

Section 6

MONETARY SECTOR

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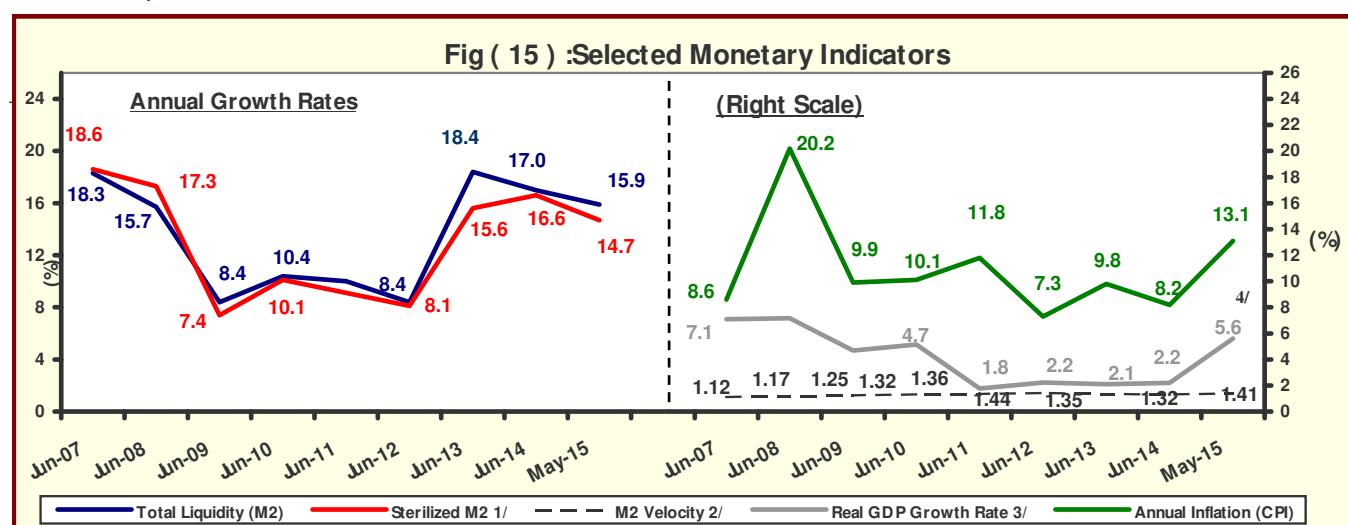
Table (24) : Developments in Main Monetary Aggregates
(May 2015)

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	-14.0	-34.0	-63.1	-23.4
CBE NFA	-25.3	-39.7	-49.0	-11.6
CBE NIR	-4.7	26.7	21.6	-0.9
Banks N FA 2/	-1.5	-28.1	-70.1	-29.1
Net Foreign Assets (US dollar terms)	-14.1	-34.0	-65.7	-26.3
CBE NFA	-25.3	-39.8	-52.5	-15.2
CBE NIR	-4.7	26.6	13.2	-4.5
Banks N FA 2/	-1.6	-28.2	-72.2	-12.6
Net Domestic Assets	1.7	6.8	23.2	20.4
Net Claims on Government and GASC	0.5	6.7	24.9	25.3
Claims on Public Companies	0.2	8.0	37.2	21.9
Claims on Private Sector	2.1	7.2	17.3	11.2
Total Liquidity (M2)	1.2	5.0	15.9	16.4
Money (M1)	2.3	5.7	18.8	18.6
Quasi Money	0.7	4.8	14.8	15.6

Source: Central Bank of Egypt.

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

2/ Commercial, specialized, business and investment banks.



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/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for the period July - September 2014/2015.

