

Section 6

MONETARY SECTOR

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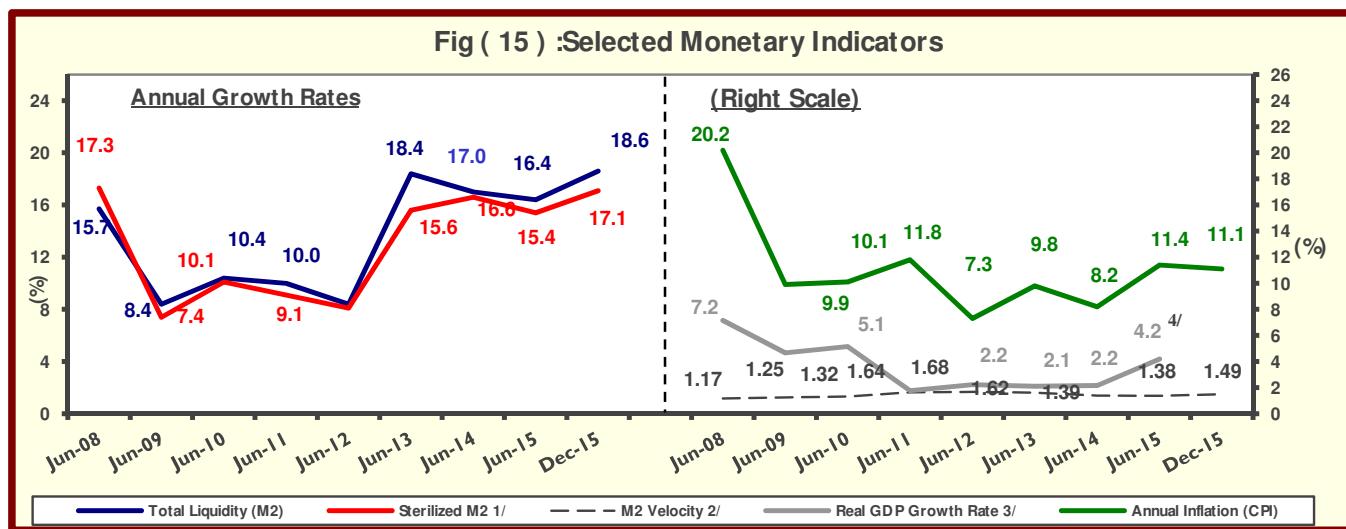
Table (24) : Developments in Main Monetary Aggregates
(December 2015)

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	73.2	-263.8	-120.4	-71.3
CBE NFA	47.0	203.4	-142.1	-64.9
CBE NIR	-0.8	0.7	17.2	12.3
Banks NFA ^{2/}	440.7	-123.8	-106.9	-73.8
Net Foreign Assets (US dollar terms)	74.8	-263.8	-118.7	-73.3
CBE NFA	48.4	203.4	-138.5	-67.3
CBE NIR	0.13	0.7	7.2	3.4
Banks NFA ^{2/}	445.7	-123.8	-106.3	-75.7
Net Domestic Assets	1.9	4.5	26.3	24.5
Net Claims on Government and GASC	2.4	6.8	31.2	27.2
Claims on Public Companies	1.2	2.7	31.5	41.0
Claims on Private Sector	1.4	3.2	17.5	16.3
Total Liquidity (M2)	1.5	3.0	18.6	17.4
Money (M1)	1.1	-0.1	16.8	19.0
Quasi Money	1.7	4.2	19.3	16.8

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
(December 2015)

