

Section 6

MONETARY SECTOR

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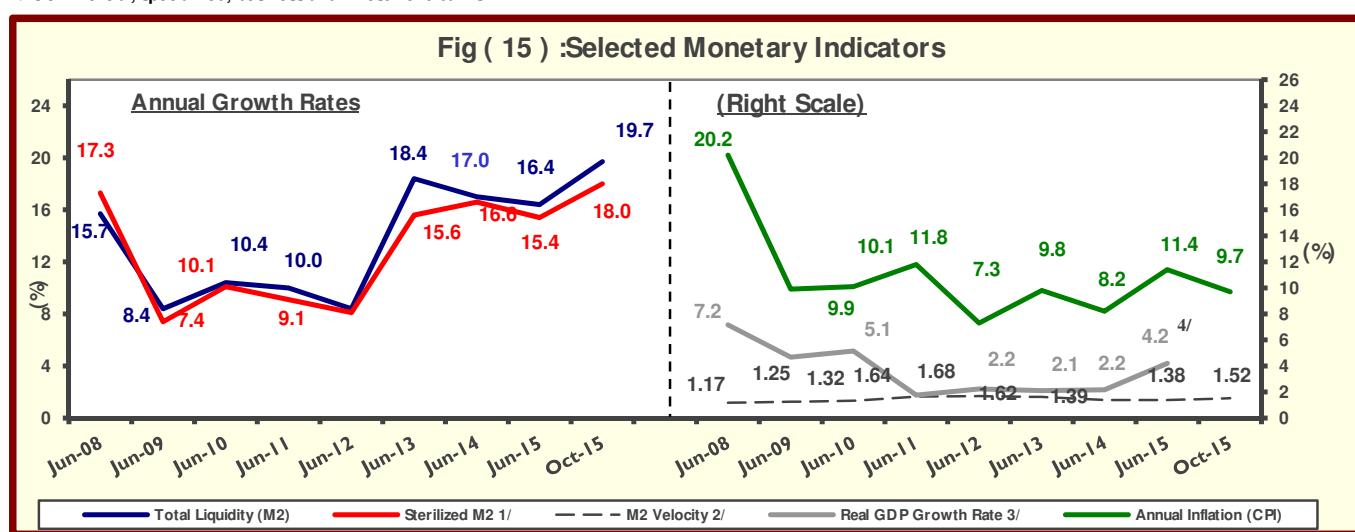
Table (24) : Developments in Main Monetary Aggregates
(October 2015)

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	-29.0	-84.0	-93.3	-55.5
CBE NFA	-10.8	-128.6	-109.3	-44.7
CBE NIR	1.9	-10.1	7.5	8.6
Banks NFA ^{2/}	-23.5	-64.9	-83.3	-60.5
Net Foreign Assets (US dollar terms)	-29.9	-84.3	-94.0	-58.2
CBE NFA	-12.0	-128.1	-108.4	-48.1
CBE NIR	0.5	-11.4	-2.9	0.8
Banks NFA ^{2/}	-24.6	-65.4	-84.9	-62.9
Net Domestic Assets	1.1	6.2	28.4	23.2
Net Claims on Government and GASC	1.3	5.6	32.6	25.6
Claims on Public Companies	1.5	18.5	36.4	40.4
Claims on Private Sector	1.2	1.8	16.1	15.3
Total Liquidity (M2)	1.0	3.8	19.7	16.8
Money (M1)	-0.4	3.3	20.4	19.1
Quasi Money	1.5	4.0	19.5	16.0

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 FY12/13 economic census that enhanced comprehensiveness and improved estimates for informal sector activity. It is also worthy to note that GDP estimates for FY14/15 have been revised to LE 2429.8 billion in light of these recent developments. Noteworthy, quarterly ratios are calculated based on full year GDP figures.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for FY14/15.

