

Section 6

MONETARY SECTOR

Table (24) Developments in Main Monetary Aggregates-----	45
Table (25) Monetary Survey-----	46 -47
Table (26) Central Bank Reserve Money-----	48
Table (27) Deposits With Banks-----	49
Table (28) Credit Provided By Banks-----	50
Table (29) Domestic Interest Rates-----	51
Table (30) Average Interbank Rates-----	52

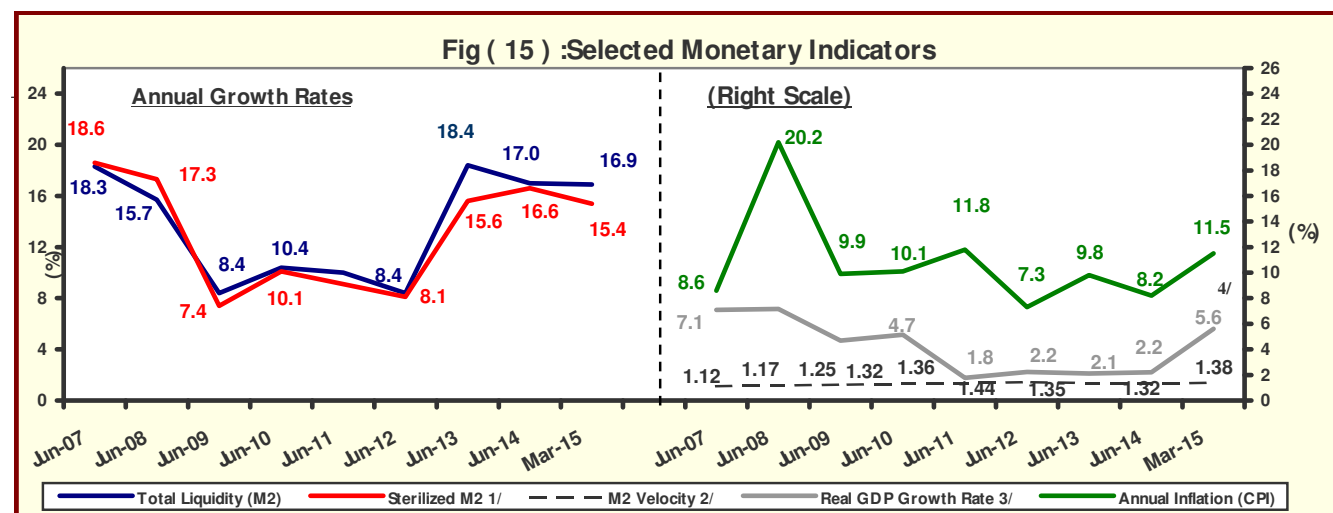
**Table (24) : Developments in Main Monetary Aggregates
(March 2015)**

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	-5.4	-21.1	-46.5	-18.6
CBE NFA	-2.8	5.8	-16.9	-7.2
CBE NIR	-1.0	6.1	-4.0	2.2
Banks NFA 2/	-8.0	-37.9	-61.1	-23.9
Net Foreign Assets (US dollar terms)	-5.4	-25.9	-51.0	-21.3
CBE NFA	-2.9	-0.6	-24.0	-10.5
CBE NIR	-1.1	-0.3	-12.2	-1.0
Banks NFA 2/	-8.0	-41.6	-64.4	-12.6
Net Domestic Assets	3.1	6.1	22.9	20.0
Net Claims on Government and GASC	4.0	7.4	26.1	25.4
Claims on Public Companies	8.4	9.0	39.0	19.1
Claims on Private Sector	2.9	7.0	16.1	10.2
Total Liquidity (M2)	2.7	4.7	16.9	16.4
Money (M1)	1.8	3.0	18.1	18.8
Quasi Money	3.1	5.4	16.5	15.5

Source: Central Bank of Egypt.

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/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for the period July - December 2014/2015.

