Section 6

MONETARY SECTOR

Table (24) : Developments in Main Monetary Aggregates
(April 2014)

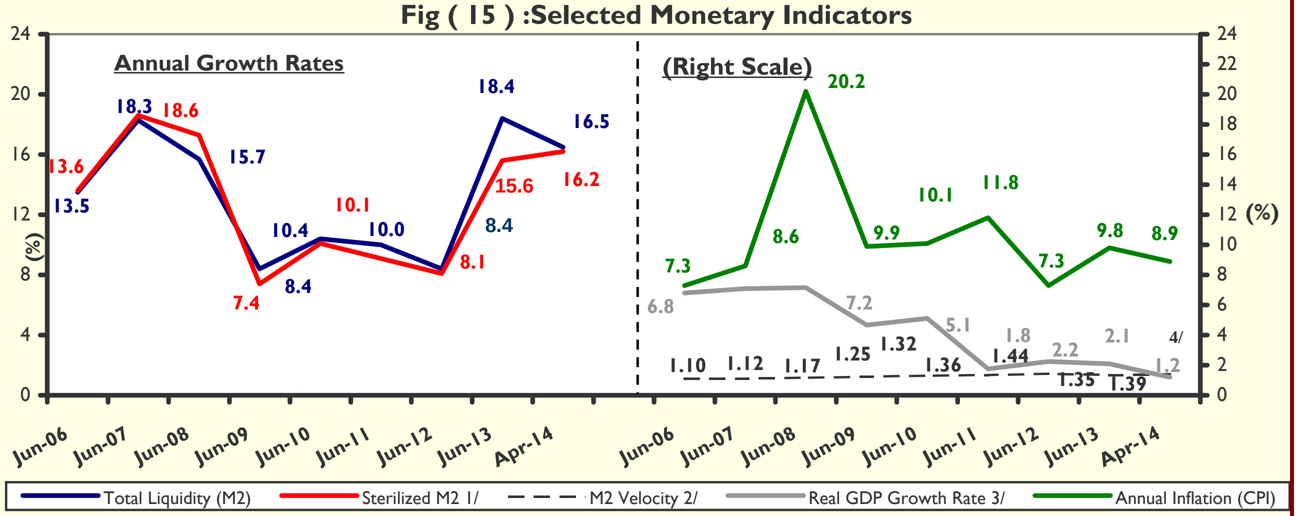
	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change 1/
Net Foreign Assets (LE terms)	**-1.3**	**-0.01**	**1.4**	**-12.0**
CBE NFA	1.5	7.0	20.4	-24.3
CBE NIR	0.7	2.6	23.1	32.3
Banks NFA 2/	-2.8	-3.3	-6.2	-0.5
Net Foreign Assets (US dollar terms)	**-1.6**	**-0.3**	**-0.1**	**-20.1**
CBE NFA	1.2	6.7	18.6	-30.5
CBE NIR	0.4	2.2	21.2	19.7
Banks NFA 2/	-3.1	-3.6	-7.7	-10.2
Net Domestic Assets	**1.7**	**4.8**	**18.1**	**22.5**
Net Claims on Government and GASC	2.1	5.5	27.3	34.3
Claims on Public Companies	0.4	6.4	3.9	2.4
Claims on Private Sector	1.3	3.5	5.5	7.7
Total Liquidity (M2)	**1.5**	**4.4**	**16.5**	**18.0**
Money (M1)	1.4	4.5	19.9	25.4
Quasi Money	1.5	4.3	15.3	15.5

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 2013/2014 is projected to reach LE 2033.8 billion compared to a revised figure of LE 1753 billion in 2012/2013.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for the period July-December 2013/2014.

