 9.9          | 11.5         | 13.0                              |
| 182 Day T- Bills                         | 8.8          | 8.9          | 7.4                | 11.6         | 10.2         | 11.8         | 14.0                              |
| 273 Day T- Bills 6/                      | -            | -            | -                  | 11.5         | 10.5         | 11.4         | 14.7                              |
| 364 Day T- Bills                         | 8.8          | 9.1          | 7.8                | 12.1         | 10.5         | 11.5         | 14.7                              |

Source: Ministry of Finance.

1/ Securities nominated in Egyptian Pounds.

2/ Until end of 29 May 2012.

3/ Equivalent to total issued less total matured bills.

4/ Includes bonds issued abroad during July 2007 in Egyptian Pounds, worth LE 6 billions, maturing in July 2012.

5/ Average interest rates in the primary market.

6/ 273 Day T-Bills were introduced to the market for the first time during October 2008.

**Table ( 22 ) : Government Securities Quarterly Issuances Calendar  
July-September 2010/2011 to July-September 2011/2012.**

|   | Jul-Sep<br>2011 | Oct-Dec<br>2011 | Jan-Mar<br>2012 | April-June<br>2012 | July-September 2012 <sup>1/</sup> |              |              |
|---|-----------------|-----------------|-----------------|--------------------|-----------------------------------|--------------|--------------|
|   |                 |                 |                 |                    | July                              | August       | September    |
| <b>91 Days T- Bills</b>                 | 22500           | 25500           | 17000           | 11000              | 8500                              | 4000         | 3000         |
| <b>182 Days T- Bills</b>                | 27500           | 30000           | 28000           | 31000              | 11500                             | 8000         | 8000         |
| <b>273 Days T- Bills</b>                | 38000           | 45500           | 45000           | 40000              | 18500                             | 15000        | 15000        |
| <b>364 Days T- Bills</b>                | 35000           | 45500           | 45000           | 40500              | 17500                             | 14000        | 14000        |
| <b>Bonds (Maturity 2010)</b>            | -               | -               | -               | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2011)</b>            | -               | -               | -               | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2012)</b>            | -               | -               | -               | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2013)</b>            | 12000           | -               | -               | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2014)</b>            | 10000           | 10000           | -               | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2015)</b>            | -               | -               | 15000           | 10000              | 6000                              | 5000         | 4000         |
| <b>Bonds (Maturity 2016)</b>            | -               | 10000           | -               | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2017)</b>            | -               | -               | 15000           | 7500               | 3000                              | 3500         | 3000         |
| <b>Bonds (Maturity 2018)</b>            | -               | 3500            | 5000            | -                  | -                                 | -            | -            |
| <b>Bonds (Maturity 2019)</b>            | -               | -               | -               | 5000               | 4500                              | 1000         | 3000         |
| <b>Bonds (Maturity 2020)</b>            | -               | -               | -               | 5000               | -                                 | -            | -            |
| <b>Bonds (Maturity 2022)</b>            | -               | -               | -               | -                  | 2000                              | 1000         | 2000         |
| <b>Total Issuance (Bills and Bonds)</b> | <b>145000</b>   | <b>170000</b>   | <b>170000</b>   | <b>150000</b>      | <b>71500</b>                      | <b>51500</b> | <b>52000</b> |

Source: Ministry of Finance.

- No Issuances.

1/ Includes LE 75.0 billion of 'reopening issues'.

Table ( 23 ): Yield to Maturity (YTM) on Government Bonds <sup>1/</sup>

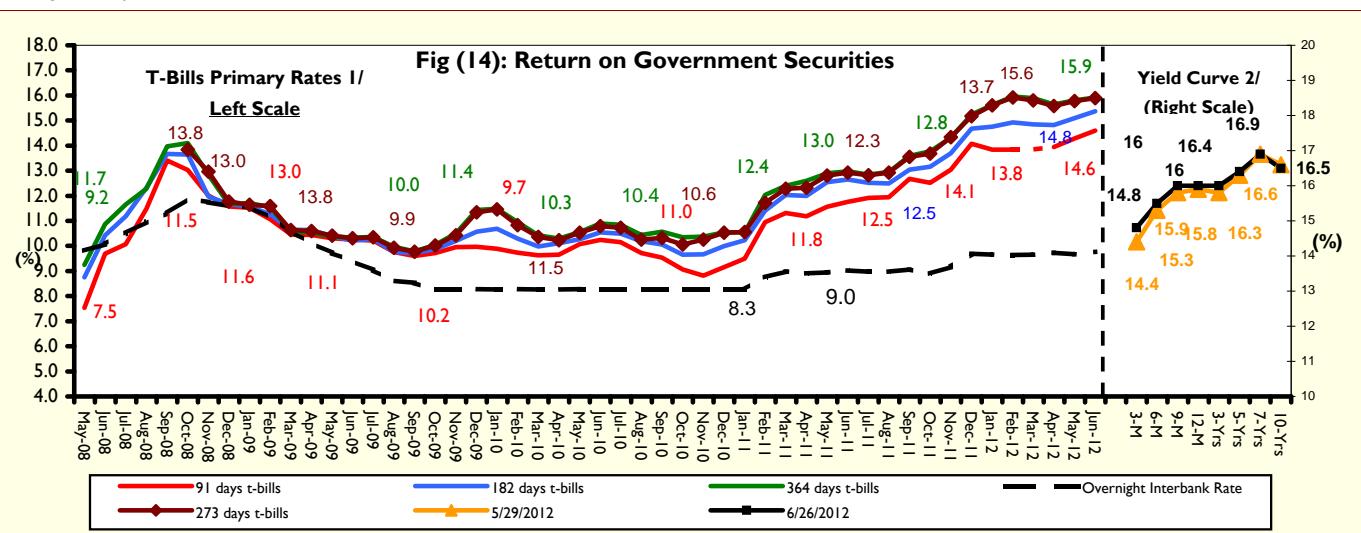
|  | Jun-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Yield to Maturity (Average) :</b>           |        |        |        |        |        |        |        |        |        |
| T- Bonds: May - 2010                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Jul - 2010                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Aug - 2010                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Oct - 2010                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Feb - 2011                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Oct - 2011                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Jan- 2012                            | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Jul- 2012                            | --     | --     | --     | --     | --     | --     | --     | --     | 15.2   |
| T- Bonds: Aug- 2012                            | 10.7   | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Sep - 2012                           | 10.6   | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Jan - 2013                           | --     | --     | --     | --     | 12.8   | --     | 15.6   | 15.6   | 13.0   |
| T- Bonds: Jul - 2013                           | 13.3   | --     | 15.6   | --     | 15.8   | 15.7   | --     | --     | --     |
| T- Bonds: Sep - 2013                           | 11.4   | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Nov - 2013                           | 10.0   | 11.1   | 12.7   | 11.3   | --     | --     | --     | --     | --     |
| T- Bonds: Feb - 2014                           | 9.8    | 10.6   | --     | --     | --     | --     | 13.1   | --     | 13.3   |
| T- Bonds: Apr - 2014                           | 10.5   | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: May - 2014                           | 9.0    | 10.7   | 10.7   | --     | --     | --     | --     | --     | --     |
| T- Bonds: Sep- 2014                            | 13.3   | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Nov - 2014                           | 11.0   | 14.3   | --     | --     | --     | --     | --     | --     | 12.8   |
| T- Bonds: May - 2015                           | 9.7    | --     | --     | --     | --     | --     | --     | --     | 16.0   |
| T- Bonds: Nov - 2015                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Jan - 2016                           | 8.0    | 11.5   | --     | 7.9    | --     | --     | --     | --     | --     |
| T- Bonds: Jul - 2016                           | --     | --     | --     | --     | --     | --     | --     | --     | --     |
| T- Bonds: Feb - 2018                           | --     | 14.2   | --     | 13.0   | --     | --     | --     | --     | --     |
| T- Bonds: Jan - 2025                           | 10.5   | --     | --     | --     | --     | --     | --     | --     | --     |
| <b>Average Life of T-Bonds (years):</b>        | 3.01   | 2.73   | 2.68   | 2.69   | 2.70   | 2.68   | 2.69   | 2.76   | 2.73   |
| <b>Overnight Interbank Rate:</b> <sup>3/</sup> | 9.02   | 9.17   | 9.70   | 9.66   | 9.64   | 9.65   | 9.73   | 9.67   | 9.78   |

Source: Ministry of Finance and Central Bank of Egypt.

-- No trading.

1/ Includes bonds issued under primary dealers system only. Yield to maturity is calculated based on full prices in the secondary market.

3/ Average monthly rate.



Source: Ministry of Finance and Central Bank of Egypt.

1/ Monthly averages in Primary Market.

2/ Secondary market rates.

# Section 6

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## MONETARY SECTOR

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**Table ( 24 ) : Developments in Main Monetary Aggregates**  
**(April 2012)**

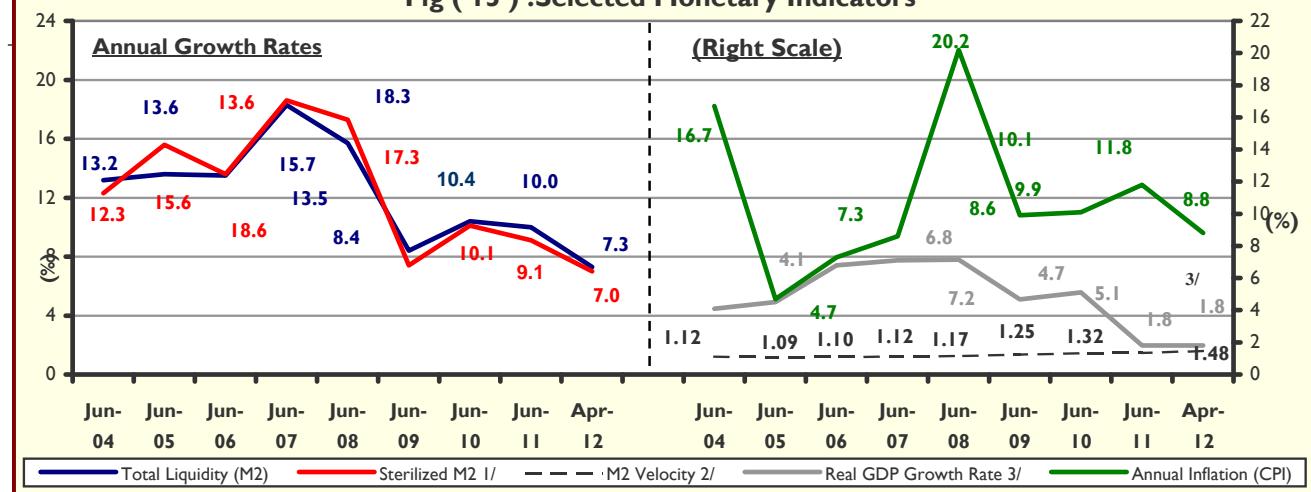
|   | 1 Month % Change | 3 Month % Change | 12 Month % Change | Full Year Average % Change <sup>1/</sup> |
|---|------------------|------------------|-------------------|--|
| <b>Net Foreign Assets (LE terms)</b>        | -4.3             | -8.3             | -35.7             | -26.6                                    |
| CBE NFA                                     | 0.9              | -7.7             | -48.6             | -39.5                                    |
| CBE NIR                                     | 0.7              | -6.9             | -45.0             | -36.5                                    |
| Banks NFA 2/                                | -8.6             | -8.8             | -15.9             | -2.3                                     |
| <b>Net Foreign Assets (US dollar terms)</b> | -4.4             | -8.4             | -36.5             | -29.5                                    |
| CBE NFA                                     | 0.8              | -7.8             | -49.3             | -41.9                                    |
| CBE NIR                                     | 0.6              | -7.0             | -45.7             | -39.1                                    |
| Banks NFA 2/                                | -8.70            | -8.9             | -17.1             | -6.1                                     |
| <b>Net Domestic Assets</b>                  | 1.3              | 3.4              | 22.4              | 23.3                                     |
| Net Claims on Government and GASC           | 1.2              | 4.5              | 31.0              | 37.5                                     |
| Claims on Public Companies                  | 1.6              | 7.7              | 24.1              | 13.9                                     |
| Claims on Private Sector                    | 0.76             | 2.0              | 6.3               | 3.2                                      |
| <b>Total Liquidity (M2)</b>                 | 0.4              | 1.4              | 7.3               | 8.2                                      |
| Money (M1)                                  | 0.8              | 1.4              | 8.6               | 14.4                                     |
| Quasi Money                                 | 0.2              | 1.4              | 6.9               | 6.3                                      |

Source: Central Bank of Egypt.

1/ Average year on year growth for twelve successive observations.

2/ Commercial, specialized, business and investment banks.

**Fig ( 15 ) : Selected Monetary Indicators**



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 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

3/ Real Growth of GDP at market prices. Reflects Real GDP growth for the period July-March 2011/2012.

**Table ( 25 ) : Monetary Survey**  
**Assets and Liabilities of The Banking Sector**  
**(April 2012)**

|  | (LE Millions)   |                |                 |                 |                 |                  |                  |                     |                     |
|--|-----------------|----------------|-----------------|-----------------|-----------------|------------------|------------------|---------------------|---------------------|
|  | Apr-07          | Apr-08         | Apr-09          | Apr-10          | Apr-11          | Jan-12           | Feb-12           | Mar-12 <sup>#</sup> | Apr-12 <sup>*</sup> |
| <b>Net Foreign Assets 1/</b>                 | <b>206,981</b>  | <b>251,529</b> | <b>242,438</b>  | <b>288,939</b>  | <b>256,212</b>  | <b>179,716</b>   | <b>177,927</b>   | <b>172,180</b>      | <b>164,846</b>      |
|  | (48.5)          | (21.5)         | -(3.6)          | (19.2)          | -(11.3)         | -(37.2)          | -(35.2)          | -(35.3)             | -(35.7)             |
| <b>Central bank (Net)</b>                    | <b>86,149</b>   | <b>114,997</b> | <b>171,632</b>  | <b>181,980</b>  | <b>154,804</b>  | <b>86,205</b>    | <b>82,411</b>    | <b>78,891</b>       | <b>79,575</b>       |
| Foreign Assets                               | 151,420         | 180,171        | 173,210         | 190,248         | 162,852         | 96,580           | 92,741           | 89,185              | 89,844              |
| Foreign Liabilities                          | 65,271          | 65,174         | 1,578           | 8,268           | 8,048           | 10,375           | 10,330           | 10,294              | 10,269              |
| <b>Banks (Net)</b>                           | <b>120,832</b>  | <b>136,532</b> | <b>70,806</b>   | <b>106,959</b>  | <b>101,408</b>  | <b>93,511</b>    | <b>95,516</b>    | <b>93,289</b>       | <b>85,271</b>       |
| Foreign Assets                               | 141,462         | 163,081        | 99,352          | 134,702         | 136,472         | 122,600          | 123,722          | 122,398             | 115,461             |
| Foreign Liabilities                          | 20,630          | 26,549         | 28,546          | 27,743          | 35,064          | 29,089           | 28,206           | 29,109              | 30,190              |
| <b>Net Domestic Assets of which:</b>         | <b>412,198</b>  | <b>509,398</b> | <b>569,972</b>  | <b>601,437</b>  | <b>730,580</b>  | <b>864,161</b>   | <b>872,201</b>   | <b>882,816</b>      | <b>893,924</b>      |
|  | (1.4)           | (23.6)         | (11.9)          | (5.5)           | (21.5)          | (26.4)           | (23.2)           | (22.3)              | (22.4)              |
| <b>Net Claims on Government, and GASC 1/</b> | <b>175,729</b>  | <b>208,768</b> | <b>273,702</b>  | <b>310,139</b>  | <b>427,591</b>  | <b>535,955</b>   | <b>539,371</b>   | <b>553,186</b>      | <b>560,053</b>      |
| National Currency                            | 226,826         | 258,606        | 334,727         | 378,232         | 511,464         | 601,645          | 602,406          | 618,318             | 625,832             |
| Foreign Currency                             | -51,097         | -49,838        | -61,025         | -68,093         | -83,873         | -65,690          | -63,035          | -65,132             | -65,779             |
| <b>Claims on Public Business Sector</b>      | <b>25,232</b>   | <b>27,420</b>  | <b>30,933</b>   | <b>36,961</b>   | <b>33,688</b>   | <b>38,830</b>    | <b>40,350</b>    | <b>41,151</b>       | <b>41,820</b>       |
| National Currency                            | 19,506          | 19,986         | 21,748          | 27,967          | 25,119          | 30,163           | 31,627           | 32,330              | 32,816              |
| Foreign Currency                             | 5,726           | 7,434          | 9,185           | 8,994           | 8,569           | 8,667            | 8,723            | 8,821               | 9,004               |
| <b>Claims on Private Sector 2/</b>           | <b>320,801</b>  | <b>363,053</b> | <b>391,277</b>  | <b>399,778</b>  | <b>417,847</b>  | <b>435,446</b>   | <b>437,918</b>   | <b>440,892</b>      | <b>444,226</b>      |
| National Currency                            | 239,362         | 261,402        | 285,334         | 295,186         | 308,571         | 331,620          | 334,405          | 337,319             | 340,381             |
| Foreign Currency                             | 81,439          | 101,651        | 105,943         | 104,592         | 109,276         | 103,826          | 103,513          | 103,573             | 103,845             |
| <b>Other Items (net) 1/ 3/</b>               | <b>-109,564</b> | <b>-89,843</b> | <b>-125,940</b> | <b>-145,441</b> | <b>-148,546</b> | <b>-146,070</b>  | <b>-145,438</b>  | <b>-152,413</b>     | <b>-152,175</b>     |
| <b>Total Liquidity (M2)</b>                  | <b>619,179</b>  | <b>760,927</b> | <b>812,410</b>  | <b>890,376</b>  | <b>986,792</b>  | <b>1,043,877</b> | <b>1,050,128</b> | <b>1,054,996</b>    | <b>1,058,770</b>    |
|  | (13.4)          | (22.9)         | (6.8)           | (9.6)           | (10.8)          | (7.6)            | (6.9)            | (6.8)               | (7.3)               |
| <b>Money (M1) 4/</b>                         | <b>126,096</b>  | <b>165,815</b> | <b>176,539</b>  | <b>205,416</b>  | <b>241,864</b>  | <b>258,977</b>   | <b>258,736</b>   | <b>260,681</b>      | <b>262,693</b>      |
|  | (18.8)          | (31.5)         | (6.5)           | (16.4)          | (17.7)          | (12.8)           | (8.1)            | (8.2)               | (8.6)               |
| Currency in Circulation                      | 83,700          | 100,555        | 114,214         | 130,271         | 165,003         | 179,598          | 179,176          | 180,637             | 181,414             |
| Demand Deposits in Local Currency            | 42,396          | 65,260         | 62,325          | 75,145          | 76,861          | 79,379           | 79,560           | 80,044              | 81,279              |
| <b>Quasi Money</b>                           | <b>493,083</b>  | <b>595,112</b> | <b>635,871</b>  | <b>684,960</b>  | <b>744,928</b>  | <b>784,900</b>   | <b>791,392</b>   | <b>794,315</b>      | <b>796,077</b>      |
|  | (12.1)          | (20.7)         | (6.8)           | (7.7)           | (8.8)           | (6.0)            | (6.5)            | (6.3)               | (6.9)               |
| Local Currency Time and Savings Deposits     | 346,414         | 426,989        | 466,443         | 529,535         | 566,290         | 600,277          | 604,981          | 610,225             | 613,020             |
| Foreign Currency Demand Deposits             | 22,396          | 36,593         | 30,900          | 29,998          | 44,613          | 43,051           | 44,869           | 42,991              | 42,358              |
| Foreign Currency Time and Savings Deposits   | 124,273         | 131,530        | 138,528         | 125,427         | 134,025         | 141,572          | 141,542          | 141,099             | 140,699             |