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

(LE Million)

	Oct-11	Oct-12	Oct-12	Oct-13	Oct-14	Jul-15	Aug-15	Sep-15	Oct-15 *
Net Foreign Assets 1/	315,293	221,790	154,358	121,994	111,643	46,717	29,980	10,502	7,461
	(20.5)	-(29.7)	-(30.4)	-(21.0)	-(8.5)	-(60.4)	-(75.0)	-(91.1)	-(93.3)
Central bank (Net)	193,724	120,315	69,831	42,133	43,092	14,039	10,523	(4,493)	(4,009)
Foreign Assets	202,151	129,609	92,180	125,104	117,908	139,820	136,307	122,793	126,278
Foreign Liabilities	8,427	9,294	22,349	82,971	74,816	125,781	125,784	127,286	130,287
Banks (Net)	121,569	101,475	84,527	79,861	68,551	32,678	19,457	14,995	11,470
Foreign Assets	159,134	133,387	116,056	113,696	106,029	97,140	82,320	81,764	82,155
Foreign Liabilities	37,565	31,912	31,529	33,835	37,478	64,462	62,863	66,769	70,685
Net Domestic Assets of which:	645,951	809,144	990,295	1,226,490	1,448,684	1,752,773	1,789,138	1,839,803	1,860,713
	(10.2)	(25.3)	(22.4)	(23.9)	(18.1)	(22.8)	(24.4)	(29.0)	(28.4)
Net Claims on Government, and GASC 2/	348,270	492,114	647,353	880,806	1,057,611	1,328,614	1,359,796	1,384,992	1,402,879
National Currency	417,149	579,820	701,159	935,380	1,044,687	1,285,084	1,308,870	1,325,971	1,342,283
Foreign Currency	-68,879	-87,706	-53,806	-54,574	12,924	43,530	50,926	59,021	60,596
Claims on Public Business Sector	31,828	35,997	43,059	43,543	55,747	64,178	72,542	74,926	76,059
National Currency	23,027	27,567	34,447	34,904	41,965	44,197	50,591	53,012	52,795
Foreign Currency	8,801	8,430	8,612	8,639	13,782	19,981	21,951	21,914	23,264
Claims on Private Sector 2/	423,580	427,560	458,433	496,961	549,740	626,820	629,157	630,825	638,328
National Currency	309,999	324,264	353,519	377,159	416,350	460,007	462,267	463,230	466,557
Foreign Currency	113,581	103,296	104,914	119,802	133,390	166,813	166,890	167,595	171,771
Other Items (net) 1/ 2/	-157,727	-146,527	-158,550	-194,820	-214,414	-266,839	-272,357	-250,940	-256,553
Total Liquidity (M2)	961,244	1,030,934	1,144,653	1,348,484	1,560,327	1,799,490	1,819,118	1,850,305	1,868,174
	(13.4)	(7.2)	(11.0)	(17.8)	(15.7)	(16.5)	(16.8)	(19.9)	(19.7)
Money (M1) 3/	222,674	259,887	291,684	369,024	431,396	502,537	506,834	521,285	519,344
	(15.6)	(16.7)	(12.2)	(26.5)	(16.9)	(17.5)	(19.0)	(21.7)	(20.4)
Currency in Circulation	142,783	176,900	205,080	258,332	277,725	306,870	301,090	311,317	308,321
Demand Deposits in Local Currency	79,891	82,987	86,604	110,692	153,671	195,667	205,744	209,968	211,023
Quasi Money	738,570	771,047	852,969	979,460	1,128,931	1,296,953	1,312,284	1,329,020	1,348,830
	(12.7)	(4.4)	(10.6)	(14.8)	(15.3)	(16.1)	(16.0)	(19.1)	(19.5)
Local Currency Time & Savings Deposits	576,948	594,770	662,454	766,120	891,661	1,023,805	1,039,136	1,054,520	1,068,254
Foreign Currency Demand Deposits	36,321	42,199	45,860	52,924	64,367	72,065	71,904	71,080	71,245
Foreign Currency Time and Savings Deposits	125,301	134,078	144,655	160,416	172,903	201,083	201,244	203,420	209,331

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)

(October 2015)