Table (25) : Monetary Survey
Assets and Liabilities of The Banking Sector
(April 2014)

(LE Million)

	Apr-09	Apr-10	Apr-11	Apr-12	Apr-13	Jan-14	Feb-14	Mar-14	Apr-14*
Net Foreign Assets 1/	**242,438**	**288,939**	**256,212**	**164,846**	**120,879**	**122,631**	**126,847**	**124,283**	**122,614**
	-(3.6)	(19.2)	-(11.3)	-(35.7)	-(26.7)	-(11.2)	-(4.7)	-(3.9)	(1.4)
Central bank (Net)	**171,632**	**181,980**	**154,804**	**79,575**	**34,794**	**39,137**	**40,475**	**41,275**	**41,896**
Foreign Assets	173,210	190,248	162,852	89,844	93,204	115,684	117,011	117,889	118,812
Foreign Liabilities	1,578	8,268	8,048	10,269	58,410	76,547	76,536	76,614	76,916
Banks (Net)	**70,806**	**106,959**	**101,408**	**85,271**	**86,085**	**83,494**	**86,372**	**83,008**	**80,718**
Foreign Assets	99,352	134,702	136,472	115,461	119,977	117,271	120,454	117,765	114,075
Foreign Liabilities	28,546	27,743	35,064	30,190	33,892	33,777	34,082	34,757	33,357
Net Domestic Assets of which:	**569,972**	**601,437**	**730,580**	**893,924**	**1,131,982**	**1,275,624**	**1,290,777**	**1,314,138**	**1,336,954**
	(11.9)	(5.5)	(21.5)	(22.4)	(26.6)	(20.3)	(19.7)	(18.6)	(18.1)
Net Claims on Government, and GASC 1/	**273,702**	**310,139**	**427,591**	**560,053**	**770,398**	**929,836**	**937,043**	**959,979**	**980,557**
National Currency	334,727	378,232	511,464	625,832	822,116	918,829	925,374	949,302	969,827
Foreign Currency	-61,025	-68,093	-83,873	-65,779	-51,718	11,007	11,669	10,677	10,730
Claims on Public Business Sector	**30,933**	**36,961**	**33,688**	**41,820**	**44,400**	**43,352**	**43,522**	**45,931**	**46,131**
National Currency	21,748	27,967	25,119	32,816	34,902	34,504	34,680	36,272	36,308
Foreign Currency	9,185	8,994	8,569	9,004	9,498	8,848	8,842	9,659	9,823
Claims on Private Sector 2/	**391,277**	**399,778**	**417,847**	**444,226**	**490,765**	**499,948**	**504,547**	**510,854**	**517,557**
National Currency	285,334	295,186	308,571	340,381	371,656	380,606	383,297	388,289	392,713
Foreign Currency	105,943	104,592	109,276	103,845	119,109	119,342	121,250	122,565	124,844
Other Items (net) 1/ 3/	**-125,940**	**-145,441**	**-148,546**	**-152,175**	**-173,581**	**-197,512**	**-194,335**	**-202,626**	**-207,291**
Total Liquidity (M2)	**812,410**	**890,376**	**986,792**	**1,058,770**	**1,252,861**	**1,398,255**	**1,417,624**	**1,438,421**	**1,459,568**
	(6.8)	(9.6)	(10.8)	(7.3)	(18.3)	(16.7)	(17.0)	(16.3)	(16.5)
Money (M1) 4/	**176,539**	**205,416**	**241,864**	**262,693**	**328,679**	**377,041**	**378,314**	**388,665**	**394,139**
	(6.5)	(16.4)	(17.7)	(8.6)	(25.1)	(23.8)	(22.5)	(19.0)	(19.9)
Currency in Circulation	114,214	130,271	165,003	181,414	225,501	255,208	255,111	255,886	259,294
Demand Deposits in Local Currency	62,325	75,145	76,861	81,279	103,178	121,833	123,203	132,779	134,845
Quasi Money	**635,871**	**684,960**	**744,928**	**796,077**	**924,182**	**1,021,214**	**1,039,310**	**1,049,756**	**1,065,429**
	(6.8)	(7.7)	(8.8)	(6.9)	(16.1)	(14.3)	(15.2)	(15.3)	(15.3)
Local Currency Time & Savings Deposits	466,443	529,535	566,290	613,020	701,392	804,462	814,422	824,430	836,692
Foreign Currency Demand Deposits	30,900	29,998	44,613	42,358	56,380	54,195	61,067	59,226	60,900
Foreign Currency Time and Savings Deposits	138,528	125,427	134,025	140,699	166,410	162,557	163,821	166,100	167,837

Source: Central Bank of Egypt.

