

Section 6

MONETARY SECTOR

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Table (24) : Developments in Main Monetary Aggregates
(July 2020)

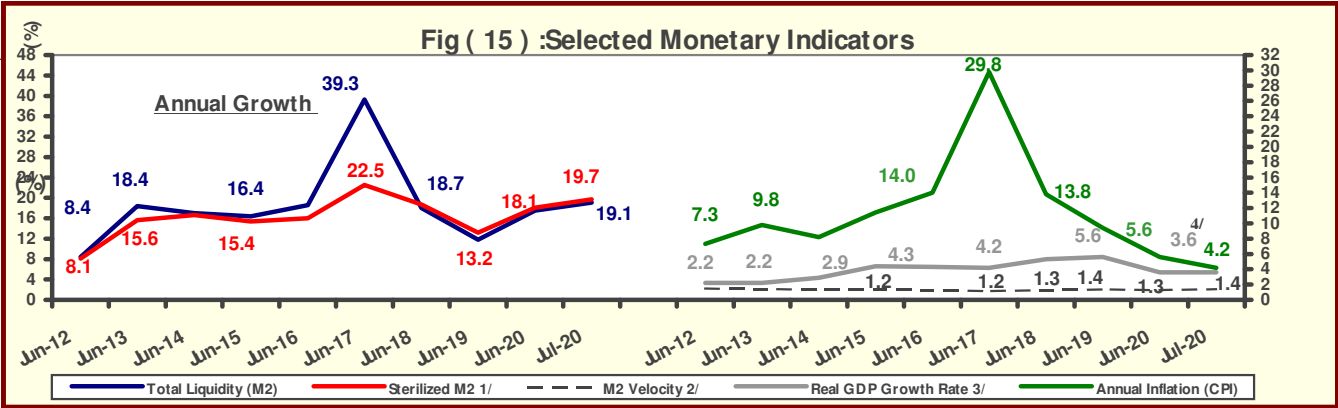
	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	20.9%	278.8%	-54.5%	-54.5%
CBE NFA	-0.8%	4.4%	-31.4%	-31.4%
CBE NIR	--	--	--	--
Banks NFA 2/	3.0%	33.3%	-17.2%	-17.2%
Net Foreign Assets (US dollar terms)	--	--	--	--
CBE NFA	--	--	-28.8%	-28.8%
CBE NIR	-0.8%	4.4%	-18.8%	--
Banks NFA 2/	8.3%	-64.3%	--	--
Net Domestic Assets	1.4%	3.7%	26.4%	26.4%
Net Claims on Government and GASC	0.2%	5.2%	30.0%	30.0%
Claims on Public Companies	0.2%	-0.1%	-1.1%	-1.1%
Claims on Private Sector	1.4%	6.1%	20.8%	20.8%
Total Liquidity (M2)	1.9%	6.3%	19.1%	19.1%
Money (M1)	3.7%	6.5%	21.6%	21.6%
Quasi Money	1.4%	6.2%	18.3%	18.3%

Source: Central Bank of Egypt.

-- Data unavailable.

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/ GDP actuals for FY18 /19 has been revised to reach LE 5322.3 billion instead of LE 5250.9 billion. Meanwhile GDP for FY19/20 was revised to reach LE 5820 billion instead of LE5960.9 billion according to the data published by the Ministry of Planning and Economic Development.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for July-June 19/20

Table (25) : Monetary Survey
Assets and Liabilities of The Banking Sector
(July 2020)
(LE Million)

