

Section 6

MONETARY SECTOR

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

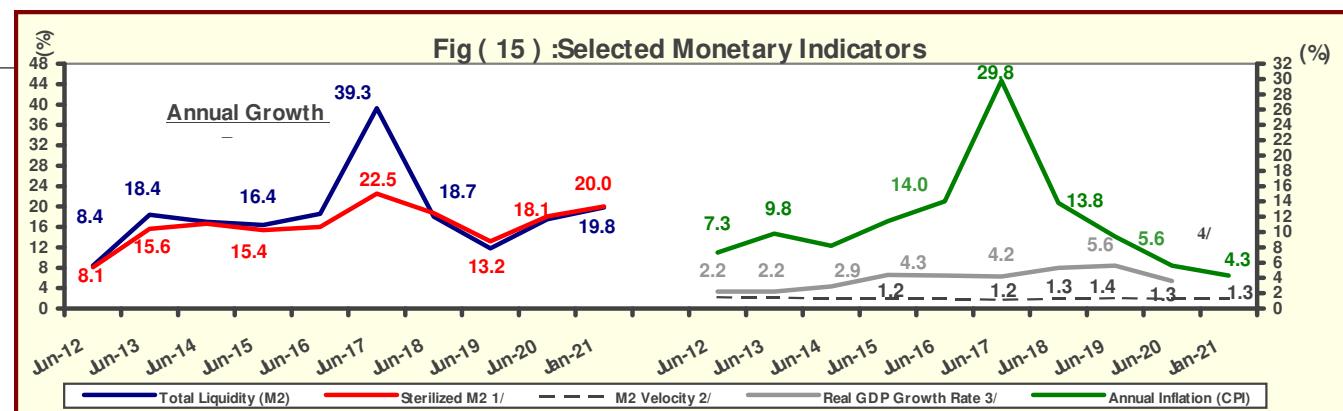
	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	1.3%	10.7%	-27.1%	-27.1%
CBE N FA	0.0%	2.4%	-30.5%	-30.5%
CBE N IR	--	--	--	--
Banks N FA ^{2/}	3.7%	5.8%	16.1%	16.1%
Net Foreign Assets (US dollar terms)	--	--	--	--
CBE N FA	--	--	-29.7%	-29.7%
CBE N IR	0.0%	2.4%	-12.8%	--
Banks N FA ^{2/}	6.5%	30.3%	--	--
Net Domestic Assets	0.8%	2.8%	24.5%	24.5%
Net Claims on Government and GASC	0.3%	1.5%	24.6%	24.6%
Claims on Public Companies	0.3%	-0.4%	-1.0%	-1.0%
Claims on Private Sector	0.9%	3.0%	24.5%	24.5%
Total Liquidity (M2)	0.8%	3.2%	19.8%	19.8%
Money (M1)	0.7%	0.9%	16.7%	16.7%
Quasi Money	0.8%	3.9%	20.8%	20.8%

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 LE 5960.9 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
(January 2021)
(LE Million)

