

# Section 7

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## FINANCIAL SECTOR & INVESTMENT

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**Table (31): Capital Market Main Indicators <sup>1/</sup>**

	Jun-09	Jun-10	Jun-11 <sup>1/</sup>	Jun-12	Jun-13	Mar-14	Apr-14	May-14	Jun-14
<b>EGX-30 Index (Previously CASE-30) <sup>2/</sup></b>	<b>5,703</b>	<b>6,033</b>	<b>5,373</b>	<b>4,709</b>	<b>4,752</b>	<b>7,805</b>	<b>8,256</b>	<b>8,243</b>	<b>8,162</b>
Monthly Return (%)	-3.8	-7.9	-2.7	0.5	-12.6	-3.97	5.78	-0.16	-0.98
Market Volatility <sup>3/</sup>	2.0	1.3	1.2	2.6	1.9	1.5	1.4	1.3	1.8
<b>Market Capitalization <sup>4/</sup> (LE Billion)</b>	<b>464</b>	<b>410</b>	<b>400</b>	<b>340</b>	<b>322</b>	<b>470</b>	<b>478</b>	<b>476</b>	<b>478</b>
In % of GDP <sup>5/</sup>	44.5	34.0	29.2	21.6	18.4	23.1	23.5	23.4	23.5
Number of Companies	333	215	211	212	210	213	213	213	214
<b>Traded Shares and Securities</b>									
Value (In LE millions)	60,285	46,507	20,515	11,838 <sup>11/</sup>	10,836	29,308	20,429	28,577	41,863
Monthly Change (%)	69.3	60.9	12.8	-64.3	8.5	14.0	-30.3	39.9	46.5
Annual Change (%)	27.8	-22.9	-55.9	-42.3	-8.5	6.7	129.5	186.1	286.3
<b>Listed Bonds (LE Million)</b>	<b>97,586</b>	<b>171,665</b>	<b>224,837</b>	<b>285,311</b>	<b>328,030</b>	<b>404,734</b>	<b>411,916</b>	--	--
Government <sup>6/</sup> , of which:	92,625	159,890	206,891	270,685	315,090	393,034	400,751	--	--
Bonds of the primary dealers	92,500	159,767	206,767	270,567	314,978	392,928	400,645	--	--
Companies	3,096	5,423	6,718	4,285	3,474	2,745	2,439	--	--
Securitization <sup>7/</sup>	1,865	6,352	6,228	5,341	4,466	3,955	3,726	--	--
<b>Net Foreigners Purchases</b>									
Value (In US\$ millions)	-106	43	-166	-62	60	69	121	13	351
Volume (In thousand shares)	562	93,610	-59,994	-166,930	83,149	-28,862	5,958	-47,873	559,109
In % of Overall Trade	12	22	20	19	32	16	15	23	20
<b>Other Indicators</b>									
Price / Earning Ratio <sup>8/ 9/</sup>	11.5	12.6	13.0	10.9	11.0	15.8	16.5	15.3	15.4
Dividend Yield (%) <sup>9/10/</sup>	7.2	7.5	7.5	8.4	8.5	6.3	6.3	6.2	6.1
Turnover Ratio (%)	11.2	4.5	3.7	1.5	1.5	5.1	3.1	4.4	3.8

Source: The Egyptian Stock Exchange, the Capital Market Authority and the Central Bank of Egypt.

-- Data unavailable.

1/ It is worth noting that the Egyptian Exchange was closed from 28/1/2011 to 22/3/2011 due to the uprisings in Egypt.

2/ The biggest 30 companies in terms of liquidity and value. Index = 1000 on 1/1/1998.

3/ Calculated as standard deviation of daily returns during the period.

4/ Calculated by multiplying outstanding number of shares by their prevailing market prices.

5/ 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.

6/ Including Treasury bonds (encompassing primary dealers), housing bonds and development bonds.

7/ Securitization bonds were listed on the Egyptian Exchange as of September 2006.

