

Section 6

MONETARY SECTOR

Table (24) Developments in Main Monetary Aggregates-----	45
Table (25) Monetary Survey-----	46 -47
Table (26) Central Bank Reserve Money-----	48
Table (27) Deposits With Banks-----	49
Table (28) Credit Provided By Banks-----	50
Table (29) Domestic Interest Rates-----	51
Table (30) Average Interbank Rates-----	52

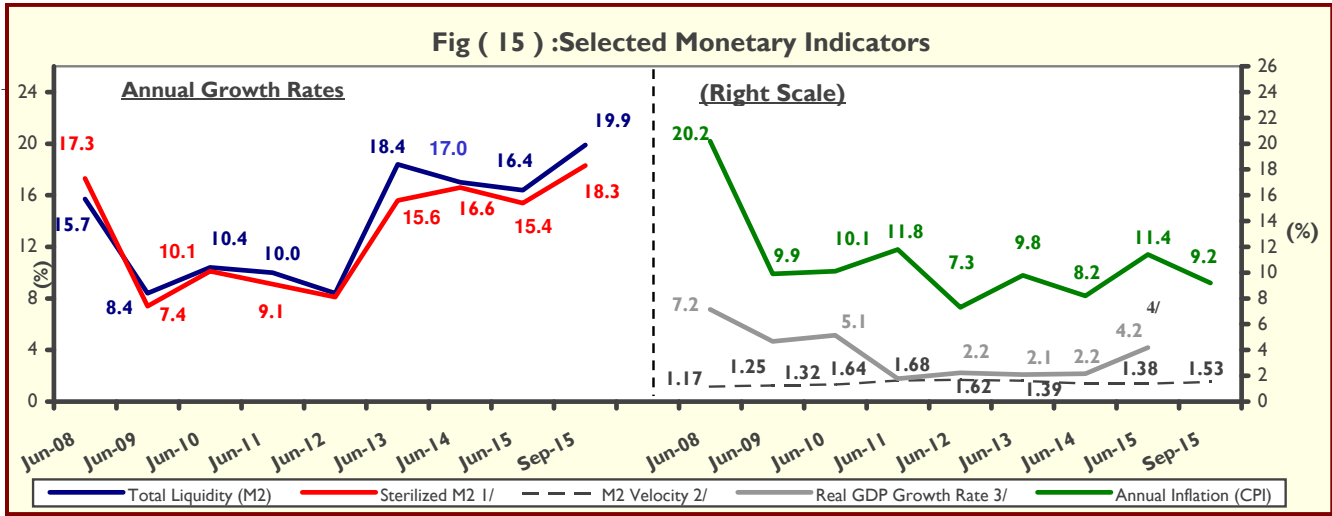
**Table (24) : Developments in Main Monetary Aggregates
(September 2015)**

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	-65.0	-79.6	-91.1	-48.4
CBE NFA	-142.7	-117.8	-111.5	-35.4
CBE NIR	-9.7	-16.6	5.8	7.5
Banks NFA 2/	-22.9	-42.8	-80.9	-54.7
Net Foreign Assets (US dollar terms)	-65.0	-80.1	-91.8	-51.4
CBE NFA	-142.7	-117.3	-110.5	-39.2
CBE NIR	-9.7	-18.7	-3.2	0.3
Banks NFA 2/	-22.9	-44.3	-82.5	-57.3
Net Domestic Assets	2.8	7.3	29.0	22.3
Net Claims on Government and GASC	1.9	7.2	32.1	24.5
Claims on Public Companies	3.3	18.5	62.8	39.7
Claims on Private Sector	0.3	1.2	15.3	14.9
Total Liquidity (M2)	1.7	4.8	19.9	16.5
Money (M1)	2.9	4.5	21.7	18.9
Quasi Money	1.3	4.9	19.1	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 in FY 11/12 until FY 13/14 in accordance with the economic census, to reach LE 1657 billion and LE 1844 billion and LE 2102 billion respectively. It is worthy to highlight that quarterly data are still under preparation and will be published once officially announced by the Ministry of Planning. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2429.8 billion in light of these recent developments.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for FY 14/15.

