

Section 6

MONETARY SECTOR

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

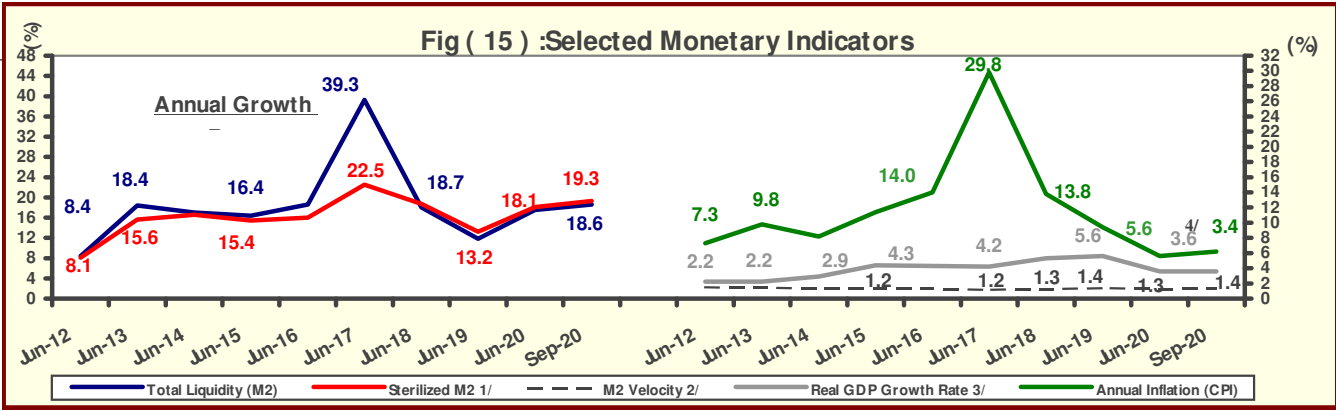
	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	32.1%	81.4%	-37.9%	-37.9%
CBE NFA	-0.2%	-1.7%	-30.4%	-30.4%
CBE NIR	--	--	--	--
Banks NFA 2/	11.6%	23.8%	-3.5%	-3.5%
Net Foreign Assets (US dollar terms)	--	--	--	--
CBE NFA	--	--	-27.6%	-27.6%
CBE NIR	-0.2%	-1.7%	-18.7%	--
Banks NFA 2/	-298.0%	-199.6%	--	--
Net Domestic Assets	0.5%	2.7%	24.1%	24.1%
Net Claims on Government and GASC	-0.3%	0.3%	24.8%	24.8%
Claims on Public Companies	-0.3%	2.2%	-0.6%	-0.6%
Claims on Private Sector	3.3%	6.3%	23.7%	23.7%
Total Liquidity (M2)	1.6%	4.8%	18.6%	18.6%
Money (M1)	1.2%	4.6%	18.8%	18.8%
Quasi Money	1.7%	4.9%	18.6%	18.6%

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
(September 2020)
(LE Million)