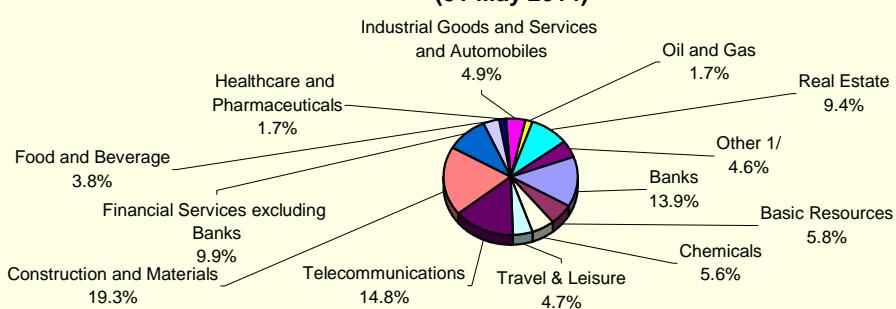
8/ Price / earning ratio, also known as the " Multiple", is calculated by dividing the market price of each stock by its annual earnings.

9/ Calculated for the most active 50 companies.

10/ Annual dividends / current stock price.

11/ The month of study has witnessed the execution of a deal on Egyptian Company for Mobile Services (Mobinil), with a total volume of LE 93.9 million shares worth LE 19 billion.

**Fig ( 21 ): Market Capitalization by Sector  
(31 May 2014)**



Source: The Egyptian Stock Exchange Monthly Bulletin.

1/ Includes Electrical Equipment and Engineering, Media, Trade, Information Technology, Agriculture and Fishing, Paper, Packaging and Plastics, Mills and Storage, Miscellaneous Services, Retailers and Consumer Household Goods.

**Table (32): Recent Acquisitions in the Egyptian Market**  
**( August 2008 - May 2014)**

Date	Acquirer	Security	Value (LE Million)	Percent Acquired (%)
May-14	Public Offer	Sabaa International Company For Pharmaceuticals	20.0	10.0
May-14	Public Offer	Arabian Cement Company	766.8	22.5
Apr-14	Social Impact Capital LTD	Cairo Investment & Real Estate Development	111.0	50.0
Feb-14	El Arafa Textiles Investments	Golden Textiles & Clothes Wool	30.7	43.9
Jul-13	OCI NV	Orascom Construction Industries	11488.1	21.5
Mar-13	Qatar National Bank	National Societe Generale Bank (NSGB)	16649.7	97.0
Dec-12	El Rateem for Development and Housing	Ruber Plastics	48.2	61.8
Jul-12	Olympic Group Financial Investments	Delta Industrial Co. - IDEAL	104.6	6.5
May-12	MT Telecom SCRL	Egyptian Company for Mobile Services (Mobinil)	19019.0	93.9
Jan-12	Electrolux Counteracting Akitebolag	Olympic Group Financial Investments	37.7	1.5
Dec-11	Rawasy for Real Estate Investment	Namaa for Development and Real Estate Investment Co.	216.9	32.6
Dec-11	Kafela for Trade and Distribution	B-Tech	21.4	9.2
Dec-11	Orascom for Telecommunication, Media	Mobinil	866.0	20.0
Nov-11	Rawasy for Real Estate Investment	Namaa for Development and Real Estate Investment Co.	445.0	66.9
Nov-11	Kafela for Trade and Distribution	B-Tech	203.8	87.8
Sep-11	Electrolux Counteracting Akitebolag	Olympic Group Financial Investments	2398.4	98.3
Jan-11	Group of Investors	Pyramids Capital Securities Brokerage	2.0	10.0
Jan-11	Group of Investors	Beltone Financial Holding	64.8	89.2
Dec-10	National Development Bank	El Kahera El Watania Investment	33.9	24.8
Aug-10	Egyptian Holding Co. for Natural Gas (EGAS)	Natural Gas & Mining Project (Egypt Gas)	674.2	80.0
Aug-10	Sharm Dreams Holding for Tourism & Hotels	Rowad Misr Tourism Investment	62.9	10.1
Jul-10	Egyptian Company for Tourism &Hotels	Trouism Urbanization	56.6	65.3
Jan-10	Ahli United Bank-Bahrain	Ahli United Bank-Egypt	984.9	44.4
Jan-10	Soliman Group Holding for Financial Investments <sup>1/</sup>	Lord Import & Export	82.5	100.0
Jan-10	Soliman Group Holding for Financial Investments <sup>1/</sup>	Lord Precision Industries	95.7	96.9
Jan-10	Soliman Group Holding for Financial Investments <sup>1/</sup>	Lord International	65.1	100.0
Dec-09	Samcrete For Engineering Investment	Samcrete Misr	4071.0	99.6
Dec-09	Beltone Partners Holding Ltd	Beltone Financial Holding	72.6	99.8
Dec-09	El Gouna Transportation	International Hotels Holdings	1944.4	99.7
Dec-09	Group of Investors	Alkan Holding	12.5	12.7
Nov-09	Lafarge Building Materials Trading Egypt	Lafarge Cement -Egypt	15466.0	53.7
Aug-09	Olympic Group Financial Investments <sup>2/</sup>	Cairo Feeding Industries	66.4	98.8
Jun-09	Orascom for Fertilizers Factories Maintenance <sup>1/</sup>	Egyptian Fertilizers Company	3468.8	100.0
Apr-09	Global Investment And Management Group Limited	Mansoura for Resins and Chemicals Industries Co.	29.1	69.1
Apr-09	National Development Bank	National Glass & Crystal Co.	182.5	88.3
Mar-09	International Finance Corporation (IFC)	Bank of Alexandria	1106.8	9.8
Mar-09	An Indian Investor	Alexandria Medical Services	96.7	86.4
Dec-08	Red Sea Company for Steel	Misr National Steel-Ataqa	14.8	4.0
Dec-08	Red Sea Company for Steel	Misr National Steel-Ataqa	355.8	96.0
Dec-08	Group of Investors	General Engineering & Motor Company	2.6	42.6
Oct-08	Naeem Holding	Naeem Financial Investments	9.5	38.0
Sep-08	Mac Holding for Industries	Egyptian Sponge	19.2	28.8
Sep-08	Beltone Partners Holding Ltd	Beltone Financial Holding	68.6	99.9
Sep-08	Prime Industrial Holding	National Glass & Crystal Co.	192.1	88.3
Aug-08	Abu Dhabi Financial Services Co.	El Salam Brokerage Co.	21.0	70.0