Table (25) : Monetary Survey
Assets and Liabilities of The Banking Sector
(May 2015)

(LE Million)

	May-10	May-11	May-12	May-13	May-14	Feb-15	Mar-15	Apr-15	May-15 [*]
Net Foreign Assets 1/	273,763	253,644	157,609	135,421	126,059	70,355	66,547	54,051	46,462
	(8.5)	-(7.3)	-(37.9)	-(14.1)	-(6.9)	-(44.5)	-(46.5)	-(55.9)	-(63.1)
Central bank (Net)	188,375	150,123	75,449	42,839	41,709	35,294	34,295	28,464	21,265
Foreign Assets	196,598	159,314	91,672	105,994	119,991	113,445	112,475	151,761	144,310
Foreign Liabilities	8,223	9,191	16,223	63,155	78,282	78,151	78,180	123,297	123,045
Banks (Net)	85,388	103,521	82,160	92,582	84,350	35,061	32,252	25,587	25,197
Foreign Assets	117,628	140,090	114,941	125,707	117,886	87,805	86,564	84,194	86,250
Foreign Liabilities	32,240	36,569	32,781	33,125	33,536	52,744	54,312	58,607	61,053
Net Domestic Assets of which:	622,270	740,787	909,972	1,133,092	1,358,361	1,567,023	1,615,678	1,646,365	1,673,586
	(8.3)	(19.0)	(22.8)	(24.5)	(19.9)	(21.4)	(22.9)	(23.1)	(23.2)
Net Claims on Government, and GASC 2/	316,450	434,684	564,769	783,578	993,710	1,163,632	1,210,480	1,234,792	1,241,062
National Currency	378,749	518,986	625,854	830,581	986,054	1,141,102	1,182,083	1,200,345	1,204,400
Foreign Currency	-62,299	-84,302	-61,085	-47,003	7,656	22,530	28,397	34,447	36,662
Claims on Public Business Sector	37,432	33,083	42,025	43,765	46,353	58,902	63,852	63,514	63,610
National Currency	28,057	24,812	33,136	34,412	36,464	42,137	42,489	42,597	43,064
Foreign Currency	9,375	8,271	8,889	9,353	9,889	16,765	21,363	20,917	20,546
Claims on Private Sector 2/	406,365	417,336	447,948	492,823	526,614	576,319	593,289	604,913	617,909
National Currency	298,997	311,908	344,338	373,167	400,333	427,118	432,986	444,693	456,274
Foreign Currency	107,368	105,428	103,610	119,656	126,281	149,201	160,303	160,220	161,635
Other Items (net) 1/ 2/	-137,977	-144,316	-144,770	-187,074	-208,316	-231,830	-251,943	-256,854	-248,995
Total Liquidity (M2)	896,033	994,431	1,067,581	1,268,513	1,484,420	1,637,378	1,682,225	1,700,416	1,720,048
	(8.4)	(11.0)	(7.4)	(18.8)	(17.0)	(15.5)	(16.9)	(16.5)	(15.9)
Money (M1) 3/	204,718	244,041	264,626	331,757	401,254	450,816	459,136	465,730	476,647
	(13.6)	(19.2)	(8.4)	(25.4)	(20.9)	(19.2)	(18.1)	(18.2)	(18.8)
Currency in Circulation	133,082	167,450	187,396	231,575	267,732	278,661	278,439	282,744	287,834
Demand Deposits in Local Currency	71,636	76,591	77,230	100,182	133,522	172,155	180,697	182,986	188,813
Quasi Money	691,315	750,390	802,955	936,756	1,083,166	1,186,562	1,223,089	1,234,686	1,243,401
	(6.9)	(8.5)	(7.0)	(16.7)	(15.6)	(14.2)	(16.5)	(15.9)	(14.8)
Local Currency Time & Savings Deposits	534,126	571,957	617,905	711,100	846,870	943,417	966,336	975,523	983,420
Foreign Currency Demand Deposits	33,870	44,129	46,053	56,298	64,790	63,547	66,321	65,358	66,897
Foreign Currency Time and Savings Deposits	123,319	134,304	138,997	169,358	171,506	179,598	190,432	193,805	193,084

Source: Central Bank of Egypt.

() Percent change over previous year.

* Preliminary.