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

(LE Million)

	Sep-10	Sep-11	Sep-12	Sep-13	Sep-14	Jun-15	Jul-15	Aug-15	Sep-15 *
Net Foreign Assets 1/	312,144	225,259	149,982	124,503	117,811	51,487	46,717	29,980	10,502
	(19.2)	-(27.8)	-(33.4)	-(17.0)	-(5.4)	-(56.8)	-(60.4)	-(75.0)	-(91.1)
Central bank (Net)	191,648	132,030	70,236	42,958	39,229	25,278	14,039	10,523	(4,493)
Foreign Assets	200,054	141,293	89,351	126,065	117,613	148,098	139,820	136,307	122,793
Foreign Liabilities	8,406	9,263	19,115	83,107	78,384	122,820	125,781	125,784	127,286
Banks (Net)	120,496	93,229	79,746	81,545	78,582	26,209	32,678	19,457	14,995
Foreign Assets	159,599	124,628	111,051	114,715	115,415	86,214	97,140	82,320	81,764
Foreign Liabilities	39,103	31,399	31,305	33,170	36,833	60,005	64,462	62,863	66,769
Net Domestic Assets of which:	636,028	799,171	974,350	1,210,464	1,425,945	1,714,005	1,752,773	1,789,138	1,839,803
	(8.5)	(25.7)	(21.9)	(24.2)	(17.8)	(22.7)	(22.8)	(24.4)	(29.0)
Net Claims on Government, and GASC 2/	341,319	482,312	634,011	854,645	1,048,580	1,291,427	1,328,614	1,359,796	1,384,992
National Currency	409,033	570,471	685,288	907,285	1,036,034	1,251,096	1,285,084	1,308,870	1,325,971
Foreign Currency	-67,714	-88,159	-51,277	-52,640	12,546	40,331	43,530	50,926	59,021
Claims on Public Business Sector	30,727	34,856	41,895	43,354	46,028	63,218	64,178	72,542	74,926
National Currency	22,099	26,744	33,368	34,704	36,142	43,989	44,197	50,591	53,012
Foreign Currency	8,628	8,112	8,527	8,650	9,886	19,229	19,981	21,951	21,914
Claims on Private Sector 2/	420,301	425,947	456,430	496,370	547,276	623,566	626,820	629,157	630,825
National Currency	308,528	319,801	351,850	377,964	415,690	461,561	460,007	462,267	463,230
Foreign Currency	111,773	106,146	104,580	118,406	131,586	162,005	166,813	166,890	167,595
Other Items (net) 1/ 2/	-156,319	-143,944	-157,986	-183,905	-215,939	-264,206	-266,839	-272,357	-250,940
Total Liquidity (M2)	948,172	1,024,430	1,124,332	1,334,967	1,543,756	1,765,492	1,799,490	1,819,118	1,850,305
	(11.8)	(8.0)	(9.8)	(18.7)	(15.6)	(16.4)	(16.5)	(16.8)	(19.9)
Money (M1) 3/	220,472	253,802	282,854	365,745	428,200	499,065	502,537	506,834	521,285
	(14.4)	(15.1)	(11.4)	(29.3)	(17.1)	(21.6)	(17.5)	(19.0)	(21.7)
Currency in Circulation	143,799	174,133	198,097	257,206	281,186	292,699	306,870	301,090	311,317
Demand Deposits in Local Currency	76,673	79,669	84,757	108,539	147,014	206,366	195,667	205,744	209,968
Quasi Money	727,700	770,628	841,478	969,222	1,115,556	1,266,427	1,296,953	1,312,284	1,329,020
	(11.1)	(5.9)	(9.2)	(15.2)	(15.1)	(14.5)	(16.1)	(16.0)	(19.1)
Local Currency Time & Savings Deposits	569,542	593,542	653,308	754,610	877,851	1,003,432	1,023,805	1,039,136	1,054,520
Foreign Currency Demand Deposits	34,013	41,253	45,358	53,594	65,599	68,631	72,065	71,904	71,080
Foreign Currency Time and Savings Deposits	124,145	135,833	142,812	161,018	172,106	194,364	201,083	201,244	203,420

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)
(September 2015)