	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20	Oct-20	Nov-20	Dec-20	Jan-21
Net Foreign Assets 1/	(87,389)	61,056	309,530	298,140	122,098	247,998	249,701	270,980	274,593
	-(269.7)	(169.9)	(407.0)	-(3.7)	-(59.0)	-(27.6)	-(29.1)	-(22.1)	-(27.1)
Central bank (Net)	(44,863)	3,690	301,493	264,362	156,593	199,604	198,069	211,810	211,552
 Foreign Assets	149,943	551,514	775,954	733,956	603,450	603,001	600,155	617,681	617,574
 Foreign Liabilities	194,806	547,824	474,461	469,594	446,857	403,397	402,086	405,871	406,022
Banks (Net)	(42,526)	57,366	8,037	33,778	(34,495)	48,394	51,632	59,170	63,041
 Foreign Assets	81,532	339,126	299,817	309,602	267,918	336,053	331,464	342,937	355,664
 Foreign Liabilities	124,058	281,760	291,780	275,824	302,413	287,659	279,832	283,767	292,623
Net Domestic Assets of which:	2,181,889	2,857,137	3,147,485	3,581,953	4,416,710	4,557,877	4,596,257	4,649,545	4,684,898
	(27.3)	(30.9)	(10.2)	(13.8)	(23.3)	(23.8)	(24.2)	(23.6)	(24.5)
Net Claims on Government, and GASC 2/	1,654,910	1,979,641	2,217,557	2,446,075	3,235,840	3,259,953	3,280,793	3,298,154	3,309,175
 National Currency	1,500,936	1,545,112	1,618,411	1,836,493	2,669,515	2,697,105	2,711,875	2,740,626	2,756,608
 Foreign Currency	153,974	434,529	599,146	609,582	566,325	562,848	568,918	557,528	552,567
Claims on Public Business Sector	93,073	148,715	160,177	161,937	156,267	157,987	157,901	158,371	157,356
 National Currency	65,410	96,035	114,949	125,694	124,538	127,683	128,077	128,643	127,992
 Foreign Currency	27,663	52,680	45,228	36,243	31,729	30,304	29,824	29,728	29,364
Claims on Private Sector 2/	712,132	982,914	1,082,556	1,217,633	1,454,688	1,564,901	1,576,696	1,597,289	1,611,760
 National Currency	543,158	680,046	792,036	974,393	1,223,079	1,339,273	1,352,681	1,370,683	1,385,780
 Foreign Currency	168,974	302,868	290,520	243,240	231,609	225,628	224,015	226,606	225,980
Other Items (net) 1/ 2/	(278,226)	(254,133)	(312,805)	(243,692)	(430,085)	(424,964)	(419,133)	(404,269)	(393,393)
Total Liquidity (M2)	2,094,500	2,918,193	3,457,015	3,863,645	4,538,808	4,805,875	4,845,958	4,920,525	4,959,491
	(18.6)	(39.3)	(18.5)	(11.8)	(17.5)	(19.4)	(19.6)	(19.7)	(19.8)
Money (M1) 3/	572,935	707,427	823,268	923,562	1,084,742	1,141,876	1,133,519	1,143,543	1,151,982
	(14.8)	(23.5)	(16.4)	(12.2)	(17.5)	(19.8)	(17.9)	(18.1)	(16.7)
 Currency in Circulation	346,853	419,058	441,551	487,233	602,732	611,975	606,868	611,203	617,424
 Demand Deposits in Local Currency	226,082	288,369	381,717	436,329	482,010	529,901	526,651	532,340	534,558
 Quasi Money	1,521,565	2,210,766	2,633,747	2,940,083	3,454,066	3,663,999	3,712,439	3,776,982	3,807,509
	(20.1)	(45.3)	(19.1)	(11.6)	(17.5)	(19.3)	(20.1)	(20.2)	(20.8)
 Local Currency Time & Savings Deposits	1,197,746	1,516,480	1,916,789	2,225,452	2,787,423	3,017,657	3,070,094	3,128,114	3,157,622
 Foreign Currency Demand Deposits	75,910	150,042	149,769	143,284	142,022	133,582	132,962	135,919	139,683
 Foreign Currency Time and Savings Deposits	247,909	544,244	567,189	571,347	524,621	512,760	509,383	512,949	510,204

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)
(January 2021)