Source: Central Bank of Egypt.

( ) Percent change over previous year.

\* Preliminary.

# Revised.

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)  
 (April 2012)

|   | Apr-07 | Apr-08 | Apr-09 | Apr-10 | Apr-11 | Jan-12 | Feb-12 | Mar-12 | #      | Apr-12* |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| <b>Net Foreign Assets (In Million US\$)<sup>4/</sup></b>          | 36,419 | 46,450 | 43,135 | 52,421 | 43,086 | 29,840 | 29,543 | 28,590 | 27,342 |         |
| <b>Central bank NFA</b>   | 15,158 | 21,237 | 30,537 | 33,016 | 26,032 | 14,314 | 13,684 | 13,100 | 13,199 |         |
| <b>Net International Reserves</b>                                 | 47,904 | 58,486 | 43,416 | 53,922 | 44,439 | 31,563 | 31,258 | 30,300 | 29,045 |         |
| <b>Central Bank (Gross)</b>                                       | 27,118 | 33,810 | 31,189 | 34,654 | 28,024 | 16,354 | 15,718 | 15,119 | 15,213 |         |
| <b>Banks (net)</b>  | 21,261 | 25,214 | 12,598 | 19,405 | 17,053 | 15,527 | 15,860 | 15,491 | 14,143 |         |
| Foreign assets  | 24,891 | 30,116 | 17,677 | 24,439 | 22,950 | 20,357 | 20,543 | 20,324 | 19,151 |         |
| Foreign Liabilities   | 3,630  | 4,903  | 5,079  | 5,033  | 5,897  | 4,830  | 4,683  | 4,834  | 5,007  |         |
| <b>In Percent of Beginning of Money Stocks<sup>5/</sup></b>       |        |        |        |        |        |        |        |        |        |         |
| Net Foreign Assets  | 13.1%  | 5.0%   | -8.0%  | 4.2%   | -2.9%  | -7.3%  | -7.5%  | -8.1%  | -8.8%  |         |
| Net Domestic Assets   | -2.6%  | 9.9%   | 14.0%  | 2.9%   | 10.4%  | 10.7%  | 11.5%  | 12.6%  | 13.7%  |         |
| Money (M1)  | 3.0%   | 5.2%   | 0.8%   | 2.7%   | 3.0%   | 1.0%   | 1.0%   | 1.2%   | 1.4%   |         |
| Quasi Money   | 7.5%   | 9.6%   | 5.2%   | 4.4%   | 4.5%   | 2.4%   | 3.0%   | 3.3%   | 3.5%   |         |
| Dollarization (% of Total Liquidity) <sup>6/</sup>                | 23.7   | 22.1   | 20.9   | 17.5   | 18.1   | 17.7   | 17.8   | 17.4   | 17.3   |         |
| M2 Multiplier <sup>7/</sup>                                       | 4.85   | 4.76   | 4.77   | 4.45   | 4.10   | 4.01   | 4.15   | 4.20   | 4.31   |         |
| M2 Velocity <sup>8/</sup>   | 1.20   | 1.18   | 1.28   | 1.36   | 1.39   | 1.48   | 1.47   | 1.47   | 1.46   |         |
| M2 (annual percentage change)                                     | 13.4   | 22.9   | 6.8    | 9.6    | 10.8   | 7.6    | 6.9    | 6.8    | 7.3    |         |
| Credit to private sector (annual percentage change) <sup>9/</sup> | 12.3   | 13.2   | 7.8    | 2.2    | 4.5    | 5.4    | 5.2    | 5.5    | 6.3    |         |
| Exchange Rate <sup>10/</sup>                                      | 5.68   | 5.42   | 5.62   | 5.51   | 5.95   | 6.02   | 6.02   | 6.02   | 6.03   |         |

Source: Central Bank of Egypt.

\* Preliminary.

# Revised.

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.

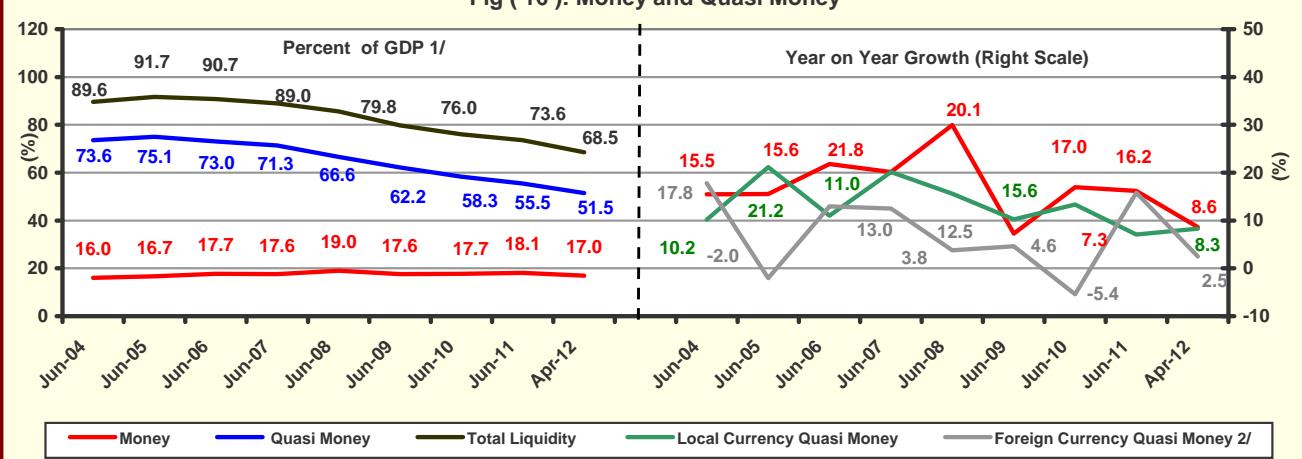
7/ M2 / Reserve Money.

8/ GDP / M2. According to the Ministry of Economic Development, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

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.

**Fig ( 16 ) : Money and Quasi Money**



Source: Central Bank of Egypt.

1/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

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

**Table ( 26 ) : Central Bank Reserve Money <sup>1/</sup>**

(LE Millions)

|  | Apr-07         | Apr-08         | Apr-09         | Apr-10         | Apr-11         | Jan-12         | Feb-12         | Mar-12         | *<br>Apr-12    |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Reserve Money</b>                     | <b>127,657</b> | <b>159,909</b> | <b>170,474</b> | <b>199,951</b> | <b>240,849</b> | <b>260,619</b> | <b>252,926</b> | <b>251,302</b> | <b>245,371</b> |
|  | (12.5)         | (10.1)         | (6.6)          | (17.3)         | (20.5)         | (12.9)         | (2.4)          | (7.0)          | (1.9)          |
| Currency in Circulation                  | 88,846         | 106,743        | 121,055        | 137,852        | 175,752        | 190,978        | 189,413        | 190,951        | 192,109        |
|  | (17.6)         | (20.1)         | (13.4)         | (13.9)         | (27.5)         | (23.9)         | (7.0)          | (8.7)          | (9.3)          |
| Banks LE Deposits with CBE               | 38,811         | 53,166         | 49,419         | 62,099         | 65,097         | 69,641         | 63,513         | 60,351         | 53,262         |
|  | (2.3)          | -5.95          | (12.0)         | (25.7)         | (4.8)          | (-9.2)         | (-9.2)         | (1.9)          | -(18.2)        |
| <b>Counter Assets:</b>                   |                |                |                |                |                |                |                |                |                |
| <b>Net Foreign Assets <sup>2/</sup></b>  | <b>86,149</b>  | <b>114,997</b> | <b>171,632</b> | <b>181,980</b> | <b>154,804</b> | <b>86,205</b>  | <b>82,411</b>  | <b>78,891</b>  | <b>79,575</b>  |
|  | (41.7)         | (33.5)         | (49.2)         | (6.0)          | -(14.9)        | (-55.5)        | -(55.4)        | -(52.9)        | -(48.6)        |
| <b>Net Domestic Assets <sup>2/</sup></b> | <b>41,508</b>  | <b>44,912</b>  | <b>-1,158</b>  | <b>17,971</b>  | <b>86,045</b>  | <b>174,414</b> | <b>170,515</b> | <b>172,411</b> | <b>165,796</b> |
|  | (-21.3)        | -(107.3)       | -(102.6)       | (1651.9)       | (378.8)        | (366.9)        | (174.0)        | (155.6)        | (92.7)         |
| Net Claims on Government <sup>3/</sup>   | 111,917        | 120,112        | 86,582         | 75,556         | 108,404        | 183,836        | 177,316        | 178,237        | 186,329        |
|  | (-4.5)         | (7.3)          | -(27.9)        | -(12.7)        | (43.5)         | (76.0)         | (66.4)         | (63.8)         | (71.9)         |
| Claims                                   | 186,591        | 194,614        | 162,737        | 153,421        | 191,806        | 263,563        | 256,735        | 257,827        | 266,980        |
|  | (3.0)          | (4.3)          | -(16.4)        | -(5.7)         | (25.0)         | (43.5)         | (36.6)         | (36.0)         | (39.2)         |
| Securities                               | 164,761        | 165,438        | 122,378        | 124,559        | 130,597        | 129,097        | 129,097        | 129,097        | 129,097        |
| Credit Facilities                        | 21,830         | 29,176         | 40,359         | 28,862         | 61,209         | 134,466        | 127,638        | 128,730        | 137,883        |
| Deposits <sup>4/</sup>                   | 74,674         | 74,502         | 76,155         | 77,865         | 83,402         | 79,727         | 79,419         | 79,590         | 80,651         |
|  | (16.7)         | -(0.2)         | (2.2)          | (2.2)          | (7.1)          | (0.7)          | -(2.5)         | -(1.4)         | -(3.3)         |
| Net Claims on Banks                      | 65,373         | 78,040         | -4,331         | 34,869         | -856           | -1,918         | -1,685         | -1,607         | -2,158         |
| Net Balancing Items <sup>5/</sup>        | -149,370       | -153,240       | -83,409        | -92,454        | -21,503        | -7,504         | -5,116         | -4,219         | -18,375        |
| <b>Memorandum Items</b>                  |                |                |                |                |                |                |                |                |                |
| Reserve Money Velocity <sup>6/, 7/</sup> | 5.83           | 5.60           | 6.11           | 6.03           | 5.70           | 5.93           | 6.11           | 6.15           | 6.30           |

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 Economic Development, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

Table ( 27 ) : Deposits With Banks <sup>1/</sup>

(LE Millions)

|  | Apr-07         | Apr-08         | Apr-09         | Apr-10         | Apr-11         | Jan-12         | Feb-12         | Mar-12           | Apr-12*          |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|
| <b>Total Deposits</b>                        | <b>608,165</b> | <b>754,661</b> | <b>802,348</b> | <b>886,422</b> | <b>945,727</b> | <b>992,356</b> | <b>999,354</b> | <b>1,004,932</b> | <b>1,008,743</b> |
|  | (7.8)          | (24.1)         | (6.3)          | (10.5)         | (6.7)          | (5.0)          | (5.9)          | (5.9)            | (6.7)            |
| In local currency                            | 429,866        | 551,643        | 589,864        | 677,128        | 712,531        | 753,886        | 757,012        | 763,610          | 768,273          |
| In foreign currency                          | 178,299        | 203,018        | 212,484        | 209,294        | 233,196        | 238,470        | 242,342        | 241,322          | 240,470          |
| <b>Non Government Deposits</b> <sup>2/</sup> | <b>540,642</b> | <b>666,744</b> | <b>702,571</b> | <b>765,139</b> | <b>828,224</b> | <b>870,998</b> | <b>877,462</b> | <b>880,770</b>   | <b>884,241</b>   |
|  | (13.1)         | (23.3)         | (5.4)          | (8.9)          | (8.2)          | (4.9)          | (6.1)          | (6.0)            | (6.8)            |
| In local currency                            | 392,696        | 496,687        | 531,276        | 607,441        | 646,150        | 682,651        | 687,531        | 693,259          | 697,615          |
| In foreign currency                          | 147,946        | 170,057        | 171,295        | 157,698        | 182,074        | 188,347        | 189,931        | 187,511          | 186,626          |
| <b>Government Deposits</b>                   | <b>67,523</b>  | <b>87,917</b>  | <b>99,777</b>  | <b>121,283</b> | <b>117,503</b> | <b>121,358</b> | <b>121,892</b> | <b>124,162</b>   | <b>124,502</b>   |
|  | (-21.4)        | (30.2)         | (13.5)         | (21.6)         | (-3.1)         | (6.1)          | (4.5)          | (5.2)            | (6.0)            |
| In local currency                            | 37,170         | 54,956         | 58,588         | 69,687         | 66,381         | 71,235         | 69,481         | 70,351           | 70,658           |
| In foreign currency                          | 30,353         | 32,961         | 41,189         | 51,596         | 51,122         | 50,123         | 52,411         | 53,811           | 53,844           |
| <b>Memorandum Items</b>                      |                |                |                |                |                |                |                |                  |                  |
| <b>(In Percent):</b>                         |                |                |                |                |                |                |                |                  |                  |
| Dollarization in Total Deposits              | 29.3           | 26.9           | 26.5           | 23.6           | 24.7           | 24.0           | 24.2           | 24.0             | 23.8             |
| Dollarization in Non-Government Deposits     | 27.4           | 25.5           | 24.4           | 20.6           | 22.0           | 21.6           | 21.6           | 21.3             | 21.1             |
| Dollarization in Government Deposits         | 45.0           | 37.5           | 41.3           | 42.5           | 43.5           | 41.3           | 43.0           | 43.3             | 43.2             |

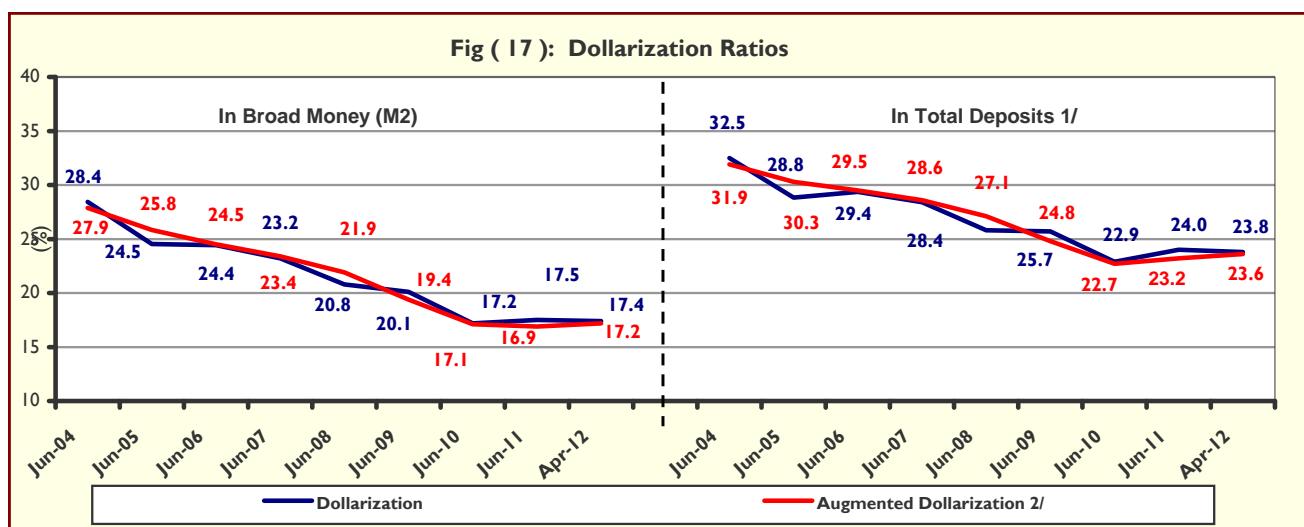
Source: Central bank of Egypt.