	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Sep-15	Oct-15	Nov-15	Dec-15 *
Net Foreign Assets 1/	305,252	190,179	133,369	117,609	84,362	10,502	7,461	(9,935)	(17,207)
	(19.3)	-(37.7)	-(29.9)	-(11.8)	-(28.3)	-(91.1)	-(93.3)	-(109.7)	-(120.4)
Central bank (Net)	198,207	96,828	49,051	38,448	32,419	(4,493)	(4,009)	(9,274)	(13,633)
 Foreign Assets	206,313	107,201	90,051	114,764	107,035	122,793	126,278	123,739	123,768
 Foreign Liabilities	8,106	10,373	41,000	76,316	74,616	127,286	130,287	133,013	137,401
Banks (Net)	107,045	93,351	84,318	79,161	51,943	14,995	11,470	(661)	(3,574)
 Foreign Assets	148,104	123,741	115,033	113,596	93,620	81,764	82,155	80,754	76,281
 Foreign Liabilities	41,059	30,390	30,715	34,435	41,677	66,769	70,685	81,415	79,855
Net Domestic Assets of which:	668,710	848,692	1,033,791	1,270,079	1,522,143	1,839,803	1,860,713	1,886,763	1,922,671
	(9.5)	(26.9)	(21.8)	(22.9)	(19.8)	(29.0)	(28.4)	(28.3)	(26.3)
Net Claims on Government, and GASC 2/	364,674	515,774	678,428	922,542	1,126,838	1,384,992	1,402,879	1,443,503	1,478,748
 National Currency	434,886	588,870	724,074	910,786	1,106,967	1,325,971	1,342,283	1,381,034	1,418,603
 Foreign Currency	-70,212	-73,096	-45,646	11,756	19,871	59,021	60,596	62,469	60,145
Claims on Public Business Sector	32,478	38,838	43,914	43,665	58,557	74,926	76,059	76,095	76,981
 National Currency	24,030	29,958	35,050	34,719	42,444	53,012	52,795	53,322	53,678
 Foreign Currency	8,448	8,880	8,864	8,946	16,113	21,914	23,264	22,773	23,303
Claims on Private Sector 2/	407,905	432,788	465,687	495,593	554,356	630,825	638,328	642,119	651,253
 National Currency	298,490	328,862	358,833	374,983	418,504	463,230	466,557	482,236	494,210
 Foreign Currency	109,415	103,926	106,854	120,610	135,852	167,595	171,771	159,883	157,043
Other Items (net) 1/ 2/	-136,347	-138,708	-154,238	-191,721	-217,608	-250,940	-256,553	-274,954	-284,311
Total Liquidity (M2)	973,962	1,038,871	1,167,160	1,387,688	1,606,505	1,850,305	1,868,174	1,876,828	1,905,464
	(12.4)	(6.7)	(12.3)	(18.9)	(15.8)	(19.9)	(19.7)	(19.3)	(18.6)
Money (M1) 3/	223,456	255,581	288,139	373,624	445,733	521,285	519,344	515,069	520,592
	(13.4)	(14.4)	(12.7)	(29.7)	(19.3)	(21.7)	(20.4)	(18.6)	(16.8)
 Currency in Circulation	143,633	176,578	205,020	251,050	277,159	311,317	308,321	303,779	305,061
 Demand Deposits in Local Currency	79,823	79,003	83,119	122,574	168,574	209,968	211,023	211,290	215,531
Quasi Money	750,506	783,290	879,021	1,014,064	1,160,772	1,329,020	1,348,830	1,361,759	1,384,872
	(12.1)	(4.4)	(12.2)	(15.4)	(14.5)	(19.1)	(19.5)	(19.6)	(19.3)
 Local Currency Time & Savings Deposits	592,451	602,253	673,098	796,896	928,318	1,054,520	1,068,254	1,086,608	1,108,338
 Foreign Currency Demand Deposits	34,072	40,850	50,784	57,295	60,775	71,080	71,245	69,302	68,950
 Foreign Currency Time and Savings Deposits	123,983	140,187	155,139	159,873	171,679	203,420	209,331	205,849	207,584

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)

(December 2015)