	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Sep-19	Jul-20	Aug-20	Sep-20
Net Foreign Assets 1/	51,487	(87,389)	61,056	309,530	298,140	356,658	158,867	167,747	221,543
	-(56.8)	-(269.7)	(169.9)	(407.0)	-(3.7)	(64.4)	-(54.1)	-(50.2)	-(37.9)
Central bank (Net)	25,278	(44,863)	3,690	301,493	264,362	269,954	185,608	184,855	188,009
Foreign Assets	148,098	149,943	551,514	775,954	733,956	729,056	598,553	594,178	593,086
Foreign Liabilities	122,820	194,806	547,824	474,461	469,594	459,102	412,945	409,323	405,077
Banks (Net)	26,209	(42,526)	57,366	8,037	33,778	86,704	(26,741)	(17,108)	33,534
Foreign Assets	86,214	81,532	339,126	299,817	309,602	343,718	276,054	297,363	331,719
Foreign Liabilities	60,005	124,058	281,760	291,780	275,824	257,014	302,795	314,471	298,185
Net Domestic Assets of which:	1,714,005	2,181,889	2,857,137	3,147,485	3,581,953	3,653,723	4,471,291	4,514,381	4,535,637
	(22.7)	(27.3)	(30.9)	(10.2)	(13.8)	(9.6)	(26.5)	(25.6)	(24.1)
Net Claims on Government, and GASC 2/	1,291,427	1,654,910	1,979,641	2,217,557	2,446,075	2,601,257	3,244,048	3,255,820	3,245,347
National Currency	1,251,096	1,500,936	1,545,112	1,618,411	1,836,493	2,035,887	2,680,849	2,695,959	2,685,929
Foreign Currency	40,331	153,974	434,529	599,146	609,582	565,370	563,199	559,861	559,418
Claims on Public Business Sector	63,218	93,073	148,715	160,177	161,937	160,618	158,428	158,254	159,644
National Currency	43,989	65,410	96,035	114,949	125,694	126,407	126,382	126,759	128,766
Foreign Currency	19,229	27,663	52,680	45,228	36,243	34,211	32,046	31,495	30,878
Claims on Private Sector 2/	623,566	712,132	982,914	1,082,556	1,217,633	1,249,978	1,474,746	1,497,566	1,546,621
National Currency	461,561	543,158	680,046	792,036	974,393	1,012,614	1,247,628	1,272,790	1,321,141
Foreign Currency	162,005	168,974	302,868	290,520	243,240	237,364	227,118	224,776	225,480
Other Items (net) 1/ 2/	(264,206)	(278,226)	(254,133)	(312,805)	(243,692)	(358,130)	(405,931)	(397,259)	(415,975)
Total Liquidity (M2)	1,765,492	2,094,500	2,918,193	3,457,015	3,863,645	4,010,381	4,627,173	4,682,128	4,757,180
	(16.4)	(18.6)	(39.3)	(18.5)	(11.8)	(13.0)	(19.1)	(19.2)	(18.6)
Money (M1) 3/	499,065	572,935	707,427	823,268	923,562	954,730	1,125,021	1,120,418	1,134,247
	(21.6)	(14.8)	(23.5)	(16.4)	(12.2)	(13.6)	(21.6)	(18.3)	(18.8)
Currency in Circulation	292,699	346,853	419,058	441,551	487,233	499,340	636,046	613,553	610,732
Demand Deposits in Local Currency	206,366	226,082	288,369	381,717	436,329	455,390	488,975	506,865	523,515
Quasi Money	1,266,427	1,521,565	2,210,766	2,633,747	2,940,083	3,055,651	3,502,152	3,561,710	3,622,933
	(14.5)	(20.1)	(45.3)	(19.1)	(11.6)	(12.8)	(18.3)	(19.4)	(18.6)
Local Currency Time & Savings Deposits	1,003,432	1,197,746	1,516,480	1,916,789	2,225,452	2,369,223	2,844,280	2,905,554	2,978,433
Foreign Currency Demand Deposits	68,631	75,910	150,042	149,769	143,284	135,899	139,081	138,599	134,271
Foreign Currency Time and Savings Deposits	194,364	247,909	544,244	567,189	571,347	550,529	518,791	517,557	510,229

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 2020)