Source: The Egyptian Stock Exchange Monthly Bulletin.

1/ Value in US Dollars

2/ A swap Deal.

**Table (33): Main Privatized and - or Liquidated Companies  
(From 1993-1994 until 31 May 2014)**

(LE Million)

Method of Privatization	Number of Companies	Percentage Sold	Sales Proceeds
<b>Total</b>	<b>282</b>		<b>53,644</b>
<b>Majority through Public Offering, of which:</b>	<b>38</b>		<b>6,064</b>
Helwan Portland Cement		52%	1,202
Ameriyah Cement		71%	768
Paints & Chemicals Industries Pachin		62%	692
Industrial &Engineering Projects		90%	299
<b>Minority through Public Offering, of which:</b>	<b>23</b>		<b>11,003</b>
Telecom Egypt		20%	5,122
Sidi Krir Petrochemicals		20%	1,626
Talaat Moustafa Group		4%	932
Eastern Tobacco		34%	549
<b>Liquidation</b>	<b>34</b>		--
<b>Asset Sale</b>	<b>44</b>		<b>3,437</b>
<b>Anchor Investor, of which:</b>	<b>85</b>		<b>32,208</b>
Bank of Alexandria		80%	9,274
Fertilized Egypt		46%	1,971
Suez Cement		33%	1,800
Assiut Cement		100%	1,380
<b>Employee Shareholder Association, of which:</b>	<b>33</b>		<b>932</b>
Wadi Kom Ombo for Land Reclamation		100%	70
Arab Company for Land Reclamation		100%	61
General Company for Land Reclamation		100%	60
Gharbiyah Rice Mills		90%	51
<b>Leasing</b>	<b>25</b>		--

Source: Ministry of Investment and Stock Market Exchange Bulletin.

-- Data unavailable.

**Table ( 33- continued ): Privatization Proceeds**  
**(1991/1992- 2009/2010\*)**

(LE Million)

	Law 203 Sales <sup>1/</sup>		Joint Venture Sales <sup>2/</sup>		Other Public Sector Sales		Total	
	Number	Value	Number	Value	Number	Value	Number	Value
1991 - June 1994	11	418	-	-	-	-	11	418
1994/1995	14	867	-	-	-	-	14	867
1995/1996	12	977	-	-	-	-	12	977
1996/1997	29	4595	-	-	-	-	29	4595
1997/1998	23	2487	-	-	-	-	23	2487
1998/1999	33	1824	-	-	-	-	33	1824
1999/2000	39	4694	1	14	1	14	40	4708
2000/2001	11	252	7	118	-	-	18	370
2001/2002	7	73	3	879	-	-	10	952
2002/2003	6	49	1	64	-	-	7	113
2003/2004	9	428	4	115	-	-	13	543
2004/2005	16	824	12	4819	-	-	28	5643
2005/2006	47	1843	17	7647	1	5122	65	14612
2006/2007	45	2774	7	1559	1	9274	53	13607
2007/2008	20	745	16	3238	-	-	36	3983
2008/2009	15	1130	2	83	-	-	17	1213
2009/2010*	-	-	4	50	-	-	4	50

Source: Ministry of Investment.