	Oct-10	Oct-11	Oct-12	Oct-13	Oct-14	Jul-15	Aug-15	Sep-15	Oct-15*
Net Foreign Assets (In Million US\$)^{4/}	55,172	37,240	25,367	17,717	15,622	5,989	3,840	1,345	943
Central bank NFA	33,899	20,202	11,476	6,119	6,030	1,800	1,348	(575)	(506)
Net International Reserves	56,646	38,800	29,040	29,767	26,092	22,113	19,950	17,648	17,402
Central Bank (Gross)	35,545	22,072	15,484	18,590	16,909	18,536	18,096	16,335	16,415
Banks (net)	21,273	17,038	13,891	11,598	9,593	4,189	2,492	1,921	1,449
Foreign assets	27,846	22,397	19,072	16,512	14,837	12,453	10,544	10,472	10,379
Foreign Liabilities	6,573	5,358	5,181	4,914	5,244	8,264	8,052	8,552	8,930
In Percent of Beginning of Money Stocks^{5/}									
Net Foreign Assets	3.6%	-3.1%	-0.3%	-0.1%	-0.50%	-0.3%	-1.2%	-2.3%	-2.5%
Net Domestic Assets	1.2%	5.3%	4.9%	4.1%	3.4%	2.2%	4.3%	7.1%	8.3%
Money (M1)	0.9%	1.1%	1.6%	1.9%	1.4%	0.2%	0.4%	1.3%	1.1%
Quasi Money	3.8%	1.0%	3.0%	2.1%	1.5%	1.7%	2.6%	3.5%	4.7%
Dollarization (% of Total Liquidity)^{6/}	0.17	0.17	0.17	0.16	0.15	15.2	15.0	14.8	15.0
M2 Multiplier^{7/}	4.57	4.32	4.27	4.03	4.23	4.35	4.55	4.36	4.39
M2 Velocity^{8/}	1.43	1.79	1.84	1.56	1.56	1.57	1.56	1.53	1.52
M2 (annual percentage change)	13.39	7.25	11.03	17.81	15.71	16.5	16.8	19.9	19.7
Credit to private sector (annual percentage change)^{9/}	0.10	0.01	0.07	0.08	0.11	17.3	17.7	15.3	16.1
Exchange Rate^{10/}	5.71	5.96	6.09	6.89	7.15	7.80	7.81	7.81	7.92

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.

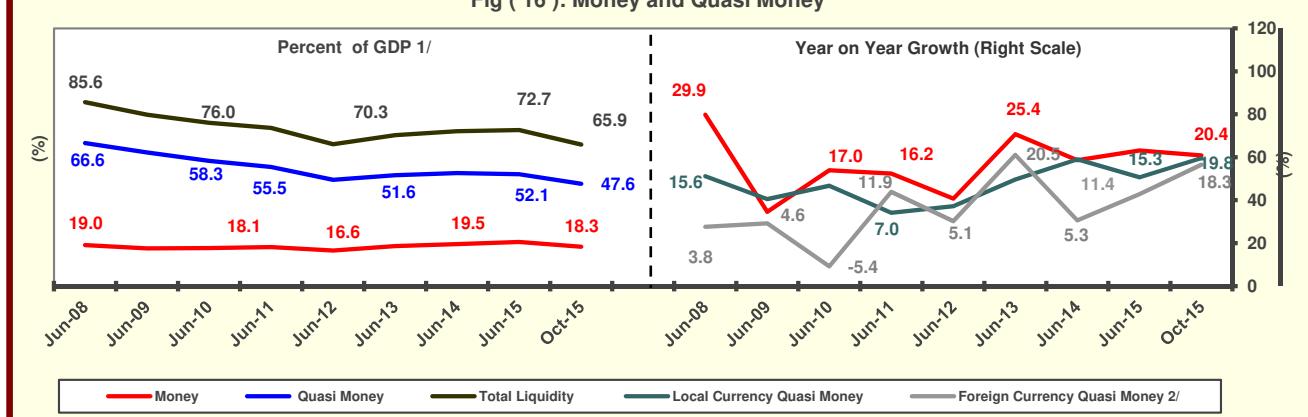
7/ M2 / Reserve Money.

8/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with FY12/13 economic census that enhanced comprehensiveness and improved estimates for informal sector activity. It is also worthy to note that GDP estimates for FY14/15 have been revised to LE 2429.8 billion in light of these recent developments. Noteworthy, quarterly ratios are calculated based on full year GDP figures.