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

2/ Includes capital accounts, unclassified net assets and liabilities, net interbank debt, and credit positions.

3/ Excludes drafts and checks under collection.

Table (25) : Monetary Survey (continued)
(Memorandum Items)

(May 2015)

	May-10	May-11	May-12	May-13	May-14	Feb-15	Mar-15	Apr-15	* May-15
Net Foreign Assets (In Million US\$)^{4/}	48,850	42,740	26,146	19,447	17,802	9,258	8,754	7,108	6,109
Central bank NFA	33,613	25,297	12,516	6,152	5,890	4,644	4,511	3,743	2,796
Net International Reserves	50,317	44,289	28,837	28,516	28,858	19,541	19,037	23,324	22,286
Central Bank (Gross)	35,100	27,228	15,515	16,039	17,284	15,456	15,291	20,525	19,560
Banks (net)	15,236	17,444	13,630	13,295	11,912	4,614	4,242	3,365	3,313
Foreign assets	20,989	23,606	19,068	18,052	16,648	11,554	11,387	11,073	11,340
Foreign Liabilities	5,753	6,162	5,438	4,757	4,736	6,940	7,144	7,708	8,027
In Percent of Beginning of Money Stocks^{5/}									
Net Foreign Assets	2.4%	-3.1%	-9.50%	-2.0%	0.2%	-3.2%	-3.5%	-4.3%	-4.8%
Net Domestic Assets	5.4%	11.5%	15.3%	17.9%	14.3%	11.2%	14.4%	16.4%	18.2%
Money (M1)	2.6%	3.3%	1.6%	5.2%	4.4%	2.7%	3.2%	3.6%	4.4%
Quasi Money	5.2%	5.1%	4.2%	10.7%	10.1%	5.3%	7.7%	8.5%	9.1%
Dollarization (% of Total Liquidity)^{6/}	0.0	0.0	0.0	0.0	0.0	14.8	15.3	15.2	15.1
M2 Multiplier^{7/}	0.18	0.18	0.17	0.18	0.16	4.49	4.42	4.42	4.30
M2 Velocity^{8/}	4.66	4.02	4.07	4.16	4.27	1.48	1.45	1.43	1.41
M2 (annual percentage change)	1.3	1.4	1.5	1.4	1.3	15.5	16.9	16.5	15.9
Credit to private sector (annual percentage change)^{9/}	8.4	11.0	7.4	18.8	17.0	14.2	16.1	16.9	17.3
Exchange Rate^{10/}	0.05	0.03	0.07	0.10	0.07	7.60	7.60	7.60	7.61

Source: Central Bank of Egypt.

* Preliminary.

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.

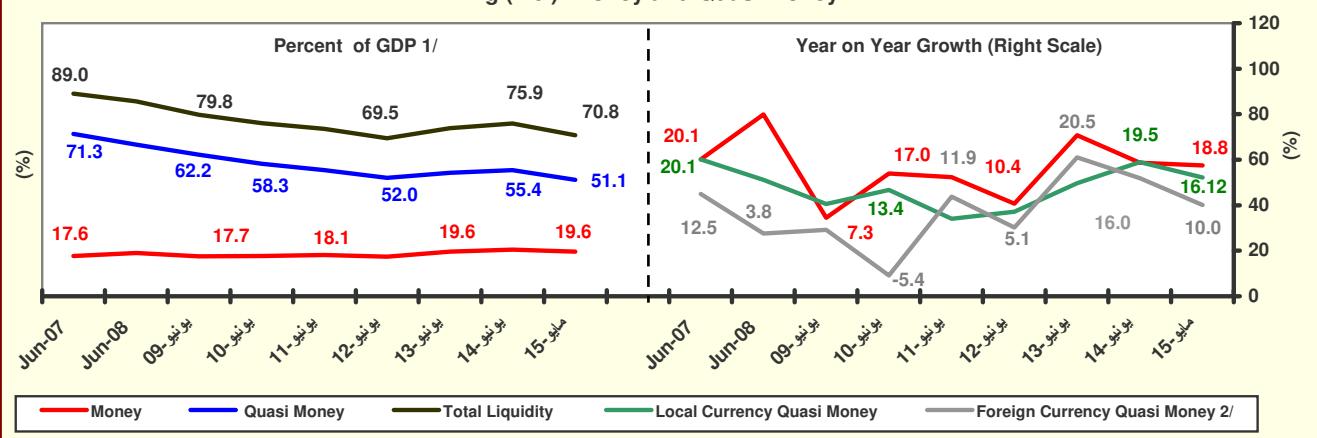
7/ M2 / Reserve Money.