\* Preliminary. It is noteworthy that the classical privatization program was put on hold most of the fiscal year 2008/2009 due to the preparation of the "Citizen Ownership Program", that has been recently postponed in light of the impact of the global financial crisis on the market.

1/ Includes sale of unused land.

2/ All joint venture figures represent value of public sector stake.

**Table ( 34 ): Most Active 10 Companies in Terms of Volume and Value Traded**

(In Million)

The 10 Most Active Companies in Terms of Volume Traded - as of end 31 May 2014					
	Company Name	Volume	High	Low	Closing
<b>Total of Most 10 Active</b>		<b>4215.4</b>			
1 Orascom Telecom Media and Technology Holding		1352.0	1.4	1.3	1.3
2 Amer Group Holding		955.8	1.9	1.3	1.4
3 Egyptian for Tourism Resorts		445.3	2.0	1.8	1.8
4 Palm Hills Development Company		337.7	4.7	4.2	4.4
5 Citadel Capital - Common Shares		288.2	4.7	4.4	4.4
6 Arabia Investments, Development, Fin. Inv. Holding Comp.-Cash		211.5	2.2	2.1	2.1
7 Electro Cable Egypt		201.3	1.9	1.5	1.7
8 Global Telecom Holding		153.3	5.5	5.2	5.3
9 Arabian Cement Company		135.5	11.1	10.2	10.6
10 Arab Cotton Ginning		134.7	6.6	5.8	5.8
<b>Total Trading of the Entire Market</b>		<b>5371.8</b>			
<b>Top 10 as % of the Entire Market</b>		<b>78.5</b>			
Most Active 10 Companies in Terms of Value Traded - as of end 31 May 2014					
	Company Name	Value	High	Low	Closing
<b>Total of Most 10 Active Companies</b>		<b>13514.4</b>			
1 Commercial International Bank (Egypt)		2872.0	38.6	36.1	36.1
2 Orascom Telecom Media and Technology Holding		1789.2	1.4	1.3	1.3
3 Palm Hills Development Company		1489.3	4.7	4.2	4.4
4 Amer Group Holding		1428.6	1.9	1.3	1.4
5 Citadel Capital - Common Shares		1306.1	4.7	4.4	4.4
6 Arabian Cement Company		1292.0	11.1	10.2	10.6
7 Egyptian for Tourism Resorts		853.7	2.0	1.8	1.8
8 Arab Cotton Ginning		845.0	6.6	5.8	5.8
9 Global Telecom Holding		822.8	5.5	5.2	5.3
10 Egyptian Financial Group-Hermes Holding Company		815.7	14.6	13.0	13.7
<b>Total Trading of the Entire Market</b>		<b>21121.3</b>			
<b>Top 10 as % of the Entire Market</b>		<b>64.0</b>			

Source: The Egyptian Stock Exchange Monthly Bulletin.

**Table ( 35 ) : Distribution of Outstanding Treasury Bills by Holder**

(LE Million)