	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Sep-19	Jul-20	Aug-20	Sep-20 [*]
Net Foreign Assets (In Million US\$) ^{4/}	6,770	(9,842)	3,387	17,365	17,870	21,816	9,964	10,563	14,089
Central bank NFA	3,324	(5,053)	205	16,914	15,845	16,513	11,641	11,641	11,957
Net International Reserves	22,918	12,098	33,773	43,982	46,016	49,899	35,864	36,339	39,851
Central Bank (Gross)	20,082	17,546	31,305	44,258	44,481	45,118	38,315	38,366	38,425
Banks (net)	3,446	(4,790)	3,182	451	2,025	5,304	(1,677)	(1,077)	2,133
Foreign assets	11,336	9,183	18,811	16,820	18,557	21,025	17,314	18,726	21,096
Foreign Liabilities	7,890	13,972	15,629	16,369	16,532	15,721	18,991	19,803	18,964
<i>In Percent of Beginning of Money Stocks ^{5/}</i>									
Net Foreign Assets	-4.46%	-7.87%	7.09%	8.51%	-0.33%	1.4%	-4.4%	-4.1%	-2.5%
Net Domestic Assets	20.87%	26.50%	32.24%	9.95%	12.57%	14.6%	38.3%	39.5%	40.2%
Money (M1)	5.84%	4.18%	6.42%	3.97%	2.90%	3.8%	8.7%	8.6%	9.0%
Quasi Money	10.57%	14.45%	32.91%	14.49%	8.86%	12.2%	25.1%	26.8%	28.6%
Dollarization (% of Total Liquidity) ^{6/}	0.15	0.15	0.24	0.21	0.18	0.17	0.14	0.14	0.14
M2 Multiplier	3.63	4.38	5.05	4.81	5.65	5.63	5.07	5.04	5.34
M2 Velocity	1.38	1.29	1.19	1.28	1.38	1.5	1.4	1.4	1.3
M2 (annual percentage change)	16.41	18.64	39.33	18.46	11.76	13.0	19.1	19.2	18.6
Credit to private sector (annual percentage change) ^{7/}	0.17	0.14	0.38	0.10	0.12	0.14	0.21	0.22	0.24
Exchange Rate ^{8/}	7.61	8.88	18.03	17.83	16.68	16.35	15.94	15.88	15.72

Source: Central Bank of Egypt.

* Preliminary.

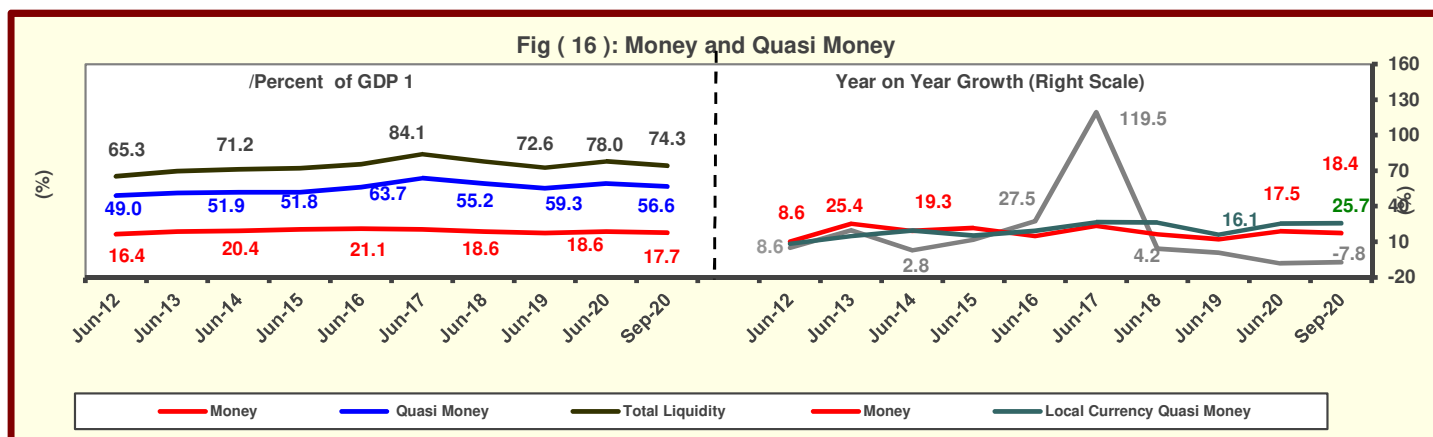
4/ Net Foreign Assets equals Central Bank NFA plus banks (net).

