

Section 6

MONETARY SECTOR

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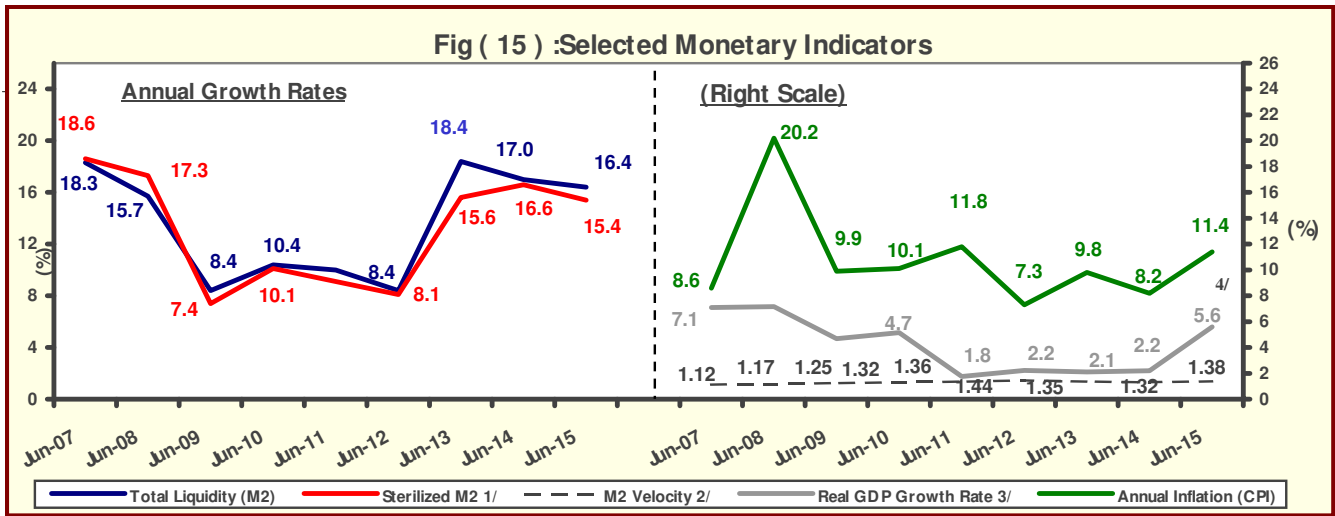
**Table (24) : Developments in Main Monetary Aggregates
(June 2015)**

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	10.6	-22.8	-56.9	-28.0
CBE NFA	18.4	-26.6	-32.7	-15.4
CBE NIR	31.4	28.1	-26.6	-1.4
Banks NFA 2/	4.0	-18.7	-67.9	-34.2
Net Foreign Assets (US dollar terms)	10.6	-22.8	-59.5	-31.0
CBE NFA	18.4	-26.6	-36.8	-19.2
CBE NIR	2.7	31.3	20.3	-6
Banks NFA 2/	4.0	-18.8	-69.9	-12.6
Net Domestic Assets	2.4	6.1	22.7	20.7
Net Claims on Government and GASC	4.1	6.7	23.6	25.2
Claims on Public Companies	-0.6	-1.0	39.2	24.5
Claims on Private Sector	0.9	5.1	16.7	12.0
Total Liquidity (M2)	2.6	4.9	16.4	16.3
Money (M1)	4.7	8.7	21.6	18.4
Quasi Money	1.9	3.5	14.5	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 - September 2014/2015.

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

(LE Million)