	Sep-10	Sep-11	Sep-12	Sep-13	Sep-14	Jun-15	Jul-15	Aug-15	Sep-15 [*]
Net Foreign Assets (In Million US\$)^{4/}	54,854	37,773	24,670	18,030	16,489	6,770	5,989	3,840	1,345
Central bank NFA	33,679	22,139	11,553	6,221	5,490	3,324	1,800	1,348	(575)
Net International Reserves	56,332	39,326	27,815	30,066	27,459	22,918	22,113	19,950	17,648
Central Bank (Gross)	35,534	24,009	15,043	18,709	16,872	20,096	18,536	18,096	16,335
Banks (net)	21,175	15,633	13,117	11,809	10,998	3,446	4,189	2,492	1,921
Foreign assets	28,047	20,898	18,267	16,613	16,153	11,336	12,453	10,544	10,472
Foreign Liabilities	6,872	5,265	5,149	4,804	5,155	7,890	8,264	8,052	8,552
In Percent of Beginning of Money Stocks^{5/}									
Net Foreign Assets	3.2%	-2.8%	-0.7%	0.1%	-0.09%	-4.5%	-0.3%	-1.2%	-2.3%
Net Domestic Assets	0.1%	4.3%	3.4%	2.9%	1.9%	20.9%	2.2%	4.3%	7.1%
Money (M1)	0.7%	0.5%	0.8%	1.7%	1.2%	5.8%	0.2%	0.4%	1.3%
Quasi Money	2.6%	1.0%	2.0%	1.3%	0.6%	10.6%	1.7%	2.6%	3.5%
Dollarization (% of Total Liquidity) ^{6/}	0.17	0.17	0.17	0.16	0.15	14.9	15.2	15.0	14.8
M2 Multiplier ^{7/}	4.38	4.25	4.47	3.93	4.12	3.63	4.35	4.55	4.36
M2 Velocity ^{8/}	1.45	1.80	1.87	1.57	1.57	1.38	1.57	1.56	1.53
M2 (annual percentage change)	11.84	8.04	9.75	18.73	15.64	16.4	16.5	16.8	19.9
Credit to private sector (annual percentage change) ^{9/}	0.09	0.01	0.07	0.09	0.10	16.7	17.3	17.7	15.3
Exchange Rate ^{10/}	5.69	5.96	6.08	6.91	7.14	7.61	7.80	7.81	7.81

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.

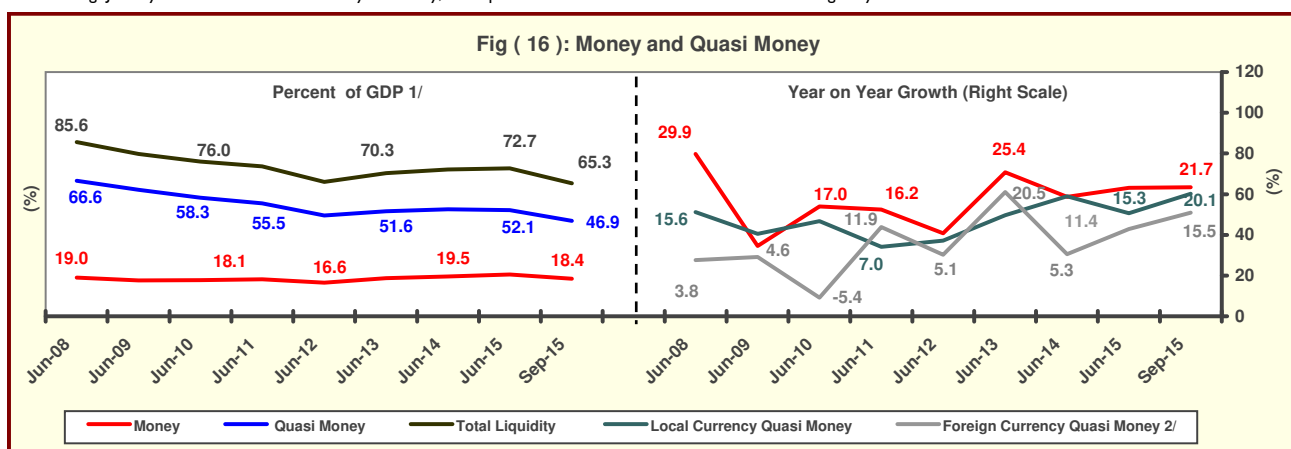
6/ Denotes the ratio of foreign currency demand deposits and time and savings deposits to total liquidity. It excludes non-residents deposits which are counted in the net foreign assets line as well as government deposits.

7/ M2 / Reserve Money.