	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Apr-20	May-20	Jun-20	Jul-20
Net Foreign Assets 1/	46,717	(102,298)	139,658	282,215	346,380	41,562	132,411	130,214	157,439
	-(60.4)	-(319.0)	(236.5)	(102.1)	(22.7)	-(85.0)	-(55.4)	-(56.3)	-(54.5)
Central bank (Net)	14,039	(60,376)	95,172	303,436	271,927	126,573	123,518	157,330	186,514
Foreign Assets	139,820	132,421	629,176	778,266	738,676	574,054	561,583	604,187	599,459
Foreign Liabilities	125,781	192,797	534,004	474,830	466,749	447,481	438,065	446,857	412,945
Banks (Net)	32,678	(41,922)	44,486	(21,221)	74,453	(85,011)	8,893	(27,116)	(29,075)
Foreign Assets	97,140	80,166	325,509	274,474	333,304	207,067	307,218	267,917	276,055
Foreign Liabilities	64,462	122,088	281,023	295,695	258,851	292,078	298,325	295,033	305,130
Net Domestic Assets of which:	1,752,773	2,222,013	2,801,157	3,183,937	3,535,839	4,311,503	4,319,023	4,408,596	4,469,016
	(22.8)	(26.8)	(26.1)	(13.7)	(11.1)	(23.7)	(23.4)	(23.1)	(26.4)
Net Claims on Government, and GASC 2/	1,328,614	1,698,606	1,947,793	2,267,020	2,492,256	3,078,990	3,062,360	3,234,325	3,240,249
National Currency	1,285,084	1,540,752	1,440,951	1,673,252	1,919,326	2,541,249	2,605,272	2,667,108	2,675,688
Foreign Currency	43,530	157,854	506,842	593,768	572,930	537,741	457,088	567,217	564,561
Claims on Public Business Sector	64,178	93,500	148,345	161,652	160,246	158,617	158,767	156,267	158,428
National Currency	44,197	65,854	97,762	116,762	125,174	126,189	126,543	124,538	126,382
Foreign Currency	19,981	27,646	50,583	44,890	35,072	32,428	32,224	31,729	32,046
Claims on Private Sector 2/		710,830	973,485	1,077,024	1,221,063	1,390,457	1,419,072	1,454,688	1,474,746
National Currency	460,007	540,290	676,219	790,930	983,525	1,156,889	1,186,632	1,223,079	1,247,628
Foreign Currency	166,813	170,540	297,266	286,094	237,538	233,568	232,440	231,609	227,118
Other Items (net) 1/ 2/	(266,839)	(280,923)	(268,466)	(321,759)	(337,726)	(316,561)	(321,176)	(436,684)	(404,407)
Total Liquidity (M2)	1,799,490	2,119,715	2,940,815	3,466,152	3,884,907	4,353,065	4,451,434	4,538,810	4,626,455
	(16.5)	(17.8)	(38.7)	(17.9)	(12.1)	(15.7)	(17.2)	(17.5)	(19.1)
Money (M1) 3/	502,537	578,502	698,360	814,404	925,185	1,056,097	1,095,738	1,084,742	1,125,021
	(17.5)	(15.1)	(20.7)	(16.6)	(13.6)	(19.8)	(20.5)	(17.5)	(21.6)
Currency in Circulation	306,870	352,544	411,041	438,067	490,233	581,452	606,870	602,732	636,046
Demand Deposits in Local Currency	195,667	225,958	287,319	376,337	434,952	474,645	488,868	482,010	488,975
Quasi Money	1,296,953	1,541,213	2,242,455	2,651,748	2,959,722	3,296,968	3,355,696	3,454,068	3,501,434
	(16.1)	(18.8)	(45.5)	(18.3)	(11.6)	(14.4)	(16.2)	(17.5)	(18.3)
Local Currency Time & Savings Deposits	1,023,805	1,214,020	1,557,894	1,926,822	2,251,085	2,655,431	2,703,249	2,787,426	2,844,281
Foreign Currency Demand Deposits	72,065	75,660	146,502	152,732	137,376	130,566	136,230	142,022	139,081
Foreign Currency Time and Savings Deposits	201,083	251,533	538,059	572,194	571,261	510,971	516,217	524,620	518,072

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)
(July 2020)