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Mar-15	Apr-15	May-15	Jun-15 [*]
Net Foreign Assets 1/	282,408	253,500	157,624	123,198	119,162	66,547	54,051	46,462	51,380
	(11.1)	-(10.2)	-(37.8)	-(21.8)	-(3.3)	-(46.5)	-(55.9)	-(63.1)	-(56.9)
Central bank (Net)	190,234	147,197	76,059	38,235	37,395	34,295	28,464	21,265	25,171
Foreign Assets	198,605	156,331	92,169	101,685	115,770	112,475	151,761	144,310	147,991
Foreign Liabilities	8,371	9,134	16,110	63,450	78,375	78,180	123,297	123,045	122,820
Banks (Net)	92,174	106,303	81,565	84,963	81,767	32,252	25,587	25,197	26,209
Foreign Assets	123,604	139,150	114,796	118,354	115,838	86,564	84,194	86,250	86,214
Foreign Liabilities	31,430	32,846	33,231	33,391	34,071	54,312	58,607	61,053	60,005
Net Domestic Assets of which:	635,051	755,911	936,784	1,172,888	1,397,439	1,615,678	1,646,365	1,673,586	1,714,112
	(10.0)	(19.0)	(23.9)	(25.2)	(19.1)	(22.9)	(23.1)	(23.2)	(22.7)
Net Claims on Government, and GASC 2/	326,141	437,337	578,654	802,539	1,045,186	1,210,480	1,234,792	1,241,062	1,291,448
National Currency	388,592	524,335	638,492	851,425	1,034,569	1,182,083	1,200,345	1,204,400	1,251,096
Foreign Currency	-62,451	-86,998	-59,838	-48,886	10,617	28,397	34,447	36,662	40,352
Claims on Public Business Sector	29,985	32,981	40,620	42,866	45,417	63,852	63,514	63,610	63,218
National Currency	21,223	24,853	31,784	33,873	35,424	42,489	42,597	43,064	43,989
Foreign Currency	8,762	8,128	8,836	8,993	9,993	21,363	20,917	20,546	19,229
Claims on Private Sector 2/	419,142	422,448	453,292	497,735	534,538	593,289	604,913	617,909	623,566
National Currency	309,567	316,938	348,849	376,211	407,230	432,986	444,693	456,274	461,561
Foreign Currency	109,575	105,510	104,443	121,524	127,308	160,303	160,220	161,635	162,005
Other Items (net) 1/ 2/	-140,217	-136,855	-135,782	-170,252	-227,702	-251,943	-256,854	-248,995	-264,120
Total Liquidity (M2)	917,459	1,009,411	1,094,408	1,296,086	1,516,601	1,682,225	1,700,416	1,720,048	1,765,492
	(10.4)	(10.0)	(8.4)	(18.4)	(17.0)	(16.9)	(16.5)	(15.9)	(16.4)
Money (M1) 3/	214,040	248,707	274,510	344,100	410,554	459,136	465,730	476,647	499,065
	(17.0)	(16.2)	(10.4)	(25.4)	(19.3)	(18.1)	(18.2)	(18.8)	(21.6)
Currency in Circulation	135,209	167,887	194,027	241,011	270,856	278,439	282,744	287,834	292,699
Demand Deposits in Local Currency	78,831	80,820	80,483	103,089	139,698	180,697	182,986	188,813	206,366
Quasi Money	703,419	760,704	819,898	951,986	1,106,047	1,223,089	1,234,686	1,243,401	1,266,427
	(8.5)	(8.1)	(7.8)	(16.1)	(16.2)	(16.5)	(15.9)	(14.8)	(14.5)
Local Currency Time & Savings Deposits	545,303	583,732	633,858	727,778	869,976	966,336	975,523	983,420	1,003,432
Foreign Currency Demand Deposits	33,901	41,298	44,965	55,152	62,214	66,321	65,358	66,897	68,631
Foreign Currency Time and Savings Deposits	124,215	135,674	141,075	169,056	173,857	190,432	193,805	193,084	194,364

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)
(June 2015)