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 fi

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 li

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)

	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Sep-19	Jul-20	Aug-20	Sep-20
Reserve Money	485,876	478,076	577,582	719,003	684,031	711,946	912,097	929,350	890,279
	(33.3)	-(1.6)	(20.8)	(24.5)	-(4.9)	(1.0)	(30.0)	(23.5)	(25.0)
Currency in Circulation	313,468	368,459	452,035	485,235	536,098	540,447	677,364	655,836	649,956
	(8.6)	(17.5)	(22.7)	(7.3)	(10.5)	(12.3)	(27.7)	(20.9)	(20.3)
Banks LE Deposits with CBE	172,408	109,617	125,547	233,768	147,933	171,499	234,733	273,514	240,323
	(127.4)	-(36.4)	(14.5)	(86.2)	-(36.7)	-(23.3)	(37.5)	(30.3)	(40.1)
<u>Counter Assets:</u>									
Net Foreign Assets	25,171	-44,863	3,690	301,493	264,362	269,954	185,608	184,856	188,009
	-(32.7)	-(278.2)	(108.2)	(8070.5)	-(12.3)	-(6.6)	-(31.7)	-(33.0)	-(30.4)
Net Domestic Assets	460,598	522,939	573,892	417,510	419,669	441,992	726,489	744,495	702,270
	(40.8)	(13.5)	(9.7)	-(27.2)	(0.5)	(6.3)	(69.2)	(56.3)	(58.9)
Net Claims on Government ^{2/}	523,893	619,410	708,637	715,474	746,116	789,341	812,442	763,486	708,386
	(25.0)	(18.2)	(14.4)	(1.0)	(4.3)	(1.1)	(10.6)	-(1.8)	-(10.3)
Claims	620,003	706,885	821,975	759,880	820,986	843,883	876,938	832,854	770,913
	(33.7)	(14.0)	(16.3)	-(7.6)	(8.0)	(1.8)	(12.3)	(0.4)	-(8.6)
Securities	240,330	390,830	714,454	683,629	703,231	700,970	701,852	701,208	700,741
Credit Facilities	379,673	316,055	107,521	76,251	117,755	142,913	175,086	131,646	70,172
Deposits ^{3/}	96,110	87,475	113,338	44,406	74,870	54,542	64,496	69,368	62,527
	(115.9)	-(9.0)	(29.6)	-(60.8)	(68.6)	(13.0)	(39.4)	(34.2)	(14.6)
Net Claims on Banks	-26,334	59,621	157,141	201,438	179,280	170,362	135,130	137,501	167,351
Net Balancing Items ^{4/}	-36,961	-156,092	-291,886	-499,402	-505,727	-517,711	-221,083	-156,492	-173,467
<u>Memorandum Items</u>									
Reserve Money Velocity ^{5/, 6/}	5.03	5.66	6.01	6.17	7.78	8.66	14.73	15.73	16.73

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)

	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Sep-19	Jul-20	Aug-20	Sep-20
Total Deposits	1,740,158	2,123,069	3,042,155	3,569,515	4,007,899	3,155,251	4,790,772	4,898,708	5,052,671
	(21.4)	(22.0)	(43.3)	(17.3)	(12.3)	-(13.4)	(19.8)	(21.7)	(60.1)
In local currency	1,375,369	1,698,255	2,128,025	2,731,175	3,176,510	3,384,224	4,019,402	4,127,030	4,291,739
In foreign currency	364,789	424,814	914,130	838,340	831,389	771,027	771,370	771,678	760,932
Non Government Deposits ^{2/}	1,488,006	1,761,009	2,517,727	3,036,010	3,396,961	3,533,376	4,011,636	4,087,987	4,167,233
	(18.6)	(18.3)	(43.0)	(20.6)	(11.9)	-(18.9)	(17.5)	(18.5)	(64.5)
In local currency	1,219,985	1,433,387	1,815,641	2,311,316	2,673,636	2,838,655	3,346,552	3,424,314	3,513,705
In foreign currency	268,021	327,622	702,086	724,694	723,325	694,721	665,084	663,673	653,528
Government Deposits	252,152	362,060	524,428	533,505	610,938	621,875	779,136	810,721	885,438
	(41.0)	(43.6)	(44.85)	(1.73)	(14.5)	(19.4)	(33.8)	(40.8)	(42.4)
In local currency	155,384	264,868	312,384	419,859	502,874	545,569	672,850	702,716	778,034
In foreign currency	96,768	97,192	212,044	113,646	108,064	76,306	106,286	108,005	107,404
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	21.0	20.0	30.0	23.5	20.7	24.4	16.1	15.8	15.1
Dollarization in Non-Government Deposits	18.0	18.6	27.9	23.9	21.3	19.7	16.6	16.2	15.7
Dollarization in Government Deposits	38.4	26.8	40.4	21.3	17.7	12.3	13.6	13.3	12.1