	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Apr-20	May-20	Jun-20	Jul-20 *
Net Foreign Assets (In Million US\$)^{4/}	5,989	(11,520)	7,826	15,818	20,920	2,494	8,423	8,087	9,874
Central bank NFA	1,800	(6,799)	5,333	17,008	16,423	7,596	7,857	9,771	11,698
Net International Reserves	22,113	10,191	37,748	42,433	49,110	29,347	36,290	35,838	35,774
Central Bank (Gross)	18,536	15,537	36,036	44,315	45,037	40,108	36,004	38,202	38,315
Banks (net)	4,189	(4,721)	2,493	(1,189)	4,497	(5,101)	566	(1,684)	(1,824)
Foreign assets	12,453	9,028	18,240	15,384	20,130	12,426	19,543	16,639	17,314
Foreign Liabilities	8,264	13,749	15,747	16,574	15,634	17,527	18,977	18,323	19,138
<i>In Percent of Beginning of Money Stocks ^{5/}</i>									
Net Foreign Assets	-0.27%	-0.71%	2.69%	-0.79%	1.07%	-7.8%	-5.1%	-5.2%	-4.4%
Net Domestic Assets	2.20%	1.92%	-1.92%	1.05%	11.23%	33.7%	33.9%	36.5%	38.2%
Money (M1)	0.20%	0.27%	-0.31%	-0.26%	2.95%	6.7%	7.9%	7.6%	8.7%
Quasi Money	1.73%	0.94%	1.09%	0.52%	9.43%	19.2%	20.9%	23.7%	25.1%
Dollarization (% of Total Liquidity) ^{6/}	0.15	0.15	0.23	0.21	0.18	14.7	14.7	14.7	14.2
M2 Multiplier	4.35	4.71	5.50	4.71	5.54	5.52	5.34	5.30	5.07
M2 Velocity	1.51	1.64	1.51	1.54	1.59	1.37	1.31	1.28	1.42
M2 (annual percentage change)	16.47	17.80	38.74	17.86	12.08	15.7	17.2	17.5	19.1
Credit to private sector (annual percentage change) ^{7/}	0.17	0.13	0.37	0.11	0.13	15.4	17.3	19.5	20.8
Exchange Rate ^{8/}	7.80	8.88	17.85	17.84	16.56	16.66	15.72	16.10	15.94

Source: Central Bank of Egypt.

* Preliminary.

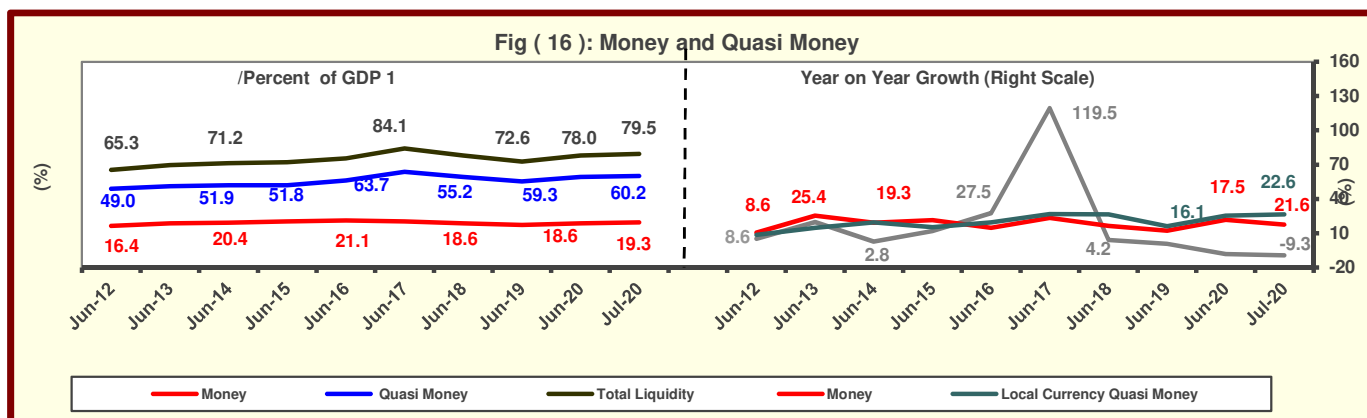
4/ Net Foreign Assets equals Central Bank NFA plus banks (net).

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

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

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

8/ 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.

GDP actuals for FY18 /19 has been revised to reach LE 5322.3 billion instead of LE 5250.9 billion. Meanwhile GDP for FY19/20 was revised to reach LE 5820 billion instead of LE5960.9 billion according to the data published by the Ministry of Planning and Economic Development.

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

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

(LE Million)