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 FY12/13 economic census that enhanced comprehensiveness and improved estimates for informal sector activity. It is also worthy to note that GDP estimates for FY14/15 have been revised to LE 2429.8 billion in light of these recent developments. Noteworthy, quarterly ratios are calculated based on full year GDP figures.

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

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

(LE Million)

	Oct-10	Oct-11	Oct-12	Oct-13	Oct-14	Jul-15	Aug-15	Sep-15	Oct-15*
Reserve Money	210,432	238,818	268,250	334,745	368,636	413,623	399,916	424,431	425,386
	(12.2)	(13.5)	(12.3)	(24.8)	(10.1)	(11.6)	(7.8)	(13.3)	(15.4)
Currency in Circulation	153,037	188,716	216,926	272,721	294,086	326,705	320,917	330,307	325,495
	(15.0)	(23.3)	(14.9)	(25.7)	(7.8)	(7.5)	(7.8)	(10.9)	(10.7)
Banks LE Deposits with CBE	57,395	50,102	51,324	62,024	74,550	86,918	78,999	94,124	99,891
	(5.4)	-(12.7)	(2.4)	(20.8)	(20.2)	(30.5)	(7.8)	(22.6)	(34.0)
Counter Assets:									
Net Foreign Assets	193,724	120,315	69,831	42,133	43,092	14,013	10,523	-4,493	-4,009
	(10.6)	-(37.9)	-(42.0)	-(39.7)	(2.3)	-(63.0)	-(72.8)	-(111.5)	-(109.3)
Net Domestic Assets	16,708	118,503	198,419	292,612	325,544	399,584	389,393	428,924	429,395
	(35.3)	(609.3)	(67.4)	(47.5)	(11.3)	(20.1)	(17.2)	(27.9)	(31.9)
Net Claims on Government ^{2/}	107,088	149,542	209,667	356,501	411,143	577,178	594,258	596,766	605,246
	(3.1)	(39.6)	(40.2)	(70.0)	(15.3)	(29.6)	(31.1)	(50.0)	(47.2)
Claims	181,474	226,615	289,434	446,409	515,510	665,551	679,776	680,570	686,774
	(2.0)	(24.9)	(27.7)	(54.2)	(15.5)	(37.3)	(36.9)	(36.8)	(33.2)
Securities	130,597	129,097	178,831	240,331	210,330	241,830	241,830	241,830	241,830
Credit Facilities	50,877	97,518	110,603	206,078	305,180	423,721	437,946	438,740	444,944
Deposits ^{3/}	74,386	77,073	79,767	89,908	104,367	88,373	85,518	83,804	81,528
	(0.5)	(3.6)	(3.5)	(12.7)	(16.1)	(124.7)	(98.5)	-(16.0)	-(21.9)
Net Claims on Banks	55,317	-2,231	-2,068	-6,865	-10,785	-28,516	-27,370	3,520	3,926
Net Balancing Items ^{4/}	-145,697	-28,808	-9,180	-57,024	-74,814	-149,078	-177,495	-171,362	-179,777
Memorandum Items									
Reserve Money Velocity ^{5/ , 6/}	6.52	6.94	6.87	6.28	6.59	6.85	7.08	6.68	6.66

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 FY12/13 economic census that enhanced comprehensiveness and improved estimates for informal sector activity. It is also worthy to note that GDP estimates for FY14/15 have been revised to LE 2429.8 billion in light of these recent developments. Noteworthy, quarterly ratios are calculated based on full year GDP figures.

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

(LE Million)