Table (25) : Monetary Survey
Assets and Liabilities of The Banking Sector
(March 2015)

(LE Million)

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Dec-14	Jan-15	Feb-15	Mar-15 [*]
Net Foreign Assets 1/	276,379	266,036	172,180	129,346	124,283	84,362	75,402	70,355	66,547
	(12.2)	-(3.7)	-(35.3)	-(24.9)	-(3.9)	-(28.3)	-(38.5)	-(44.5)	-(46.5)
Central bank (Net)	179,809	167,446	78,891	41,282	41,275	32,419	34,721	35,294	34,295
Foreign Assets	188,132	175,498	89,185	85,362	117,889	107,035	111,969	113,445	112,475
Foreign Liabilities	8,323	8,052	10,294	44,080	76,614	74,616	77,248	78,151	78,180
Banks (Net)	96,570	98,590	93,289	88,064	83,008	51,943	40,681	35,061	32,252
Foreign Assets	124,031	136,404	122,398	120,776	117,765	93,620	91,180	87,805	86,564
Foreign Liabilities	27,461	37,814	29,109	32,712	34,757	41,677	50,499	52,744	54,312
Net Domestic Assets of which:	611,797	722,040	882,816	1,107,592	1,314,138	1,522,143	1,552,145	1,567,023	1,615,678
	(8.8)	(18.0)	(22.3)	(25.5)	(18.6)	(19.8)	(21.7)	(21.4)	(22.9)
Net Claims on Government, and GASC 1/	320,885	419,024	553,186	751,663	959,979	1,126,838	1,149,711	1,163,632	1,210,480
National Currency	384,979	504,751	618,318	801,276	949,302	1,106,967	1,128,600	1,141,102	1,182,083
Foreign Currency	-64,094	-85,727	-65,132	-49,613	10,677	19,871	21,111	22,530	28,397
Claims on Public Business Sector	36,708	33,668	41,151	44,089	45,931	58,557	58,979	58,902	63,852
National Currency	27,830	24,991	32,330	34,864	36,272	42,444	41,994	42,137	42,489
Foreign Currency	8,878	8,677	8,821	9,225	9,659	16,113	16,985	16,765	21,363
Claims on Private Sector 2/	393,290	417,777	440,892	484,954	510,854	554,356	568,816	576,319	593,289
National Currency	290,674	306,645	337,319	367,329	388,289	418,504	423,957	427,118	432,986
Foreign Currency	102,616	111,132	103,573	117,625	122,565	135,852	144,859	149,201	160,303
Other Items (net) 1/ 3/	-139,086	-148,429	-152,413	-173,114	-202,626	-217,608	-225,361	-231,830	-251,943
Total Liquidity (M2)	888,176	988,076	1,054,996	1,236,938	1,438,421	1,606,505	1,627,547	1,637,378	1,682,225
	(9.8)	(11.2)	(6.8)	(17.2)	(16.3)	(15.8)	(16.4)	(15.5)	(16.9)
Money (M1) 4/	201,868	240,814	260,681	326,547	388,665	445,733	447,004	450,816	459,136
	(16.5)	(19.3)	(8.2)	(25.3)	(19.0)	(19.3)	(18.6)	(19.2)	(18.1)
Currency in Circulation	128,433	163,489	180,637	221,364	255,886	277,159	279,570	278,661	278,439
Demand Deposits in Local Currency	73,435	77,325	80,044	105,183	132,779	168,574	167,434	172,155	180,697
Quasi Money	686,308	747,262	794,315	910,391	1,049,756	1,160,772	1,180,543	1,186,562	1,223,089
	(8.0)	(8.9)	(6.3)	(14.6)	(15.3)	(14.5)	(15.6)	(14.2)	(16.5)
Local Currency Time & Savings Deposits	528,844	567,394	610,225	690,557	824,430	928,318	938,260	943,417	966,336
Foreign Currency Demand Deposits	33,857	46,257	42,991	54,749	59,226	60,775	64,700	63,547	66,321
Foreign Currency Time and Savings Deposits	123,607	133,611	141,099	165,085	166,100	171,679	177,583	179,598	190,432

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)
(March 2015)