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Mar-15	Apr-15	May-15	Jun-15 [*]
Net Foreign Assets (In Million US\$)^{4/}	49,861	42,698	26,126	17,623	16,682	8,754	7,108	6,109	6,756
Central bank NFA	33,587	24,793	12,607	5,469	5,235	4,511	3,743	2,796	3,310
Net International Reserves	51,339	44,236	28,796	26,700	27,655	19,037	23,324	22,286	22,904
Central Bank (Gross)	35,221	26,564	15,534	14,936	16,687	15,291	20,525	19,560	20,080
Banks (net)	16,274	17,905	13,519	12,154	11,447	4,242	3,365	3,313	3,446
Foreign assets	21,823	23,437	19,027	16,930	16,217	11,387	11,073	11,340	11,336
Foreign Liabilities	5,549	5,532	5,508	4,777	4,770	7,144	7,708	8,027	7,890
In Percent of Beginning of Money Stocks^{5/}									
Net Foreign Assets	3.4%	-3.2%	-9.50%	-3.1%	-0.3%	-3.5%	-4.3%	-4.8%	-4.5%
Net Domestic Assets	7.0%	13.2%	17.9%	21.6%	17.3%	14.4%	16.4%	18.2%	20.9%
Money (M1)	3.7%	3.8%	2.6%	6.4%	5.1%	3.2%	3.6%	4.4%	5.8%
Quasi Money	6.6%	6.2%	5.9%	12.1%	11.9%	7.7%	8.5%	9.1%	10.6%
Dollarization (% of Total Liquidity) ^{6/}	0.17	0.18	0.17	0.17	0.16	15.3	15.2	15.1	14.9
M2 Multiplier ^{7/}	4.52	4.02	4.15	4.08	4.16	4.42	4.42	4.30	3.63
M2 Velocity ^{8/}	1.32	1.36	1.44	1.35	1.32	1.45	1.43	1.41	1.38
M2 (annual percentage change)	10.38	10.02	8.42	18.43	17.01	16.9	16.5	15.9	16.4
Credit to private sector (annual percentage change) ^{9/}	0.08	0.01	0.07	0.10	0.07	16.1	16.9	17.3	16.7
Exchange Rate ^{10/}	5.66	5.94	6.03	6.99	7.14	7.60	7.60	7.61	7.61

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.

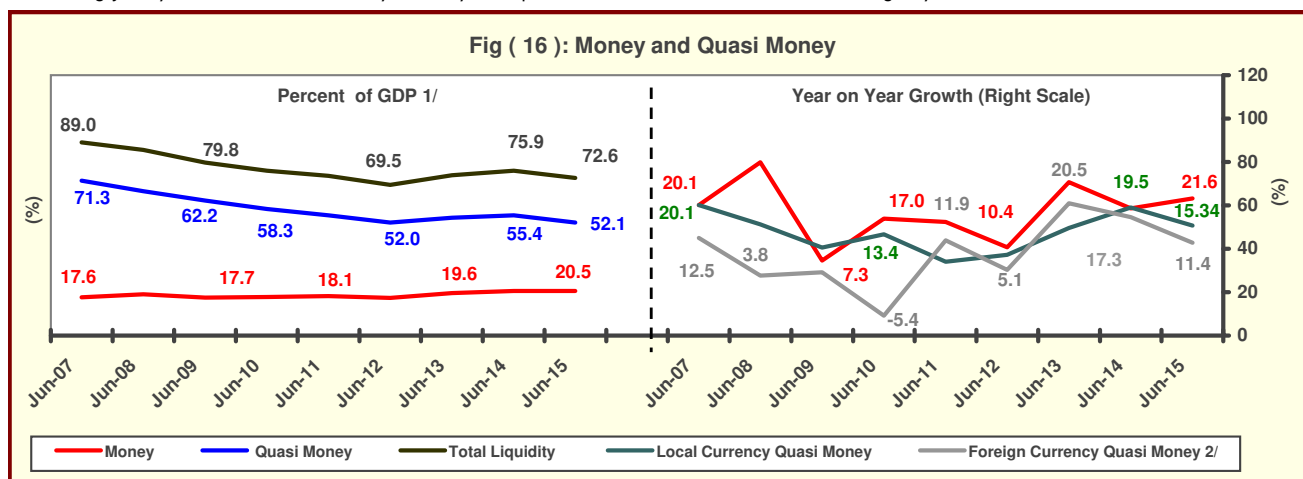
6/ Denotes the ratio of foreign currency demand deposits and time and savings deposits to total liquidity. It excludes non-residents deposits which are counted in the net foreign assets line as well as government deposits.

7/ M2 / Reserve Money.