	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20	Oct-20	Nov-20	Dec-20	Jan-21
Net Foreign Assets (In Million US\$)^{4/}	(9,842)	3,387	17,365	17,870	7,583	15,840	15,995	17,326	17,546
Central bank NFA	(5,053)	205	16,914	15,845	9,725	12,749	12,688	13,543	13,518
Net International Reserves	12,098	33,773	43,982	46,016	35,334	41,607	41,752	43,277	43,490
Central Bank (Gross)	17,546	31,305	44,258	44,481	38,202	38,425	39,222	40,063	40,101
Banks (net)	(4,790)	3,182	451	2,025	(2,142)	3,091	3,307	3,783	4,028
Foreign assets	9,183	18,811	16,820	18,557	16,639	21,465	21,233	21,927	22,726
Foreign Liabilities	13,972	15,629	16,369	16,532	18,781	18,374	17,925	18,144	18,698
<i>In Percent of Beginning of Money Stocks</i> ^{5/}									
Net Foreign Assets	-7.87%	7.09%	8.51%	-0.33%	-5.42%	-1.8%	-1.7%	-1.1%	-1.0%
Net Domestic Assets	26.50%	32.24%	9.95%	12.57%	36.71%	40.8%	41.9%	43.4%	44.5%
Money (M1)	4.18%	6.42%	3.97%	2.90%	7.56%	9.2%	9.0%	9.3%	9.5%
Quasi Money	14.45%	32.91%	14.49%	8.86%	23.73%	29.8%	31.2%	33.1%	34.0%
Dollarization (% of Total Liquidity) ^{6/}	0.15	0.24	0.21	0.18	0.15	13.4	13.3	13.2	13.1
M2 Multiplier	4.38	5.05	4.81	5.65	5.30	5.03	5.75	5.37	5.42
M2 Velocity	1.29	1.19	1.28	1.38	1.28	1.33	1.32	1.30	1.29
M2 (annual percentage change)	18.64	39.33	18.46	11.76	17.47	19.4	19.6	19.7	19.8
Credit to private sector (annual percentage change) ^{7/}	0.14	0.38	0.10	0.12	0.19	24.5	23.9	24.0	24.5
Exchange Rate ^{8/}	8.88	18.03	17.83	16.68	16.10	15.66	15.61	15.64	15.65

Source: Central Bank of Egypt.

* Preliminary.

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

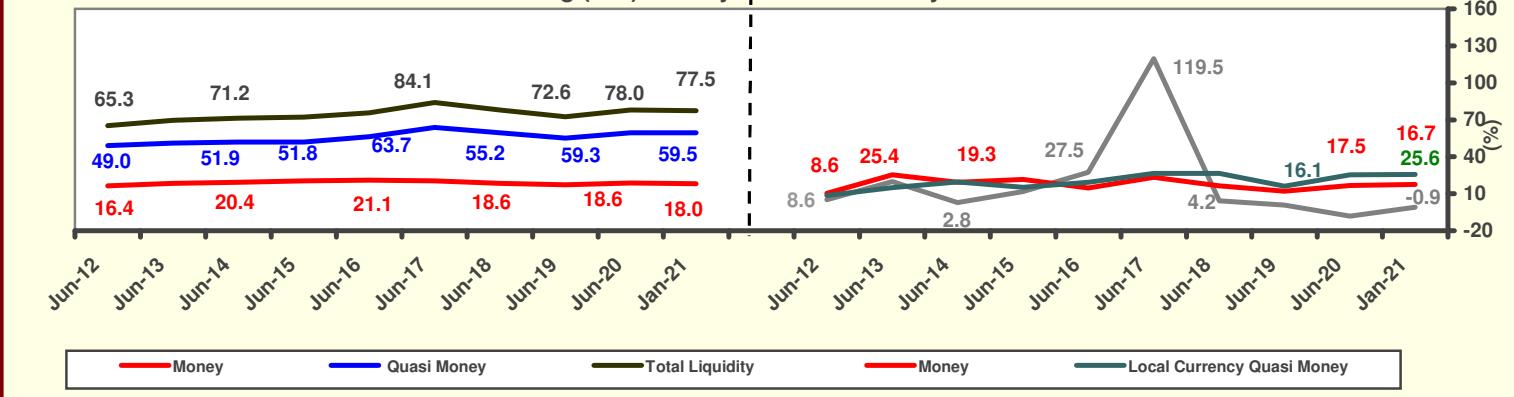
5/ Shows the annual percent change of selected aggregates in percent of total liquidity at beginning of fiscal year. This indicator is intended to show sources of money growth during the

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.

Fig (16) : Money and Quasi Money



Source: Central Bank of Egypt.