( ) 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 <sup>1/</sup>**

(LE Millions)

|   | Apr-07         | Apr-08         | Apr-09         | Apr-10         | Apr-11         | Jan-12         | Feb-12         | Mar-12         | Apr-12*        |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total lending</b>  | <b>348,581</b> | <b>398,124</b> | <b>431,607</b> | <b>452,905</b> | <b>473,045</b> | <b>492,290</b> | <b>495,125</b> | <b>495,878</b> | <b>498,963</b> |
|   | (9.4)          | (14.2)         | (8.4)          | (4.9)          | (4.4)          | (5.8)          | (5.5)          | (5.5)          | (5.5)          |
| <b>To Government <sup>2/</sup></b>  | <b>26,820</b>  | <b>30,767</b>  | <b>31,608</b>  | <b>38,484</b>  | <b>41,449</b>  | <b>36,880</b>  | <b>36,303</b>  | <b>34,320</b>  | <b>33,719</b>  |
|   | (27.9)         | (14.7)         | (2.7)          | (21.8)         | (7.7)          | -(4.9)         | -(6.5)         | -(10.4)        | -(18.6)        |
| In local currency   | 11,479         | 10,302         | 9,774          | 14,481         | 18,617         | 16,120         | 16,115         | 15,878         | 15,625         |
| In foreign currency   | 15,341         | 20,465         | 21,834         | 24,003         | 22,832         | 20,760         | 20,188         | 18,442         | 18,094         |
| <b>To Non-Government</b>  | <b>321,761</b> | <b>367,357</b> | <b>399,999</b> | <b>414,421</b> | <b>431,596</b> | <b>455,410</b> | <b>458,822</b> | <b>461,558</b> | <b>465,244</b> |
|   | (8.0)          | (14.2)         | (8.9)          | (3.6)          | (4.1)          | (6.8)          | (6.5)          | (6.9)          | (7.8)          |
| In local currency   | 235,927        | 256,216        | 283,246        | 291,385        | 301,633        | 331,549        | 335,156        | 338,396        | 341,559        |
| In foreign currency   | 85,834         | 111,141        | 116,753        | 123,036        | 129,963        | 123,861        | 123,666        | 123,162        | 123,685        |
| <b>Memorandum Items (In Percent):</b>   |                |                |                |                |                |                |                |                |                |
| Credit to private sector <sup>3/</sup> / Total Credit                               | 85.1           | 85.5           | 85.5           | 83.4           | 84.2           | 84.7           | 84.6           | 84.8           | 84.9           |
| Non Government Loans/ Deposits <sup>4/</sup>  | 59.5           | 55.1           | 56.9           | 54.2           | 52.1           | 52.3           | 52.3           | 52.4           | 52.6           |
| Government Loans / Deposits   | 39.7           | 35.0           | 31.7           | 31.7           | 35.3           | 30.4           | 29.8           | 27.6           | 27.1           |
| Foreign currency denominated credit to total credit                                 | 29.0           | 33.1           | 32.1           | 32.5           | 32.3           | 29.4           | 29.1           | 28.6           | 28.4           |
| Government foreign currency denominated credit to total government credit           | 57.2           | 66.5           | 69.1           | 62.4           | 55.1           | 56.3           | 55.6           | 53.7           | 53.7           |
| Non - government foreign currency denominated credit to total non-government credit | 26.7           | 30.3           | 29.2           | 29.7           | 30.1           | 27.2           | 27.0           | 26.7           | 26.6           |

Source: Central Bank of Egypt.

( ) Percent change over previous year

\* Preliminary.

1/ Excludes credit provided by the Central Bank of Egypt.

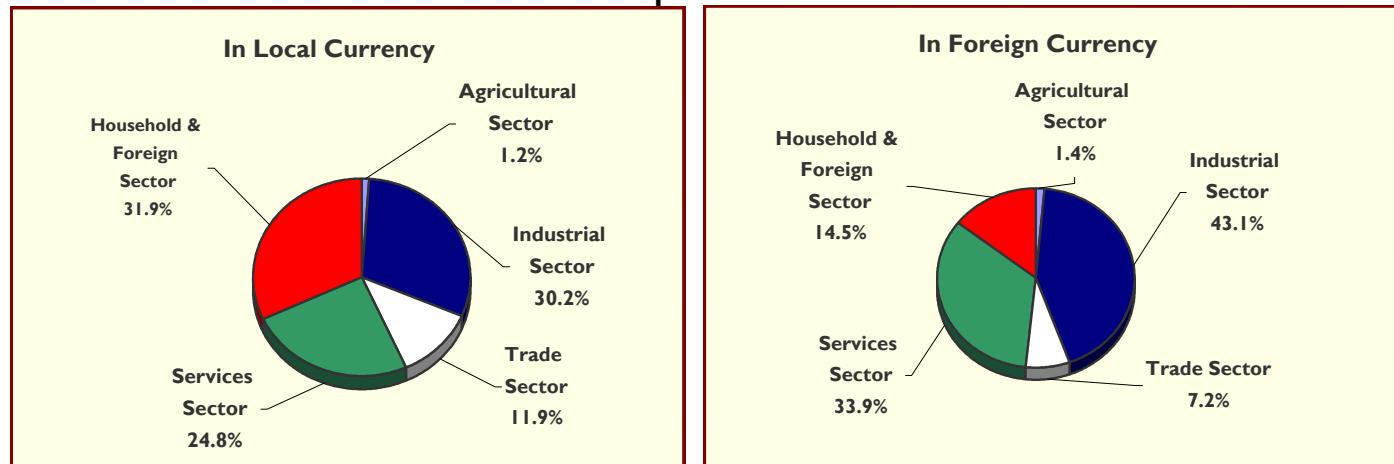
2/ Includes central government and economic authorities.

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**

**April-2012**



Source: Central Bank of Egypt.

Table ( 29 ) : Domestic Interest Rates

|                        | CBE Discount Rate <sup>1/</sup> | Lending Rate (Less than one year loans) <sup>2/</sup> | 3 Months Deposit Rate <sup>2/</sup> | 3 Months T-bills <sup>3/</sup> | Investment Certificates <sup>1/</sup> <sup>3/</sup> | Post office Saving Deposits <sup>1/</sup> |
|------------------------|---------------------------------|---|-------------------------------------|--------------------------------|---|---|
| <b>Yearly Average</b>  |                                 |   |                                     |                                |   |   |
| 2002/2003              | 10.00                           | 13.70   | 8.69                                | 8.31                           | 10.50   | 10.50                                     |
| 2003/2004              | 10.00                           | 13.40   | 7.96                                | 8.41 <sup>1/</sup>             | 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                                      |
| <b>Monthly Average</b> |                                 |   |                                     |                                |   |   |
| May-11                 | 8.50                            | 10.80   | 6.70                                | 11.56                          | 9.50  | 9.00                                      |
| Jun-11                 | 8.50                            | 11.00   | 6.60                                | 11.72                          | 9.50  | 9.00                                      |
| Jul-11                 | 8.50                            | 11.00   | 6.70                                | 11.91                          | 9.50  | 9.00                                      |
| Aug-11                 | 8.50                            | 11.10   | 6.70                                | 11.93                          | 9.50  | 9.00                                      |
| Sep-11                 | 8.50                            | 11.20   | 6.80                                | 12.67                          | 10.00   | 9.00                                      |
| Oct-11                 | 8.50                            | 11.30   | 7.00                                | 12.52                          | 10.00   | 9.00                                      |
| Nov-11                 | 9.50                            | 11.40   | 7.10                                | 13.04                          | 11.50   | 9.00                                      |
| Dec-11                 | 9.50                            | 11.80   | 7.20                                | 14.08                          | 11.50   | 9.00                                      |
| Jan-12                 | 9.50                            | 11.90   | 7.40                                | 13.86                          | 11.50   | 9.00                                      |
| Feb-12                 | 9.50                            | 11.90   | 7.60                                | 13.83                          | 11.50   | 9.00                                      |
| Mar-12                 | 9.50                            | 12.00   | 7.70                                | 13.83                          | 11.50   | 9.00                                      |
| Apr-12                 | 9.50                            | 12.10   | 7.60                                | 13.95                          | 11.50   | 9.00                                      |
| May-12                 | 9.50                            | --  | --                                  | 14.29                          | 11.50   | 9.00                                      |

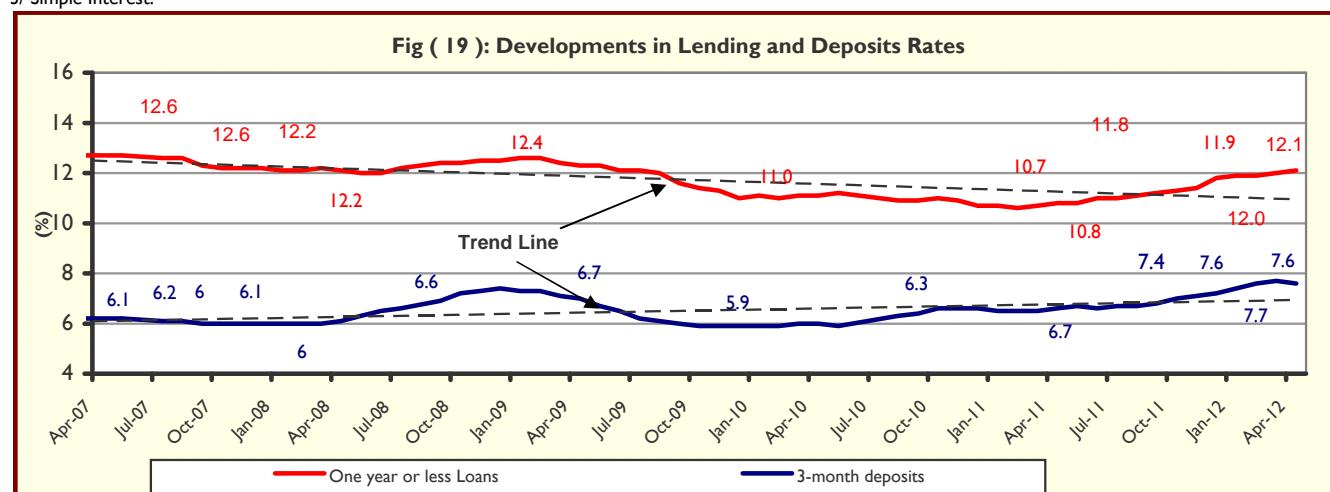
Source: Central Bank of Egypt.

-- Data unavailable.

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 <sup>1/</sup>**

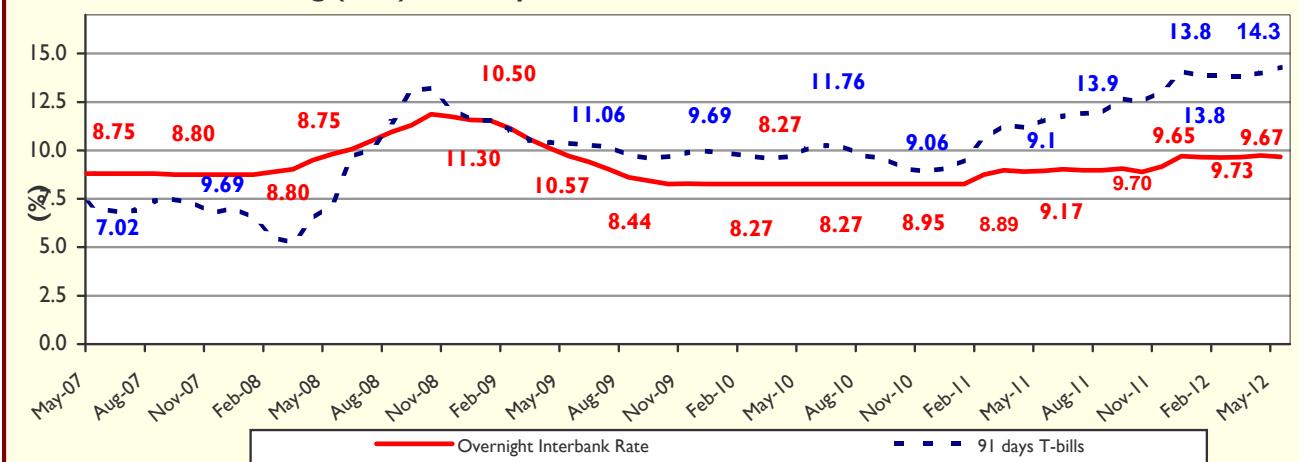
|                               | Overnight | One Week | Month | More than One Month |
|-------------------------------|-----------|----------|-------|---------------------|
| <b><u>Yearly Average</u></b>  |           |          |       |                     |
| 2003                          | 8.4       | 9.4      | 9.7   | 9.9                 |
| 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                 |
| <b><u>Monthly Average</u></b> |           |          |       |                     |
| May-11                        | 8.95      | 9.10     | 9.50  | 9.50                |
| Jun-11                        | 9.02      | 9.12     | 9.55  | 9.50                |
| Jul-11                        | 8.97      | 9.13     | 9.56  | 9.59                |
| Aug-11                        | 8.98      | 9.16     | 9.48  | 9.30                |
| Sep-11                        | 9.07      | 9.25     | 9.40  | 9.55                |
| Oct-11                        | 8.89      | 9.20     | --    | 9.30                |
| Nov-11                        | 9.17      | 9.27     | 9.10  | 9.31                |
| Dec-11                        | 9.70      | 9.83     | 10.05 | 11.30               |
| Jan-12                        | 9.66      | 9.81     | 9.94  | 9.90                |
| Feb-12                        | 9.64      | 9.77     | 10.37 | --                  |
| Mar-12                        | 9.65      | 9.80     | 10.48 | 9.91                |
| Apr-12                        | 9.73      | 9.81     | 9.94  | 11.25               |
| May-12                        | 9.67      | 9.83     | 10.25 | 10.08               |

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'.

**Fig ( 20 ) : Developments in Interbank and T-bills Rates**



Source: Central Bank of Egypt.