( ) Percent change over previous year.

* Preliminary.

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 2014)

	Apr-09	Apr-10	Apr-11	Apr-12	Apr-13	Jan-14	Feb-14	Mar-14	Apr-14*
Net Foreign Assets (In Million US$)[4/]	**43,135**	**52,421**	**43,086**	**27,342**	**17,594**	**17,629**	**18,235**	**17,865**	**17,571**
Central bank NFA	**30,537**	**33,016**	**26,032**	**13,199**	**5,064**	**5,626**	**5,819**	**5,933**	**6,004**
Net International Reserves	**43,416**	**53,922**	**44,439**	**29,045**	**26,096**	**28,632**	**29,238**	**28,878**	**28,594**
Central Bank (Gross)	**31,189**	**34,654**	**28,024**	**15,213**	**14,426**	**17,105**	**17,307**	**17,414**	**17,489**
Banks (net)	**12,598**	**19,405**	**17,053**	**14,143**	**12,530**	**12,003**	**12,417**	**11,932**	**11,567**
Foreign assets	17,677	24,439	22,950	19,151	17,463	16,858	17,316	16,928	16,348
Foreign Liabilities	5,079	5,033	5,897	5,007	4,933	4,856	4,900	4,996	4,780
In Percent of Beginning of Money Stocks [5/]									
Net Foreign Assets	-8.0%	4.2%	-2.9%	-8.8%	-3.4%	-0.04%	0.3%	0.08%	-0.05%
Net Domestic Assets	14.0%	2.9%	10.4%	13.7%	17.8%	7.9%	9.1%	10.9%	12.7%
Money (M1)	0.8%	2.7%	3.0%	1.4%	4.9%	2.5%	2.6%	3.4%	3.9%
Quasi Money	5.2%	4.4%	4.5%	3.5%	9.5%	5.3%	6.7%	7.5%	8.8%
Dollarization (% of Total Liquidity) [6/]	20.9	17.5	18.1	17.3	17.8	15.5	15.9	15.7	15.7
M2 Multiplier [7/]	4.77	4.45	4.10	4.31	4.33	4.17	4.33	4.46	4.27
M2 Velocity [8/]	1.28	1.36	1.39	1.49	1.40	1.45	1.43	1.41	1.39
M2 (annual percentage change)	6.8	9.6	10.8	7.3	18.3	16.7	17.0	16.3	16.5
Credit to private sector (annual percentage change) [9/]	7.8	2.2	4.5	6.3	10.5	5.4	5.5	5.3	5.5
Exchange Rate [10/]	5.62	5.51	5.95	6.03	6.87	6.96	6.96	6.96	6.98

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.