8/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

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/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

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

Table (26) : Central Bank Reserve Money ^{1/}

(LE Million)

	May-10	May-11	May-12	May-13	May-14	Feb-15	Mar-15	Apr-15	May-15*
Reserve Money	192,250	247,102	262,213	304,620	347,865	364,271	380,392	384,648	400,058
	(12.6)	(28.5)	(6.1)	(16.2)	(14.2)	(11.3)	(17.9)	(12.6)	(15.0)
Currency in Circulation	141,877	178,632	197,071	243,402	282,461	293,428	294,825	298,989	306,476
	(13.7)	(25.9)	(10.3)	(23.5)	(16.0)	(9.6)	(8.9)	(9.4)	(8.5)
Banks LE Deposits with CBE	50,373	68,470	65,142	61,218	65,404	70,843	85,567	85,659	93,582
	(9.4)	(35.9)	-(4.9)	-(6.0)	(6.8)	(19.2)	(64.3)	(25.5)	(43.1)
Counter Assets:									
Net Foreign Assets	188,375	150,123	75,449	42,839	41,709	35,294	34,295	28,464	21,265
	(10.0)	-(20.3)	-(49.7)	-(43.2)	-(2.6)	-(12.8)	-(16.9)	-(32.1)	-(49.0)
Net Domestic Assets	3,875	96,979	186,764	261,781	306,156	328,977	346,097	356,184	378,793
	(970.8)	(2402.7)	(92.6)	(40.2)	(17.0)	(14.7)	(23.0)	(18.8)	(23.7)
Net Claims on Government ^{2/}	75,311	117,198	175,688	296,911	382,536	471,960	498,236	510,804	505,590
	(1.5)	(55.6)	(49.9)	(69.0)	(28.8)	(25.7)	(34.8)	(34.1)	(32.2)
Claims	153,931	201,543	257,741	396,779	432,015	578,307	603,924	620,863	612,346
	(1.4)	(30.9)	(27.9)	(53.9)	(8.9)	(37.0)	(45.7)	(45.6)	(41.7)
Securities	123,900	130,597	129,097	178,831	240,331	300,330	290,330	290,330	290,330
Credit Facilities	30,031	70,946	128,644	217,948	191,684	277,977	313,594	330,533	322,016
Deposits ^{3/}	78,620	84,345	82,053	99,868	49,479	106,347	105,688	110,059	106,756
	(1.2)	(7.3)	-(2.7)	(21.7)	-(50.5)	(127.1)	(136.3)	(140.9)	(115.8)
Net Claims on Banks	21,788	-1,544	-1,767	-1,860	-9,132	-26,735	-27,409	-27,764	-26,733
Net Balancing Items ^{4/}	3,406	-107	-14	-5	-391	-116,248	-124,730	-126,856	-100,064
Memorandum Items									
Reserve Money Velocity ^{5/, 6/}	6.28	5.55	6.01	5.76	5.74	6.67	6.39	6.32	6.08

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/ Includes net claims on public economic authorities and National Investment Bank (NIB).

3/ 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.

4/ Includes net unidentified assets and liabilities and open market operations.

5/ GDP / Reserve Money (M0).