# Section 7

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## FINANCIAL SECTOR & INVESTMENT

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**Table (31): Capital Market Main Indicators <sup>1/</sup>**

|   | Jun-07        | Jun-08        | Jun-09        | Jun-10         | Jun-11         | Mar-12         | Apr-12         | May-12             | Jun-12         |
|---|---------------|---------------|---------------|----------------|----------------|----------------|----------------|--------------------|----------------|
| <b>EGX-30 Index (Previously CASE-30) <sup>2/</sup></b>  | <b>7,803</b>  | <b>9,827</b>  | <b>5,703</b>  | <b>6,033</b>   | <b>5,373</b>   | <b>5,019</b>   | <b>4,945</b>   | <b>4,686</b>       | <b>4,709</b>   |
| Monthly Return (%)                                      | 0.4           | -11.1         | -3.8          | -7.9           | -2.7           | -6.2           | -1.5           | -5.2               | 0.5            |
| Market Volatility <sup>3/</sup>                         | 1.0           | 1.0           | 2.0           | 1.3            | 1.2            | 1.5            | 1.5            | 1.2                | 2.6            |
| <b>Market Capitalization <sup>4/</sup> (LE Billion)</b> | <b>602</b>    | <b>813</b>    | <b>464</b>    | <b>410</b>     | <b>400</b>     | <b>362</b>     | <b>353</b>     | <b>337</b>         | <b>340</b>     |
| In % of GDP <sup>5/</sup>                               | 80.8          | 90.8          | 44.5          | 34.0           | 29.1           | 23.4           | 22.8           | 21.8               | 22.0           |
| Number of Companies                                     | 544           | 375           | 333           | 215            | 211            | 213            | 212            | 212                | 212            |
| <b>Traded Shares and Securities</b>                     |               |               |               |                |                |                |                |                    | <sup>11/</sup> |
| Value (In LE millions)                                  | 33,027        | 47,171        | 60,285        | 46,507         | 20,515         | 15,451         | 11,986         | 33,121             | 11,838         |
| Monthly Change (%)                                      | 9.2           | -33.0         | 69.3          | 60.9           | 12.8           | 12.3           | -22.4          | 176.3              | -64.3          |
| Annual Change (%)                                       | 166.4         | 42.8          | 27.8          | -22.9          | -55.9          | 12.0           | 4.9            | 82.2               | -42.3          |
| <b>Listed Bonds (LE Million)</b>                        | <b>62,130</b> | <b>84,547</b> | <b>97,586</b> | <b>171,665</b> | <b>224,837</b> | <b>264,969</b> | <b>268,739</b> | --                 | --             |
| Government <sup>6/</sup> , of which:                    | 57,598        | 78,771        | 92,625        | 159,890        | 206,891        | 250,185        | 254,185        | --                 | --             |
| Bonds of the primary dealers                            | 53,000        | 74,500        | 92,500        | 159,767        | 206,767        | 250,067        | 254,067        | --                 | --             |
| Companies   | 3,843         | 3,880         | 3,096         | 5,423          | 6,718          | 4,359          | 4,283          | --                 | --             |
| Securitization <sup>7/</sup>                            | 689           | 1,869         | 1,865         | 6,352          | 6,228          | 5,425          | 5,271          | --                 | --             |
| <b>Net Foreigners Purchases</b>                         |               |               |               |                |                |                |                |                    |                |
| Value (In US\$ millions)                                | -1,240        | 199           | -106          | 43             | -166           | -56            | -106           | 2,472              | -62            |
| Volume (In thousand shares)                             | -297,270      | 23,255        | 562           | 93,610         | -59,994        | -80,046        | -118,937       | 37,500             | -166,930       |
| In % of Overall Trade                                   | 31            | 20            | 12            | 22             | 20             | 21             | 22             | 43                 | 19             |
| <b>Other Indicators</b>                                 |               |               |               |                |                |                |                |                    |                |
| Price / Earning Ratio <sup>8/ 9/</sup>                  | 21.9          | 15.7          | 11.5          | 12.6           | 13.0           | 11.6           | 11.1           | 10.6               | 10.9           |
| Dividend Yield (%) <sup>9/10/</sup>                     | 4.1           | 6.5           | 7.2           | 7.5            | 7.5            | 8.7            | 9.3            | 9.0                | 8.4            |
| Turnover Ratio (%)                                      | 4.8           | 4.9           | 11.2          | 4.5            | 3.7            | 3.0            | 2.0            | 4.0 <sup>12/</sup> | 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 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

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

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

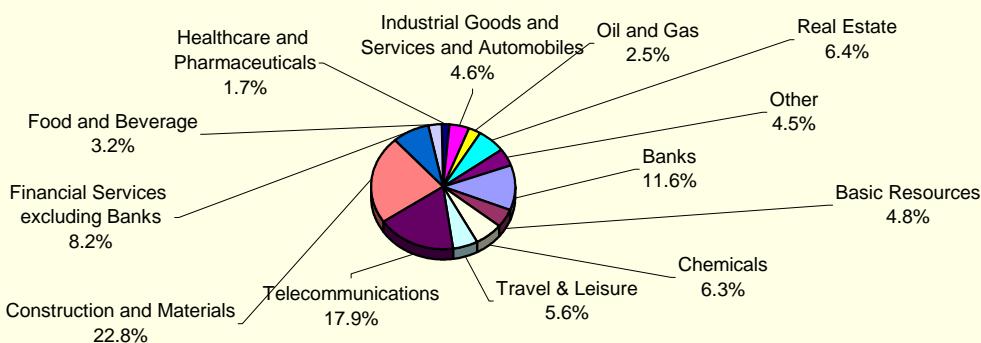
8/ Price / earning ratio, also known as the " Multiple", is calculated by dividing the market price of each stock by its annual earnings.

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 (30 June 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 - May 2012)**

| Date   | Acquirer  | Security   | Value (LE Million) | Percent Acquired (%) |
|--------|---|--|--------------------|----------------------|
| 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 <sup>1/</sup> | Lord Import & Export                                 | 82.5               | 99.98                |
| Jan-10 | Soliman Group Holding for Financial Investments <sup>1/</sup> | Lord Precision Industries                            | 95.7               | 96.87                |
| Jan-10 | Soliman Group Holding for Financial Investments <sup>1/</sup> | 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 <sup>2/</sup>             | Cairo Feeding Industries                             | 66.4               | 98.80                |
| Jun-09 | Orascom for Fertilizers Factories Maintenance <sup>1/</sup>   | 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): Main Privatized and - or Liquidated Companies  
(From 1993-1994 until 30 June 2012)**

| Method of Privatization                            | Number of Companies | Percentage Sold | Sales Proceeds (LE Millions) |
|--|---------------------|-----------------|------------------------------|
| <b>Total</b>                                       | <b>282</b>          |                 | <b>53,644</b>                |
| <b>Majority through Public Offering, of which:</b> | <b>38</b>           |                 | <b>6,064</b>                 |
| Helwan Portland Cement                             |                     | 52%             | 1,202                        |
| Ameriyah Cement                                    |                     | 71%             | 768                          |
| Paints & Chemicals Industries Pachin               |                     | 62%             | 692                          |
| Industrial &Engineering Projects                   |                     | 90%             | 299                          |
| <b>Minority through Public Offering, of which:</b> | <b>23</b>           |                 | <b>11,003</b>                |
| Telecom Egypt                                      |                     | 20%             | 5,122                        |
| Sidi Krir Petrochemicals                           |                     | 20%             | 1,626                        |
| Talaat Moustafa Group                              |                     | 4%              | 932                          |
| Eastern Tobacco                                    |                     | 34%             | 549                          |
| <b>Liquidation</b>                                 | <b>34</b>           |                 | --                           |
| <b>Asset Sale</b>                                  | <b>44</b>           |                 | <b>3,437</b>                 |
| <b>Anchor Investor, of which:</b>                  | <b>85</b>           |                 | <b>32,208</b>                |
| Bank of Alexandria                                 |                     | 80%             | 9,274                        |
| Fertilized Egypt                                   |                     | 46%             | 1,971                        |
| Suez Cement  |                     | 33%             | 1,800                        |
| Assiut Cement                                      |                     | 100%            | 1,380                        |
| <b>Employee Shareholder Association, of which:</b> | <b>33</b>           |                 | <b>932</b>                   |
| 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                           |
| <b>Leasing</b>                                     | <b>25</b>           |                 | --                           |

Source: Ministry of Investment and Stock Market Exchange Bulletin.

-- Data unavailable.

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

|                  | Law 203 Sales <sup>1/</sup> |       | Joint Venture Sales <sup>2/</sup> |       | 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 <sup>1/</sup>**

| Rank      | Emerging Market <sup>2/</sup> | Monthly Change<br>Jun-12 | Yield (%)<br>Jun-12 | Cumulative Change (YTD)<br>Jun-12 |
|-----------|-------------------------------|--------------------------|---------------------|-----------------------------------|
| 1         | Turkey                        | 17.4                     |                     | 26.7                              |
| 2         | Hungary                       | 16.0                     |                     | 9.4                               |
| 3         | Poland                        | 14.7                     |                     | 9.9                               |
| 4         | Mexico                        | 12.4                     |                     | 13.9                              |
| 5         | Russia                        | 8.9                      |                     | -2.5                              |
| 6         | India                         | 6.8                      |                     | 7.2                               |
| 7         | Philippines                   | 6.1                      |                     | 26.1                              |
| 8         | Chile                         | 5.2                      |                     | 7.6                               |
| 9         | South Africa                  | 5.0                      |                     | 4.1                               |
| 10        | Czech Republic                | 4.4                      |                     | -8.5                              |
| 11        | Indonesia                     | 3.6                      |                     | -3.5                              |
| 12        | Korea                         | 3.3                      |                     | 3.7                               |
| 13        | Thailand                      | 3.0                      |                     | 14.6                              |
| 14        | Malaysia                      | 1.4                      |                     | 2.9                               |
| <b>15</b> | <b>Egypt</b>                  | <b>1.2</b>               |                     | <b>29.7</b>                       |
| 16        | Brazil                        | 0.9                      |                     | -8.4                              |
| 17        | China                         | 0.0                      |                     | 1.1                               |
| 18        | Taiwan                        | -0.5                     |                     | 4.9                               |
| 19        | Peru                          | -1.2                     |                     | 4.6                               |
| 20        | Morocco                       | -2.1                     |                     | -8.8                              |

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-07         | Jun-08         | Jun-09         | Jun-10         | Jun-11         | Jan-12         | Feb-12         | Mar-12         | Apr-12         |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Outstanding Balance</b>                         | <b>118,657</b> | <b>146,439</b> | <b>239,080</b> | <b>266,121</b> | <b>356,103</b> | <b>341,640</b> | <b>345,148</b> | <b>357,058</b> | <b>357,315</b> |
| Foreign Customers                                  | --             | --             | 4,945          | 38,370         | 24,542         | 3,834          | 1,640          | 1,676          | 1,466          |
| Companies dealing in Securities                    | 0              | 17             | 988            | 800            | 1,034          | 985            | 1,220          | 1,016          | 1,103          |
| Holding and Investment companies                   | 111            | 71             | 5,208          | 5,926          | 8,966          | 15,830         | 16,933         | 16,201         | 17,179         |
| Banks  | 76,271         | 100,063        | 194,929        | 176,520        | 250,102        | 235,287        | 235,233        | 245,691        | 243,568        |
| Public banks                                       | 42,747         | 59,429         | 110,482        | 91,276         | 116,892        | 102,123        | 97,893         | 103,741        | 104,170        |
| Private banks                                      | 31,964         | 38,783         | 67,570         | 66,530         | 110,319        | 96,856         | 99,101         | 106,440        | 105,587        |
| Foreign banks- branches                            | --             | --             | 9,222          | 10,748         | 9,304          | 20,628         | 23,021         | 23,246         | 21,700         |
| National Investment Bank                           | 1,560          | 1,851          | 2,715          | 2,749          | 820            | 391            | 169            | 140            | 165            |
| Specialized banks                                  | --             | --             | 4,940          | 5,217          | 12,767         | 15,289         | 15,049         | 12,124         | 11,946         |
| Insurance Companies                                | 80             | 81             | 1,568          | 1,803          | 6,491          | 13,606         | 13,580         | 13,526         | 11,601         |
| Public Sector                                      | 66             | --             | 1,095          | 941            | 5,028          | 10,347         | 10,320         | 10,345         | 8,488          |
| Private Sector <sup>1/</sup>                       | 14             | --             | 473            | 862            | 1,463          | 3,259          | 3,260          | 3,181          | 3,113          |
| Mutual Funds                                       | 6,399          | 12,442         | 24,731         | 33,034         | 44,484         | 44,087         | 45,603         | 46,600         | 47,972         |
| Insurance Funds                                    | 2,511          | 1,016          | 1,096          | 757            | 441            | 5,215          | 5,009          | 4,455          | 5,538          |
| Housing & Construction Sector                      | --             | --             | 168            | 197            | 8,641          | 648            | 676            | 730            | 679            |
| Trade Sector                                       | 0.0            | 0.0            | 3.0            | 50.0           | 76.0           | 119            | 113            | 127            | 150            |
| Manufacturing Sector                               | 71             | 60             | 91             | 229            | 268            | 810            | 794            | 707            | 660            |
| Financial Sector                                   | --             | --             | 42             | 531            | 300            | 127            | 133            | 135            | 131            |
| Transporation, Electricity, Gas, and Health Sector | --             | --             | 1              | 21             | 53             | 70             | 79             | 79             | 77             |
| Household Sector                                   | 134            | 11             | 495            | 1,816          | 3,302          | 8,888          | 9,862          | 10,339         | 11,471         |
| Oil & Mining Sector                                | --             | --             | 2,010          | 1,922          | 1,898          | 2,175          | 2,638          | 3,353          | 3,003          |
| Services Sector                                    | 299            | 112            | 94             | 850            | 1,871          | 1,050          | 1,332          | 1,019          | 1,063          |
| Others <sup>2/</sup>                               | 139            | 406            | 2,711          | 3,295          | 3,634          | 8,909          | 10,303         | 11,404         | 11,654         |

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** <sup>1/</sup>

(LE Millions)

|                                       | Jun-07         | Jun-08         | Jun-09         | Jun-10         | Jun-11         | Jan-12         | Feb-12         | Mar-12         | Apr-12         |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Securities</b>               | <b>176,098</b> | <b>201,858</b> | <b>332,597</b> | <b>405,895</b> | <b>474,176</b> | <b>494,400</b> | <b>506,726</b> | <b>522,954</b> | <b>523,070</b> |
| In Local Currency                     | 143,598        | 168,182        | 297,194        | 338,834        | 442,648        | 446,578        | 454,568        | 470,995        | 471,035        |
| In Foreign Currency                   | 32,500         | 33,676         | 35,403         | 67,061         | 31,528         | 47,822         | 52,158         | 51,959         | 52,035         |
| <b>Government Sector</b>              | <b>111,288</b> | <b>148,665</b> | <b>276,095</b> | <b>318,876</b> | <b>412,196</b> | <b>436,597</b> | <b>447,645</b> | <b>464,791</b> | <b>464,508</b> |
| In Local Currency (of which):         | 96,652         | 135,129        | 262,044        | 303,297        | 407,814        | 414,283        | 421,613        | 437,706        | 437,383        |
| In Foreign Currency                   | 14,636         | 13,536         | 14,051         | 15,579         | 4,382          | 22,314         | 26,032         | 27,085         | 27,125         |
| <b>CBE Notes ( In Local Currency)</b> | <b>17,617</b>  | -              | -              | -              | -              | -              | -              | -              | -              |
| <b>Public Business Sector</b>         | <b>761</b>     | <b>1,414</b>   | <b>1,338</b>   | <b>1,052</b>   | <b>980</b>     | <b>852</b>     | <b>883</b>     | <b>853</b>     | <b>850</b>     |
| In Local Currency                     | 761            | 1,414          | 1,338          | 1,052          | 980            | 852            | 883            | 853            | 850            |
| In Foreign Currency                   | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| <b>Private Business Sector</b>        | <b>32,042</b>  | <b>36,523</b>  | <b>39,287</b>  | <b>39,991</b>  | <b>39,239</b>  | <b>35,995</b>  | <b>36,666</b>  | <b>37,079</b>  | <b>37,446</b>  |
| In Local Currency                     | 28,568         | 31,609         | 33,755         | 34,394         | 33,764         | 31,356         | 31,985         | 32,349         | 32,715         |
| In Foreign Currency                   | 3,474          | 4,914          | 5,532          | 5,597          | 5,475          | 4,639          | 4,681          | 4,730          | 4,731          |
| <b>Foreign Sector</b>                 | <b>14,390</b>  | <b>15,256</b>  | <b>15,877</b>  | <b>45,976</b>  | <b>21,761</b>  | <b>20,956</b>  | <b>21,532</b>  | <b>20,231</b>  | <b>20,266</b>  |
| In Local Currency                     | 0              | 30             | 57             | 91             | 90             | 87             | 87             | 87             | 87             |
| In Foreign Currency                   | 14,390         | 15,226         | 15,820         | 45,885         | 21,671         | 20,869         | 21,445         | 20,144         | 20,179         |

Source: Central Bank of Egypt.