	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Apr-20	May-20	Jun-20 [*]	Jul-20 [*]
Reserve Money	413,623	449,591	534,830	735,428	701,395	788,644	833,576	855,580	912,097
	(11.6)	(8.7)	(19.0)	(37.5)	-(4.6)	(16.6)	(16.9)	(25.1)	(30.0)
Currency in Circulation	326,705	375,455	442,237	473,445	530,629	613,484	648,171	651,167	677,364
	(7.5)	(14.9)	(17.8)	(7.1)	(12.1)	(21.5)	(22.0)	(21.5)	(27.7)
Banks LE Deposits with CBE	86,918	74,136	92,593	261,983	170,766	175,160	185,405	204,413	234,733
	(30.5)	-(14.7)	(24.9)	(182.9)	-(34.8)	(2.0)	(2.0)	(38.2)	(37.5)
<u>Counter Assets:</u>									
Net Foreign Assets	14,013	-60,376	95,172	303,436	271,926	126,573	123,518	157,330	186,514
	-(63.0)	-(530.9)	(257.6)	(218.8)	-(10.4)	-(50.3)	-(52.4)	-(40.5)	-(31.4)
Net Domestic Assets	399,584	509,967	439,658	431,992	429,479	662,071	710,058	698,250	725,583
	(20.1)	(27.6)	-(13.8)	-(1.7)	-(0.6)	(56.9)	(56.5)	(66.4)	(68.9)
Net Claims on Government ^{2/}	577,178	643,337	708,268	722,660	734,400	691,212	599,021	805,536	810,101
	(29.6)	(11.5)	(10.1)	(2.0)	(1.6)	-(0.4)	-(15.1)	(8.0)	(10.3)
Claims	665,551	725,881	805,195	767,871	780,656	776,667	777,712	862,930	874,538
	(37.3)	(9.1)	(10.9)	-(4.6)	(1.7)	-(0.6)	-(0.3)	(5.1)	(12.0)
Securities	241,830	390,830	713,581	683,648	702,595	698,275	698,989	700,267	699,452
Credit Facilities	423,721	335,051	91,614	84,223	78,061	78,392	78,723	162,663	175,086
Deposits ^{3/}	88,373	82,544	96,927	45,211	46,256	85,455	178,691	57,394	64,437
	(124.7)	-(6.6)	(17.4)	-(53.4)	(2.3)	-(2.2)	(140.4)	-(23.3)	(39.3)
Net Claims on Banks	-28,516	59,783	129,898	194,968	188,244	157,601	184,657	161,664	135,404
Net Balancing Items ^{4/}	-149,078	-193,153	-398,508	-485,636	-493,165	-186,742	-73,620	-268,950	-219,922
<u>Memorandum Items</u>									
Reserve Money Velocity ^{5/, 6/}	6.55	7.72	8.30	7.24	8.79	11.73	12.73	13.73	14.73

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.

GDP / Reserve Money (M0).

5/ GDP actuals for FY18 /19 has been revised to reach LE 5322.3 billion instead of LE 5250.9 billion. Meanwhile GDP for FY19/20 was revised to reach LE 5820 billion instead of LE5960.9 billion according to the data published by the Ministry of Planning and Economic Development.

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

(LE Million)

	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Apr-20	May-20	Jun-20 [*]	Jul-20 [*]
Total Deposits	1,779,543	2,138,526	3,071,436	3,586,091	3,997,783	4,518,570	4,603,407	4,700,599	4,788,526
	(22.2)	(20.2)	(43.6)	(16.8)	(11.5)	(14.9)	(17.7)	(17.3)	(19.8)
In local currency	1,399,902	1,711,055	2,251,382	2,735,018	3,171,601	3,777,186	3,840,824	3,924,260	4,019,237
In foreign currency	379,641	427,471	820,054	851,073	826,182	741,384	762,583	776,339	769,289
Non Government Deposits ^{2/}	1,508,117	1,779,938	2,549,957	3,047,685	3,415,409	3,792,269	3,865,340	3,956,208	4,010,918
	(18.8)	(18.0)	(43.3)	(19.5)	(12.1)	(14.3)	(16.4)	(16.5)	(17.4)
In local currency	1,229,829	1,449,249	1,857,370	2,314,679	2,698,375	3,143,205	3,204,884	3,281,900	3,346,553
In foreign currency	278,288	330,689	692,587	733,006	717,034	649,064	660,456	674,308	664,365
Government Deposits	271,426	358,588	521,479	538,406	582,374	726,301	738,067	744,391	777,608
	(44.6)	(32.1)	(45.43)	(3.25)	(8.2)	(18.0)	(24.7)	(21.8)	(33.5)
In local currency	170,073	261,806	394,012	420,339	473,226	633,981	635,940	642,360	672,684
In foreign currency	101,353	96,782	127,467	118,067	109,148	92,320	102,127	102,031	104,924
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	21.3	20.0	26.7	23.7	20.7	16.4	16.6	16.5	16.1
Dollarization in Non-Government Deposits	18.5	18.6	27.2	24.1	21.0	17.1	17.1	17.0	16.6
Dollarization in Government Deposits	37.3	27.0	24.4	21.9	18.7	12.7	13.8	13.7	13.5