6/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

Table (27) : Deposits With Banks ^{1/}

(LE Million)

	May-10	May-11	May-12	May-13	May-14	Feb-15	Mar-15	Apr-15	May-15 *
Total Deposits	882,784	951,703	1,011,174	1,169,613	1,403,339	1,615,696	1,663,797	1,676,043	1,699,465
	(8.5)	(7.8)	(6.2)	(15.7)	(20.0)	(20.4)	(22.2)	(21.2)	(21.1)
In local currency	677,496	718,499	768,418	879,706	1,067,067	1,272,084	1,302,890	1,315,380	1,337,965
In foreign currency	205,288	233,204	242,756	289,907	336,272	343,612	360,907	360,663	361,500
Non Government Deposits ^{2/}	768,149	833,286	887,341	1,045,752	1,225,376	1,373,303	1,419,869	1,433,324	1,448,226
	(7.6)	(8.5)	(6.5)	(17.9)	(17.2)	(17.2)	(19.1)	(18.6)	(18.2)
In local currency	608,530	651,450	698,633	815,591	985,101	1,125,335	1,157,396	1,169,180	1,183,197
In foreign currency	159,619	181,836	188,708	230,161	240,275	247,968	262,473	264,144	265,029
Government Deposits	114,635	118,417	123,833	123,861	177,963	242,393	243,928	242,719	251,239
	(15.1)	(3.3)	(4.6)	(0.0)	(43.68)	(42.2)	(44.0)	(39.5)	(41.2)
In local currency	68,966	67,049	69,785	64,115	81,966	146,749	145,494	146,200	154,768
In foreign currency	45,669	51,368	54,048	59,746	95,997	95,644	98,434	96,519	96,471
Memorandum Items									
<i>(In Percent):</i>									
Dollarization in Total Deposits	23.3	24.5	24.0	24.8	24.0	21.3	21.7	21.5	21.3
Dollarization in Non-Government Deposits	20.8	21.8	21.3	22.0	19.6	18.1	18.5	18.4	18.3
Dollarization in Government Deposits	39.8	43.4	43.6	48.2	53.9	39.5	40.4	39.8	38.4

Source: Central bank of Egypt.

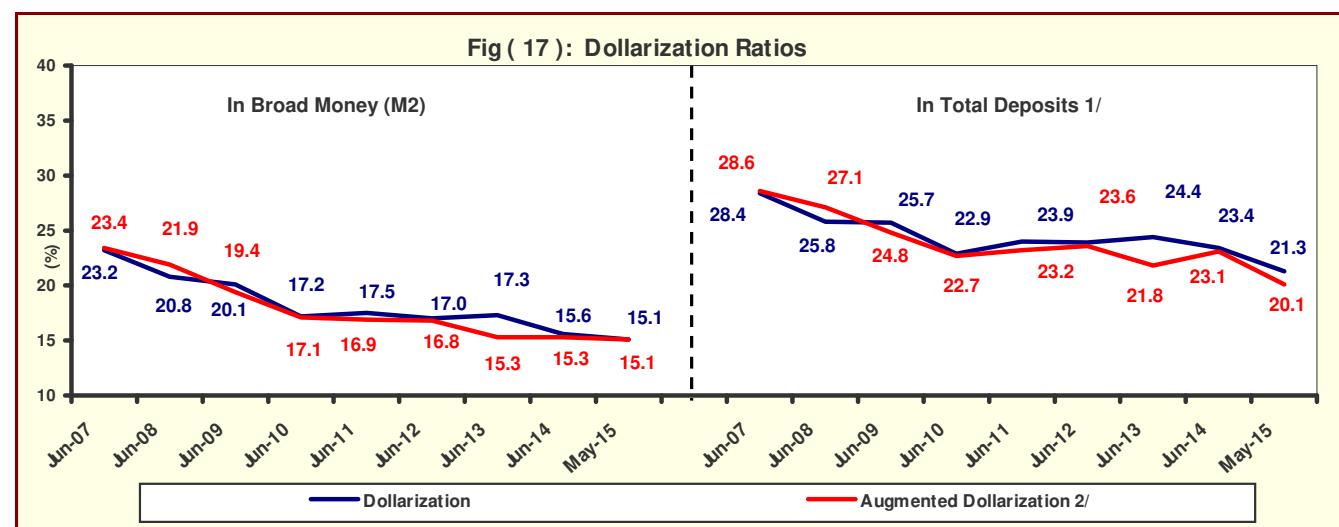
() Percent change over same period in previous year.