-- No Issuance during the period.

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

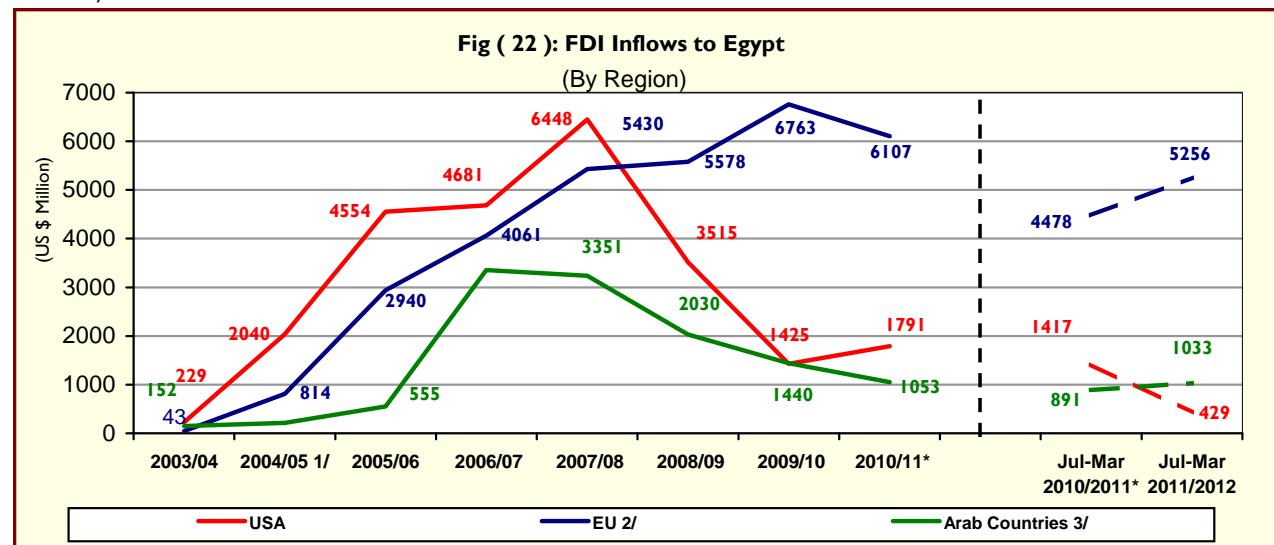
**Table ( 37 ): Net Foreign Direct Investments By Countries**

(US \$ Million)

|  | Annual Profile |              |              |              |              | Quarterly Profile      |                         |                        |                        |
|--|----------------|--------------|--------------|--------------|--------------|------------------------|-------------------------|------------------------|------------------------|
|  | 2006/07        | 2007/08      | 2008/09      | 2009/10      | 2010/11*     | 2010/2011*<br>Jan- Mar | 2011/2012*<br>Jul - Sep | 2011/2012*<br>Oct- Dec | 2011/2012*<br>Jan- Mar |
| <b>Total Net Foreign Direct Investment</b> | <b>11053</b>   | <b>13237</b> | <b>8113</b>  | <b>6758</b>  | <b>2189</b>  | <b>-164</b>            | <b>440</b>              | <b>-858</b>            | <b>636</b>             |
| <b>I. Inflows (Of which)</b>               | <b>13084</b>   | <b>17802</b> | <b>12836</b> | <b>11008</b> | <b>9574</b>  | <b>1815</b>            | <b>2698</b>             | <b>1294</b>            | <b>3134</b>            |
| USA  | 4681.3         | 6447.8       | 3515         | 1424.9       | 1790.5       | 167.4                  | 150.5                   | 70.2                   | 208.2                  |
| Germany                                    | 97.2           | 250.3        | 102.6        | 109.7        | 274.5        | 50.7                   | 85.5                    | 23.9                   | 62.7                   |
| France                                     | 36.7           | 1302.7       | 254.3        | 286.2        | 227.0        | 53.8                   | 73.0                    | 81.2                   | 110.8                  |
| U.K.                                       | 2209.6         | 3239.3       | 3231.8       | 4926.1       | 4307.1       | 831.9                  | 1299.1                  | 335.4                  | 1970.6                 |
| Spain                                      | 6.7            | 20.8         | 27           | 80.5         | 46.5         | 3.6                    | 8.3                     | 25.7                   | 11.0                   |
| Netherlands                                | 39.6           | 55.7         | 134          | 128.8        | 145.6        | 17.2                   | 36.6                    | 23.2                   | 39.8                   |
| Saudi Arabia                               | 204            | 365.4        | 514.1        | 323.4        | 206.3        | 21.1                   | 20.2                    | 109.2                  | 79.6                   |
| U.A.E                                      | 3049.5         | 726.2        | 1037.4       | 303.5        | 410.8        | 142.4                  | 140.1                   | 186.0                  | 176.9                  |
| Kuwait                                     | 24.8           | 1597.2       | 118          | 188.7        | 58.6         | 23.0                   | 8.9                     | 15.5                   | 17.3                   |
| Bahrain                                    | 18.6           | 39.6         | 20.5         | 64.1         | 66.2         | 14.1                   | 110.1                   | 8.0                    | 12.6                   |
| Oman                                       | 1.2            | 4.9          | 11.1         | 9.8          | 11.9         | 3.7                    | 1.6                     | 2.5                    | 5.0                    |
| Switzerland                                | 49.4           | 236          | 154.6        | 111.4        | 158.8        | 33.8                   | 32.4                    | 49.9                   | 16.3                   |
| Other Countries                            | 2665.7         | 3516.3       | 3715.7       | 3051.0       | 1870.6       | 451.9                  | 731.5                   | 362.8                  | 422.8                  |
| <b>II. Outflows</b>                        | <b>-2031</b>   | <b>-4566</b> | <b>-4723</b> | <b>-4250</b> | <b>-7386</b> | <b>-1978</b>           | <b>-2258</b>            | <b>-2152</b>           | <b>-2498</b>           |

\* 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.

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

# Section 8

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## EXTERNAL SECTOR

|   |    |
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**Table ( 38 ) : Balance of Payments - Current Account**  
**Annual Profile**

|                                   | 2006/07        | 2007/08        | 2008/09        | 2009/2010      | 2010/2011*     | July-Mar<br>2010/2011# | Jul- Mar<br>2011/2012 |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|------------------------|-----------------------|
| <b>Trade Balance I/</b>           | <b>-16,291</b> | <b>-23,415</b> | <b>-25,173</b> | <b>-25,120</b> | <b>-23,784</b> | <b>-20,674</b>         | <b>-23,527</b>        |
| <b>Export Proceeds</b>            | <b>22,018</b>  | <b>29,356</b>  | <b>25,169</b>  | <b>23,873</b>  | <b>26,993</b>  | <b>18,911</b>          | <b>20,069</b>         |
| Petroleum                         | 10,108         | 14,473         | 11,005         | 10,259         | 12,136         | 8,262                  | 9,799                 |
| Non Oil Exports                   | 11,910         | 14,883         | 14,164         | 13,615         | 14,857         | 10,649                 | 10,269                |
| <b>Import Payments</b>            | <b>-38,308</b> | <b>-52,771</b> | <b>-50,342</b> | <b>-48,993</b> | <b>-50,777</b> | <b>-39,585</b>         | <b>-43,596</b>        |
| Petroleum                         | -4,128         | -9,561         | -7,032         | -5,161         | -5,943         | -6,395                 | -8,262                |
| Non Oil Imports                   | -34,180        | -43,210        | -43,310        | -43,832        | -44,834        | -33,190                | -35,334               |
| <b>Services (net)</b>             | <b>11,498</b>  | <b>14,966</b>  | <b>12,502</b>  | <b>10,339</b>  | <b>7,878</b>   | <b>6,849</b>           | <b>3,798</b>          |
| <b>Receipts</b>                   | <b>20,456</b>  | <b>27,211</b>  | <b>23,801</b>  | <b>23,563</b>  | <b>21,873</b>  | <b>17,260</b>          | <b>15,607</b>         |
| Transportation                    | 6,371          | 7,560          | 7,481          | 7,217          | 8,069          | 6,018                  | 6,444                 |
| of which : Suez Canal             | 4,170          | 5,155          | 4,721          | 4,517          | 5,053          | 3,737                  | 3,929                 |
| Travel                            | 8,183          | 10,827         | 10,488         | 11,591         | 10,589         | 8,735                  | 7,084                 |
| Investment Income                 | 3,045          | 3,289          | 1,937          | 829            | 419            | 296                    | 165                   |
| Government Services               | 254            | 188            | 253            | 218            | 118            | 90                     | 196                   |
| Other Receipts                    | 2,603          | 5,347          | 3,643          | 3,708          | 2,679          | 2,121                  | 1,718                 |
| <b>Payments</b>                   | <b>8,957</b>   | <b>12,245</b>  | <b>11,299</b>  | <b>13,224</b>  | <b>13,995</b>  | <b>10,411</b>          | <b>11,810</b>         |
| Transportation                    | 1,273          | 1,620          | 1,492          | 1,230          | 1,385          | 1,063                  | 955                   |
| Travel                            | 1,918          | 2,895          | 2,739          | 2,328          | 2,113          | 1,620                  | 1,912                 |
| Investment Income                 | 1,868          | 1,930          | 1,783          | 5,194          | 6,467          | 4,612                  | 5,319                 |
| of which : Interest Paid          | 608            | 675            | 621            | 554            | 552            | 463                    | 446                   |
| Government Expenditures           | 1,196          | 1,314          | 1,182          | 1,535          | 1,106          | 961                    | 916                   |
| Other Payments                    | 2,703          | 4,486          | 4,102          | 2,939          | 2,924          | 2,155                  | 2,708                 |
| <b>Goods &amp; Services (Net)</b> | <b>-4,792</b>  | <b>-8,449</b>  | <b>-12,671</b> | <b>-14,781</b> | <b>-15,906</b> | <b>-13,825</b>         | <b>-19,729</b>        |
| <b>Transfers (Net)</b>            | <b>7,061</b>   | <b>9,338</b>   | <b>8,247</b>   | <b>10,463</b>  | <b>13,137</b>  | <b>9,166</b>           | <b>13,337</b>         |
| Official (net)                    | 800            | 961            | 614            | 954            | 753            | 221                    | 567                   |
| Private (net)                     | 6,261          | 8,377          | 7,632          | 9,509          | 12,384         | 8,945                  | 12,770                |
| <b>Current Account</b>            | <b>2,269</b>   | <b>888</b>     | <b>-4,424</b>  | <b>-4,318</b>  | <b>-2,769</b>  | <b>-4,659</b>          | <b>-6,393</b>         |

Source: Central Bank of Egypt.

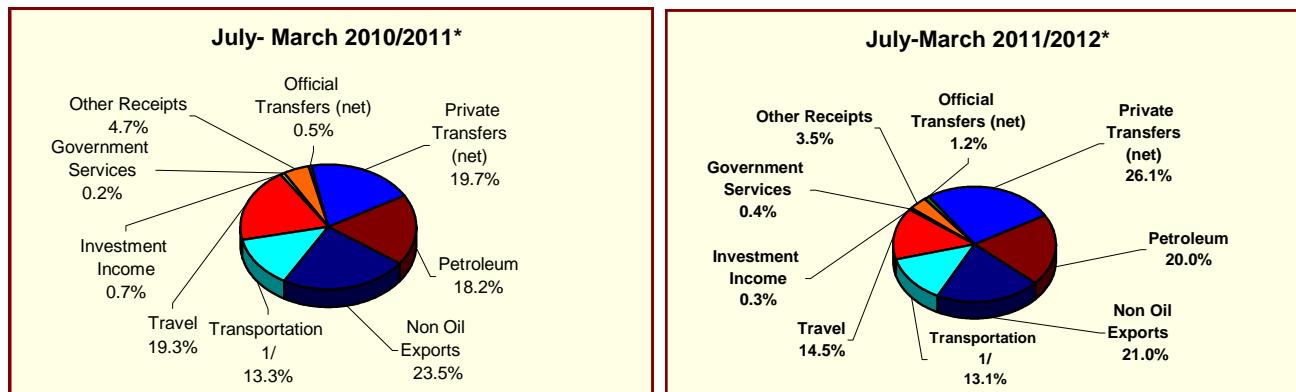
\* Preliminary.

# Figures revised by the Central Bank of Egypt.

I/ Includes exports and imports of Free Zones.

**Note:** Trade data in this table are derived from the banking sector data; based on cash transactions. They may differ from data compiled by CAPMAS which is based on the flow of commodities as reported by the Customs Authority.

**Fig ( 23 ) : Distribution of Current Account Receipts**



Source: Central Bank of Egypt.

\* Preliminary.

I/ Includes Suez Canal receipts.

**Table ( 39 ) : Balance of Payments (continued) - Capital Account**  
**Annual Profile**

|  | 2005/06       | 2006/07        | 2007/08       | 2008/09       | 2009/2010     | 2010/2011*    | July-Mar<br>2010/2011# | Jul- Mar<br>2011/2012* |
|--|---------------|----------------|---------------|---------------|---------------|---------------|------------------------|------------------------|
| <b>Capital &amp; Financial Account</b> | <b>3,511</b>  | <b>853</b>     | <b>7,558</b>  | <b>2,285</b>  | <b>8,325</b>  | <b>-4,824</b> | <b>-1,776</b>          | <b>-3,668</b>          |
| <b>Capital Account</b>                 | <b>-38</b>    | <b>-39</b>     | <b>2</b>      | <b>-3</b>     | <b>-36</b>    | <b>-32</b>    | <b>-24</b>             | <b>-79</b>             |
| <b>Financial Account</b>               | <b>3,549</b>  | <b>892</b>     | <b>7,555</b>  | <b>2,287</b>  | <b>8,362</b>  | <b>-4,791</b> | <b>-1,752</b>          | <b>-3,590</b>          |
| Direct Investment Abroad               | -145          | -536           | -1,113        | -1,341        | -977          | -958          | -729                   | -177                   |
| Direct Investment in Egypt (net) 1/    | 6,111         | 11,053         | 13,237        | 8,113         | 6,758         | 2,189         | 2,090                  | 218                    |
| Portfolio Investments Abroad 2/        | -729          | -558           | -960          | -411          | -522          | -118          | -113                   | -161                   |
| Portfolio Investments In Egypt (net)   | 2,764         | -937           | -1,374        | -9,211        | 7,879         | -2,551        | -969                   | -4,569                 |
| of which: Bonds 3/                     | 2,690         | -551           | 775           | -1,013        | 1,357         | 211           | 344                    | -397                   |
| <b>Other Investments (net)</b>         | <b>-4,452</b> | <b>-8,131</b>  | <b>-2,236</b> | <b>5,136</b>  | <b>-4,777</b> | <b>-3,353</b> | <b>-2,031</b>          | <b>1,101</b>           |
| <b>Net borrowing</b>                   | <b>1,426</b>  | <b>2,039</b>   | <b>1,178</b>  | <b>1,252</b>  | <b>2,350</b>  | <b>876</b>    | <b>419</b>             | <b>276</b>             |
| Medium and long-term loans             | -928          | -234           | -658          | 122           | -523          | -1,468        | -1,390                 | -624                   |
| Drawings                               | 796           | 1,780          | 1,009         | 2,010         | 1,229         | 485           | 338                    | 1,132                  |
| Repayments                             | -1,723        | -2,015         | -1,666        | -1,889        | -1,752        | -1,953        | -1,728                 | -1,756                 |
| Medium Term Suppliers' Credits         | -101          | -192           | -144          | -429          | -40           | -49           | -45                    | 21                     |
| Drawings                               | 625           | 89             | 20            | 60            | 52            | 89            | 64                     | 81                     |
| Repayments                             | -727          | -281           | -164          | -489          | -92           | -138          | -109                   | -60                    |
| Short Term Suppliers' Credits (net)    | 2,455         | 2,465          | 1,979         | 1,559         | 2,913         | 2,393         | 1,854                  | 879                    |
| <b>Other assets</b>                    | <b>-5,103</b> | <b>-10,942</b> | <b>-4,403</b> | <b>3,744</b>  | <b>-9,669</b> | <b>-3,427</b> | <b>-2,515</b>          | <b>1,513</b>           |
| CBE                                    | 3             | -215           | -48           | 49            | -41           | -64           | -27                    | 20                     |
| Banks                                  | -4,198        | -9,901         | -2,486        | 8,314         | -2,073        | -1,609        | -1,153                 | 3,049                  |
| Other                                  | -908          | -826           | -1,868        | -4,619        | -7,555        | -1,754        | -1,335                 | -1,556                 |
| <b>Other liabilities</b>               | <b>-775</b>   | <b>771</b>     | <b>989</b>    | <b>140</b>    | <b>2,542</b>  | <b>-802</b>   | <b>65</b>              | <b>-688</b>            |
| CBE                                    | 2             | 16             | 0             | 6             | 1,187         | -44           | -10                    | -5                     |
| Banks                                  | -777          | 755            | 989           | 134           | 1,355         | -758          | 75                     | -684                   |
| <b>Net errors &amp; omissions</b>      | <b>-2,010</b> | <b>2,160</b>   | <b>-3,025</b> | <b>-1,238</b> | <b>-652</b>   | <b>-2,162</b> | <b>936</b>             | <b>-1,110</b>          |
| <b>Overall balance</b>                 | <b>3,253</b>  | <b>5,282</b>   | <b>5,420</b>  | <b>-3,378</b> | <b>3,356</b>  | <b>-9,754</b> | <b>-5,499</b>          | <b>-11,171</b>         |

Source: Central Bank of Egypt.