	Oct-10	Oct-11	Oct-12	Oct-13	Oct-14	Jul-15	Aug-15	Sep-15	Oct-15*
Total Deposits	937,733	981,239	1,063,420	1,241,516	1,496,015	1,779,543	1,809,086	1,843,368	1,872,685
	(12.1)	(4.6)	(8.4)	(16.7)	(20.5)	(22.2)	(22.3)	(25.8)	(25.2)
In local currency	726,684	751,000	815,022	951,413	1,160,157	1,399,902	1,437,107	1,477,189	1,496,608
In foreign currency	211,049	230,239	248,398	290,103	335,858	379,641	371,979	366,179	376,077
Non Government Deposits^{2/}	824,247	861,242	946,956	1,098,777	1,293,020	1,508,117	1,533,430	1,554,360	1,575,056
	(13.4)	(4.5)	(10.0)	(16.0)	(17.7)	(18.8)	(19.2)	(22.1)	(21.8)
In local currency	659,485	681,421	752,500	881,607	1,051,838	1,229,829	1,255,089	1,274,796	1,289,199
In foreign currency	164,762	179,821	194,456	217,170	241,182	278,288	278,341	279,564	285,857
Government Deposits	113,486	119,997	116,464	142,739	202,995	271,426	275,656	289,008	297,629
	(3.5)	(5.7)	(-2.9)	(22.6)	(42.21)	(44.6)	(43.4)	(49.7)	(46.6)
In local currency	67,199	69,579	62,522	69,806	108,319	170,073	182,018	202,393	207,409
In foreign currency	46,287	50,418	53,942	72,933	94,676	101,353	93,638	86,615	90,220
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	22.5	23.5	23.4	23.4	22.5	21.3	20.6	19.9	20.1
Dollarization in Non-Government Deposits	20.0	20.9	20.5	19.8	18.7	18.5	18.2	18.0	18.1
Dollarization in Government Deposits	40.8	42.0	46.3	51.1	46.6	37.3	34.0	30.0	30.3

Source: Central bank of Egypt.

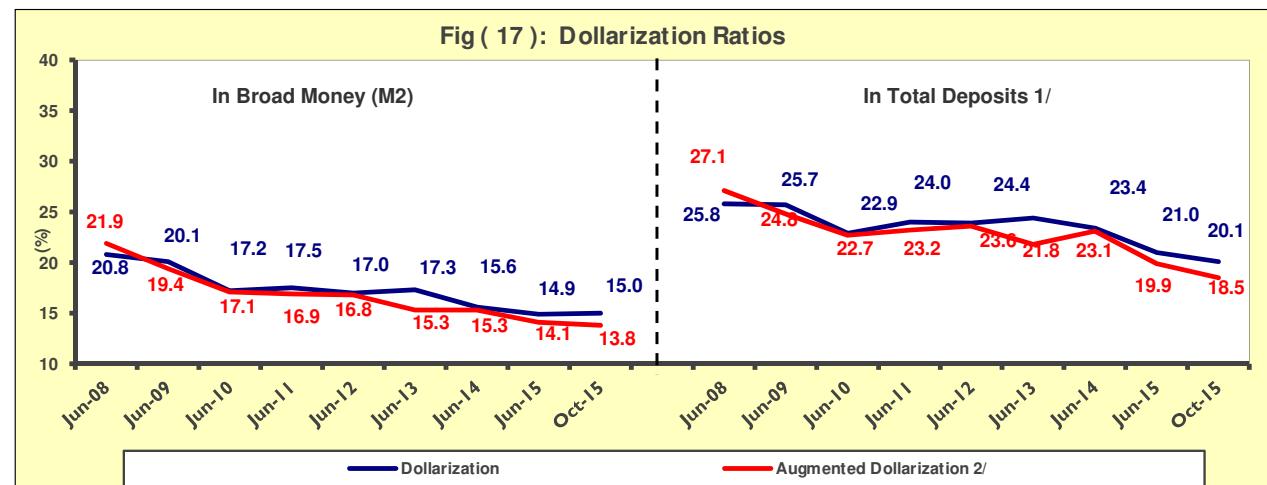
() Percent change over same period in previous year.

* 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)