* 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.

Fig (17) : Dollarization Ratios



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 ^{1/}

(LE Million)

	May-10	May-11	May-12	May-13	May-14	Feb-15	Mar-15	Apr-15	* May-15
Total lending	457,365	470,933	502,274	545,640	579,499	656,043	679,321	695,832	709,932
	(6.1)	(3.0)	(6.7)	(8.6)	(6.2)	(18.0)	(20.6)	(22.2)	(22.5)
To Government ^{2/}	38,948	40,389	32,660	35,475	39,117	51,979	56,126	60,864	62,990
	(21.0)	(3.7)	-(19.1)	(8.6)	(10.3)	(30.4)	(45.3)	(59.6)	(61.0)
In local currency	14,813	18,327	15,562	11,579	12,095	11,178	10,912	11,067	10,935
In foreign currency	24,135	22,062	17,098	23,896	27,022	40,801	45,214	49,797	52,055
To Non-Government	418,417	430,544	469,614	510,165	540,382	604,064	623,195	634,968	646,942
	(4.9)	(2.9)	(9.1)	(8.6)	(5.9)	(17.0)	(18.8)	(19.5)	(19.7)
In local currency	291,998	304,727	346,445	373,260	400,471	431,559	438,076	450,701	462,375
In foreign currency	126,419	125,817	123,169	136,905	139,911	172,505	185,119	184,267	184,567
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	83.4	84.5	85.2	85.5	85.3	83.1	82.4	82.2	82.2
Non Government Loans/ Deposits ^{4/}	54.5	51.7	52.9	48.8	44.1	44.0	43.9	44.3	44.7
Government Loans / Deposits	34.0	34.1	26.4	28.6	22.0	21.4	23.0	25.1	25.1
Foreign currency denominated credit to total credit	32.9	31.4	27.9	29.5	28.8	32.5	33.9	33.6	33.3
Government foreign currency denominated credit to total government credit	62.0	54.6	52.4	67.4	69.1	78.5	80.6	81.8	82.6
Non - government foreign currency denominated credit to total non-government credit	30.2	29.2	26.2	26.8	25.9	28.6	29.7	29.0	28.5

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

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

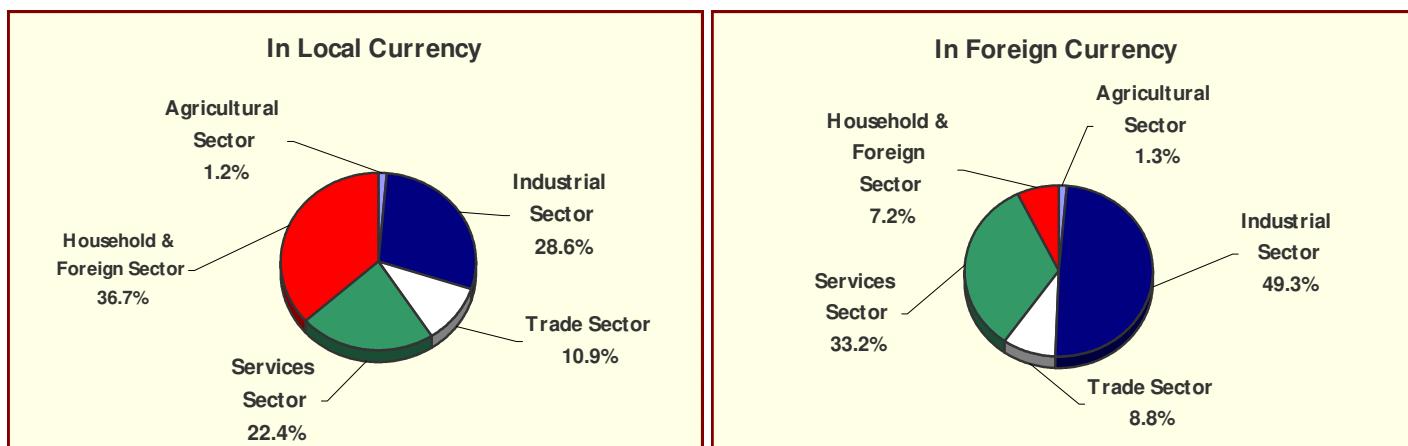
2/ Includes central government and economic authorities.