1/ 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-16	Jun-17	Jun-18	Jun-19	Jun-20	Oct-20	Nov-20	Dec-20	* Jan-21
Reserve Money	478,076	577,582	719,003	684,031	855,580	955,011	842,425	916,733	914,323
	-(1.6)	(20.8)	(24.5)	-(4.9)	(25.1)	(35.3)	(20.2)	(27.5)	(22.3)
Currency in Circulation	368,459	452,035	485,235	536,098	651,167	654,984	647,736	650,679	660,135
	(17.5)	(22.7)	(7.3)	(10.5)	(21.5)	(21.8)	(20.0)	(19.7)	(19.7)
Banks LE Deposits with CNE	109,617	125,547	233,768	147,933	204,413	300,027	194,689	266,054	254,188
	-(36.4)	(14.5)	(86.2)	-(36.7)	(38.2)	(78.3)	(20.9)	(51.6)	(29.6)
Counter Assets:									
Net Foreign Assets	-44,863	3,690	301,493	264,362	156,593	199,604	198,069	211,810	211,552
	-(278.2)	(108.2)	(8070.5)	-(12.3)	-(40.8)	-(25.8)	-(26.7)	-(21.7)	-(30.5)
Net Domestic Assets	522,939	573,892	417,510	419,669	698,987	755,407	644,356	704,923	702,771
	(13.5)	(9.7)	-(27.2)	(0.5)	(66.6)	(72.9)	(49.6)	(57.2)	(58.6)
Net Claims on Government ^{2/}	619,410	708,637	715,474	746,116	807,882	783,484	723,149	692,065	824,497
	(18.2)	(14.4)	(1.0)	(4.3)	(8.3)	-(0.7)	-(6.2)	-(8.6)	(23.9)
Claims	706,885	821,975	759,880	820,986	865,330	842,176	780,304	764,995	897,223
	(14.0)	(16.3)	-(7.6)	(8.0)	(5.4)	-(0.3)	-(6.3)	-(7.2)	(15.0)
Securities	390,830	714,454	683,629	703,231	702,667	700,455	700,181	700,541	700,552
Credit Facilities	316,055	107,521	76,251	117,755	162,663	141,721	80,123	64,454	196,671
Deposits ^{3/}	87,475	113,338	44,406	74,870	57,448	58,692	57,155	72,930	72,726
	-(9.0)	(29.6)	-(60.8)	(68.6)	-(23.3)	(4.9)	-(7.7)	(8.0)	-(36.5)
Net Claims on Banks	59,621	157,141	201,438	179,280	160,663	167,782	163,250	182,534	172,909
Net Balancing Items ^{4/}	-156,092	-291,886	-499,402	-505,727	-269,558	-195,859	-242,043	-169,676	-294,635

Memorandum Items

Reserve Money Velocity ^{5/, 6/}	5.66	6.01	6.17	7.78	13.73	17.73	18.73	19.73	20.73
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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 CNE 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 LE 5960.9 billion according to the data published by the Ministry of Planning and Economic Development.

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

(LE Million)

	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20	Oct-20	Nov-20	Dec-20	* Jan-21
Total Deposits	2,123,069	3,042,155	3,569,515	4,007,899	4,701,427	5,088,135	5,126,257	5,196,871	5,282,843
	(22.0)	(43.3)	(17.3)	(12.3)	(17.3)	(22.1)	(22.5)	(22.7)	(24.4)
In local currency	1,698,255	2,128,025	2,731,175	3,176,510	3,924,196	4,325,318	4,371,529	4,429,945	4,504,305
In foreign currency	424,814	914,130	838,340	831,389	777,232	762,817	754,728	766,926	778,538
Non Government Deposits ^{2/}	1,761,009	2,517,727	3,036,010	3,396,961	3,956,206	4,213,986	4,260,953	4,328,317	4,362,403
	(18.3)	(43.0)	(20.6)	(11.9)	(16.5)	(18.9)	(19.3)	(19.5)	(19.7)
In local currency	1,433,387	1,815,641	2,311,316	2,673,636	3,281,897	3,560,134	3,611,395	3,672,586	3,705,518
In foreign currency	327,622	702,086	724,694	723,325	674,309	653,852	649,558	655,731	656,885
Government Deposits	362,060	524,428	533,505	610,938	745,222	874,149	865,304	868,554	920,440
	(43.6)	(44.8)	(1.73)	(14.51)	(22.0)	(40.1)	(41.3)	(41.6)	(52.8)
In local currency	264,868	312,384	419,859	502,874	642,299	765,184	760,134	757,359	798,787
In foreign currency	97,192	212,044	113,646	108,064	102,923	108,965	105,170	111,195	121,653
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	20.0	30.0	23.5	20.7	16.5	15.0	14.7	14.8	14.7
Dollarization in Non-Government Deposits	18.6	27.9	23.9	21.3	17.0	15.5	15.2	15.1	15.1
Dollarization in Government Deposits	26.8	40.4	21.3	17.7	13.8	12.5	12.2	12.8	13.2

Source: Central bank of Egypt.