	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13	Jan-14	Feb-14	Mar-14	Apr-14
<b>Outstanding Balance</b>	<b>239,080</b>	<b>266,121</b>	<b>356,103</b>	<b>373,398</b>	<b>425,847</b>	<b>451,932</b>	<b>453,932</b>	<b>467,276</b>	<b>466,539</b>
Foreign Customers	4,945	38,370	24,542	800	1,238	434	392	368	288
Companies dealing in Securities	988	800	1,034	1,212	762	583	589	580	692
Holding and Investment companies	5,208	5,926	8,966	17,876	11,444	15,912	16,378	16,960	14,888
Banks	194,929	176,520	250,102	257,119	302,380	334,183	332,115	343,742	346,814
Public banks	110,482	91,276	116,892	129,978	166,309	166,809	164,316	173,227	180,792
Private banks	67,570	66,530	110,319	105,451	117,408	144,486	145,465	148,553	143,989
Foreign banks- branches	9,222	10,748	9,304	16,597	11,159	15,965	15,521	15,957	16,203
National Investment Bank	2,715	2,749	820	100	0	0	300	300	300
Specialized banks	4,940	5,217	12,767	4,978	7,504	6,923	6,513	5,705	5,530
Foreign Exchange Bureaus	0	0	0	0	0	0	0	0	0
Insurance Companies	1,568	1,803	6,491	12,510	14,637	14,326	13,783	12,754	12,002
Public Sector	1,095	941	5,028	9,302	12,064	11,055	10,523	10,116	9,440
Private Sector <sup>1/</sup>	473	862	1,463	3,208	2,573	3,271	3,260	2,638	2,562
Mutual Funds	24,731	33,034	44,484	47,193	59,818	55,118	59,489	61,975	62,234
Insurance Funds	1,096	757	8,641	5,660	10,165	8,564	8,276	8,079	7,531
Housing & Construction Sector	168	197	441	686	358	532	529	486	506
Trade Sector	3.0	50.0	76.0	190.0	383.0	359	346	152	286
Manufacturing Sector	91	229	268	688	868	681	551	876	790
Financial Sector	42	531	300	127	214	175	171	241	118
Transportation, Electricity, Gas, and Health Sector	1	21	53	85	110	60	59	71	71
Household Sector	495	1,816	3,302	12,878	5,520	4,887	4,900	5,624	5,746
Oil & Mining Sector	2,010	1,922	1,898	2,405	3,685	2,564	2,443	2,164	2,233
Services Sector	94	850	1,871	1,280	509	1,450	1,822	1,727	1,666
Others <sup>2/</sup>	2,711	3,295	3,634	12,689	13,756	12,104	12,089	11,477	10,674

Source: Central Bank of Egypt.

1/ Includes private and foreign branches companies.

2/ Includes T-Bills worth LE 45 billion issued in favor of the Central Bank. Issuance was according to an agreement between the Central Bank of Egypt and the Ministry of Finance . This LE 45 billion T-bills were retired during first quarter of FY 2006/2007.

**Table ( 36 ) : Securities Held by Banks <sup>11</sup>**

(LE Million)

	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13	Jan-14	Feb-14	Mar-14	Apr-14
<b>Total Securities</b>	<b>332,597</b>	<b>405,895</b>	<b>474,176</b>	<b>555,326</b>	<b>653,889</b>	<b>744,384</b>	<b>755,615</b>	<b>782,972</b>	<b>797,267</b>
In Local Currency	297,194	338,834	442,648	494,934	571,204	637,474	648,895	676,735	690,686
In Foreign Currency	35,403	67,061	31,528	60,392	82,685	106,910	106,720	106,237	106,581
<b>Government Sector</b>	<b>276,095</b>	<b>318,876</b>	<b>412,196</b>	<b>498,309</b>	<b>593,939</b>	<b>680,854</b>	<b>692,223</b>	<b>721,025</b>	<b>735,495</b>
In Local Currency (of which):	262,044	303,297	407,814	461,821	536,155	599,782	610,671	638,984	652,801
In Foreign Currency	14,051	15,579	4,382	36,488	57,784	81,072	81,552	82,041	82,694
<b>CBE Notes ( In Local Currency)</b>	-	-	-	-	-	-	-	-	-
<b>Public Business Sector</b>	<b>1,338</b>	<b>1,052</b>	<b>980</b>	<b>714</b>	<b>505</b>	<b>493</b>	<b>510</b>	<b>506</b>	<b>545</b>
In Local Currency	1,338	1,052	980	714	505	493	510	506	545
In Foreign Currency	-	-	-	-	-	-	-	-	-
<b>Private Business Sector</b>	<b>39,287</b>	<b>39,991</b>	<b>39,239</b>	<b>37,018</b>	<b>39,044</b>	<b>41,211</b>	<b>41,751</b>	<b>41,297</b>	<b>41,411</b>
In Local Currency	33,755	34,394	33,764	32,310	34,469	37,119	37,635	37,165	37,259
In Foreign Currency	5,532	5,597	5,475	4,708	4,575	4,092	4,116	4,132	4,152
<b>Foreign Sector</b>	<b>15,877</b>	<b>45,976</b>	<b>21,761</b>	<b>19,285</b>	<b>20,401</b>	<b>21,826</b>	<b>21,131</b>	<b>20,144</b>	<b>19,816</b>
In Local Currency	57	91	90	89	75	80	79	80	81
In Foreign Currency	15,820	45,885	21,671	19,196	20,326	21,746	21,052	20,064	19,735

Source: Central Bank of Egypt.