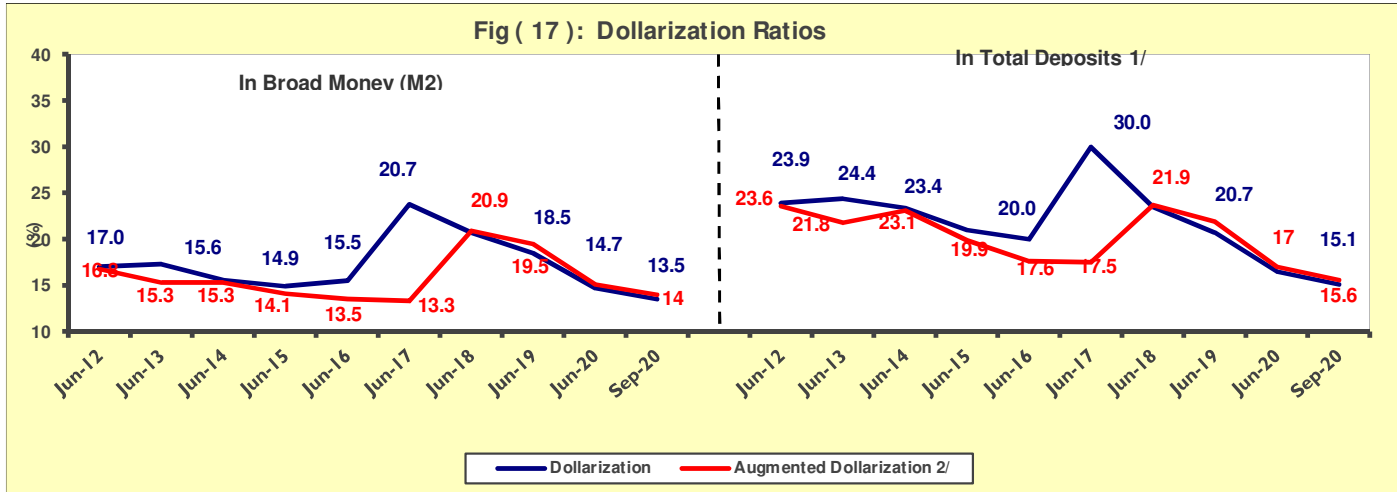
Source: Central bank of Egypt.

() 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.



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)									
	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Sep-19	Jul-20	Aug-20	Sep-20
Total lending	717,999	925,660	1,426,457	1,629,664	1,854,326	1,822,645	2,205,292	2,248,723	2,357,073
	(22.1)	(30.4)	(51.3)	(14.2)	(13.8)	(9.9)	(0.0)	(0.0)	(0.0)
To Government ^{2/}	66,421	172,047	354,723	452,917	542,446	485,761	676,275	694,025	754,975
	(62.8)	(173.1)	(104.2)	(27.7)	(19.8)	(5.9)	(0.0)	(0.0)	(0.0)
In local currency	10,855	100,473	142,710	216,549	235,838	246,167	406,412	423,270	480,598
In foreign currency	55,566	71,574	212,013	236,368	306,608	239,594	269,863	270,755	274,377
To Non-Government	651,578	753,613	1,071,734	1,176,747	1,311,880	1,336,884	1,529,017	1,554,698	1,602,098
	(19.1)	(16.5)	(39.4)	(9.8)	(11.5)	(11.5)	(14.4)	(16.9)	(19.5)
In local currency	468,502	556,967	724,503	849,775	1,038,221	1,070,428	1,277,789	1,306,018	1,354,072
In foreign currency	183,076	196,646	347,231	326,972	273,659	266,456	251,228	248,680	248,026
Memorandum Items(In Percent):									
Credit to private sector ^{3/} / Total Credit	82.0	72.0	64.7	62.4	62.0	64.6	62.2	43.9	61.2
Non Government Loans/ Deposits ^{4/}	43.8	43.6	42.6	38.8	38.6	37.8	38.1	38.0	38.4
Government Loans / Deposits	26.3	49.0	67.6	84.9	88.8	78.1	86.8	85.6	85.3
Foreign currency denominated credit to total credit	33.2	29.0	39.2	34.6	31.3	27.8	23.6	23.1	22.2
Government foreign currency denominated credit to total government credit	83.7	41.6	59.8	52.2	56.5	49.3	39.9	39.0	36.3
denominated credit to total non-government credit	28.1	26.1	32.4	27.8	20.9	19.9	16.4	16.0	15.5