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Dec-14	Jan-15	Feb-15	Mar-15*
Net Foreign Assets (In Million US\$) ^{4/}	50,480	44,951	28,590	19,102	17,865	11,807	10,387	9,258	8,754
Central bank NFA	32,842	28,292	13,100	6,097	5,933	4,537	4,783	4,644	4,511
Net International Reserves	52,000	46,311	30,300	25,612	28,878	22,250	21,028	19,541	19,037
Central Bank (Gross)	34,508	30,106	15,119	13,424	17,414	15,333	15,429	15,456	15,291
Banks (net)	17,638	16,658	15,491	13,006	11,932	7,270	5,604	4,614	4,242
Foreign assets	22,654	23,047	20,324	17,837	16,928	13,103	12,560	11,554	11,387
Foreign Liabilities	5,016	6,389	4,834	4,831	4,996	5,833	6,956	6,940	7,144
<i>In Percent of Beginning of Money Stocks ^{5/}</i>									
Net Foreign Assets	2.7%	-1.8%	-8.06%	-2.6%	0.1%	-2.3%	-2.9%	-3.2%	-3.5%
Net Domestic Assets	4.2%	9.5%	12.6%	15.6%	10.9%	8.2%	10.2%	11.2%	14.4%
Money (M1)	2.3%	2.9%	1.2%	4.8%	3.4%	2.3%	2.4%	2.7%	3.2%
Quasi Money	4.6%	4.8%	3.3%	8.3%	7.5%	3.6%	4.9%	5.3%	7.7%
Dollarization (% of Total Liquidity) ^{6/}	17.7	18.2	17.4	17.8	15.7	14.5	14.9	14.8	15.3
M2 Multiplier ^{7/}	4.53	4.21	4.20	4.40	4.46	4.43	4.37	4.49	4.42
M2 Velocity ^{8/}	1.36	1.39	1.49	1.42	1.39	1.51	1.49	1.48	1.45
M2 (annual percentage change)	9.8	11.2	6.8	17.2	16.3	15.8	16.4	15.5	16.9
Credit to private sector (annual percentage change) ^{9/}	0.9	6.2	5.5	10.0	5.3	11.9	13.8	14.2	16.1
Exchange Rate ^{10/}	5.48	5.92	6.02	6.77	6.96	7.14	7.26	7.60	7.60

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.

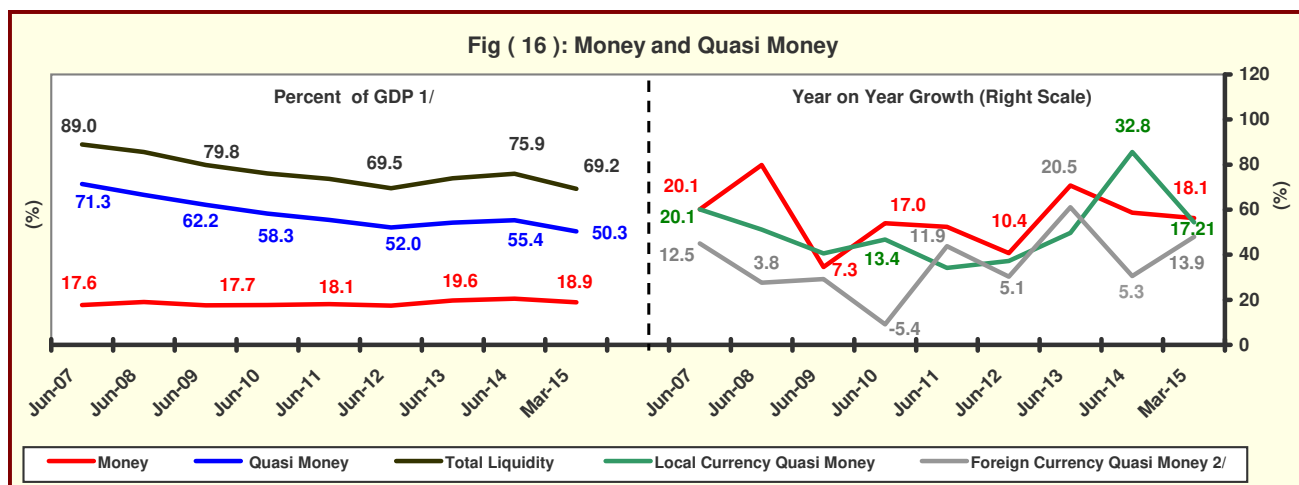
6/ Denotes the ratio of foreign currency demand deposits and time and savings deposits to total liquidity. It excludes non-residents deposits which are counted in the net foreign assets line as well as government deposits.

7/ M2 / Reserve Money.

8/ GDP / M2. The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

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.



Source: Central Bank of Egypt.