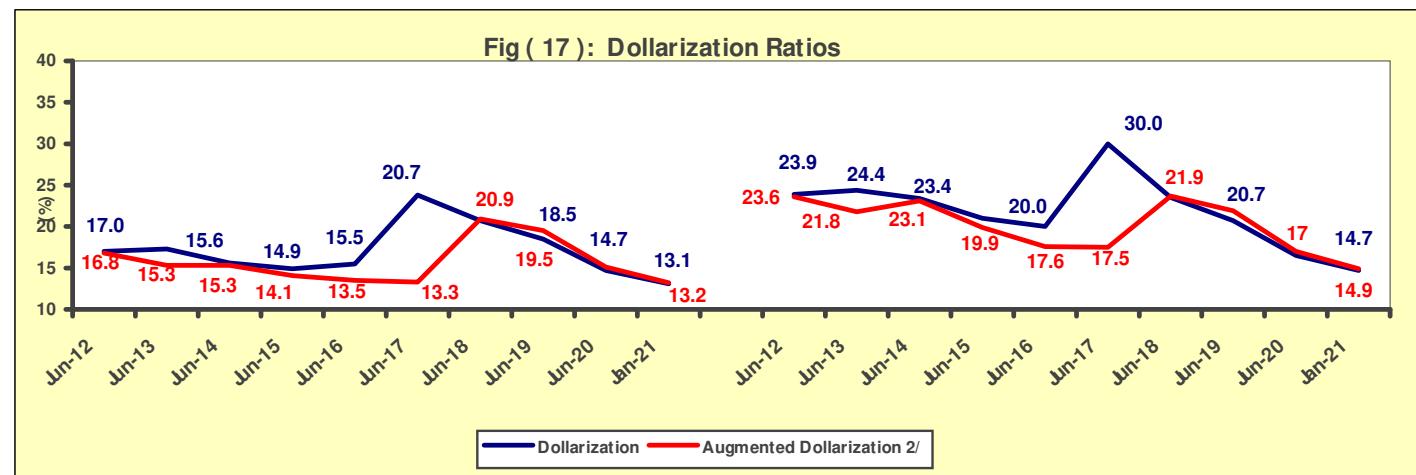
() Percent change over same period in previous year.

* 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



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-20	Nov-20	Dec-20	* Jan-21
	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20					
Total lending	717,999	925,660	1,426,457	1,629,664	1,854,326		2,411,096	2,448,699	2,493,370	2,532,469
	(22.1)	(30.4)	(51.3)	(14.2)	(13.8)		(0.0)	(31.2)	(30.5)	(24.0)
To Government ^{2/}	66,421	172,047	354,723	452,917	542,446		774,091	802,343	835,888	861,833
	(62.8)	(173.1)	(104.2)	(27.7)	(19.8)		(0.0)	(57.6)	(60.2)	(47.6)
In local currency	10,855	100,473	142,710	216,549	235,838		499,268	527,522	560,590	587,139
In foreign currency	55,566	71,574	212,013	236,368	306,608		274,823	274,821	275,298	274,694
To Non-Government	651,578	753,613	1,071,734	1,176,747	1,311,880		1,637,005	1,646,356	1,657,482	1,670,636
	(19.1)	(16.5)	(39.4)	(9.8)	(11.5)		(21.1)	(21.3)	(19.4)	(14.6)
In local currency	468,502	556,967	724,503	849,775	1,038,221		1,385,964	1,397,365	1,406,849	1,420,939
In foreign currency	183,076	196,646	347,231	326,972	273,659		251,041	248,991	250,633	249,697
Memorandum Items (In Percent):										
Credit to private sector ^{3/} / Total Credit	82.0	72.0	64.7	62.4	62.0		61.4	60.8	60.1	59.8
Non Government Loans/ Deposits ^{4/}	43.8	43.6	42.6	38.8	38.6		38.8	38.6	38.3	38.3
Government Loans / Deposits	26.3	49.0	67.6	84.9	88.8		88.6	92.7	96.2	93.6
Foreign currency denominated credit to total credit	33.2	29.0	39.2	34.6	31.3		21.8	21.4	21.1	20.7
Government foreign currency denominated credit to total government credit	83.7	41.6	59.8	52.2	56.5		35.5	34.3	32.9	31.9
denominated credit to total non-government credit	28.1	26.1	32.4	27.8	20.9		15.3	15.1	15.1	14.9