	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Sep-15	Oct-15	Nov-15	Dec-15*
Net Foreign Assets (In Million US\$)^{4/}	53,471	31,641	21,695	17,048	11,807	1,345	943	(1,261)	(2,204)
Central bank NFA	34,720	16,110	7,979	5,573	4,537	(575)	(506)	(1,177)	(1,746)
Net International Reserves	54,891	33,367	28,365	28,111	22,250	17,648	17,402	15,620	15,394
Central Bank (Gross)	36,005	18,119	15,015	17,032	15,333	16,335	16,415	16,423	16,445
Banks (net)	18,751	15,531	13,716	11,475	7,270	1,921	1,449	(84)	(458)
Foreign assets	25,943	20,587	18,712	16,467	13,103	10,472	10,379	10,249	9,770
Foreign Liabilities	7,192	5,056	4,996	4,992	5,833	8,552	8,930	10,333	10,228
<u>In Percent of Beginning of Money Stocks</u> ^{5/}									
Net Foreign Assets	2.5%	-6.3%	-2.2%	-0.4%	-2.29%	-2.3%	-2.5%	-3.5%	-3.9%
Net Domestic Assets	3.7%	9.2%	8.9%	7.5%	8.2%	7.1%	8.3%	9.8%	11.8%
Money (M1)	1.0%	0.7%	1.2%	2.3%	2.3%	1.3%	1.1%	0.9%	1.2%
Quasi Money	5.1%	2.2%	5.4%	4.8%	3.6%	3.5%	4.7%	5.4%	6.7%
Dollarization (% of Total Liquidity) ^{6/}	0.16	0.17	0.18	0.16	0.14	14.8	15.0	14.7	14.5
M2 Multiplier ^{7/}	4.46	4.04	4.42	4.13	4.43	4.36	4.39	4.35	4.53
M2 Velocity ^{8/}	1.41	1.77	1.80	1.51	1.51	1.53	1.52	1.51	1.49
M2 (annual percentage change)	12.42	6.66	12.35	18.89	15.77	19.9	19.7	19.3	18.6
Credit to private sector (annual percentage change) ^{9/}	0.07	0.06	0.08	0.06	0.12	15.3	16.1	16.3	17.5
Exchange Rate ^{10/}	5.71	6.01	6.15	6.90	7.14	7.81	7.92	7.88	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.

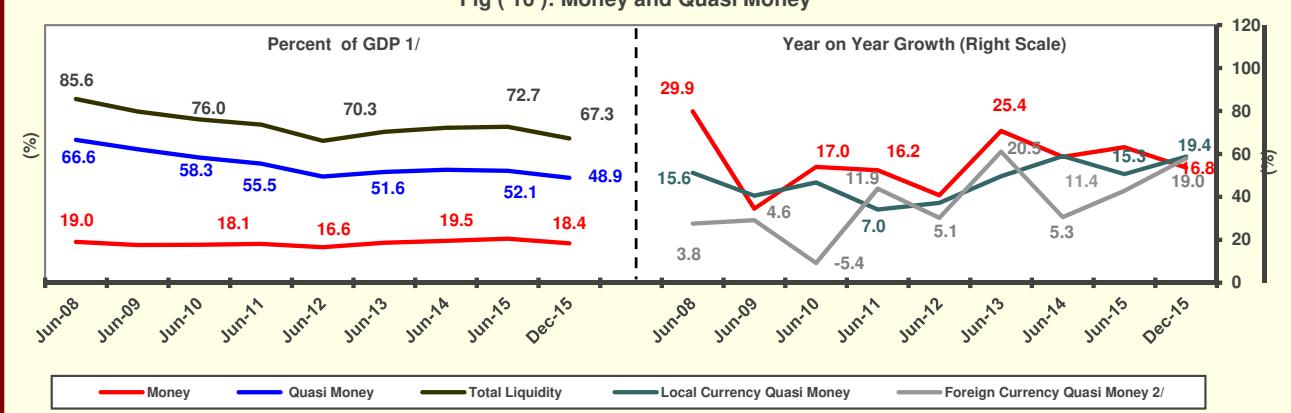
7/ M2 / Reserve Money.