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

May-2015



Source: Central Bank of Egypt.

Table (29) : Domestic Interest Rates

	CBE Discount Rate ^{1/}	Lending Rate (Less than one year loans) ^{2/}	3 Months Deposit Rate ^{2/}	3 Months T-bills	Investment Certificates ^{1/3/}	Post office Saving Deposits ^{1/}
Yearly Average						
2003/2004	10.00	13.40	7.96	8.41	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
2011/2012	9.50	11.63	7.26	13.38	10.92	9.00
2012/2013	10.25	12.20	7.77	13.35	11.92	9.00
2013/2014	8.75	11.92	7.19	10.88	10.48	8.63
Monthly Average						
Dec-13	8.75	11.90	7.00	10.46	9.75	8.50
Jan-14	8.75	11.80	7.10	10.37	9.75	8.50
Feb-14	8.75	11.80	7.10	10.22	9.75	8.50
Mar-14	8.75	11.70	6.80	10.24	9.75	8.50
Apr-14	8.75	11.60	6.80	10.40	9.75	8.50
May-14	8.75	11.40	6.70	10.52	9.75	8.50
Jun-14	8.75	11.30	6.70	10.60	9.75	8.50
Jul-14	9.75	11.80	6.60	11.19	9.75	8.50
Aug-14	9.75	11.90	7.00	11.72	9.75	8.50
Sep-14	9.75	11.90	7.00	11.75	9.75	8.50
Oct-14	9.75	11.70	7.00	11.57	9.75	8.50
Nov-14	9.75	11.80	7.00	11.62	9.75	8.50
Dec-14	9.75	11.80	7.20	11.51	9.75	8.50
Jan-15	9.25	11.70	7.20	11.44	9.75	8.50
Feb-15	9.25	11.60	7.20	11.04	9.75	8.50
Mar-15	9.25	11.60	7.10	11.20	9.75	8.50
Apr-15	9.25	11.50	7.00	11.16	9.75	8.50
May-15	9.25	11.60	6.80	11.16	10.25	8.50
Jun-15	9.25	--	--	11.86	10.25	8.50

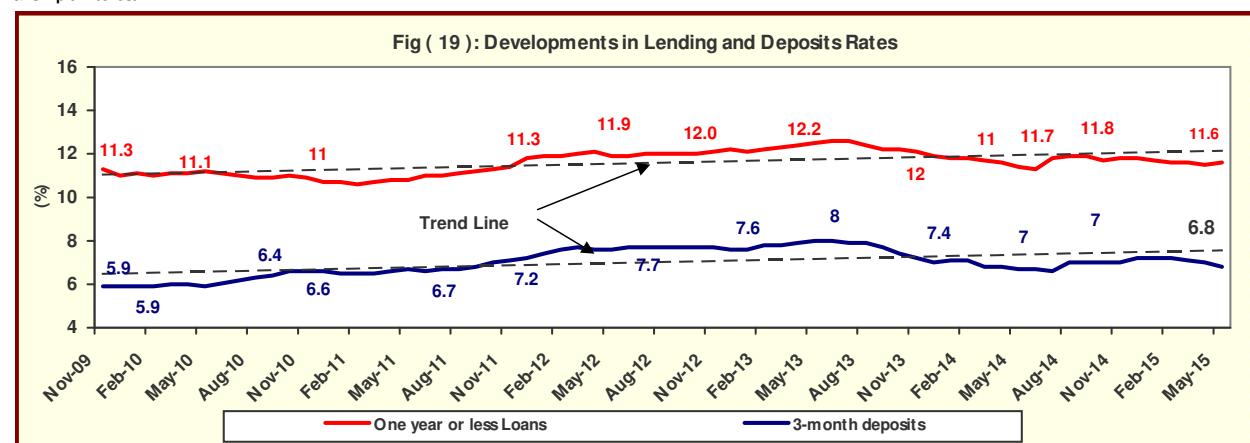
Source: Central Bank of Egypt.