# Figures revised by the Central Bank of Egypt.

\* Preliminary.

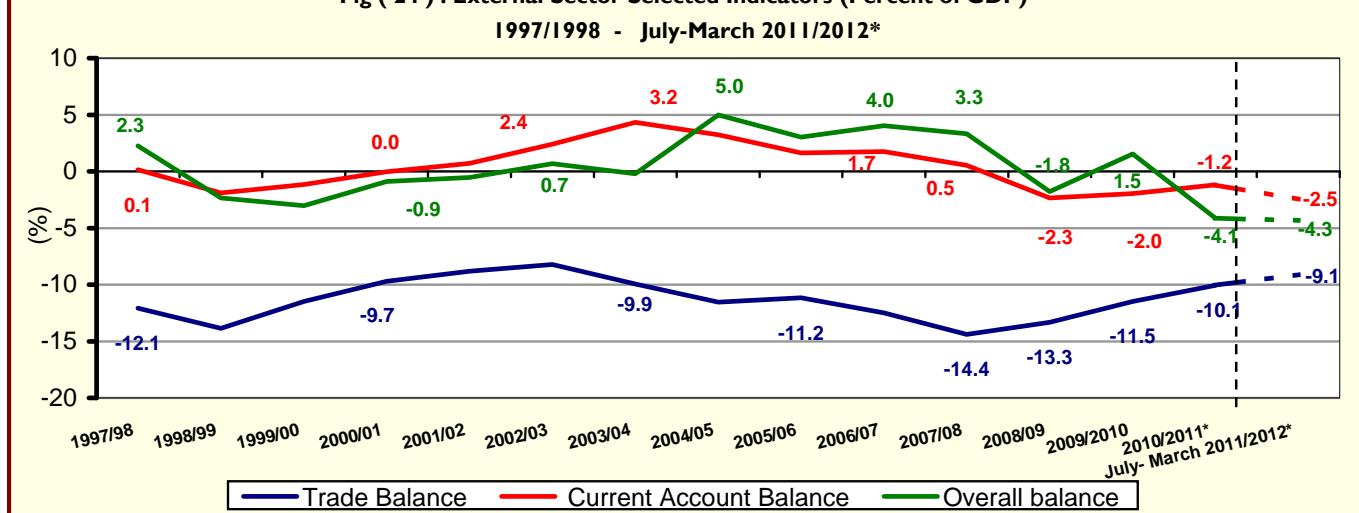
1/ Data includes FDI in the petroleum sector starting from the first quarter of 2004/05.

2/ Fiscal year 2007/08 includes Egyptian pound denominated bonds (inflows), net foreign transactions on Egyptian T-bills (inflows), and net foreign transactions in CDs (outflow).

3/ Beginning November 2003, CBE reclassified Eurobond item (issued July 2001, worth US\$1.5 billion) to become a component of net portfolio investment in Egypt instead of its previous classification as a net borrowing item. Bond figures above exclude amounts held by resident institutions.

**Fig ( 24 ) : External Sector Selected Indicators (Percent of GDP)**

1997/1998 - July-March 2011/2012\*



Source: Central Bank of Egypt.

\* Preliminary.

**Table ( 40 ) : Balance of Payments - Current Account**  
**Quarterly Profile**

|                                    | (US \$ Million) |                |                |                |                |                |                |                |                |                |  |
|------------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
|                                    | 2009/2010*      |                |                |                | 2010/2011*     |                |                | 2011/2012*     |                |                |  |
|                                    | Q1              | Q2             | Q3             | Q4             | Q1 #           | Q2 #           | Q3 #           | Q1             | Q2             | Q3 1/          |  |
| <b>Trade Balance</b> <sup>2/</sup> | <b>-6,254</b>   | <b>-5,675</b>  | <b>-6,608</b>  | <b>-6,583</b>  | <b>-7,134</b>  | <b>-7,349</b>  | <b>-6,191</b>  | <b>-7,823</b>  | <b>-7,775</b>  | <b>-7,929</b>  |  |
| <b>Export Proceeds</b>             | <b>5,390</b>    | <b>6,126</b>   | <b>5,450</b>   | <b>6,906</b>   | <b>6,102</b>   | <b>6,566</b>   | <b>6,243</b>   | <b>6,765</b>   | <b>6,824</b>   | <b>6,480</b>   |  |
| Petroleum                          | 2,427           | 2,559          | 2,063          | 3,209          | 2,794          | 2,636          | 2,832          | 3,234          | 3,506          | 3,060          |  |
| Non Oil Exports                    | 2,963           | 3,567          | 3,387          | 3,697          | 3,308          | 3,930          | 3,412          | 3,531          | 3,318          | 3,420          |  |
| <b>Import Payments</b>             | <b>-11,644</b>  | <b>-11,802</b> | <b>-12,058</b> | <b>-13,489</b> | <b>-13,236</b> | <b>-13,915</b> | <b>-12,434</b> | <b>-14,588</b> | <b>-14,599</b> | <b>-14,409</b> |  |
| Petroleum                          | -1,393          | -803           | -1,067         | -1,898         | -2,096         | -1,998         | -2,301         | -2,873         | -2,512         | -2,877         |  |
| Non Oil Imports                    | -10,251         | -10,999        | -10,991        | -11,591        | -11,140        | -11,917        | -10,134        | -11,715        | -12,086        | -11,533        |  |
| <b>Services (net)</b>              | <b>3,302</b>    | <b>2,983</b>   | <b>2,478</b>   | <b>1,577</b>   | <b>2,623</b>   | <b>2,961</b>   | <b>1,265</b>   | <b>1,622</b>   | <b>1,501</b>   | <b>675</b>     |  |
| <b>Receipts</b>                    | <b>6,272</b>    | <b>5,998</b>   | <b>5,472</b>   | <b>5,821</b>   | <b>6,695</b>   | <b>6,352</b>   | <b>4,212</b>   | <b>5,411</b>   | <b>5,221</b>   | <b>4,975</b>   |  |
| Transportation                     | 1,708           | 1,762          | 1,760          | 1,987          | 2,015          | 2,155          | 1,848          | 2,076          | 2,224          | 2,144          |  |
| of which :Suez Canal               | 1,107           | 1,155          | 1,104          | 1,151          | 1,254          | 1,254          | 1,230          | 1,360          | 1,323          | 1,246          |  |
| Travel                             | 3,230           | 2,777          | 2,716          | 2,868          | 3,653          | 3,290          | 1,792          | 2,702          | 2,360          | 2,023          |  |
| Investment Income                  | 258             | 248            | 155            | 168            | 82             | 129            | 85             | 56             | 54             | 55             |  |
| Government Services                | 35              | 64             | 39             | 81             | 15             | 54             | 20             | 19             | 42             | 135            |  |
| Other Receipts                     | 1,041           | 1,148          | 802            | 717            | 931            | 724            | 466            | 558            | 541            | 618            |  |
| <b>Payments</b>                    | <b>2,970</b>    | <b>3,016</b>   | <b>2,994</b>   | <b>4,244</b>   | <b>4,073</b>   | <b>3,391</b>   | <b>2,948</b>   | <b>3,790</b>   | <b>3,720</b>   | <b>4,300</b>   |  |
| Transportation                     | 290             | 317            | 313            | 310            | 380            | 459            | 224            | 312            | 286            | 357            |  |
| Travel                             | 714             | 602            | 462            | 549            | 632            | 596            | 392            | 627            | 691            | 594            |  |
| Investment Income                  | 972             | 883            | 1,094          | 2,245          | 1,904          | 1,134          | 1,574          | 1,785          | 1,419          | 2,114          |  |
| of which :Interest Paid            | 197             | 88             | 189            | 80             | 184            | 95             | 183            | 187            | 82             | 177            |  |
| Government Expenditures            | 293             | 312            | 522            | 408            | 504            | 292            | 165            | 321            | 310            | 285            |  |
| Other Payments                     | 701             | 902            | 603            | 732            | 652            | 910            | 593            | 744            | 1,014          | 950            |  |
| <b>Goods &amp; Services (Net)</b>  | <b>-2,953</b>   | <b>-2,692</b>  | <b>-4,130</b>  | <b>-5,006</b>  | <b>-4,511</b>  | <b>-4,388</b>  | <b>-4,927</b>  | <b>-6,202</b>  | <b>-6,274</b>  | <b>-7,253</b>  |  |
| <b>Transfers (Net)</b>             | <b>2,459</b>    | <b>1,903</b>   | <b>2,807</b>   | <b>3,295</b>   | <b>3,205</b>   | <b>3,132</b>   | <b>2,829</b>   | <b>4,026</b>   | <b>4,395</b>   | <b>4,915</b>   |  |
| Official (net)                     | 655             | 247            | -9             | 61             | 148            | 19             | 54             | 16             | 507            | 44             |  |
| Private (net)                      | 1,804           | 1,656          | 2,816          | 3,234          | 3,057          | 3,113          | 2,775          | 4,011          | 3,889          | 4,871          |  |
| <b>Current Account</b>             | <b>-493</b>     | <b>-790</b>    | <b>-1,323</b>  | <b>-1,711</b>  | <b>-1,306</b>  | <b>-1,255</b>  | <b>-2,098</b>  | <b>-2,175</b>  | <b>-1,879</b>  | <b>-2,339</b>  |  |

Source: Central Bank of Egypt

\* Preliminary.

# Revised. It is noteworthy that data for the fourth quarter of the fiscal year 2010/2011 is under revision.

1/ Quarterly data for the third quarter January-March 2011/2012 reflects the discrepancy between the period July-March 2011/2012 and the period July-December 2011/2012.

2/ Includes exports and imports of Free Zones.

**Note:** Trade data in this table are derived from the banking sector data; based on cash transactions. They may differ from data compiled by CAPMAS which is based on the flow of commodities as reported by the Customs Authority.

**Table ( 41 ): Balance of Payments (continued) - Capital Account**  
**Quarterly Profile**

|  | (US \$ Million) |               |               |               |               |              |               |               |               |                  |
|--|-----------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|------------------|
|  | 2009/2010*      |               |               |               | 2010/2011*    |              |               | 2011/2012*    |               |                  |
|  | Q1              | Q2            | Q3            | Q4            | Q1#           | Q2 #         | Q3 #          | Q1            | Q2            | Q3 <sup>1/</sup> |
| <b>Capital &amp; Financial Account</b> | <b>2,837</b>    | <b>449</b>    | <b>1,877</b>  | <b>3,162</b>  | <b>1,032</b>  | <b>1,785</b> | <b>-4,594</b> | <b>502</b>    | <b>-2,914</b> | <b>-1,257</b>    |
| <b>Capital Account</b>                 | <b>-14</b>      | <b>-2.4</b>   | <b>-0.4</b>   | <b>-19.4</b>  | <b>-7.9</b>   | <b>-11.5</b> | <b>-4.8</b>   | <b>-20.5</b>  | <b>-11.8</b>  | <b>-46.5</b>     |
| <b>Financial Account</b>               | <b>2,851</b>    | <b>452</b>    | <b>1,877</b>  | <b>3,182</b>  | <b>1,040</b>  | <b>1,797</b> | <b>-4,589</b> | <b>523</b>    | <b>-2,902</b> | <b>-1,210</b>    |
| Direct Investment Abroad               | -94             | -141          | -413          | -328          | -284          | -150         | -295          | -79           | -23           | -76              |
| Direct Investment in Egypt (net) 2/    | 1,731           | 895           | 1,706         | 2,426         | 1,597         | 656          | -164          | 440           | -858          | 636              |
| Portfolio Investments Abroad           | -41             | -89           | -562          | 170           | -58           | 5            | -60           | -63           | -93           | -6               |
| Portfolio Investments In Egypt (net)   | 1,186           | 378           | 5,548         | 768           | 5,900         | -1,329       | -5,540        | -1,730        | -1,579        | -1,260           |
| of which: Bonds 3/                     | -81             | -112          | -63           | 1,613         | 723           | -100         | -279          | -325          | -51           | -21              |
| <b>Other Investments (net)</b>         | <b>69</b>       | <b>-590</b>   | <b>-4,401</b> | <b>145</b>    | <b>-6,115</b> | <b>2,615</b> | <b>1,469</b>  | <b>1,955</b>  | <b>-349</b>   | <b>-505</b>      |
| <b>Net borrowing</b>                   | <b>620</b>      | <b>968</b>    | <b>648</b>    | <b>115</b>    | <b>-164</b>   | <b>641</b>   | <b>-59</b>    | <b>287</b>    | <b>283</b>    | <b>-294</b>      |
| Medium and long-term loans             | -449            | -110          | -501          | 536           | -630          | -131         | -630          | -459          | 313           | -478             |
| Drawings                               | 222             | 101           | 172           | 734           | 115           | 132          | 91            | 313           | 518           | 300              |
| Repayments                             | -671            | -211          | -672          | -198          | -745          | -262         | -721          | -772          | -205          | -779             |
| Medium Term Suppliers' Credits         | 21              | -25           | -7            | -29           | -11           | 1            | -35           | 4             | 0             | 17               |
| Drawings                               | 32              | 10            | 3             | 7             | 14            | 30           | 20            | 24            | 25            | 32               |
| Repayments                             | -11             | -34           | -10           | -36           | -25           | -29          | -55           | -21           | -25           | -15              |
| Short Term Suppliers' Credits (net)    | 1,047           | 1,102         | 1,155         | -392          | 478           | 770          | 606           | 742           | -30           | 168              |
| <b>Other assets</b>                    | <b>-1,744</b>   | <b>-1,536</b> | <b>-5,139</b> | <b>-1,250</b> | <b>-6,558</b> | <b>1,762</b> | <b>2,281</b>  | <b>1,912</b>  | <b>-405</b>   | <b>6</b>         |
| CBE                                    | -5              | -81           | 53            | -7            | -22           | 0.1          | -6            | 16            | 8             | -3               |
| Banks                                  | -1,262          | 1,669         | -3,306        | 826           | -6,324        | 2,513        | 2,658         | 2,421         | 376           | 251              |
| Other                                  | -477            | -3,123        | -1,886        | -2,069        | -212          | -752         | -371          | -525          | -789          | -242             |
| <b>Other liabilities</b>               | <b>1,194</b>    | <b>-22</b>    | <b>91</b>     | <b>1,280</b>  | <b>606</b>    | <b>213</b>   | <b>-753</b>   | <b>-244</b>   | <b>-227</b>   | <b>-217</b>      |
| CBE                                    | 1,204           | 4             | -27           | 7             | 0             | 6            | -16           | -4            | -2            | 2                |
| Banks                                  | -10             | -26           | 118           | 1,273         | 606           | 206          | -737          | -240          | -225          | -219             |
| <b>Net errors &amp; omissions</b>      | <b>-292</b>     | <b>940</b>    | <b>-99</b>    | <b>-1,201</b> | <b>288</b>    | <b>27</b>    | <b>621</b>    | <b>-683</b>   | <b>-857</b>   | <b>430</b>       |
| <b>Overall balance</b>                 | <b>2,052</b>    | <b>600</b>    | <b>455</b>    | <b>250</b>    | <b>15</b>     | <b>557</b>   | <b>-6,071</b> | <b>-2,356</b> | <b>-5,649</b> | <b>-3,165</b>    |

Source: Central Bank of Egypt.