8/ The Ministry of Planning has revised the time series of GDP starting 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)

	Nov-10	Nov-11	Nov-12	Nov-13	Nov-14	Aug-15	Sep-15	Oct-15	* Nov-15
Reserve Money	221,924	258,471	264,302	337,980	363,202	399,916	424,431	425,386	431,665
	(16.3)	(16.5)	(2.3)	(27.9)	(7.5)	(7.8)	(13.3)	(15.4)	(18.8)
Currency in Circulation	155,660	190,352	213,228	266,787	291,458	320,917	330,307	325,495	322,474
	(11.6)	(22.3)	(12.0)	(25.1)	(9.2)	(7.8)	(10.9)	(10.7)	(10.6)
Banks LE Deposits with CBE	66,264	68,119	51,074	71,193	71,744	78,999	94,124	99,891	109,191
	(29.1)	(2.8)	-(25.0)	(39.4)	(0.8)	(7.8)	(22.6)	(34.0)	(52.2)
Counter Assets:									
Net Foreign Assets	194,312	108,397	64,088	40,218	36,382	10,523	-4,493	-4,009	-9,274
	(10.9)	-(44.2)	-(40.9)	-(37.2)	-(9.5)	-(72.8)	-(111.5)	-(109.3)	-(125.5)
Net Domestic Assets	27,612	150,074	200,214	297,762	326,820	389,393	428,924	429,395	440,939
	(77.2)	(443.5)	(33.4)	(48.7)	(9.8)	(17.2)	(27.9)	(31.9)	(34.9)
Net Claims on Government ^{2/}	101,920	158,019	202,521	364,399	438,165	594,258	596,766	605,246	626,452
	-(0.5)	(55.0)	(28.2)	(79.9)	(20.2)	(31.1)	(50.0)	(47.2)	(43.0)
Claims	178,126	237,998	283,829	402,897	541,314	679,776	680,570	686,774	706,909
	(2.3)	(33.6)	(19.3)	(42.0)	(34.4)	(36.9)	(36.8)	(33.2)	(30.6)
Securities	130,597	129,097	178,831	240,331	300,330	241,830	241,830	241,830	241,830
Credit Facilities	47,529	108,901	104,998	162,566	240,984	437,946	438,740	444,944	465,079
Deposits^{3/}	76,206	79,979	81,308	38,498	103,149	85,518	83,804	81,528	80,457
	(6.2)	(5.0)	(1.7)	-(52.7)	(167.9)	(98.5)	-(16.0)	-(21.9)	-(22.0)
Net Claims on Banks	50,739	-2,048	-1,655	-7,390	-14,130	-27,370	3,520	3,926	-177
Net Balancing Items ^{4/}	-125,047	-5,897	-652	-59,247	-97,215	-177,495	-171,362	-179,777	-185,336
Memorandum Items									
Reserve Money Velocity ^{5/ , 6/}	6.18	6.41	6.98	6.22	6.69	7.08	6.68	6.66	6.56

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)								
	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Sep-15	Oct-15	Nov-15	Dec-15 *
Total Deposits	952,133	989,427	1,090,874	1,316,008	1,559,764	1,843,368	1,872,685	1,880,860	1,914,552
	(10.8)	(3.9)	(10.3)	(20.6)	(18.5)	(25.8)	(25.2)	(23.5)	(22.7)
In local currency	743,551	755,416	824,898	1,003,305	1,232,416	1,477,189	1,496,608	1,516,287	1,547,357
In foreign currency	208,582	234,011	265,976	312,703	327,348	366,179	376,077	364,573	367,195
Non Government Deposits^{2/}	836,636	868,903	969,640	1,145,306	1,340,409	1,554,360	1,575,056	1,587,950	1,615,135
	(12.3)	(3.9)	(11.6)	(18.1)	(17.0)	(22.1)	(21.8)	(21.4)	(20.5)
In local currency	675,283	684,312	759,673	924,313	1,104,266	1,274,796	1,289,199	1,307,614	1,333,575
In foreign currency	161,353	184,591	209,967	220,993	236,143	279,564	285,857	280,336	281,560
Government Deposits	115,497	120,524	121,234	170,702	219,355	289,008	297,629	292,910	299,417
	(1.0)	(4.4)	(0.6)	(40.8)	(28.50)	(49.7)	(46.6)	(36.3)	(36.5)
In local currency	68,268	71,104	65,225	78,992	128,150	202,393	207,409	208,673	213,782
In foreign currency	47,229	49,420	56,009	91,710	91,205	86,615	90,220	84,237	85,635
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	21.9	23.7	24.4	23.8	21.0	19.9	20.1	19.4	19.2
Dollarization in Non-Government Deposits	19.3	21.2	21.7	19.3	17.6	18.0	18.1	17.7	17.4
Dollarization in Government Deposits	40.9	41.0	46.2	53.7	41.6	30.0	30.3	28.8	28.6