	Oct-11	Oct-12	Oct-12	Oct-13	Oct-14	Jul-15	Aug-15	Sep-15	Oct-15*
Total lending	471,441	481,703	509,469	549,950	615,707	726,274	736,914	771,629	782,393
	(9.4)	(2.2)	(5.8)	(7.9)	(12.0)	(23.5)	(25.3)	(28.3)	(27.1)
To Government ^{2/}	37,656	37,800	33,055	38,390	43,629	70,301	69,740	100,358	102,449
	(18.0)	(0.4)	-(12.6)	(16.1)	(13.6)	(72.4)	(70.0)	(141.8)	(134.8)
In local currency	19,357	17,477	13,306	10,656	11,934	10,697	10,637	40,850	40,784
In foreign currency	18,299	20,323	19,749	27,734	31,695	59,604	59,103	59,508	61,665
To Non-Government	433,785	443,903	476,414	511,560	572,078	655,973	667,174	671,271	679,944
	(8.7)	(2.3)	(7.3)	(7.4)	(11.8)	(19.9)	(22.0)	(19.9)	(18.9)
In local currency	298,342	320,213	354,580	377,715	422,238	467,494	476,392	479,968	482,874
In foreign currency	135,443	123,690	121,834	133,845	149,840	188,479	190,782	191,303	197,070
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	85.3	84.7	85.1	85.1	83.9	81.5	80.7	77.3	77.2
Non Government Loans/ Deposits ^{4/}	52.6	51.5	50.3	46.6	44.2	43.5	43.5	43.2	43.2
Government Loans / Deposits	33.2	31.5	28.4	26.9	21.5	25.9	25.3	34.7	34.4
Foreign currency denominated credit to total credit	32.6	29.9	27.8	29.4	29.5	34.2	33.9	32.5	33.1
Government foreign currency denominated credit to total government credit	48.6	53.8	59.7	72.2	72.6	84.8	84.7	59.3	60.2
Non - government foreign currency denominated credit to total non-government credit	31.2	27.9	25.6	26.2	26.2	28.7	28.6	28.5	29.0

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

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

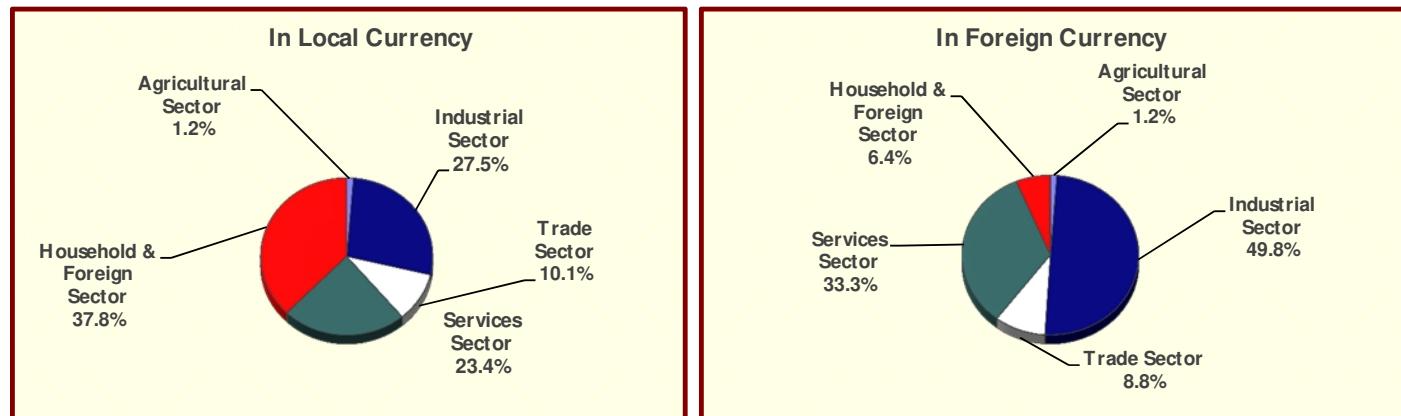
2/ Includes central government and economic authorities.

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

October-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						
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	11.50	6.90	11.17	10.25	8.00
Nov-15	9.25	11.60	6.80	11.22	12.75	8.00