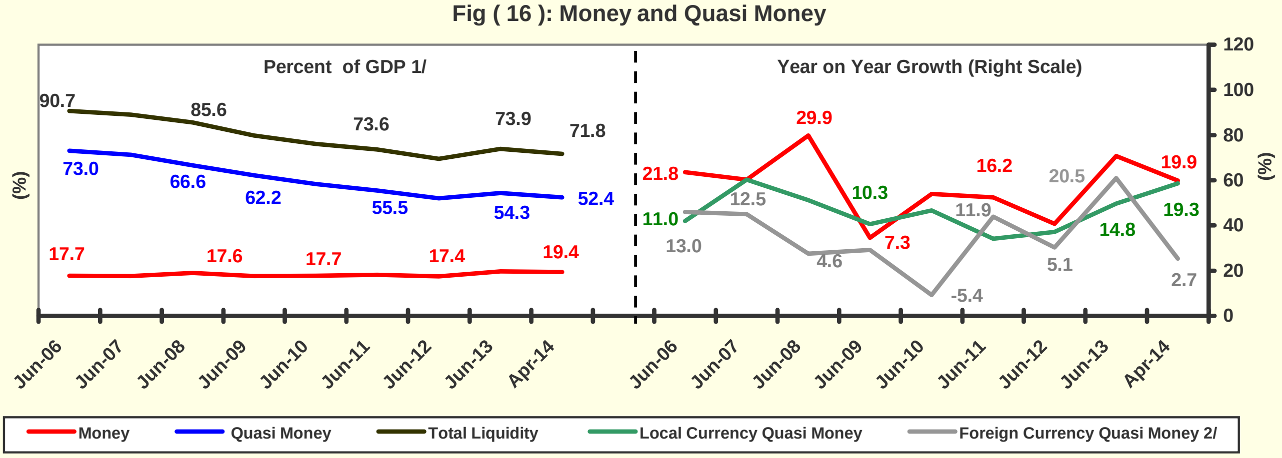
7/ M2 / Reserve Money.

8/ GDP / M2. According to the Ministry of Planning, GDP (at market prices) for 2013/2014 is projected to reach LE 2033.8 billion compared to a revised figure of LE 1735 billion in 2012/2013.

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 2013/2014 is projected to reach LE 2033.8 billion compared to a revised figure of LE 1753 billion in 2012/2013.

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

Table (26) : Central Bank Reserve Money [1/]

(LE Million)

	Apr-09	Apr-10	Apr-11	Apr-12	Apr-13	Jan-14	Feb-14	Mar-14	Apr-14*
Reserve Money	**170,474**	**199,951**	**240,849**	**245,371**	**289,552**	**335,195**	**327,171**	**322,714**	**341,611**
	(6.6)	(4.3)	(20.5)	(1.9)	(18.0)	(25.7)	(18.7)	(14.8)	(18.0)
Currency in Circulation	121,055	137,852	175,752	192,109	237,465	269,130	267,726	270,621	273,373
	(13.4)	(13.9)	(27.5)	(9.3)	(23.6)	(18.6)	(16.7)	(15.8)	(15.1)
Banks LE Deposits with CBE	49,419	62,099	65,097	53,262	52,087	66,065	59,445	52,093	68,238
	-(7.0)	-(13.5)	-(16.5)	-(18.2)	-(2.2)	(66.2)	(28.5)	(10.2)	(31.0)
Counter Assets:									
Net Foreign Assets [2/]	**171,632**	**181,980**	**154,804**	**79,575**	**34,794**	**39,137**	**40,475**	**41,275**	**41,896**
	(49.2)	(6.0)	-(14.9)	-(48.6)	-(56.3)	-(6.4)	-(2.6)	-(0.02)	(20.4)
Net Domestic Assets [2/]	**-1,158**	**17,971**	**86,045**	**165,796**	**254,758**	**296,058**	**286,696**	**281,439**	**299,715**
	-(102.6)	(313.9)	(378.8)	(92.7)	(53.7)	(31.7)	(22.4)	(17.4)	(17.6)
Net Claims on Government [3/]	86,582	75,556	108,404	186,329	285,160	381,540	375,350	369,744	380,865
	-(27.9)	-(12.7)	(43.5)	(71.9)	(53.0)	(54.7)	(46.1)	(35.4)	(33.6)
Claims	162,737	153,421	191,806	266,980	386,735	423,964	422,171	414,472	426,556
	-(16.4)	-(5.7)	(25.0)	(39.2)	(44.9)	(25.3)	(20.0)	(11.9)	(10.3)
Securities	122,378	124,559	130,597	129,097	178,831	240,331	240,331	240,331	240,331
Credit Facilities	40,359	28,862	61,209	137,883	207,904	183,633	181,840	174,141	186,225
Deposits [4/]	76,155	77,865	83,402	80,651	101,575	42,424	46,821	44,728	45,691
	(2.2)	(2.2)	(7.1)	-(3.3)	(25.9)	-(53.7)	-(50.6)	-(54.0)	-(55.0)
Net Claims on Banks	-4,331	34,869	-856	-2,159	-6,122	1,258	361	-547	-8,022
Net Balancing Items [5/]	-92,684	-92,454	-21,503	-18,374	-24,280	-86,740	-89,015	-87,758	-73,128
Memorandum Items									
Reserve Money Velocity [6/, 7/]	6.11	6.03	5.70	6.42	6.06	6.07	6.22	6.30	5.95