Source: Central bank of Egypt.

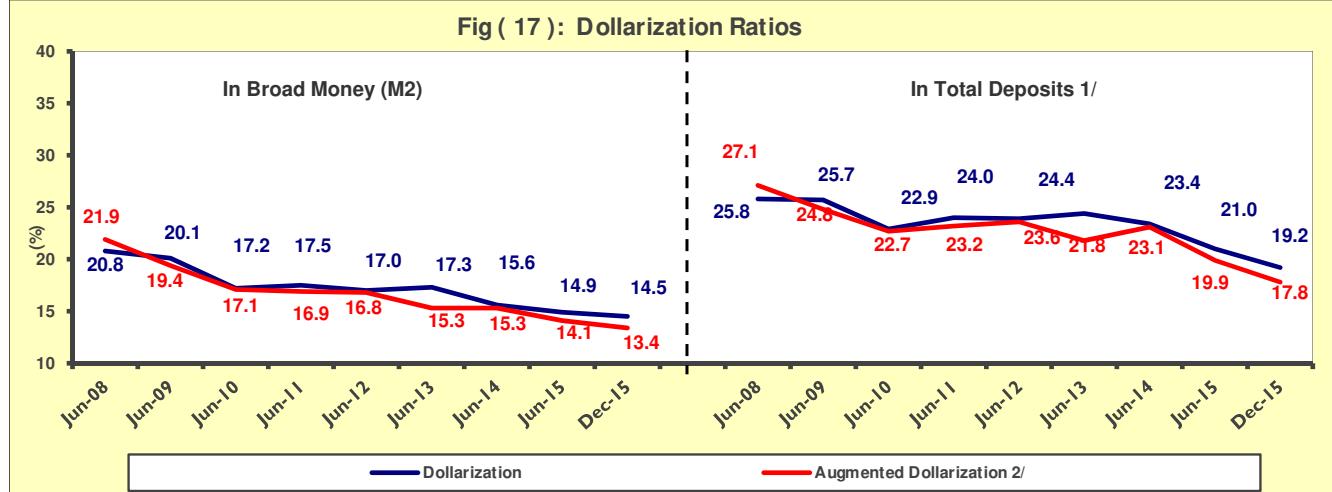
() Percent change over same period in previous year.

* 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)