1/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

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

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

(LE Million)

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Dec-14	Jan-15	Feb-15	Mar-15 [*]
Reserve Money	196,106 (12.7)	234,900 (19.8)	251,302 (7.0)	280,996 (11.8)	322,714 (14.8)	362,922 (7.9)	372,158 (11.0)	364,271 (11.3)	380,392 (17.9)
Currency in Circulation	136,438 (13.2)	175,647 (28.7)	190,951 (8.7)	233,733 (22.4)	270,621 (15.8)	292,739 (10.5)	294,756 (9.5)	293,428 (9.6)	294,825 (8.9)
Banks LE Deposits with CBE	59,668 (11.6)	59,253 (-0.7)	60,351 (1.9)	47,263 (-21.7)	52,093 (10.2)	70,183 (-1.8)	77,402 (17.2)	70,843 (19.2)	85,567 (64.3)
Counter Assets:									
Net Foreign Assets^{2/}	179,809 (1.4)	167,446 (-6.9)	78,891 (-52.9)	41,282 (-47.7)	41,275 (0.0)	32,419 (-15.7)	34,721 (-11.3)	35,294 (-12.8)	34,295 (-16.9)
Net Domestic Assets^{2/}	16,297 (596.3)	67,454 (313.9)	172,411 (155.6)	239,714 (39.0)	281,439 (17.4)	330,503 (10.9)	337,437 (14.0)	328,977 (14.7)	346,097 (23.0)
Net Claims on Government^{3/}	85,140 (-3.3)	108,831 (27.8)	178,237 (63.8)	273,152 (53.3)	369,744 (35.4)	456,063 (20.1)	475,558 (24.6)	471,960 (25.7)	498,236 (34.8)
Claims	160,335 (-1.6)	189,582 (18.2)	257,827 (36.0)	370,307 (43.6)	414,472 (11.9)	557,849 (33.1)	573,648 (35.3)	578,307 (37.0)	603,924 (45.7)
Securities	124,559	130,597	129,097	178,831	240,331	300,330	300,330	300,330	290,330
Credit Facilities	35,776	58,985	128,730	191,476	174,141	257,519	273,318	277,977	313,594
Deposits^{4/}	75,195 (0.5)	80,751 (7.4)	79,590 (-1.4)	97,155 (22.1)	44,728 (-54.0)	101,786 (158.7)	98,090 (131.2)	106,347 (127.1)	105,688 (136.3)
Net Claims on Banks	23,841	-1,287	-1,607	-2,191	-547	-13,483	-21,852	-26,735	-27,409
Net Balancing Items^{5/}	-92,684	-40,090	-4,219	-31,247	-87,758	-112,077	-116,269	-116,248	-124,730
Memorandum Items									
Reserve Money Velocity^{6/, 7/}	6.15	5.84	6.27	6.24	6.19	6.70	6.53	6.67	6.39

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/ The Ministry of Planning has revised the time series of GDP starting FY11/12 until FY13/14 in accordance with the economic census. However, the historical actuals for that period have not been changed, to the previously recorded estimates. It is also worthy to note that GDP estimates for 2014/2015 have been revised to LE 2431.1 billion in light of these recent developments.