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

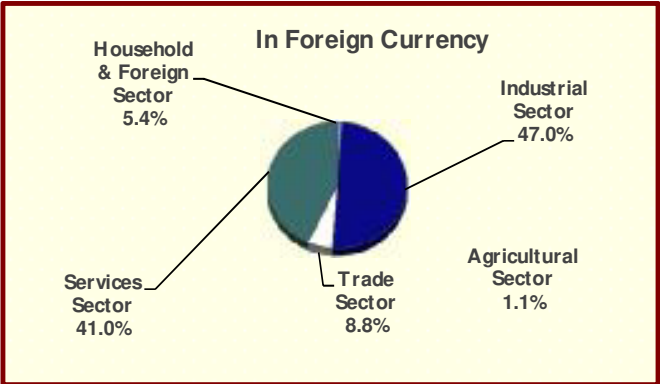
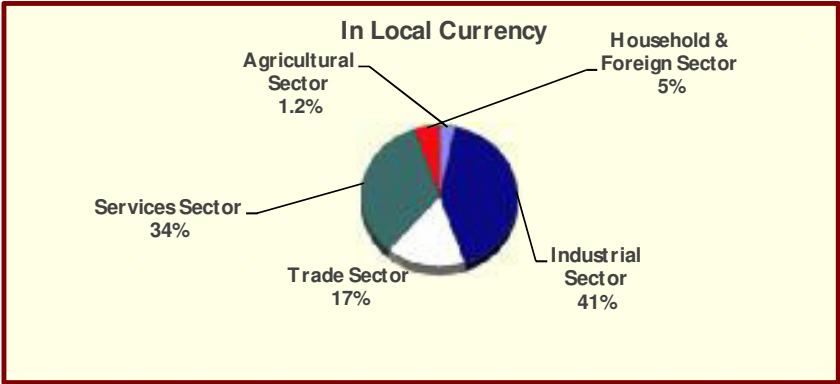
1/ Excludes credit provided by the Central Bank of Egypt.

2/ Includes central government and eCMnomic 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/}
7/2/2019						
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						
Sep-18	17.25	17.30	11.90	19.39	15.00	10.25
O ct-18	17.25	17.80	12.00	19.77	15.00	10.25
N ov-18	17.25	18.10	11.80	19.46	15.00	10.25
D ec-18	17.25	17.80	12.20	19.68	15.00	10.25
Sep-19	14.75	15.25	10.30	16.50	14.00	9.25
O ct-19	13.75	14.25	9.70	15.91	14.00	9.25
N ov-19	13.25	13.75	12.75	15.55	13.75	9.25
D ec-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
Aug-20	9.75	11.00	7.10	13.68	10.75	9.25
Sep-20	9.75	10.10	7.40	13.44	10.75	9.25