	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Sep-15	Oct-15	Nov-15	Dec-15 [*]
Total lending	458,081	489,729	516,842	550,303	629,221	771,629	782,393	784,836	791,499
	(5.9)	(6.9)	(5.5)	(6.5)	(14.3)	(28.3)	(27.1)	(26.9)	(25.8)
To Government ^{2/}	38,172	37,227	35,141	41,555	47,398	100,358	102,449	100,749	100,718
	(11.6)	-(2.5)	-(5.6)	(18.3)	(14.1)	(141.8)	(134.8)	(124.3)	(112.5)
In local currency	19,457	16,844	12,579	12,093	11,579	40,850	40,784	40,687	40,429
In foreign currency	18,715	20,383	22,562	29,462	35,819	59,508	61,665	60,062	60,289
To Non-Government	419,909	452,502	481,701	508,748	581,823	671,271	679,944	684,087	690,781
	(5.4)	(7.8)	(6.5)	(5.6)	(14.4)	(19.9)	(18.9)	(19.3)	(18.7)
In local currency	288,094	328,537	358,181	374,051	423,744	479,968	482,874	499,480	509,597
In foreign currency	131,815	123,965	123,520	134,697	158,079	191,303	197,070	184,607	181,184
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	84.6	84.5	84.8	84.6	83.2	77.3	77.2	77.5	77.6
Non Government Loans/ Deposits ^{4/}	50.2	52.1	49.7	44.4	43.4	43.2	43.2	43.1	42.8
Government Loans / Deposits	33.1	30.9	29.0	24.3	21.6	34.7	34.4	34.4	33.6
Foreign currency denominated credit to total credit	32.9	29.5	28.3	29.8	30.8	32.5	33.1	31.2	30.5
Government foreign currency denominated credit to total government credit	49.0	54.8	64.2	70.9	75.6	59.3	60.2	59.6	59.9
denominated credit to total non-government credit	31.4	27.4	25.6	26.5	27.2	28.5	29.0	27.0	26.2

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

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

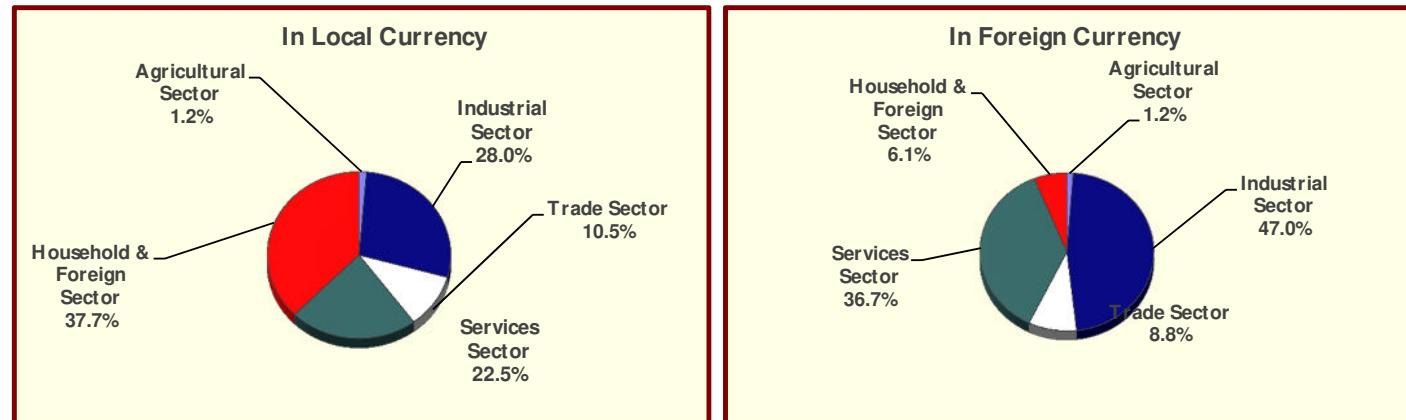
2/ Includes central government and economic authorities.

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

December-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						
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
Dec-15	9.75	11.80	6.80	11.22	12.75	8.00
Jan-16	9.75	--	--	11.22	12.75	8.00

Source: Central Bank of Egypt.