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 Planning, GDP (at market prices) for 2013/2014 is projected to reach LE 2033.8 billion compared to a revised figure of LE 1753 billion in 2012/2013.

Table (27) : Deposits With Banks [1/]

(LE Million)

	Apr-09	Apr-10	Apr-11	Apr-12	Apr-13	Jan-14	Feb-14	Mar-14	Apr-14 *
Total Deposits	**802,348**	**886,422**	**945,727**	**1,008,743**	**1,159,779**	**1,325,049**	**1,341,979**	**1,361,083**	**1,382,804**
	(6.3)	(10.5)	(6.7)	(6.7)	(15.0)	(18.9)	(18.9)	(18.6)	(19.2)
In local currency	589,864	677,128	712,531	768,273	874,576	1,012,747	1,022,583	1,040,807	1,059,109
In foreign currency	212,484	209,294	233,196	240,470	285,203	312,302	319,396	320,276	323,695
Non Government Deposits [2/]	**702,571**	**765,139**	**828,224**	**884,241**	**1,035,676**	**1,151,877**	**1,171,575**	**1,191,671**	**1,208,866**
	(5.4)	(8.9)	(8.2)	(6.8)	(17.1)	(16.4)	(17.1)	(16.4)	(16.7)
In local currency	531,276	607,441	646,150	697,615	808,754	930,993	942,806	962,458	976,245
In foreign currency	171,295	157,698	182,074	186,626	226,922	220,884	228,769	229,213	232,621
Government Deposits	**99,777**	**121,283**	**117,503**	**124,502**	**124,103**	**173,172**	**170,404**	**169,412**	**173,938**
	(13.5)	(21.6)	-(3.1)	(6.0)	-(0.3)	(39.4)	(33.1)	(36.5)	(40.2)
In local currency	58,588	69,687	66,381	70,658	65,822	81,754	79,777	78,349	82,864
In foreign currency	41,189	51,596	51,122	53,844	58,281	91,418	90,627	91,063	91,074
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	26.5	23.6	24.7	23.8	24.6	23.6	23.8	23.5	23.4
Dollarization in Non-Government Deposits	24.4	20.6	22.0	21.1	21.9	19.2	19.5	19.2	19.2
Dollarization in Government Deposits	41.3	42.5	43.5	43.2	47.0	52.8	53.2	53.8	52.4

Source: Central bank of Egypt.