-- 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.

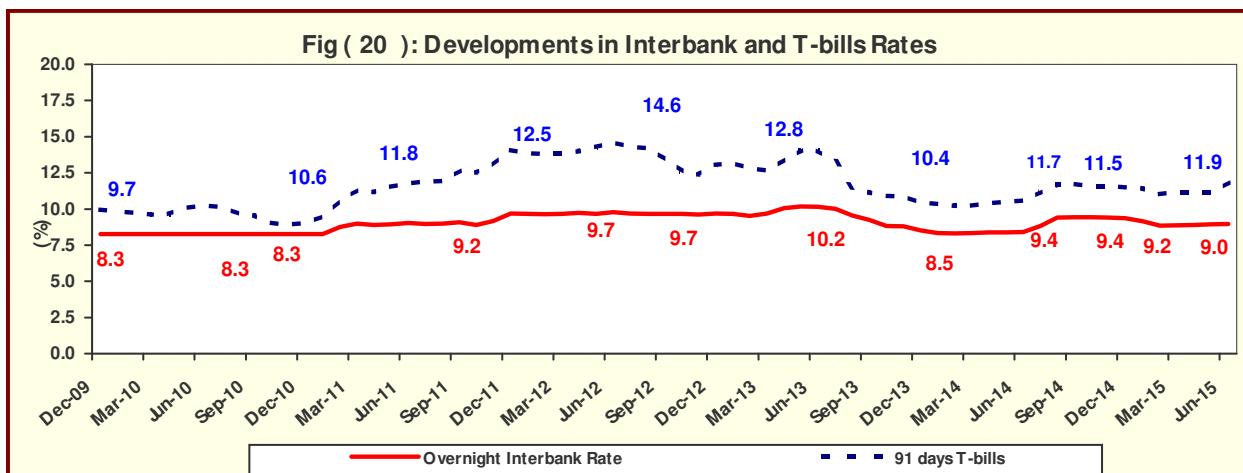
Table (30) : Average Interbank Rates^{1/}

	Overnight	One Week	Month	More than One Month
Yearly Average				
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
2011	9.0	9.1	9.4	9.5
2012	9.4	9.8	10.1	10.2
2013	9.5	9.8	10.2	10.5
2014	8.8	9.1	--	--
Monthly Average				
Dec-13	9.67	8.91	--	--
Jan-14	8.33	8.62	--	--
Feb-14	8.32	8.57	--	--
Mar-14	8.34	8.61	--	--
Apr-14	8.37	8.65	--	--
May-14	8.38	8.70	--	--
Jun-14	8.41	8.72	--	--
Jul-14	8.83	9.08	--	--
Aug-14	9.41	9.62	--	--
Sep-14	9.43	9.67	--	--
Oct-14	9.42	9.64	--	--
Nov-14	9.41	9.63	--	--
Dec-14	9.36	9.64	--	--
Jan-15	9.15	9.51	--	--
Feb-15	8.85	9.18	9.53	8.85
Mar-15	8.87	9.16	--	8.85
Apr-15	8.89	9.08	--	--
May-15	8.93	9.19	--	--
Jun-15	8.96	9.22	--	--

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'.



Source: Central Bank of Egypt.