\* Preliminary

# Revised. It is noteworthy that data for the fourth quarter of the fiscal year 2010/2011 is under revision.

1/ Quarterly data for the third quarter January -March 2011/2012 reflects the discrepancy between the period July-March 2011/2012 and the period July-December 2011/2012.

2/ Includes FDI in Petroleum Sector since the first quarter in 2004/05.

3/ Beginning November 2003, CBE reclassified Eurobond item (issued July 2001 , worth US\$1.5 billion) to become a component of net portfolio investment in Egypt instead of its previous classification as a net borrowing item. Bond figures above exclude amounts held by resident institutions.

**Table ( 42 ): External Sector Indicators**

|   | 2006/07 | 2007/08 | 2008/09 | 2009/2010 | 2010/2011* | July-Mar<br>2010/2011# | Jul- Mar<br>2011/2012* |
|---|---------|---------|---------|-----------|------------|------------------------|------------------------|
| <b><u>(In US \$ Millions)</u></b>   |         |         |         |           |            |                        |                        |
| Current Account Receipts (including official transfers)                             | 49,534  | 65,904  | 57,217  | 57,899    | 62,002     | 45,337                 | 49,013                 |
|   | (19.5)  | (33.0)  | -(13.2) | (1.2)     | (7.1)      | (8.3)                  | (8.1)                  |
| Current Account Receipts (excluding official transfers)                             | 48,734  | 64,944  | 56,603  | 56,945    | 61,250     | 45,116                 | 48,446                 |
|   | (19.2)  | (33.3)  | -(12.8) | (0.6)     | (7.6)      | (10.1)                 | (7.4)                  |
| Current Payments  | 47,265  | 65,016  | 61,641  | 62,217    | 64,771     | 49,996                 | 55,405                 |
|   | (19.1)  | (37.6)  | -(5.2)  | (0.9)     | (4.1)      | (12.4)                 | (10.8)                 |
| <b><u>(In percent, unless otherwise indicated)</u></b>                              |         |         |         |           |            |                        |                        |
| Current Receipts/ Current Payments:   |         |         |         |           |            |                        |                        |
| Excluding Official Transfers  | 103.1   | 99.9    | 91.8    | 91.5      | 94.6       | 90.2                   | 87.4                   |
| Including Official Transfers  | 104.8   | 101.4   | 92.8    | 93.1      | 95.7       | 90.7                   | 88.5                   |
| Commodity Exports / Commodity Imports   | 57.5    | 55.6    | 50.0    | 48.7      | 53.2       | 47.8                   | 46.0                   |
| Commodity Exports / Current Receipts (excluding official transfers)                 | 45.2    | 45.2    | 44.5    | 41.9      | 44.1       | 41.9                   | 41.4                   |
| Non-Oil Exports / Current Receipts (excluding official transfers)                   | 24.4    | 22.9    | 25.0    | 23.9      | 24.3       | 23.6                   | 21.2                   |
| Commodity Imports / Current Payments  | 81.0    | 81.2    | 81.7    | 78.7      | 78.4       | 79.2                   | 78.7                   |
| NIR as Months of Imports  | 8.9     | 7.9     | 7.5     | 8.6       | 6.3        | 6.8                    | 3.1                    |
| Services Receipts / Services Payments   | 228.4   | 222.2   | 210.7   | 178.2     | 156.3      | 165.8                  | 132.2                  |
| Tourism Receipts / Current Receipts (excluding official transfers)                  | 16.8    | 16.7    | 18.5    | 20.4      | 17.3       | 19.4                   | 14.6                   |
| Tourism Receipts / Services Receipts  | 40.0    | 39.8    | 44.1    | 49.2      | 48.4       | 50.6                   | 45.4                   |
| Debt Service / Current Account Receipts (including official transfers) 1/           | 5.9     | 3.8     | 5.2     | 4.1       | 4.3        | 5.1                    | 4.6                    |
| Non-Oil Exports (percent of GDP) 2/   | 9.1     | 9.1     | 7.5     | 6.2       | 6.3        | 4.5                    | 4.0                    |
| Services Receipts (percent of GDP) 2/   | 15.7    | 16.7    | 12.6    | 10.8      | 9.3        | 7.3                    | 6.0                    |
| of which : Tourism (percent of GDP) 2/  | 6.3     | 6.7     | 5.5     | 5.3       | 4.5        | 3.7                    | 2.7                    |
| Current Account Balance (percent of GDP) 2/   | 1.7     | 0.5     | -2.3    | -2.0      | -1.2       | -2.0                   | -2.5                   |
| Balance of Payments (percent of GDP) 2/   | 4.0     | 3.3     | -1.8    | 1.5       | -4.1       | -2.3                   | -4.3                   |
| Gross Foreign Debt / Current account receipts (including official transfers)        | 60.4    | 51.4    | 55.1    | 58.2      | 56.3       | 76.8                   | 68.2                   |
| External Interest Payment / Current account receipts (including official transfers) | 1.3     | 1.2     | 1.2     | 1.1       | 1.0        | 1.2                    | 1.1                    |
| Liquidity Ratio (%) 3/  | 880.0   | 848.5   | 640.4   | 694.9     | 602.3      | 606.2                  | 479.6                  |

Source : Central Bank of Egypt and Ministry of Finance calculations.

\* Preliminary.

# Revised.

-- Data is unavailable.

( ) Percent change over same period in previous year.

1/ Debt Service value based upon Balance of Payment flows.

2/ According to the Ministry of Planning, GDP (at market prices) for 2011/2012 is projected to reach LE 1546.2 billion compared to a revised figure of LE 1371.8 billion in 2010/2011.

3/ (Official reserves including gold plus banks foreign assets) / (debt service plus liquid external liabilities) .

**Table ( 43 ): International Trade Data: Trade Balance  
(Based on United Nations Broad Economic Category Classification)**

| Code  | 2006/07         | 2007/08         | 2008/09         | 2009/10         | (LE Millions)   |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   |                 |                 |                 |                 | 2010/11*        | 2011/12*        |
| <b>Overall Balance</b>                            | <b>-134,651</b> | <b>-172,477</b> | <b>-187,286</b> | <b>-169,282</b> | <b>-183,937</b> | <b>-202,950</b> |
|   | (38.1)          | (28.1)          | (8.6)           | -(9.6)          | (8.7)           | (10.3)          |
| 111 Primary Foodstuffs ( for Industry)            | -7,826          | -17,189         | -15,879         | -17,777         | -23,878         | -28,618         |
| 112 Primary Foodstuffs (for consumption)          | -1,129          | 1,949           | 228             | -1,040          | 843             | -1,299          |
| 121 Manufactured Foodstuffs (for Industry)        | -5,733          | -7,985          | -8,416          | -7,053          | -11,049         | -24,745         |
| 122 Manufactured Foodstuffs (for consumption)     | -4,509          | -4,232          | -3,931          | -4,855          | -8,891          | -11,549         |
| 21 Primary Industrial Inputs                      | -9,381          | -15,551         | -14,114         | -15,727         | -21,980         | -28,363         |
| 22 Primary Manufactured Inputs                    | -45,262         | -67,600         | -62,457         | -65,193         | -53,921         | -63,569         |
| 31 Fuel and oil (crude)                           | -470            | -1,133          | -5,548          | -3,757          | 16,511          | 21,396          |
| 32 Manufactured Fuels, Oil (Other)                | -2,202          | -4,613          | -2,060          | 6,665           | 4,172           | -453            |
| 41 Capital goods, except transport equipment      | -30,234         | -22,893         | -32,135         | -16,352         | -37,515         | -25,432         |
| 42 Spare parts and accessories for capital goods  | -7,071          | -9,000          | -11,393         | -11,292         | -16,262         | -15,246         |
| 51 Passenger motor cars                           | -6,315          | -7,870          | -7,543          | -7,468          | -7,323          | -6,900          |
| 52 Motor cars (other)                             | -4,927          | -6,101          | -5,227          | -6,235          | -7,555          | -6,072          |
| 53 Spare parts and accessories for transportation | -6,179          | -7,619          | -6,546          | -7,206          | -12,526         | -11,553         |
| 61 Durable consumption goods                      | -1,157          | -50             | -9,666          | -4,781          | -1,084          | 718             |
| 62 Semi-durable consumption goods                 | 515             | 327             | 2,969           | -910            | 1,031           | 2,550           |
| 63 Non-Durable consumption goods                  | -2,757          | -3,746          | -5,748          | -6,268          | -4,438          | -3,726          |
| 7 Other Commodities                               | -14             | 828             | 182             | -34             | -74             | -90             |

Source: Ministry of Finance, Egyptian Customs Authority.

( ) Percent change over same period in previous year.

\* Preliminary.

**Table ( 44 ): International Trade Data: Exports**  
**(Based on United Nations Broad Economic Category Classification)**

| Code |  | (LE Millions) |               |               |               |                |                |
|------|--|---------------|---------------|---------------|---------------|----------------|----------------|
|      |  | 2006/07       | 2007/08       | 2008/09       | 2009/10       | 2010/11*       | 2011/12*       |
|      | <b>Total Exports</b>                           | <b>52,841</b> | <b>56,630</b> | <b>60,418</b> | <b>69,648</b> | <b>143,089</b> | <b>159,939</b> |
|      |  | (15.8)        | (7.2)         | (6.7)         | (15.3)        | (105.4)        | (11.8)         |
| 111  | Primary Foodstuffs ( for Industry)             | 172           | 251           | 214           | 275           | 750            | 668            |
| 112  | Primary Foodstuffs (for consumption)           | 1,893         | 5,379         | 2,409         | 1,730         | 7,444          | 7,712          |
| 121  | Manufactured Foodstuffs (for Industry)         | 384           | 230           | 235           | 422           | 1,550          | 1,680          |
| 122  | Manufactured Foodstuffs (for consumption)      | 3,601         | 2,911         | 4,000         | 2,970         | 6,419          | 7,874          |
| 21   | Primary Industrial Inputs                      | 2,445         | 1,602         | 3,402         | 1,790         | 7,013          | 5,520          |
| 22   | Primary Manufactured Inputs                    | 22,399        | 22,167        | 26,848        | 26,314        | 53,550         | 61,687         |
| 31   | Fuel and oil (crude)                           | 5,289         | 6,598         | 279           | 6,699         | 20,181         | 28,601         |
| 32   | Manufactured Fuels, Oil (Other)                | 9,727         | 7,439         | 10,211        | 9,555         | 20,450         | 18,668         |
| 41   | Capital goods, except transport equipment      | 269           | 1,387         | 2,458         | 13,273        | 2,650          | 1,619          |
| 42   | Spare parts and accessories for capital goods  | 429           | 454           | 194           | 453           | 825            | 963            |
| 51   | Passenger motor cars                           | 42            | 26            | 36            | 188           | 250            | 415            |
| 52   | Motor cars (other)                             | 49            | 227           | 1,328         | 152           | 1,500          | 975            |
| 53   | Spare parts and accessories for transportation | 118           | 104           | 157           | 533           | 1,119          | 1,770          |
| 61   | Durable consumption goods                      | 1,017         | 2,366         | 522           | 269           | 3,538          | 4,720          |
| 62   | Semi-durable consumption goods                 | 3,359         | 3,272         | 5,912         | 2,517         | 8,125          | 8,494          |
| 63   | Non-Durable consumption goods                  | 1,646         | 1,331         | 2,020         | 2,497         | 7,619          | 8,530          |
| 7    | Other Commodities                              | 1.1           | 885.7         | 193.0         | 11            | 108            | 42             |

Source: Ministry of Finance, Egyptian Customs Authority

( ) Percent change over same period in previous year.

\* Preliminary.

**Table ( 45 ): International Trade Data: Imports  
(Based on United Nations Broad Economic Category Classification)**

| Code | 2006/07  | 2007/08        | 2008/09        | 2009/10        | 2010/11*       | 2011/12*       | (LE Millions)  |
|------|--|----------------|----------------|----------------|----------------|----------------|----------------|
|      |  |                |                |                |                |                |                |
|      | <b>Total Imports</b>                           | <b>187,492</b> | <b>229,107</b> | <b>247,704</b> | <b>238,930</b> | <b>327,026</b> | <b>362,889</b> |
|      |  | (31.0)         | (22.2)         | (8.1)          | -(3.5)         | (36.9)         | (11.0)         |
| 111  | Primary Foodstuffs ( for Industry)             | 7,998          | 17,440         | 16,093         | 18,052         | 24,628         | 29,286         |
| 112  | Primary Foodstuffs (for consumption)           | 3,022          | 3,431          | 2,181          | 2,770          | 6,600          | 9,010          |
| 121  | Manufactured Foodstuffs (for Industry)         | 6,118          | 8,215          | 8,651          | 7,475          | 12,599         | 26,425         |
| 122  | Manufactured Foodstuffs (for consumption)      | 8,111          | 7,143          | 7,931          | 7,825          | 15,310         | 19,423         |
| 21   | Primary Industrial Inputs                      | 11,826         | 17,152         | 17,516         | 17,517         | 28,992         | 33,883         |
| 22   | Primary Manufactured Inputs                    | 67,662         | 89,767         | 89,304         | 91,507         | 107,471        | 125,256        |
| 31   | Fuel and oil (crude)                           | 5,758          | 7,731          | 5,828          | 10,456         | 3,670          | 7,205          |
| 32   | Manufactured Fuels, Oil (Other)                | 11,929         | 12,051         | 12,271         | 2,890          | 16,278         | 19,121         |
| 41   | Capital goods, except transport equipment      | 30,502         | 24,280         | 34,594         | 29,625         | 40,165         | 27,051         |
| 42   | Spare parts and accessories for capital goods  | 7,500          | 9,454          | 11,588         | 11,745         | 17,087         | 16,209         |
| 51   | Passenger motor cars                           | 6,357          | 7,896          | 7,580          | 7,656          | 7,573          | 7,316          |
| 52   | Motor cars (other)                             | 4,976          | 6,328          | 6,555          | 6,387          | 9,055          | 7,047          |
| 53   | Spare parts and accessories for transportation | 6,297          | 7,723          | 6,703          | 7,739          | 13,645         | 13,323         |
| 61   | Durable consumption goods                      | 2,174          | 2,416          | 10,188         | 5,050          | 4,621          | 4,001          |
| 62   | Semi-durable consumption goods                 | 2,844          | 2,945          | 2,943          | 3,427          | 7,094          | 5,944          |
| 63   | Non-Durable consumption goods                  | 4,403          | 5,076          | 7,768          | 8,765          | 12,057         | 12,256         |
| 7    | Other Commodities                              | 15             | 58             | 11             | 45             | 182            | 133            |

Source: Ministry of Finance, Egyptian Customs Authority

( ) Percent change over same period in previous year.

\* Preliminary.

**Table ( 46 ): Oil Exports Breakdown**

|                    | 2006/07 | 2007/08 | 2008/09 | 2009/10* | 2010/2011* | (US \$ Millions)<br>July-<br>December<br>2011/12* |
|--------------------|---------|---------|---------|----------|------------|---|
| Total Oil Exports  | 10,108  | 14,473  | 11,005  | 10,259   | 12,136     | 6,739   |
| Crude Petroleum    | 3,128   | 4,911   | 4,004   | 4,475    | 5,662      | 3,587   |
| Petroleum Products | 6,980   | 9,562   | 7,000   | 5,784    | 6,474      | 3,152   |

Source: Central Bank of Egypt.

\* Preliminary.

**Table ( 47 ): Tourism Indicators**

|   | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/2011 * | July-April<br>2011/12* |
|---|---------|---------|---------|---------|-------------|------------------------|
| Total Arrivals (in Thousands)                         | 9,788   | 12,294  | 12,293  | 13,758  | 11,931      | 9,256                  |
| Total Number of Tourist Nights (in Thousands)         | 96,270  | 127,371 | 123,383 | 136,370 | 124,571     | 112,480                |
| Average Number of Nights (per Tourist)                | 9.8     | 10.4    | 10.0    | 9.9     | 10.4        | 12.2                   |
| Tourism Income (US \$ Millions)                       | 8,183   | 10,827  | 10,488  | 11,591  | 10,589      | 7,084 <sup>1/</sup>    |
| Tourism Income over Tourist Nights (Dollar per night) | 85      | 85      | 85      | 85      | 85          | --                     |

Source: Ministry of Tourism.

\* Preliminary.

-- Data unavailable.

1/ Tourism income reflects the period July - March 2011/2012.