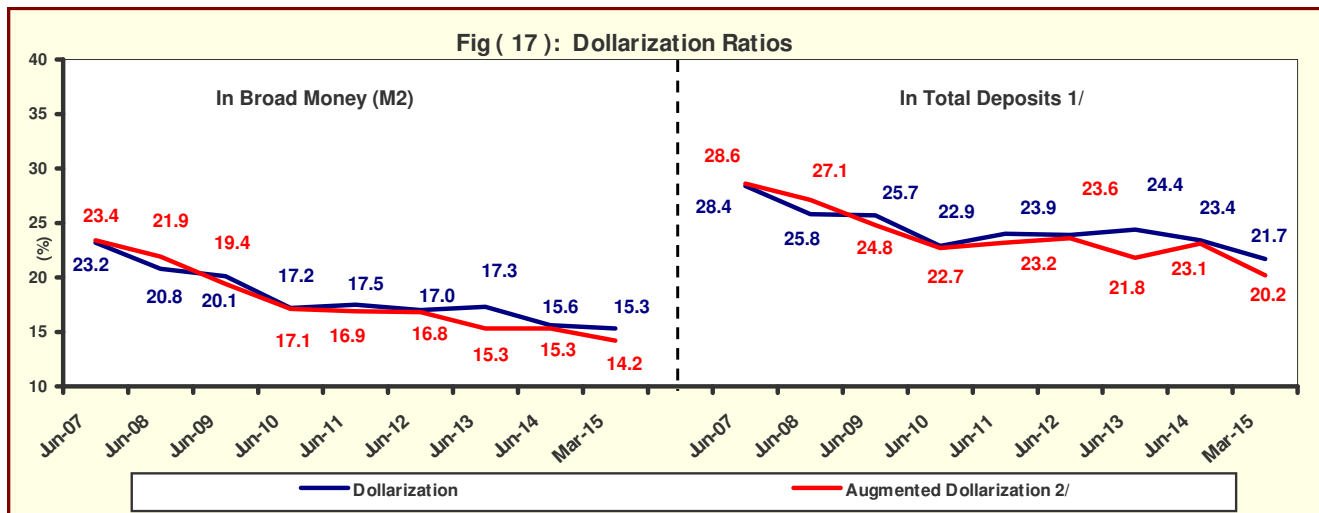
Table (27) : Deposits With Banks^{1/}

(LE Million)

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Dec-14	Jan-15	Feb-15	Mar-15 [*]
Total Deposits	875,158	949,203	1,004,932	1,147,804	1,361,083	1,559,764	1,593,582	1,615,696	1,663,797
	(9.5)	(8.5)	(5.9)	(14.2)	(18.6)	(18.5)	(20.3)	(20.4)	(22.2)
In local currency	673,121	715,185	763,610	867,502	1,040,807	1,232,416	1,251,328	1,272,084	1,302,890
In foreign currency	202,037	234,018	241,322	280,302	320,276	327,348	342,254	343,612	360,907
Non Government Deposits^{2/}	764,570	831,130	880,770	1,023,704	1,191,671	1,340,409	1,362,663	1,373,303	1,419,869
	(9.2)	(8.7)	(6.0)	(16.2)	(16.4)	(17.0)	(18.3)	(17.2)	(19.1)
In local currency	604,931	647,737	693,259	799,649	962,458	1,104,266	1,115,124	1,125,335	1,157,396
In foreign currency	159,639	183,393	187,511	224,055	229,213	236,143	247,539	247,968	262,473
Government Deposits	110,588	118,073	124,162	124,100	169,412	219,355	230,919	242,393	243,928
	(11.6)	(6.8)	(5.2)	(0.0)	(36.51)	(28.5)	(33.3)	(42.2)	(44.0)
In local currency	68,190	67,448	70,351	67,853	78,349	128,150	136,204	146,749	145,494
In foreign currency	42,398	50,625	53,811	56,247	91,063	91,205	94,715	95,644	98,434
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	23.1	24.7	24.0	24.4	23.5	21.0	21.5	21.3	21.7
Dollarization in Non-Government Deposits	20.9	22.1	21.3	21.9	19.2	17.6	18.2	18.1	18.5
Dollarization in Government Deposits	38.3	42.9	43.3	45.3	53.8	41.6	41.0	39.5	40.4

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.

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)

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Dec-14	Jan-15	Feb-15	Mar-15 [*]
Total lending	441,370	469,961	495,878	536,748	563,133	629,221	646,253	656,043	679,321
	(2.5)	(6.5)	(5.5)	(8.2)	(4.9)	(14.3)	(17.0)	(18.0)	(20.6)
To Government^{2/}	32,973	38,311	34,320	34,819	38,623	47,398	49,655	51,979	56,126
	(3.6)	(16.2)	-(10.4)	(1.5)	(10.9)	(14.1)	(22.3)	(30.4)	(45.3)
In local currency	14,011	18,753	15,878	11,868	11,680	11,579	11,341	11,178	10,912
In foreign currency	18,962	19,558	18,442	22,951	26,943	35,819	38,314	40,801	45,214
To Non-Government	408,397	431,650	461,558	501,929	524,510	581,823	596,598	604,064	623,195
	(2.4)	(5.7)	(6.9)	(8.7)	(4.5)	(14.4)	(16.6)	(17.0)	(18.8)
In local currency	286,917	299,115	338,396	367,494	388,274	423,744	428,281	431,559	438,076
In foreign currency	121,480	132,535	123,162	134,435	136,236	158,079	168,317	172,505	185,119
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	84.3	84.7	84.8	85.3	85.0	83.2	83.2	83.1	82.4
Non Government Loans/ Deposits ^{4/}	53.4	51.9	52.4	49.0	44.0	43.4	43.8	44.0	43.9
Government Loans / Deposits	29.8	32.4	27.6	28.1	22.8	21.6	21.5	21.4	23.0
Foreign currency denominated credit to total credit	31.8	32.4	28.6	29.3	29.0	30.8	32.0	32.5	33.9
Government foreign currency denominated credit to total government credit	57.5	51.1	53.7	65.9	69.8	75.6	77.2	78.5	80.6
Non - government foreign currency denominated credit to total non-government credit	29.7	30.7	26.7	26.8	26.0	27.2	28.2	28.6	29.7