-- No Issuance during the period.

1/ Excludes securities held by the Central Bank of Egypt.

**Table ( 37 ): Net Foreign Direct Investments By Countries**

(US\$ Million)

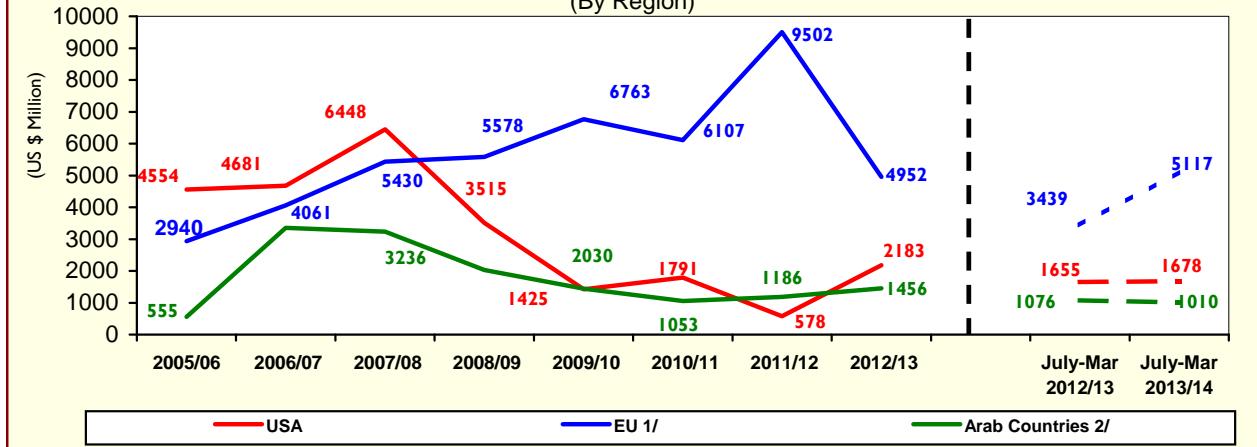
	Annual Profile					Quarterly Profile			
	2008/09	2009/10	2010/11	2011/12	2012/13 <sup>#</sup>	2012/2013* Jan-Mar	2013/2014* Jul-Sep	2013/2014 Oct-Dec	2013/2014* Jan-Mar
<b>Total Net Foreign Direct Investment</b>	<b>8113</b>	<b>6758</b>	<b>2189</b>	<b>3982</b>	<b>5184</b>	<b>1075</b>	<b>1246</b>	<b>1603</b>	<b>1841</b>
<b>I. Inflows (Of which)</b>	<b>12836</b>	<b>11008</b>	<b>9574</b>	<b>11768</b>	<b>9614</b>	<b>2160</b>	<b>2366</b>	<b>2855</b>	<b>3073</b>
USA	3515	1425	1791	578	2183	446	562	579	537
Germany	103	110	275	203	186	36	32	51	56
France	254	286	227	316	266	48	26	85	191
U.K.	3232	4926	4307	5820	3338	587	1282	1205	1446
Spain	27	80.5	46.5	61.0	30.4	1.3	0.4	0.5	0.8
Netherlands	134	129	146	409	164	28	9	85	57
Saudi Arabia	514	323	206	240	192	39	51	57	125
U.A.E	1037	304	411	560	481	69	60	105	148
Kuwait	118	189	59	64	46	13	15	78	21
Bahrain	21	64	66	153	263	156	25	67	25
Oman	11	10	12	13	11	4	2	3	1
Switzerland	155	111	159	125	115	12	25	22	30
Other Countries	3716	3051	1871	2497	2339	720	278	519	437
<b>II. Outflows</b>	<b>-4723</b>	<b>-4250</b>	<b>-7386</b>	<b>-7786</b>	<b>-4430</b>	<b>-1085</b>	<b>-1120</b>	<b>-1253</b>	<b>-1233</b>

Source: Central Bank of Egypt.

# Data revised.

\* Preliminary.

**Fig ( 22 ): FDI Inflows to Egypt  
(By Region)**



Source: Central Bank of Egypt.

1/ Includes Austria, Belgium, Denmark, Cyprus, France, Germany, Greece, Italy, Luxembourg, Portugal, Romania, Spain, Sweden, The Netherlands and U.K.

2/ Includes Bahrain, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Tunisia, U.A.E. and others.