8/ The Ministry of Planning has revised the time series of GDP starting in FY11/12 until FY13/14 in accordance with the economic census, to reach LE 1657 billion and LE 1844 billion and LE 2102 billion respectively. It is worthy to highlight that quarterly data are still under preparation and will be published once officially announced by the Ministry of Planning. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2429.8 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.



Source: Central Bank of Egypt.

1/ The Ministry of Planning has revised the time series of GDP starting in FY11/12 until FY13/14 in accordance with the economic census, to reach LE 1657 billion and LE 1844 billion and LE 2102 billion respectively. It is worthy to highlight that quarterly data are still under preparation and will be published once officially announced by the Ministry of Planning. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2429.8 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)

	Sep-10	Sep-11	Sep-12	Sep-13	Sep-14	Jun-15	Jul-15	Aug-15	Sep-15 [*]
Reserve Money	216,655	241,242	251,723	339,295	374,619	485,876	413,623	399,916	424,431
	(13.1)	(11.3)	(4.3)	(34.8)	(10.4)	(33.3)	(11.6)	(7.8)	(13.3)
Currency in Circulation	153,079	184,981	209,952	271,271	297,877	313,468	326,705	320,917	330,307
	(12.9)	(20.8)	(13.5)	(29.2)	(9.8)	(8.6)	(7.5)	(7.8)	(10.9)
Banks LE Deposits with CBE	63,576	56,261	41,771	68,024	76,742	172,408	86,918	78,999	94,124
	(13.7)	-(11.5)	-(25.8)	(62.8)	(12.8)	(127.4)	(30.5)	(7.8)	(22.6)
Counter Assets:									
Net Foreign Assets	191,648	132,030	70,236	42,958	39,229	25,171	14,013	10,523	-4,493
	(10.6)	-(31.1)	-(46.8)	-(38.8)	-(8.7)	-(32.7)	-(63.0)	-(72.8)	-(111.5)
Net Domestic Assets	25,007	109,212	181,487	296,337	335,390	460,598	399,584	389,393	428,924
	(37.7)	(336.7)	(66.2)	(63.3)	(13.2)	(40.8)	(20.1)	(17.2)	(27.9)
Net Claims on Government ^{2/}	109,835	147,132	196,622	340,773	397,934	523,893	577,178	594,258	596,766
	(16.5)	(34.0)	(33.6)	(73.3)	(16.8)	(25.0)	(29.6)	(31.1)	(50.0)
Claims	182,528	223,608	274,817	432,458	497,673	620,003	665,551	679,776	680,570
	(11.0)	(22.5)	(22.9)	(57.4)	(15.1)	(33.7)	(37.3)	(36.9)	(36.8)
Securities	130,597	129,097	178,831	240,331	210,330	240,330	241,830	241,830	241,830
Credit Facilities	51,931	94,511	95,986	192,127	287,343	379,673	423,721	437,946	438,740
Deposits ^{3/}	72,693	76,476	78,195	91,685	99,739	96,110	88,373	85,518	83,804
	(3.6)	(5.2)	(2.2)	(17.3)	(8.8)	(115.9)	(124.7)	(98.5)	-(16.0)
Net Claims on Banks	56,622	-2,853	-1,655	-6,361	-7,991	-26,334	-28,516	-27,370	3,520
Net Balancing Items ^{4/}	543	-105	42	-284	-26	-36,961	-149,078	-177,495	-171,362
Memorandum Items									
Reserve Money Velocity ^{5/, 6/}	6.33	6.87	7.32	6.19	6.49	5.00	6.85	7.08	6.68

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 in FY11/12 until FY13/14 in accordance with the economic census, to reach LE 1657 billion and LE 1844 billion and LE 2102 billion respectively. It is worthy to highlight that quarterly data are still under preparation and will be published once officially announced by the Ministry of Planning. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2429.8 billion in light of these recent developments.