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

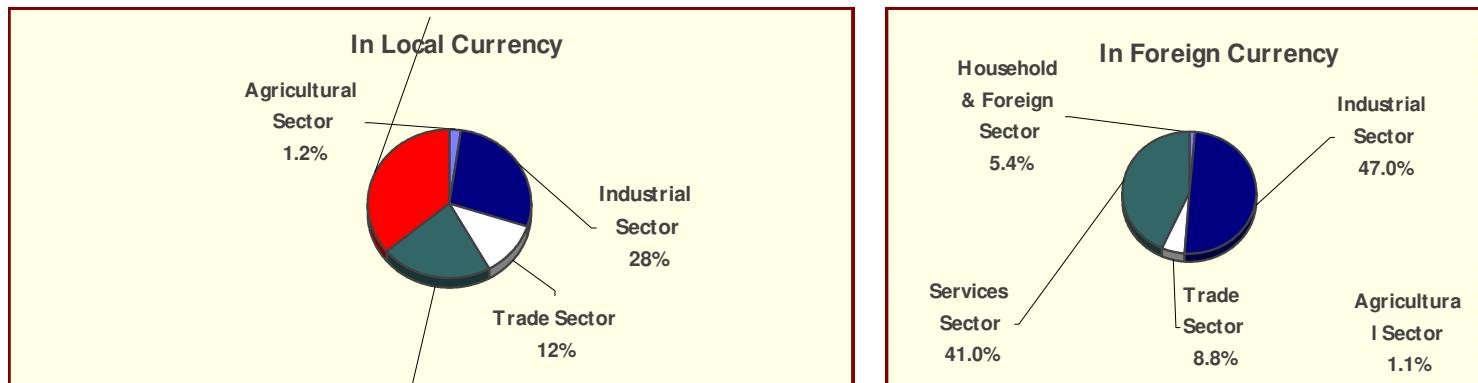
1/ Excludes credit provided by the Central Bank of Egypt.

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/}
7/2/2019						
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						
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
Oct-20	9.75	10.10	7.40	13.44	10.75	9.25
Nov-20	9.00	9.80	7.40	13.21	9.75	7.75
Dec-20	8.75	9.70	7.40	12.71	9.75	7.75
Jan-21	8.75	9.50	7.30	12.61	9.50	7.75

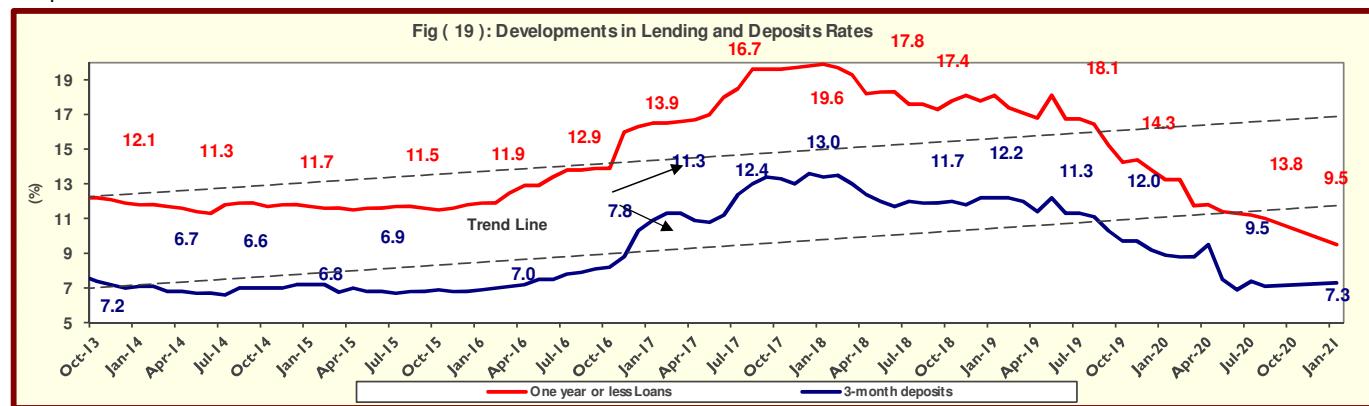
Source: Central Bank of Egypt.