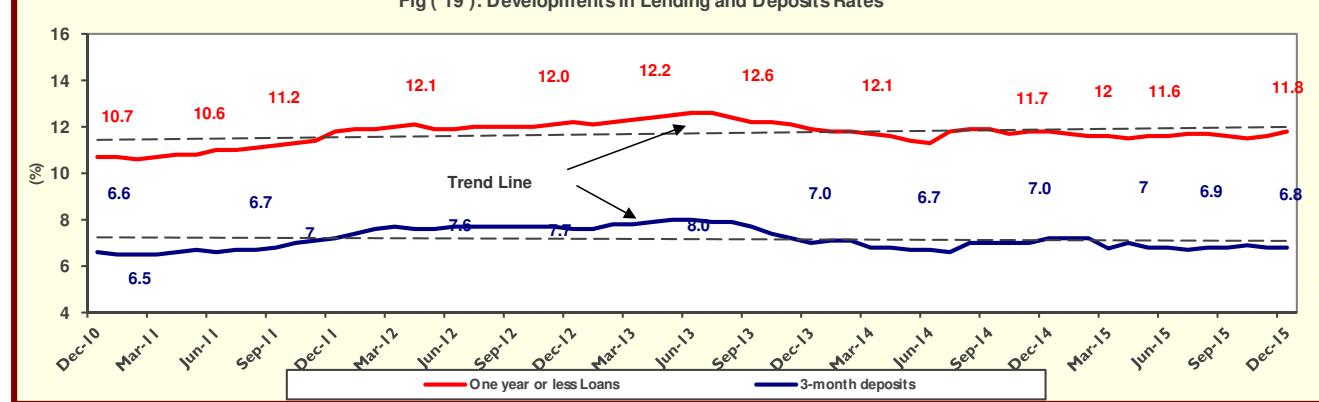
-- Data unavailable.

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.

Fig (19) : Developments in Lending and Deposits Rates



Source: Central Bank of Egypt.

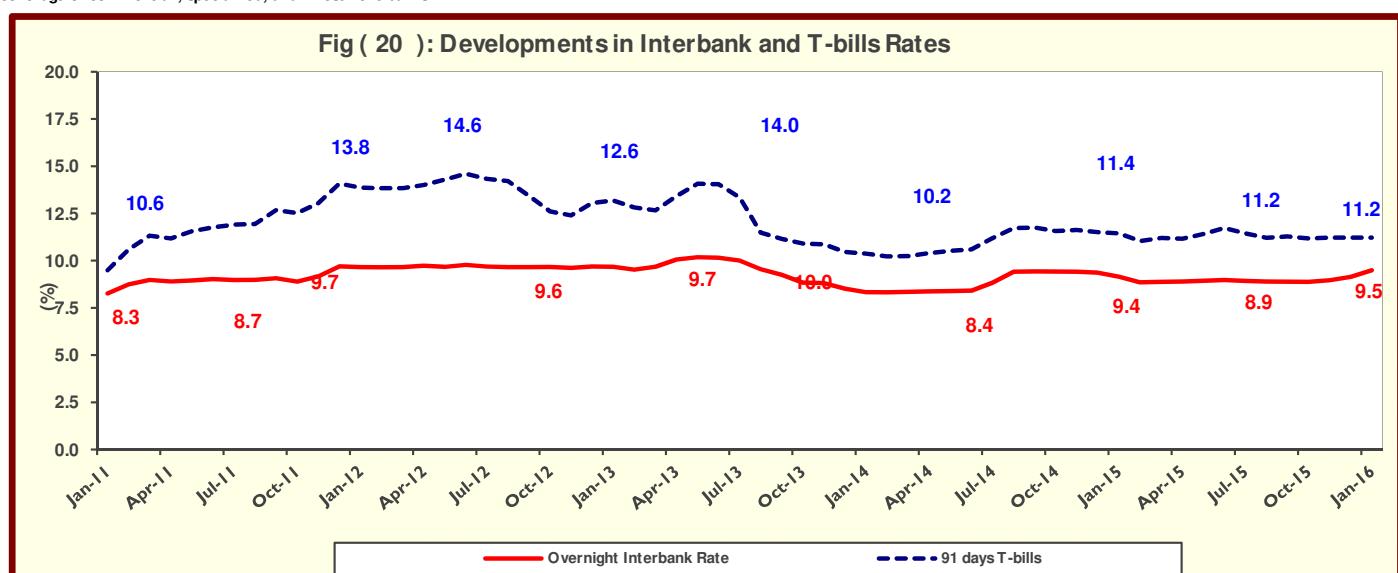
Table (30) : Average Interbank Rates ^{1/}

	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				
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	--	--
Dec-15	9.14	9.10	--	--
Jan-16	9.49	9.49	--	--

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.