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

(LE Million)

	Sep-10	Sep-11	Sep-12	Sep-13	Sep-14	Jun-15	Jul-15	Aug-15	Sep-15*
Total Deposits	923,687	978,125	1,050,507	1,230,196	1,465,630	1,740,158	1,779,543	1,809,086	1,843,368
	(11.0)	(5.9)	(7.4)	(17.1)	(19.1)	(21.4)	(22.2)	(22.3)	(25.8)
In local currency	716,942	746,324	805,235	940,380	1,130,989	1,375,369	1,399,902	1,437,107	1,477,189
In foreign currency	206,745	231,801	245,272	289,816	334,641	364,789	379,641	371,979	366,179
Non Government Deposits ^{2/}	810,422	857,429	933,661	1,086,517	1,272,614	1,488,006	1,508,117	1,533,430	1,554,360
	(11.8)	(5.8)	(8.9)	(16.4)	(17.1)	(18.6)	(18.8)	(19.2)	(22.1)
In local currency	649,359	676,726	741,503	868,143	1,030,974	1,219,985	1,229,829	1,255,089	1,274,796
In foreign currency	161,063	180,703	192,158	218,374	241,640	268,021	278,288	278,341	279,564
Government Deposits	113,265	120,696	116,846	143,679	193,016	252,152	271,426	275,656	289,008
	(5.7)	(6.6)	-(3.2)	(23.0)	(34.34)	(41.0)	(44.6)	(43.4)	(49.7)
In local currency	67,583	69,598	63,732	72,237	100,015	155,384	170,073	182,018	202,393
In foreign currency	45,682	51,098	53,114	71,442	93,001	96,768	101,353	93,638	86,615
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	22.4	23.7	23.3	23.6	22.8	21.0	21.3	20.6	19.9
Dollarization in Non-Government Deposits	19.9	21.1	20.6	20.1	19.0	18.0	18.5	18.2	18.0
Dollarization in Government Deposits	40.3	42.3	45.5	49.7	48.2	38.4	37.3	34.0	30.0

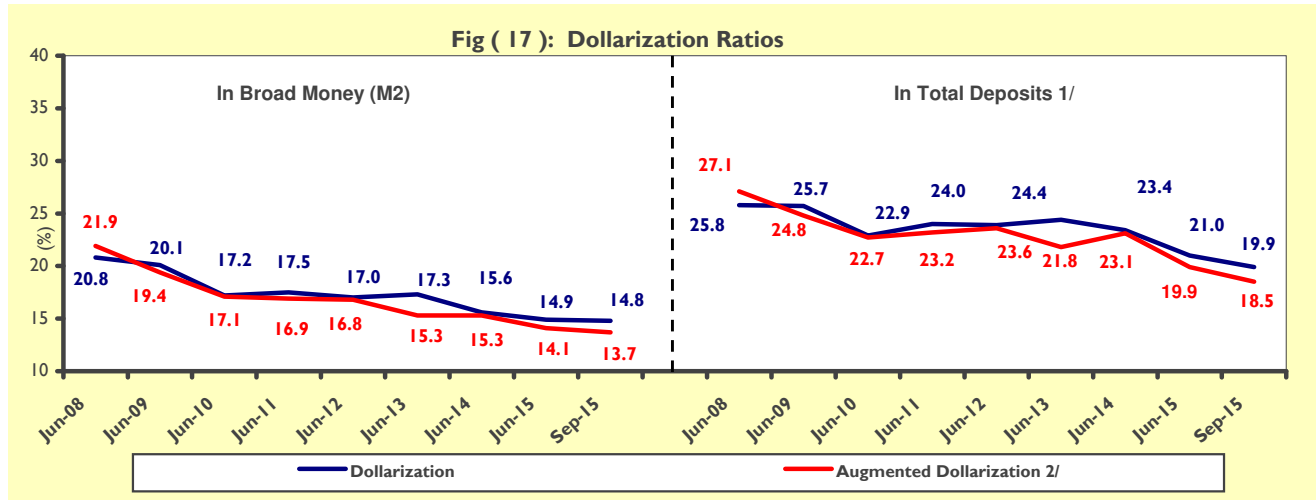
Source: Central bank of Egypt.

() 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 ^{1/}

(LE Million)