8/ 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)

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Mar-15	Apr-15	May-15	Jun-15 [*]
Reserve Money	203,071	250,992	263,668	317,944	364,473	380,392	384,648	400,058	485,876
	(16.0)	(23.6)	(5.1)	(20.6)	(14.6)	(17.9)	(12.6)	(15.0)	(33.3)
Currency in Circulation	144,253	179,096	204,870	260,849	288,651	294,825	298,989	306,476	313,468
	(14.2)	(24.2)	(14.4)	(27.3)	(10.7)	(8.9)	(9.4)	(8.5)	(8.6)
Banks LE Deposits with CBE	58,818	71,896	58,798	57,095	75,822	85,567	85,659	93,582	172,408
	(20.4)	(22.2)	-(18.2)	-(2.9)	(32.8)	(64.3)	(25.5)	(43.1)	(127.4)
<u>Counter Assets:</u>									
Net Foreign Assets	190,234	147,197	76,059	38,235	37,395	34,295	28,464	21,265	25,171
	(10.8)	-(22.6)	-(48.3)	-(49.7)	-(2.2)	-(16.9)	-(32.1)	-(49.0)	-(32.7)
Net Domestic Assets	12,837	103,795	187,609	279,709	327,078	346,097	356,184	378,793	460,705
	(280.7)	(708.6)	(80.7)	(49.1)	(16.9)	(23.0)	(18.8)	(23.7)	(40.9)
Net Claims on Government ^{2/}	80,611	102,562	165,374	299,806	419,218	498,236	510,804	505,590	523,914
	(17.5)	(27.2)	(61.2)	(81.3)	(39.8)	(34.8)	(34.1)	(32.2)	(25.0)
Claims	150,287	189,621	256,605	404,837	463,724	603,924	620,863	612,346	620,003
	(2.3)	(26.2)	(35.3)	(57.8)	(14.5)	(45.7)	(45.6)	(41.7)	(33.7)
Securities	121,533	130,597	178,831	238,831	240,331	290,330	290,330	290,330	240,330
Credit Facilities	28,754	59,024	77,774	166,006	223,393	313,594	330,533	322,016	379,673
Deposits ^{3/}	69,676	87,059	91,231	105,031	44,506	105,688	110,059	106,756	96,089
	-(11.0)	(24.9)	(4.8)	(15.1)	-(57.6)	(136.3)	(140.9)	(115.8)	(115.9)
Net Claims on Banks	29,010	147	-2,706	-5,811	-9,045	-27,409	-27,764	-26,733	-26,334
Net Balancing Items ^{4/}	8,586	-99	-1,941	-115	-56	-124,730	-126,856	-100,064	-36,875
<u>Memorandum Items</u>									
Reserve Money Velocity ^{5/, 6/}	5.94	5.46	5.98	5.51	5.48	6.39	6.32	6.08	5.00

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.

5/ GDP / Reserve Money (M0).

6/ 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)

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Mar-15	Apr-15	May-15	Jun-15 *
Total Deposits	900,165	965,339	1,026,686	1,190,819	1,433,728	1,663,797	1,676,043	1,699,465	1,740,158
	(9.8)	(7.2)	(6.4)	(16.0)	(20.4)	(22.2)	(21.2)	(21.1)	(21.4)
In local currency	693,865	733,246	780,886	900,076	1,097,729	1,302,890	1,315,380	1,337,965	1,375,369
In foreign currency	206,300	232,093	245,800	290,743	335,999	360,907	360,663	361,500	364,789
Non Government Deposits ^{2/}	787,433	848,116	908,070	1,063,832	1,254,882	1,419,869	1,433,324	1,448,226	1,488,006
	(9.7)	(7.7)	(7.1)	(17.2)	(18.0)	(19.1)	(18.6)	(18.2)	(18.6)
In local currency	626,751	667,426	718,217	835,422	1,014,712	1,157,396	1,169,180	1,183,197	1,219,985
In foreign currency	160,682	180,690	189,853	228,410	240,170	262,473	264,144	265,029	268,021
Government Deposits	112,732	117,223	118,616	126,987	178,846	243,928	242,719	251,239	252,152
	(10.2)	(4.0)	(1.2)	(7.1)	(40.84)	(44.0)	(39.5)	(41.2)	(41.0)
In local currency	67,114	65,820	62,669	64,654	83,017	145,494	146,200	154,768	155,384
In foreign currency	45,618	51,403	55,947	62,333	95,829	98,434	96,519	96,471	96,768
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	22.9	24.0	23.9	24.4	23.4	21.7	21.5	21.3	21.0
Dollarization in Non-Government Deposits	20.4	21.3	20.9	21.5	19.1	18.5	18.4	18.3	18.0
Dollarization in Government Deposits	40.5	43.9	47.2	49.1	53.6	40.4	39.8	38.4	38.4