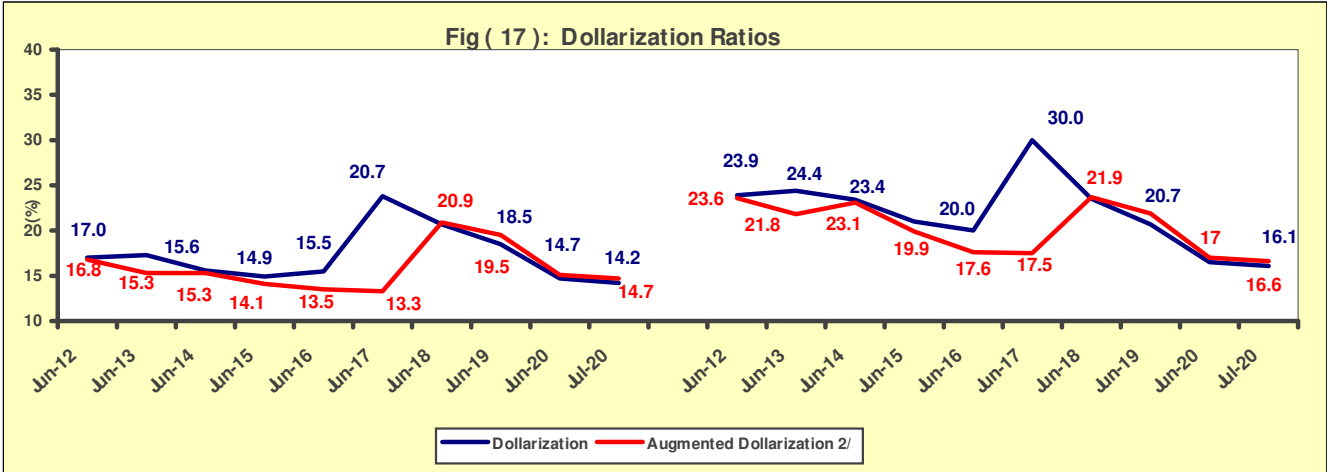
Source: Central bank of Egypt.

() 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

Table (28) : Credit Provided By Banks ^{1/}

	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Apr-20	May-20	Jun-20 [*]	Jul-20 [*]
(LE Million)									
Total lending	726,274	944,343	1,413,757	1,631,626	1,819,130	2,093,864	2,136,273	2,179,637	2,205,292
	(23.5)	(30.0)	(49.7)	(15.4)	(11.5)	(0.0)	(0.0)	(0.0)	(0.0)
To Government ^{2/}	70,301	176,923	351,402	457,901	507,938	639,679	655,564	668,348	676,275
	(72.4)	(151.7)	(98.6)	(30.3)	(10.9)	(0.0)	(0.0)	(0.0)	(0.0)
In local currency	10,697	100,589	142,943	224,439	231,634	392,965	400,923	401,799	406,412
In foreign currency	59,604	76,334	208,459	233,462	276,304	246,714	254,641	266,549	269,863
To Non-Government	655,973	767,420	1,062,355	1,173,725	1,311,192	1,454,185	1,480,709	1,511,289	1,529,017
	(19.9)	(17.0)	(38.4)	(10.5)	(11.7)	(11.6)	(12.9)	(15.4)	(14.4)
In local currency	467,494	569,195	723,014	851,204	1,043,677	1,196,403	1,223,449	1,255,996	1,277,789
In foreign currency	188,479	198,225	339,341	322,521	267,515	257,782	257,260	255,293	251,228
Memorandum Items(In Percent):									
Credit to private sector ^{3/} / Total Credit	81.5	71.4	64.7	62.1	63.3	62.0	61.9	62.2	62.2
Non Government Loans/ Deposits ^{4/}	43.5	43.1	41.7	38.5	38.4	38.3	38.3	38.2	38.1
Government Loans / Deposits	25.9	49.3	67.4	85.0	87.2	88.1	88.8	89.8	87.0
Foreign currency denominated credit to total credit	34.2	29.1	38.7	34.1	29.9	24.1	24.0	23.9	23.6
Government foreign currency denominated credit to total government credit	84.8	43.1	59.3	51.0	54.4	38.6	38.8	39.9	39.9
denominated credit to total non-government credit	28.7	25.8	31.9	27.5	20.4	17.7	17.4	16.9	16.4

Source: Central Bank of Egypt.