	Sep-10	Sep-11	Sep-12	Sep-13	Sep-14	Jun-15	Jul-15	Aug-15	Sep-15 *
Total lending	467,397	478,956	508,424	549,468	601,242	717,999	726,274	736,914	771,629
	(8.7)	(2.5)	(6.2)	(8.1)	(9.4)	(22.1)	(23.5)	(25.3)	(28.3)
To Government ^{2/}	37,101	38,026	35,012	38,196	41,510	66,421	70,301	69,740	100,358
	(14.4)	(2.5)	-(7.9)	(9.1)	(8.7)	(62.8)	(72.4)	(70.0)	(141.8)
In local currency	18,954	17,656	13,459	10,814	11,871	10,855	10,697	10,637	40,850
In foreign currency	18,147	20,370	21,553	27,382	29,639	55,566	59,604	59,103	59,508
To Non-Government	430,296	440,930	473,412	511,272	559,732	651,578	655,973	667,174	671,271
	(8.3)	(2.5)	(7.4)	(8.0)	(9.5)	(19.1)	(19.9)	(22.0)	(19.9)
In local currency	296,534	315,390	351,799	378,592	415,445	468,502	467,494	476,392	479,968
In foreign currency	133,762	125,540	121,613	132,680	144,287	183,076	188,479	190,782	191,303
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	85.5	84.8	84.9	85.2	85.5	82.0	81.5	80.7	77.3
Non Government Loans/ Deposits ^{4/}	53.1	51.4	50.7	47.1	44.0	43.8	43.5	43.5	43.2
Government Loans / Deposits	32.8	31.5	30.0	26.6	21.5	26.3	25.9	25.3	34.7
Foreign currency denominated credit to total credit	32.5	30.5	28.2	29.1	28.9	33.2	34.2	33.9	32.5
Government foreign currency denominated credit to total government credit	48.9	53.6	61.6	71.7	71.4	83.7	84.8	84.7	59.3
Non - government foreign currency denominated credit to total non-government credit	31.1	28.5	25.7	26.0	25.8	28.1	28.7	28.6	28.5

Source: Central Bank of Egypt.

() Percent change over previous year

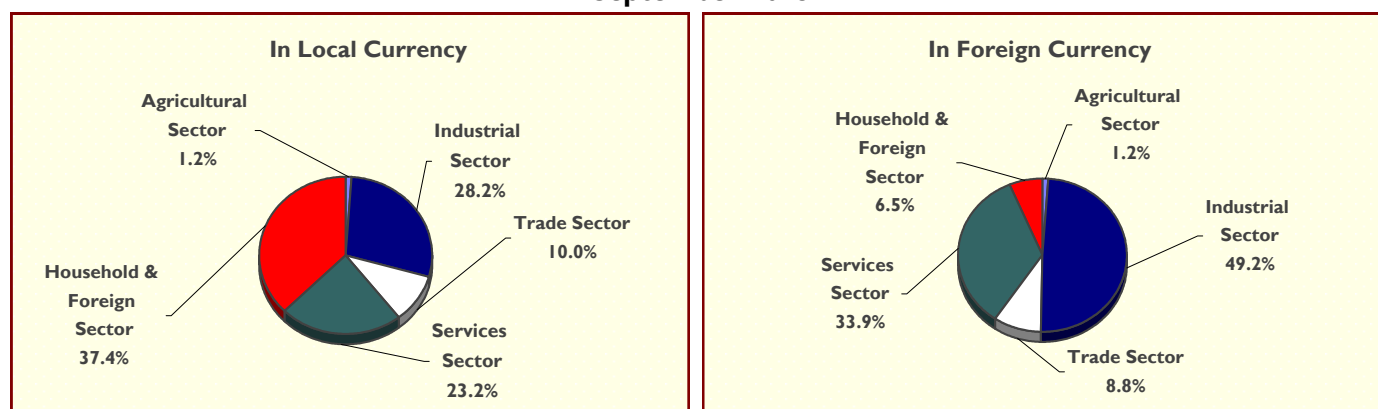
* Preliminary.

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
September-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						
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
2014/2015	9.25	11.71	6.99	11.44	9.83	8.46
Monthly Average						
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	11.41	10.25	8.50
Jun-15	9.25	11.60	6.80	11.73	10.25	8.00
Jul-15	9.25	11.70	6.70	11.44	10.25	8.00
Aug-15	9.25	11.70	6.80	11.21	10.25	8.00
Sep-15	9.25	11.60	6.80	11.28	10.25	8.00
Oct-15	9.25	--	--	11.17	10.25	8.00