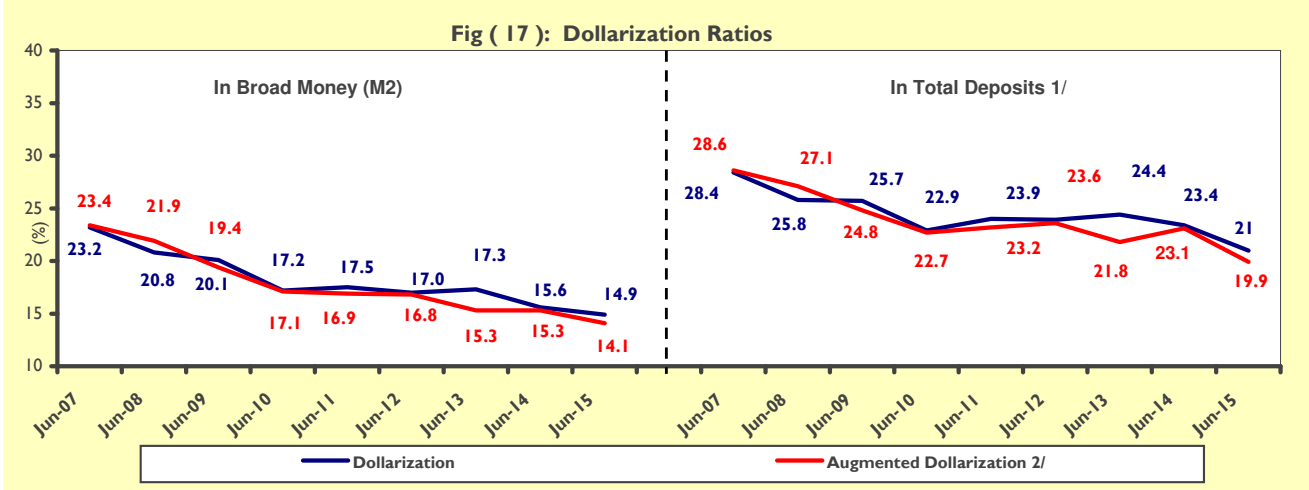
Source: Central bank of Egypt.

() 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)

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Mar-15	Apr-15	May-15	Jun-15 [*]
Total lending	465,990	474,139	506,736	549,120	587,852	679,321	695,832	709,932	717,999
	(8.4)	(1.7)	(6.9)	(8.4)	(7.1)	(20.6)	(22.2)	(22.5)	(22.1)
To Government ^{2/}	39,385	39,802	33,589	35,780	40,802	56,126	60,864	62,990	66,421
	(28.1)	(1.1)	-(15.6)	(6.5)	(14.0)	(45.3)	(59.6)	(61.0)	(62.8)
In local currency	15,390	18,191	14,615	11,401	11,872	10,912	11,067	10,935	10,855
In foreign currency	23,995	21,611	18,974	24,379	28,930	45,214	49,797	52,055	55,566
To Non-Government	426,605	434,337	473,147	513,340	547,050	623,195	634,968	646,942	651,578
	(6.9)	(1.8)	(8.9)	(8.5)	(6.6)	(18.8)	(19.5)	(19.7)	(19.1)
In local currency	298,264	309,573	349,560	376,479	406,499	438,076	450,701	462,375	468,502
In foreign currency	128,341	124,764	123,587	136,861	140,551	185,119	184,267	184,567	183,076
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	85.2	84.7	85.4	85.7	85.4	82.4	82.2	82.2	82.0
Non Government Loans/ Deposits ^{4/}	54.2	51.2	52.1	48.3	43.6	43.9	44.3	44.7	43.8
Government Loans / Deposits	34.9	34.0	28.3	28.2	22.8	23.0	25.1	25.1	26.3
Foreign currency denominated credit to total credit	32.7	30.9	28.1	29.4	28.8	33.9	33.6	33.3	33.2
Government foreign currency denominated credit to total government credit	60.9	54.3	56.5	68.1	70.9	80.6	81.8	82.6	83.7
Non - government foreign currency denominated credit to total non-government credit	30.1	28.7	26.1	26.7	25.7	29.7	29.0	28.5	28.1

Source: Central Bank of Egypt.