-- 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.

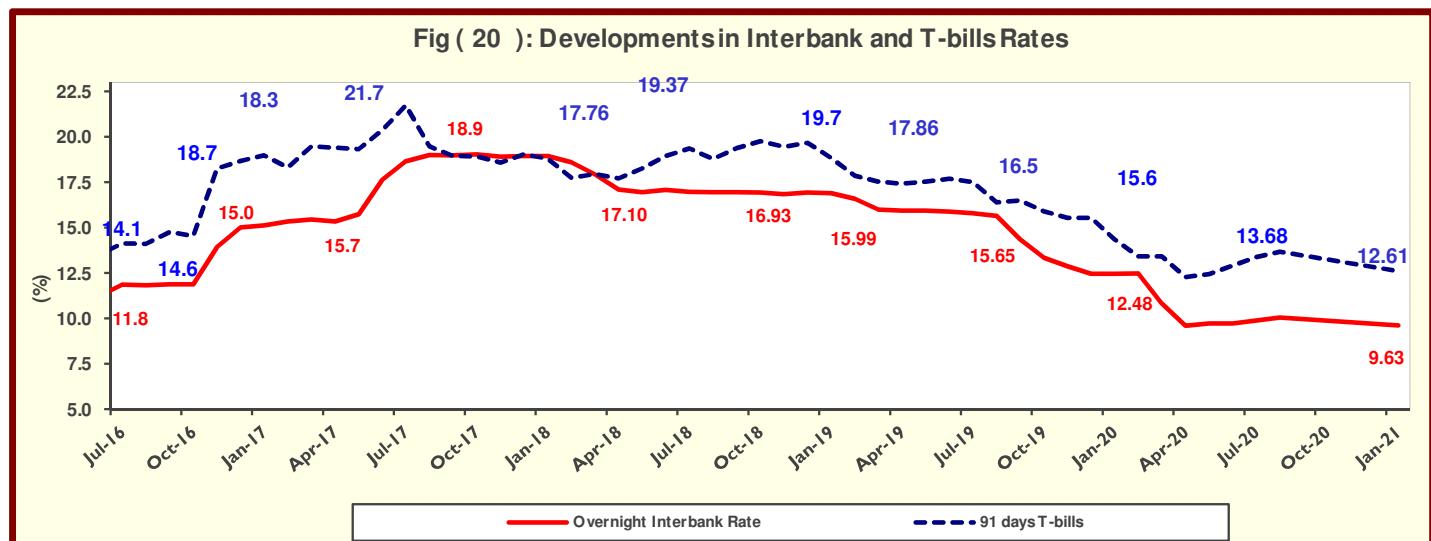
Table (30) : Average Interbank Rates^{1/}

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				
Jan-20	12.47	12.71	--	--
Feb-20	12.48	12.71	--	--
Mar-20	10.83	11.82	--	--
Apr-20	9.60	9.89	10.03	--
May-20	9.73	9.58	10.15	10.04
Jun-20	9.73	10.00	10.15	10.04
Jul-20	9.90	10.15	10.15	10.04
Aug-20	10.06	10.31	9.25	10.04
Sep-20	10.16	10.40	9.25	10.04
Oct-20	10.16	10.40	9.25	10.04
Nov-20	10.05	10.50	8.25	--
Dec-20	9.80	10.46	8.25	--
Jan-21	9.63	10.26	--	--

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.