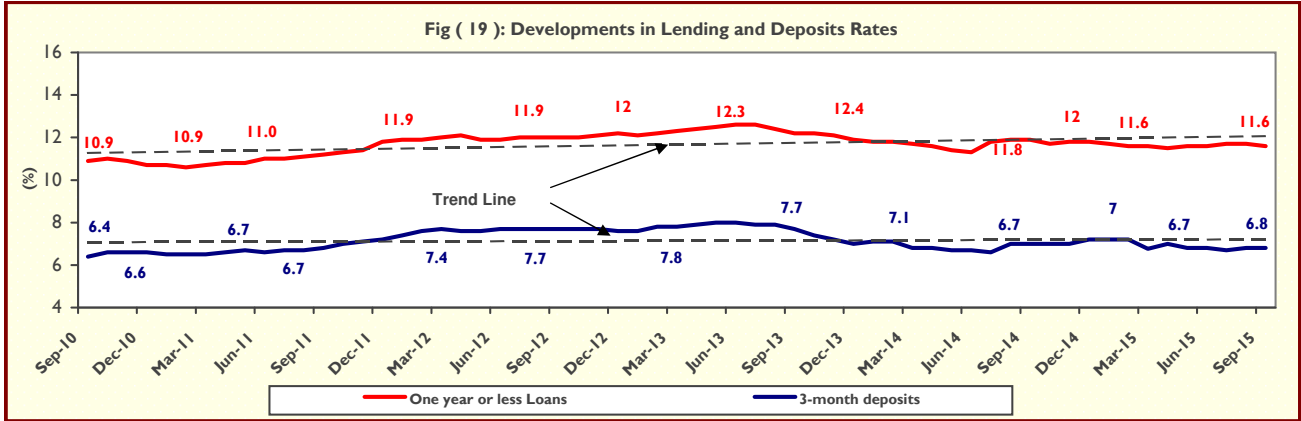
Source: Central Bank of Egypt.

-- 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.

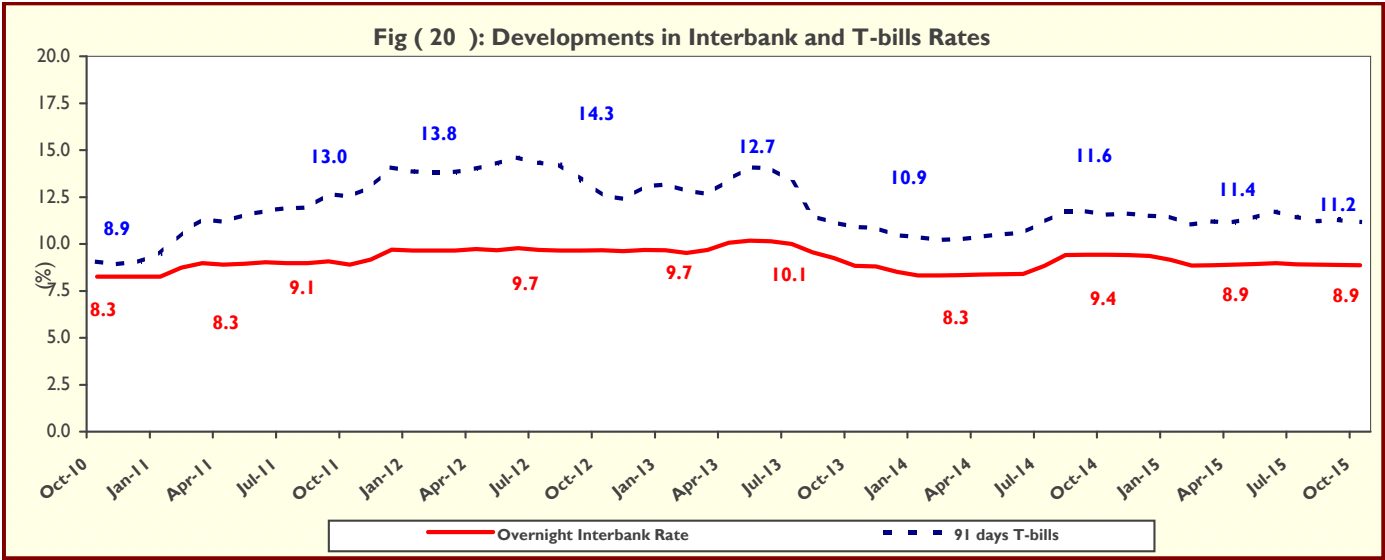
Table (30) : Average Interbank Rates ^{1/}

	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				
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	8.97	9.23	--	--
Jul-15	8.92	9.25	--	--
Aug-15	8.89	9.23	--	--
Sep-15	8.88	9.12	--	--
Oct-15	8.87	8.95	--	--

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.