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

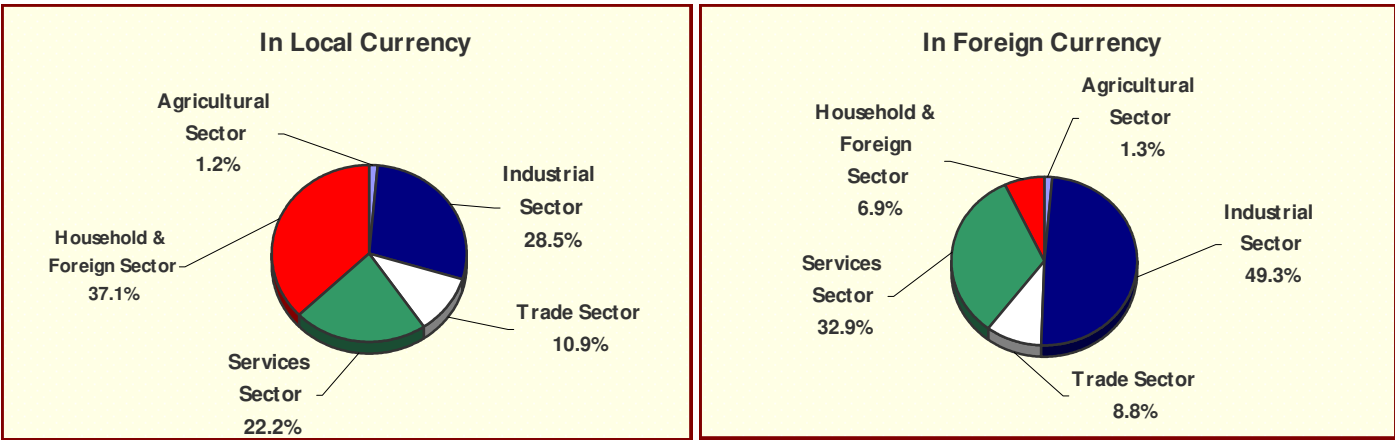
1/ Excludes credit provided by the Central Bank of Egypt.

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
March-2015



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						
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
2013/2014	8.75	11.92	7.19	10.88	10.48	8.63
Monthly Average						
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
Jun-14	8.75	11.30	6.70	10.60	9.75	8.50
Jul-14	9.75	11.80	6.60	11.19	9.75	8.50
Aug-14	9.75	11.90	7.00	11.72	9.75	8.50
Sep-14	9.75	11.90	7.00	11.75	9.75	8.50
Oct-14	9.75	11.70	7.00	11.57	9.75	8.50
Nov-14	9.75	11.80	7.00	11.62	9.75	8.50
Dec-14	9.75	11.80	7.20	11.51	9.75	8.50
Jan-15	9.25	11.70	7.20	11.44	9.75	8.50
Feb-15	9.25	11.60	7.20	11.04	9.75	8.50
Mar-15	9.25	11.60	7.10	11.20	9.75	8.50
Apr-15	9.25	--	--	11.16	9.75	8.50