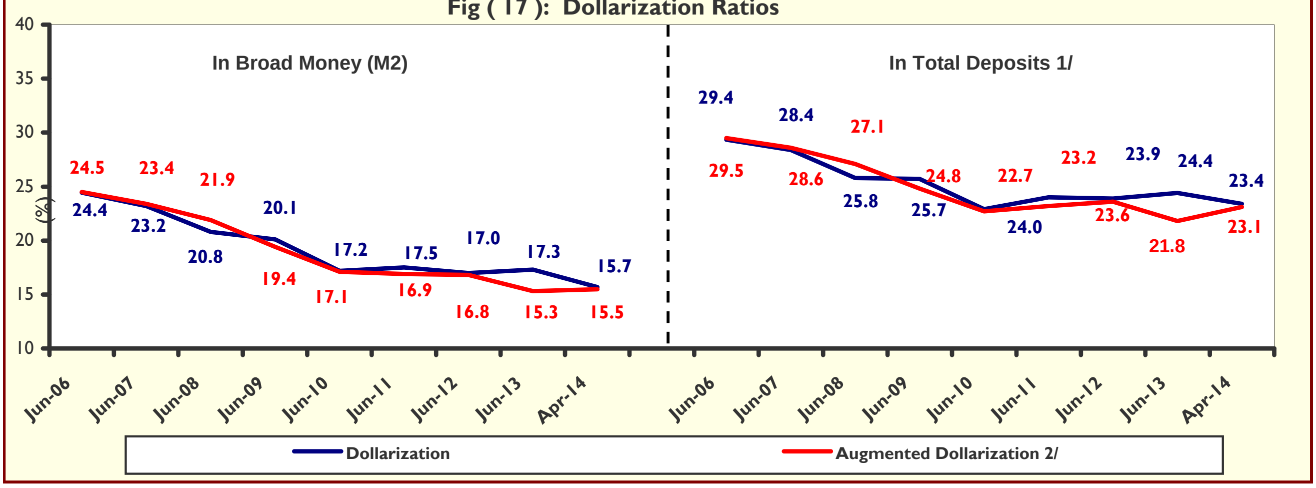
( ) Percent change over same period in previous year.

* 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)

	Apr-09	Apr-10	Apr-11	Apr-12	Apr-13	Jan-14	Feb-14	Mar-14	Apr-14 *
Total lending	**431,607**	**452,905**	**473,045**	**498,963**	**543,165**	**552,457**	**556,014**	**563,133**	**569,471**
	(8.4)	(4.9)	(4.4)	(5.5)	(8.9)	(4.6)	(4.8)	(4.9)	(4.8)
To Government [2/]	**31,608**	**38,484**	**41,449**	**33,719**	**34,901**	**40,613**	**39,874**	**38,623**	**38,134**
	(2.7)	(21.8)	(7.7)	-(18.6)	(3.5)	(11.9)	(15.4)	(10.9)	(9.3)
In local currency	9,774	14,481	18,617	15,625	11,680	12,075	11,839	11,680	11,558
In foreign currency	21,834	24,003	22,832	18,094	23,221	28,538	28,035	26,943	26,576
To Non-Government	**399,999**	**414,421**	**431,596**	**465,244**	**508,264**	**511,844**	**516,140**	**524,510**	**531,337**
	(8.9)	(3.6)	(4.1)	(7.8)	(9.2)	(4.1)	(4.1)	(4.5)	(4.5)
In local currency	283,246	291,385	301,633	341,559	372,059	378,815	381,217	388,274	392,673
In foreign currency	116,753	123,036	129,963	123,685	136,205	133,029	134,923	136,236	138,664
Memorandum Items (In Percent):									
Credit to private sector [3/] / Total Credit	85.5	83.4	84.2	84.9	85.4	84.8	85.0	85.0	85.3
Non Government Loans/ Deposits [4/]	56.9	54.2	52.1	52.6	49.1	44.4	44.1	44.0	44.0
Government Loans / Deposits	31.7	31.7	35.3	27.1	28.1	23.5	23.4	22.8	21.9
Foreign currency denominated credit to total credit	32.1	32.5	32.3	28.4	29.4	29.2	29.3	29.0	29.0
Government foreign currency denominated credit to total government credit	69.1	62.4	55.1	53.7	66.5	70.3	70.3	69.8	69.7
Non - government foreign currency denominated credit to total non-government credit	29.2	29.7	30.1	26.6	26.8	26.0	26.1	26.0	26.1

Source: Central Bank of Egypt.

( ) Percent change over previous year

* Preliminary.