**Table ( 48 ): Suez Canal Indicators**

|                                       | 2006/07 | 2007/08 | 2008/09 | 2009/10 * | 2010/11 * | 2011/12 *           |
|---------------------------------------|---------|---------|---------|-----------|-----------|---------------------|
| Total Number of Vessels <sup>1/</sup> | 19,419  | 21,080  | 19,354  | 17,504    | 18,050    | 17,664              |
| Net Tonnage (Million Tons)            | 793     | 891     | 811     | 787       | 897       | 939                 |
| Receipts (US\$ Millions)              | 4,170   | 5,155   | 4,721   | 4,517     | 5,053     | 3,929 <sup>2/</sup> |

Source: Central Bank of Egypt and Suez Canal Authority.

\* Preliminary.

1/ Includes oil tankers and other vessels.

2/ Reflects the period July - March 2011/2012.

**Table ( 49 ): Exports by Geographical Distribution**

|  | 2006/07       | 2007/08       | 2008/09       | 2009/10 *     | 2010/2011*    | (US \$ Million)<br>July-<br>December<br>2011/12* |
|--|---------------|---------------|---------------|---------------|---------------|--|
| <b>Total Exports</b>                         | <b>22,018</b> | <b>29,356</b> | <b>25,169</b> | <b>23,873</b> | <b>26,993</b> | <b>13,589</b>                                    |
| European Union                               | 7,440         | 9,808         | 8,544         | 8,480         | 11,437        | 5,696  |
| Other European Countries                     | 1,049         | 1,343         | 899           | 1,073         | 1,705         | 691  |
| United States                                | 6,850         | 9,279         | 6,422         | 4,409         | 3,600         | 1,759  |
| Arab Countries                               | 2,730         | 3,156         | 3,852         | 4,761         | 4,865         | 2,565  |
| Asian Countries (Excluding Arab Countries)   | 2,969         | 4,364         | 3,144         | 3,400         | 4,026         | 2,254  |
| African Countries (Excluding Arab Countries) | 328           | 786           | 640           | 381           | 543           | 241  |
| Australia                                    | 64            | 21            | 14            | 18            | 15            | 10   |
| Other Countries and Regions                  | 588           | 597           | 1,654         | 1,351         | 802           | 374  |

Source: Central Bank of Egypt.

\* Preliminary.

# **Section 9**

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## **COMPARATIVE ANALYSIS**

|  |        |
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**Table ( 50 ):Comparative Analysis with Peer Country Groups \***

|   | Real GDP (% Change) | Real GDP Per Capita (% change) | Overall Budget Balance (% of GDP) | Annual Inflation Rate (%) | Current Account (% of GDP) | Exports of Goods and Services (% of GDP) | Foreign Debt (% of GDP) | Foreign Debt Service (% of Current Account Receipts) <sup>1/</sup> |
|---|---------------------|--------------------------------|-----------------------------------|---------------------------|----------------------------|--|-------------------------|--|
| <b>I- World Bank: (Lower Middle Income Group) <sup>2/</sup></b>             |                     |                                |                                   |                           |                            |  |                         |  |
| <b>Egypt <sup>3/</sup></b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 7.1                 | 5.1                            | -7.3                              | 11.0                      | 1.7                        | 32.6                                     | 22.8                    | 5.9  |
| 2008  | 7.2                 | 5.0                            | -6.8                              | 11.7                      | 0.5                        | 34.8                                     | 20.1                    | 3.8  |
| 2009  | 4.7                 | 2.4                            | -6.9                              | 16.2                      | -2.3                       | 25.9                                     | 16.9                    | 5.2  |
| 2010  | 5.1                 | 2.8                            | -8.1                              | 11.7                      | -2.0                       | 21.7                                     | 15.9                    | 4.2  |
| 2011  | 1.8                 | -0.6                           | -9.8                              | 11.0                      | -1.2                       | 20.7                                     | 15.2                    | 4.3  |
| <b>Group Average</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 11.0                | 9.7                            | --                                | 9.5                       | --                         | 36.2                                     | 17.0                    | --   |
| 2008  | 7.5                 | 6.3                            | --                                | 6.7                       | --                         | 35.3                                     | --                      | --   |
| 2009  | 6.6                 | 5.6                            | --                                | 6.9                       | --                         | 29.1                                     | --                      | --   |
| 2010  |                     |                                |                                   |                           |                            |  |                         |  |
| 2011  |                     |                                |                                   |                           |                            |  |                         |  |
| <b>Philippines</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 7.1                 | 5.3                            | -1.8                              | 2.9                       | 4.5                        | 42.5                                     | 38.1                    | 9.8  |
| 2008  | 3.7                 | 2.4                            | -1.5                              | 9.3                       | 2.2                        | 36.9                                     | 34.5                    | 9.7  |
| 2009  | 1.1                 | -0.5                           | -4.1                              | 3.2                       | 5.5                        | 32.2                                     | 32.1                    | 10.3   |
| 2010  | 7.3                 | 5.8                            | -3.7                              | 3.8                       | 5.2                        | 34.8                                     | --                      | --   |
| <b>India</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 9.4                 | 7.8                            | -3.4                              | 6.4                       | -1.0                       | 22.3                                     | 18.7                    | 5.1  |
| 2008  | 7.3                 | 5.8                            | -3.3                              | 8.3                       | -2.2                       | 21.2                                     | 19.2                    | --   |
| 2009  | 7.4                 | 7.5                            | -7.5                              | 9.5                       | -2.9                       | --                                       | 19.5                    | --   |
| <b>Morocco</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2008  | 5.6                 | 4.3                            | 0.4                               | 3.9                       | -5.2                       | 37.5                                     | 20.6                    | --   |
| 2009  | 4.9                 | 3.7                            | -2.2                              | 0.8                       | -5.0                       | 28.6                                     | 23.20                   | --   |
| 2010  | 3.3                 | --                             | -4.2                              | --                        | -4.2                       | --                                       | 24.80                   | --   |
| <b>II- IMF Classification: (Middle East and North Africa) <sup>4/</sup></b> |                     |                                |                                   |                           |                            |  |                         |  |
| <b>Egypt <sup>3/</sup></b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 7.1                 | 5.1                            | -7.3                              | 11.0                      | 1.7                        | 32.6                                     | 22.8                    | 5.9  |
| 2008  | 7.2                 | 5.0                            | -6.8                              | 11.7                      | 0.5                        | 34.8                                     | 20.1                    | 3.8  |
| 2009  | 4.7                 | 2.4                            | -6.9                              | 16.2                      | -2.3                       | 25.9                                     | 16.9                    | 5.2  |
| 2010  | 5.1                 | 2.8                            | -8.1                              | 11.7                      | -2.0                       | 21.7                                     | 15.9                    | 4.2  |
| 2011  | 1.8                 | -0.6                           | -9.8                              | 11.0                      | -1.2                       | 20.7                                     | 15.2                    | 4.3  |
| <b>Group Average</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 6.0                 | 3.1                            | 10.8                              | 10.0                      | 15.2                       | 57.2                                     | 27.6                    | 13.7   |
| 2008  | 5.0                 | 2.2                            | 14.9                              | 13.5                      | 15.3                       | --                                       | 29.6                    | 14.1   |
| 2009  | 2.0                 | -0.5                           | --                                | 6.7                       | 2.6                        | --                                       | 34.83                   | 19.54  |
| 2010  | 4.4                 | --                             | --                                | 6.8                       | 7.7                        | --                                       | 31.94                   | 17.20  |
| 2011  | 4.0                 | --                             | --                                | 9.9                       | 11.2                       | --                                       | 27.09                   | 15.31  |
| <b>Iran</b>   |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 7.8                 | 4.3                            | -0.7                              | 18.4                      | 11.9                       | 37.8                                     | 10.4                    | 3.9  |
| 2008  | 1.0                 | 5.0                            | -2.8                              | 25.4                      | 7.3                        | 35.5                                     | 6.2                     | 4.3  |
| 2009  | 1.1                 | --                             | --                                | 10.8                      | 4.2                        | --                                       | 6.0                     | --   |
| 2010  | --                  | --                             | --                                | 12.4                      | 6.0                        | --                                       | 5.3                     | --   |
| <b>Jordan</b>   |                     |                                |                                   |                           |                            |  |                         |  |
| 2007  | 6.0                 | 3.6                            | -5.5                              | 5.4                       | -17.5                      | 51.8                                     | 46.8                    | --   |
| 2008  | 7.6                 | 2.9                            | -5.4                              | 13.9                      | -9.6                       | 68.5                                     | 25.8                    | --   |
| 2009  | 5.5                 | --                             | -8.5                              | -0.7                      | -6.3                       | --                                       | 21.7                    | --   |
| 2010  | 2.3                 | --                             | -5.4                              | 5.0                       | -5.4                       | --                                       | 21.6                    | --   |

-- Data unavailable.

\* Preliminary, subject to revision.

1/ Excludes official transfers.

2/ Peer Countries data derived from World Bank: " Country at A Glance " statistical tables and MENA Economic Developments and Prospects Report.

3/ Egypt's data derived from domestic sources, and on fiscal year basis . Overall budget balance reflects data on budget sector level.

4/ Data derived from World Economic Outlook database and various IMF Article IV Consultation staff reports for selected countries .

**Table ( 50 ):Comparative Analysis with Peer Country Groups (Continued)\***

|  | Real GDP (% Change) | Real GDP Per Capita (% change) | Overall Budget Balance (% of GDP) | Annual Inflation Rate (%) | Current Account (% of GDP) | Exports of Goods and Services (% of GDP) | Foreign Debt (% of GDP) | Foreign Debt Service (% of Current Account Receipts) <sup>1/</sup> |
|--|---------------------|--------------------------------|-----------------------------------|---------------------------|----------------------------|--|-------------------------|--|
| <b>III- Standard &amp; Poor's Classification : (BB Rating) <sup>2/</sup></b> |                     |                                |                                   |                           |                            |  |                         |  |
| <b>Egypt (B+)<sup>3/ 4/</sup></b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007   | 7.1                 | 5.1                            | -7.3                              | 11.0                      | 1.7                        | 32.6                                     | 22.8                    | 5.9  |
| 2008   | 7.2                 | 5.0                            | -6.8                              | 11.7                      | 0.5                        | 34.8                                     | 20.1                    | 3.8  |
| 2009   | 4.7                 | 2.4                            | -6.9                              | 16.2                      | -2.3                       | 25.9                                     | 16.9                    | 5.2  |
| 2010   | 5.1                 | 2.8                            | -8.1                              | 11.7                      | -2.0                       | 21.7                                     | 15.9                    | 4.2  |
| 2011   | 1.8                 | -0.6                           | -9.8                              | 11.0                      | -1.2                       | 20.7                                     | 15.2                    | 4.3  |
| <b>Group Average (BB)</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2006   | 5.6                 | 4.3                            | --                                | 6.2                       | -0.6                       | --                                       | --                      | --   |
| 2007   | 6.2                 | 5.8                            | --                                | 6.2                       | -0.6                       | --                                       | --                      | --   |
| 2008*  | --                  | -0.2                           | -1.2                              | --                        | --                         | --                                       | --                      | --   |
| <b>India (BBB-)</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2007   | 9.4                 | 7.8                            | -3.4                              | 6.4                       | -1.0                       | 22.3                                     | 18.7                    | 5.1  |
| 2008   | 7.3                 | 5.8                            | -3.3                              | 8.3                       | -2.2                       | 21.2                                     | 19.2                    | --   |
| 2009 <sup>/5</sup>   | 7.4                 | 7.5                            | -7.5                              | 9.5                       | -2.9                       | --                                       | 19.5                    | --   |
| <b>Tunisia (BBB+)</b>  |                     |                                |                                   |                           |                            |  |                         |  |
| 2006   | 5.4                 | 4.3                            | -2.9                              | 4.5                       | -2.0                       | 49.4                                     | 58.3                    | 26.4   |
| 2007   | 6.3                 | 5.3                            | -3.0                              | 3.1                       | -2.5                       | 53.8                                     | 54.9                    | 31.1   |
| 2008   | 4.6                 | 3.6                            | -3.0                              | 5.0                       | -4.2                       | 62.2                                     | 51.8                    | --   |
| <b>Philippines (BB-)</b>   |                     |                                |                                   |                           |                            |  |                         |  |
| 2007   | 7.1                 | 5.0                            | -1.6                              | 2.8                       | 4.9                        | --                                       | 43.3                    | 18.3   |
| 2008   | 3.8                 | 1.8                            | --                                | 9.3                       | 2.5                        | --                                       | --                      | --   |
| 2009 <sup>/5</sup>   | 1.1                 | -0.5                           | -4.1                              | 3.2                       | 5.5                        | 32.2                                     | 32.1                    | 10.3   |
| 2010 <sup>/5</sup>   | 7.3                 | 5.8                            | -3.7                              | 3.8                       | 5.2                        | 34.8                                     | --                      | --   |

-- Data not available.

\* Preliminary, subject to revision.

1/ Excludes official transfers.

2/ Data derived from Standard and Poor's Database, unless otherwise indicated.

3/ Egypt's data derived from domestic sources, and on fiscal year basis .

4/ Reflects the Local Currency Long Term Rating for 2011. However, ratings for peer countries refer to latest available data (2008, 2009 and 2010)

5/ Data derived on fiscal year basis from IMF Article IV consultation reports and World Economic Outlook database.

**Table ( 51 ): Comparative Performance of the Egyptian Stock Market <sup>1/</sup>**

| Market                             | Jun-11                  |                       | May-12                  |                       | Jun-12                  |                       |
|------------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
|                                    | Price-Earnings<br>ratio | Dividend Yield<br>(%) | Price-Earnings<br>ratio | Dividend Yield<br>(%) | Price-Earnings<br>ratio | Dividend Yield<br>(%) |
| <b>Mideast / Africa</b>            |                         |                       |                         |                       |                         |                       |
| Egypt <sup>2/</sup>                | 12.98                   | 7.49                  | 10.55                   | 7.61                  | 10.91                   | 8.38                  |
| Morocco                            | 15.31                   | 3.39                  | 15.54                   | 2.83                  | 15.48                   | 3.59                  |
| South Africa                       | 16.71                   | 2.76                  | 13.67                   | 2.61                  | 14.54                   | 3.52                  |
| <b>Latin America <sup>3/</sup></b> |                         |                       |                         |                       |                         |                       |
| Brazil                             | 6.75                    | 2.99                  | 5.92                    | 2.92                  | 11.02                   | 4.64                  |
| Chile                              | 18.57                   | 2.49                  | 19.68                   | 2.44                  | 21.40                   | 2.58                  |
| Mexico                             | 19.40                   | 1.25                  | 20.32                   | 1.33                  | 22.86                   | 1.39                  |
| Peru                               | 14.80                   | 3.23                  | 12.70                   | 2.87                  | 16.08                   | 3.04                  |
| <b>Asia</b>                        |                         |                       |                         |                       |                         |                       |
| China                              | 5.24                    | 2.24                  | 9.58                    | 1.50                  | 9.67                    | 2.82                  |
| India                              | 16.59                   | 1.20                  | 13.80                   | 1.12                  | 15.76                   | 1.68                  |
| Indonesia                          | 21.89                   | 2.14                  | 14.58                   | 1.98                  | 15.76                   | 2.77                  |
| Korea                              | 9.44                    | 1.22                  | 8.33                    | 1.18                  | 12.71                   | 1.26                  |
| Malaysia                           | 18.14                   | 2.86                  | 16.02                   | 2.80                  | 16.33                   | 3.31                  |
| Philippines                        | 13.71                   | 2.63                  | 18.14                   | 2.55                  | 18.63                   | 2.12                  |
| Taiwan                             | 15.58                   | 3.31                  | 18.91                   | 2.62                  | 19.65                   | 4.58                  |
| Thailand                           | 14.13                   | 3.19                  | 14.72                   | 3.05                  | 15.36                   | 3.20                  |
| <b>Europe</b>                      |                         |                       |                         |                       |                         |                       |
| Czech Republic                     | 11.15                   | 5.90                  | 12.07                   | 5.81                  | 12.85                   | 6.62                  |
| Hungary                            | 14.23                   | 1.54                  | 11.91                   | 0.83                  | 13.33                   | 3.07                  |
| Poland                             | 13.99                   | 2.33                  | 7.36                    | 2.15                  | 8.46                    | 5.77                  |
| Russia                             | 6.13                    | 1.85                  | 3.26                    | 2.02                  | 4.21                    | 3.53                  |
| Turkey                             | 11.15                   | 2.66                  | 3.35                    | 2.67                  | 11.32                   | 2.52                  |

Source: The Egyptian Stock Exchange Monthly Bulletin.

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/ Egypt's ratios are based on the performance of the 50 most active companies.

3/ Venezuela has been removed from the S&P/ IFCG indices for Emerging Markets on April 11, 2007.