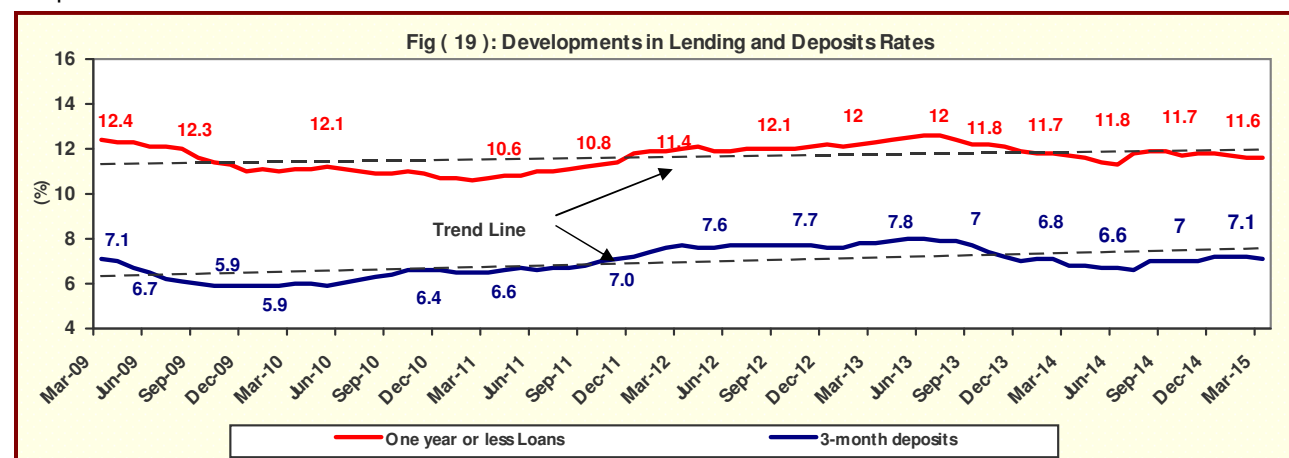
Source: Central Bank of Egypt.

-- 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.

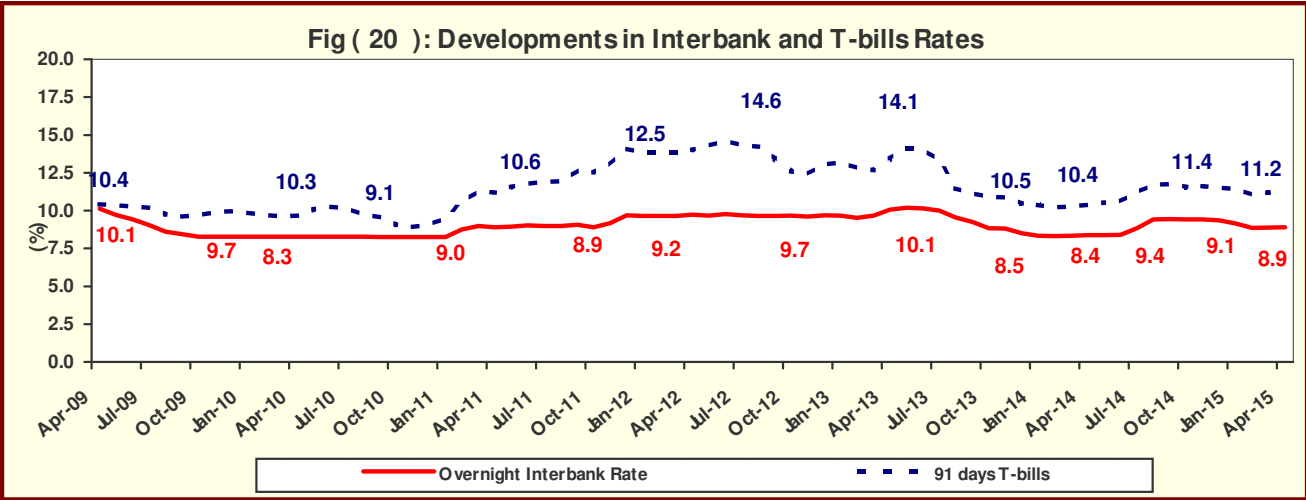
Table (30) : Average Interbank Rates^{1/}

	Overnight	One Week	Month	More than One Month
Yearly Average				
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	9.1	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	--	--
Monthly Average				
Dec-13	9.67	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	--	--
Jun-14	8.41	8.72	--	--
Jul-14	8.83	9.08	--	--
Aug-14	9.41	9.62	--	--
Sep-14	9.43	9.67	--	--
Oct-14	9.42	9.64	--	--
Nov-14	9.41	9.63	--	--
Dec-14	9.36	9.64	--	--
Jan-15	9.15	9.51	--	--
Feb-15	8.85	9.18	9.53	8.85
Mar-15	8.87	9.16	--	8.85
Apr-15	8.89	9.08	--	--

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.