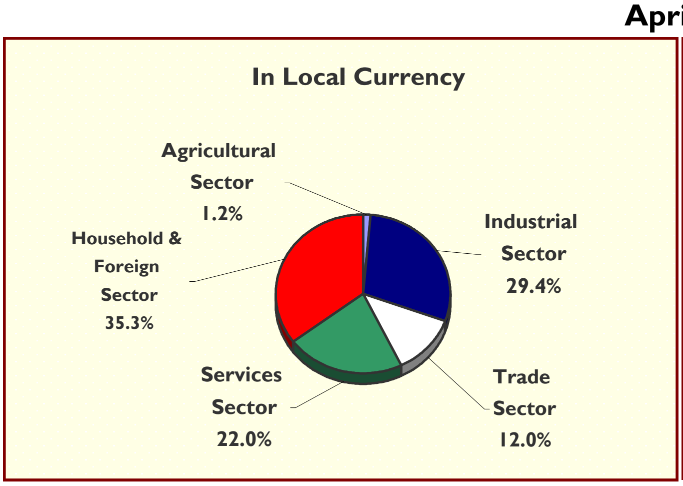
1/ Excludes credit provided by the Central Bank of Egypt.

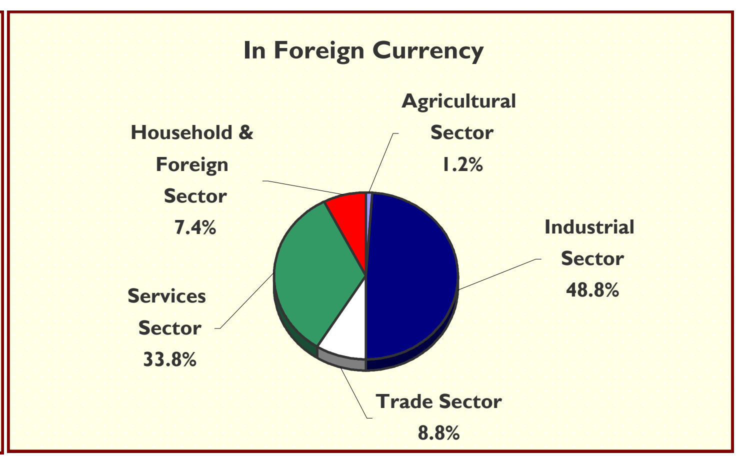
2/ Includes central government and economic authorities.

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-2014





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						
2002/2003	10.00	13.70	8.69	8.31	10.50	10.50
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
Monthly Average						
May-13	10.25	12.50	8.00	14.07	12.50	9.00
Jun-13	10.25	12.60	8.00	14.05	12.50	9.00
Jul-13	10.25	12.60	7.90	13.34	12.50	9.00
Aug-13	9.75	12.40	7.90	11.48	11.50	9.00
Sep-13	9.75	12.20	7.70	11.15	11.50	9.00
Oct-13	9.25	12.20	7.40	10.91	11.50	8.50
Nov-13	9.25	12.10	7.20	10.87	10.50	8.50
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

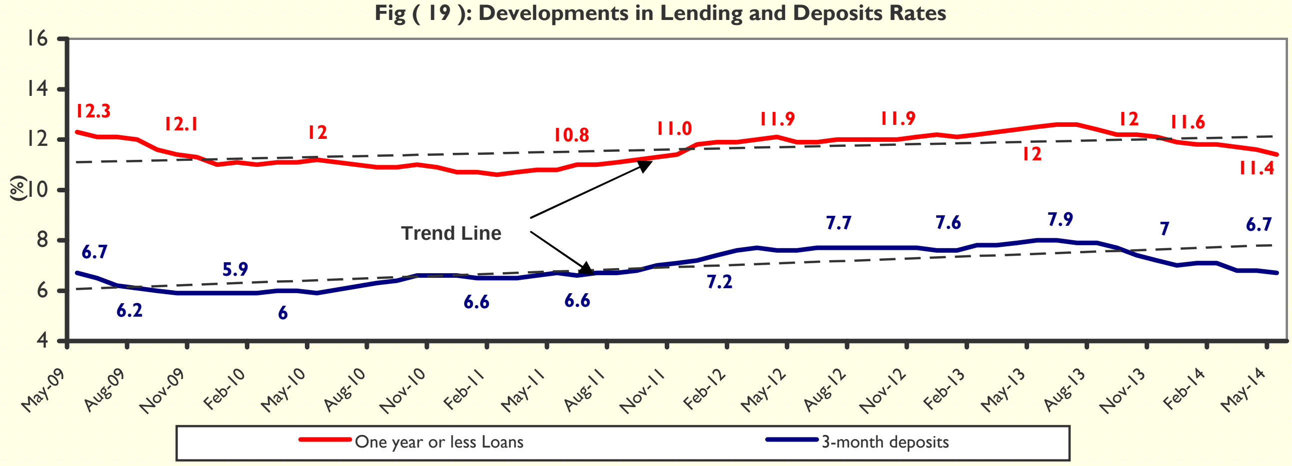
Source: Central Bank of Egypt.