() Percent change over previous year

^{*} Preliminary.

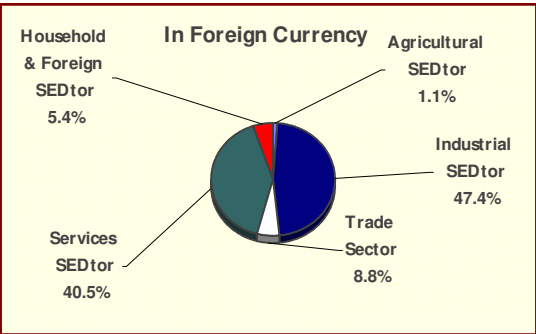
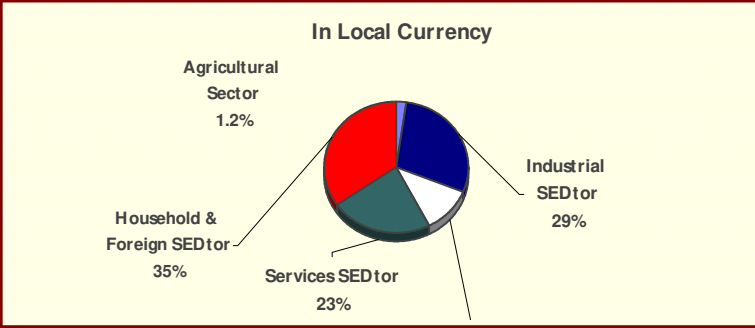
1/ Excludes credit provided by the Central Bank of Egypt.

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



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/}
7/2/19						
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
2015/2016	12.25	12.12	7.00	11.83	11.92	8.00
2016/2017	17.25	15.75	9.79	17.53	15.08	9.50
2017/2018	17.25	19.20	12.89	18.85	15.77	10.25
2018/2019	9.00	17.54	11.93	18.61	15.00	10.25
2019/2020	9.00	16.07	10.93	18.46	15.00	10.25
Monthly Average						
Jul-18	17.25	17.60	12.00	19.37	15.00	10.25
Aug-18	17.25	17.60	11.90	18.78	15.00	10.25
Sep-18	17.25	17.30	11.90	19.39	15.00	10.25
Oct-18	17.25	17.80	12.00	19.77	15.00	10.25
Nov-18	17.25	18.10	11.80	19.46	15.00	10.25
Dec-18	17.25	17.80	12.20	19.68	15.00	10.25
Jan-19	17.25	18.10	12.20	18.84	15.00	10.25
Feb-19	16.75	17.40	12.20	17.86	15.00	10.25
Mar-19	16.25	17.10	12.00	17.53	15.00	10.25
Apr-19	16.25	16.80	11.40	17.42	15.00	10.25
May-19	16.25	18.10	12.20	17.53	15.00	10.25
Jun-19	16.25	16.75	11.30	17.70	15.00	10.25
Jul-19	--	--	--	17.53	15.00	10.25
Aug-19	14.75	15.25	11.10	16.40	14.00	9.25
Sep-19	14.75	15.25	10.30	16.50	14.00	9.25
Oct-19	13.75	14.25	9.70	15.91	14.00	9.25
Nov-19	13.25	13.75	12.75	15.55	13.75	9.25
Dec-19	12.75	13.80	9.20	--	--	--
Jan-20	12.75	13.25	8.90	14.34	12.00	9.25
Feb-20	12.75	13.25	8.80	13.42	12.00	9.25
Mar-20	11.25	11.75	--	--	10.75	9.25
Apr-20	9.75	11.80	9.50	12.29	10.75	9.25
May-20	9.75	11.40	7.50	12.45	10.75	9.25
Jun-20	9.75	11.30	6.90	12.92	10.75	9.25
Jul-20	9.75	11.20	7.40	13.39	10.75	9.25