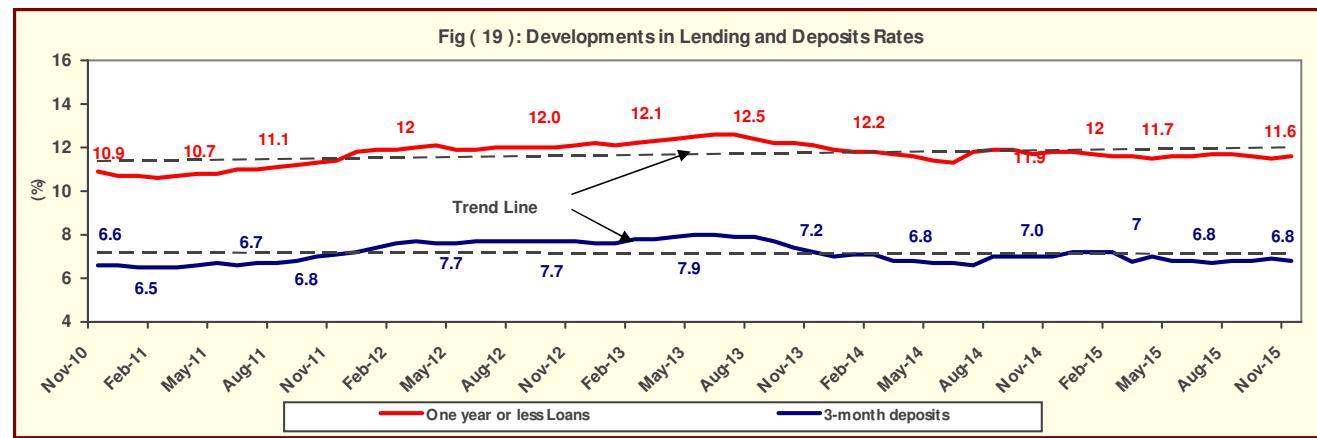
Source: Central Bank of Egypt.

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.

Fig (19) : Developments in Lending and Deposits Rates



Source: Central Bank of Egypt.

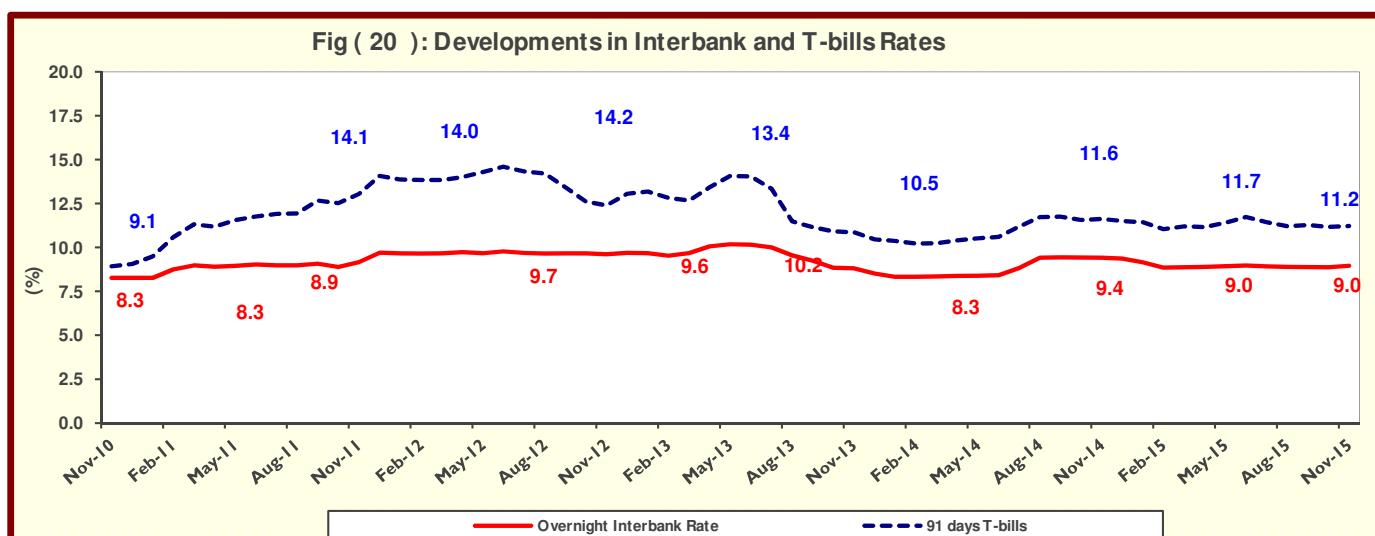
Table (30) : Average Interbank Rates ^{1/}

	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				
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	--	--
Nov-15	8.96	8.98	--	--

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.