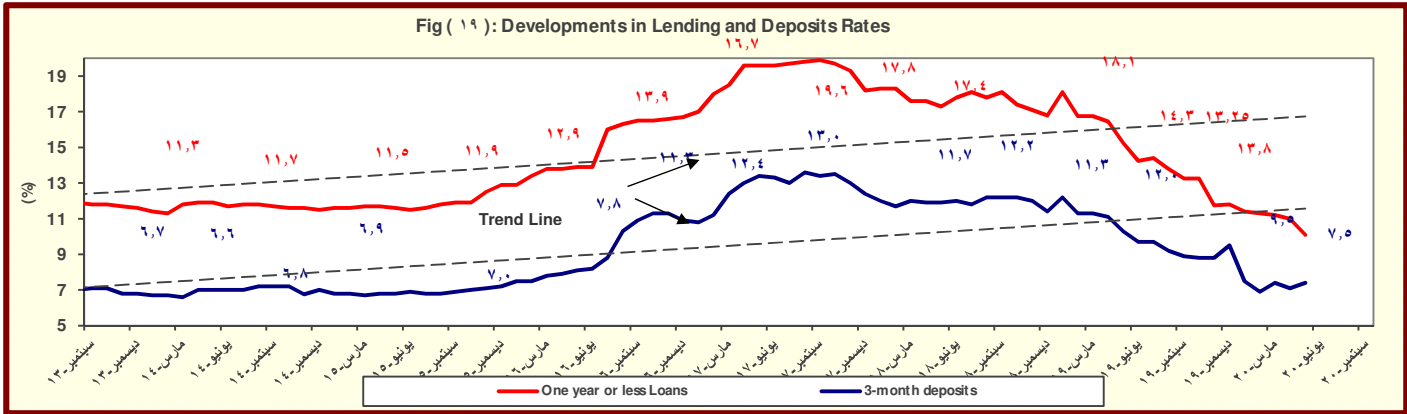
Source: Central Bank of Egypt.

-- 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.

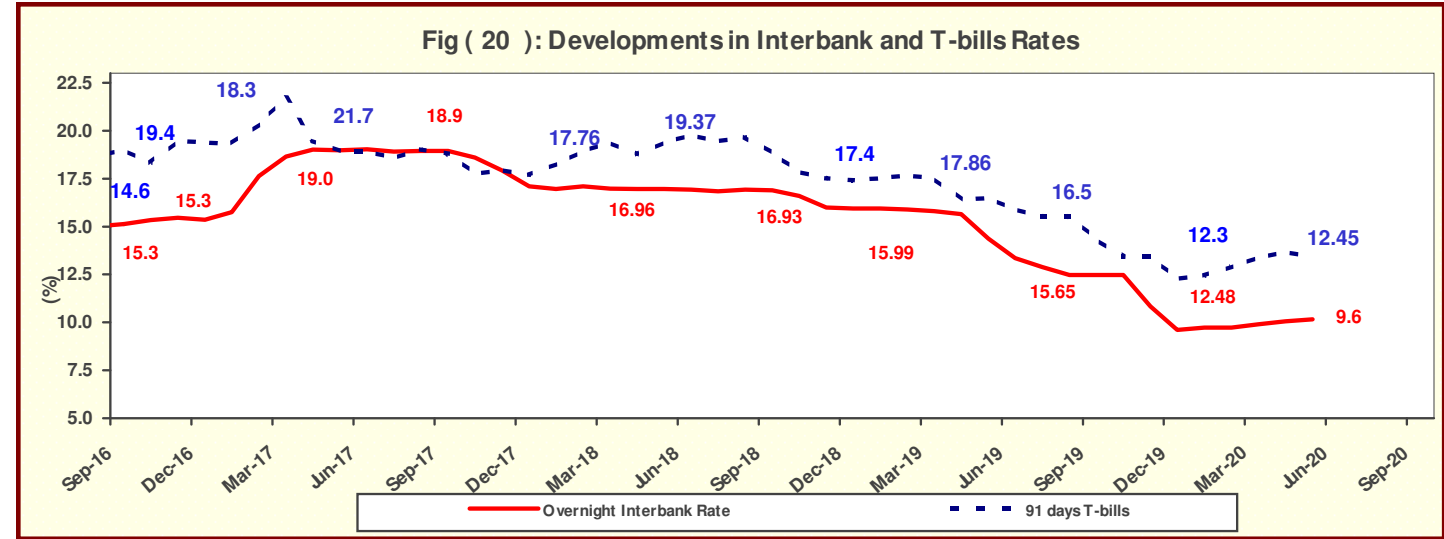
Table (30) : Average Interbank Rates ^{1/}

6/2/2019	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				
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	--	--
Aug-20	10.06	10.31	--	--
Sep-20	10.16	10.40	9.25	10.04

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.