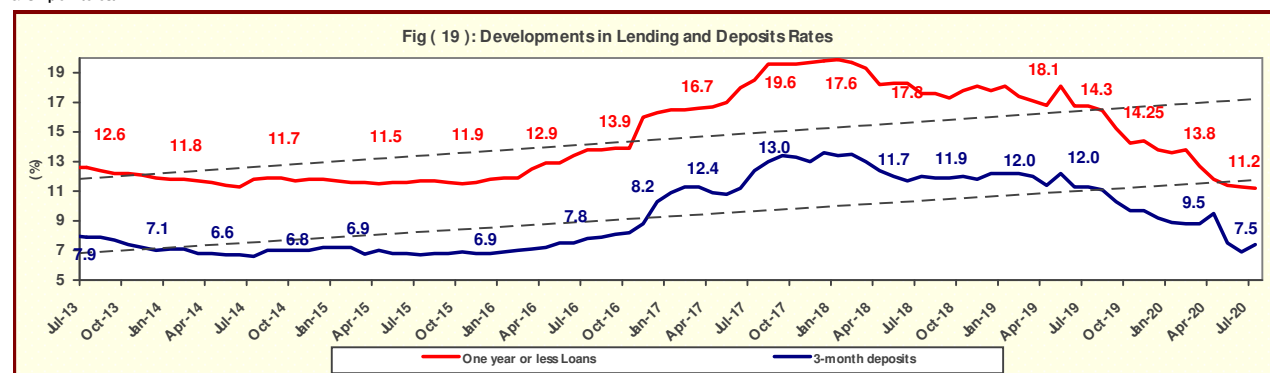
Source: Central Bank of Egypt.

-- 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.

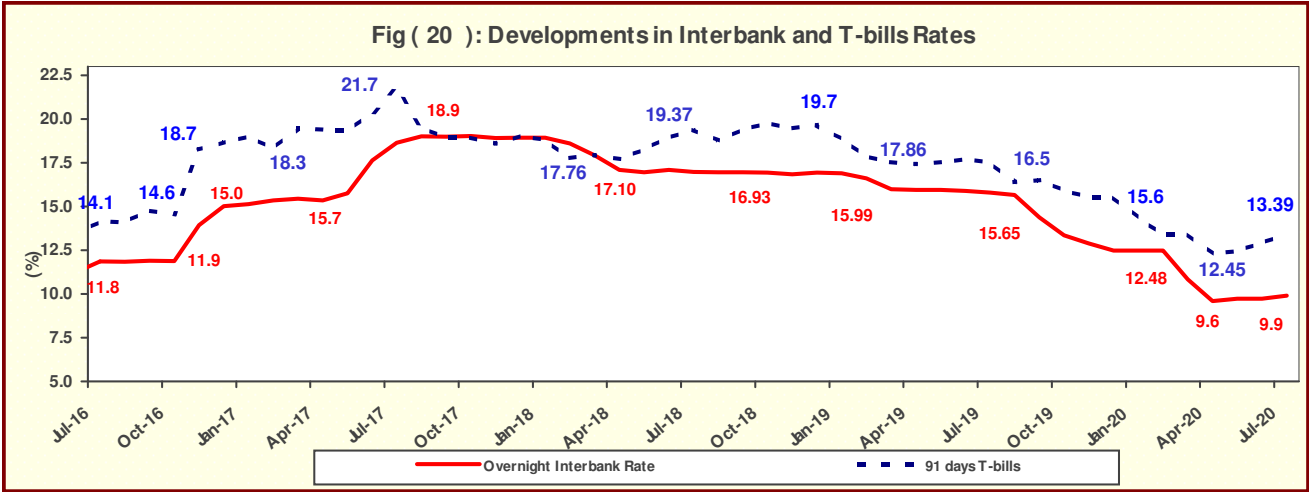
Table (30) : Average Interbank Rates^{1/}

6/2/19	Overnight	One Week	Month	More than One Month
Yearly Average				
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	--	--
2015	8.9	9.2	9.5	8.9
2016	11.5	11.6	--	12.6
2017	17.3	17.6	19.4	17.7
2018	17.4	17.6	17.4	17.5
2019	16.6	16.9	16.9	16.7
2020	15.2	15.4	16.8	14.3
Monthly Average				
Jul-19	-	-	--	--
Aug-19	15.65	16.11	--	15.80
Sep-19	14.38	14.68	--	--
Oct-19	13.36	13.60	--	--
Nov-19	12.88	13.24	--	--
Dec-19	12.47	12.72	--	--
Jan-20	12.47	12.71	--	--
Feb-20	12.48	12.71	--	--
Mar-20	10.83	11.82	--	--
Apr-20	9.60	9.89	--	--
May-20	9.73	9.58	--	--
Jun-20	9.73	10.00	--	--
Jul-20	9.90	10.15	--	--

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.