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.

MONETARY SECTOR

Table (30) : Average Interbank Rates [1/]

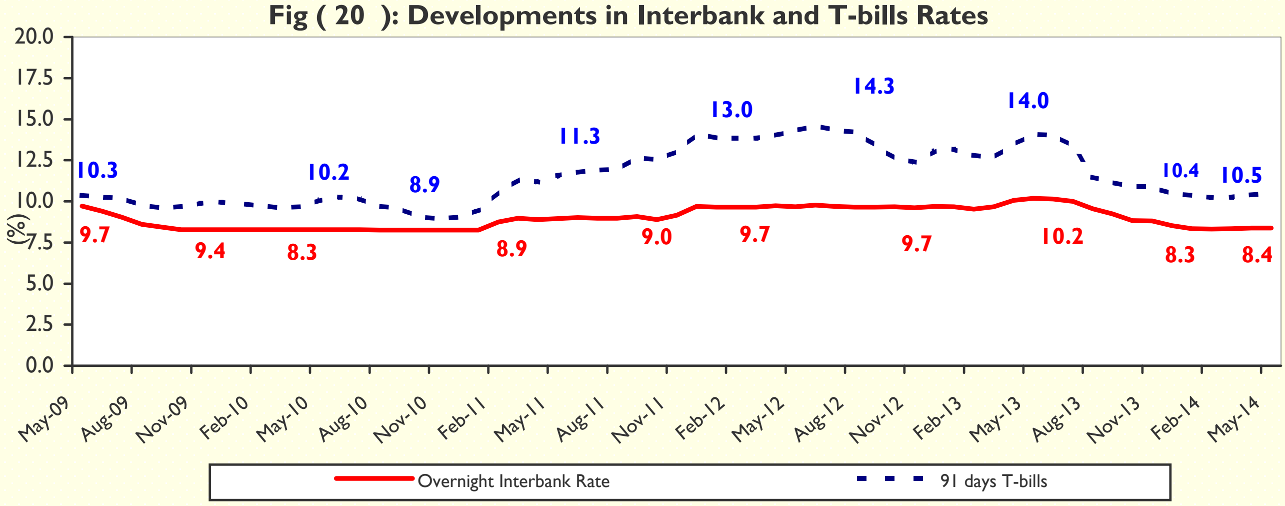
	Overnight	One Week	Month	More than One Month
Yearly Average				
2004	8.2	9.8	10.7	10.3
2005	9.5	10.1	10.4	10.7
2006	8.6	8.8	8.8	8.8
2007	8.8	8.9	9.0	9.1
2008	10.3	10.3	10.2	10.3
2009	9.5	9.5	9.1	9.6
2010	8.3	8.3	8.3	8.4
2011	9.0	9.2	9.5	9.5
2012	9.4	10.0	10.2	10.2
2013	9.4	10.0	10.2	10.2
Monthly Average				
May-13	10.18	10.34	10.55	10.58
Jun-13	10.15	10.38	10.67	11.09
Jul-13	10.00	10.33	10.24	10.52
Aug-13	9.55	9.85	10.07	10.25
Sep-13	9.24	9.38	--	--
Oct-13	8.83	9.14	9.25	--
Nov-13	8.81	9.05	--	--
Dec-13	8.51	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	--	--

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.