() Percent change over previous year

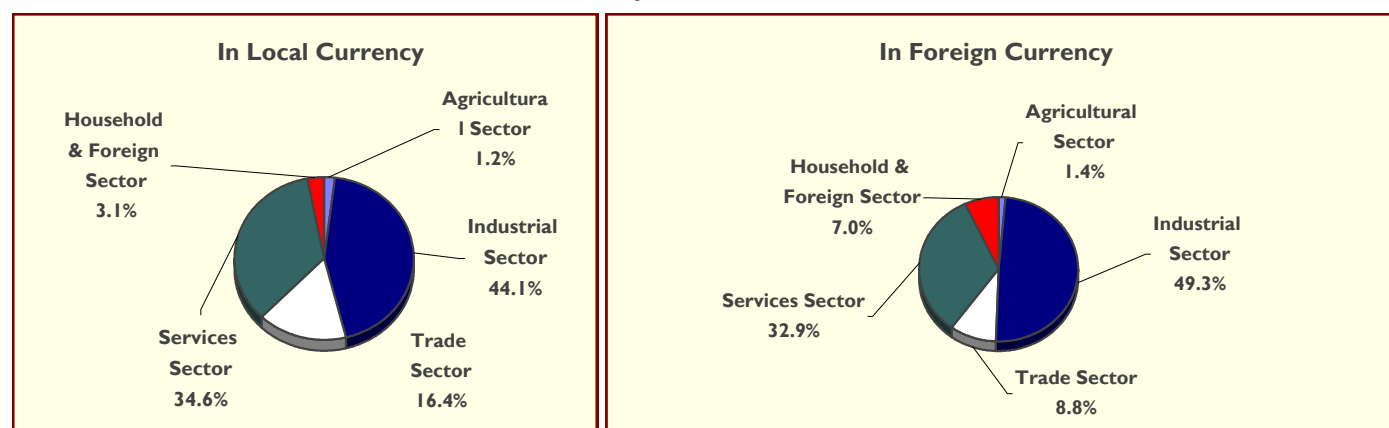
* Preliminary.

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**June-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	11.50	7.00	11.16	9.75	8.50
May-15	9.25	11.60	6.80	11.16	10.25	8.50
Jun-15	9.25	11.60	6.80	11.86	10.25	8.50
Jul-15	9.25	--	--	11.39	10.25	8.50

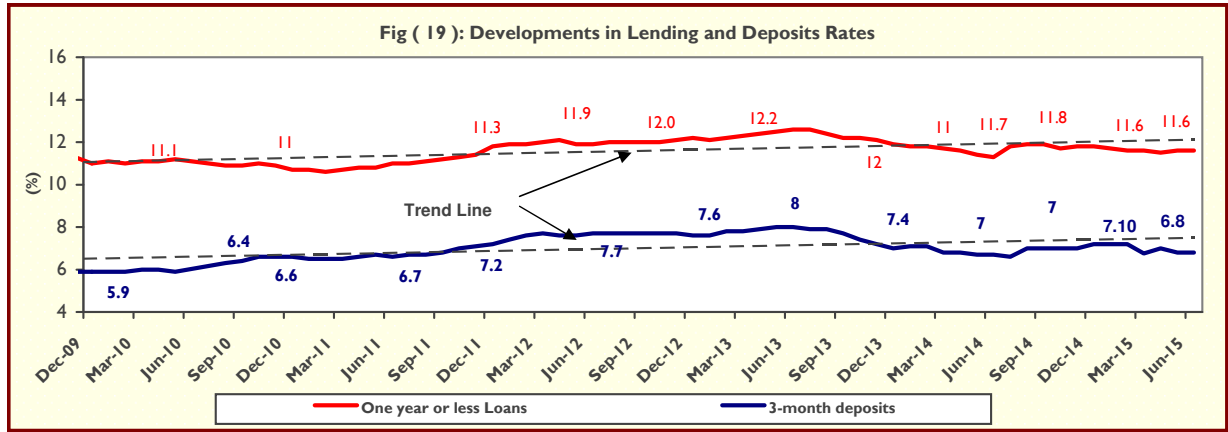
Source: Central Bank of Egypt.

-- 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.

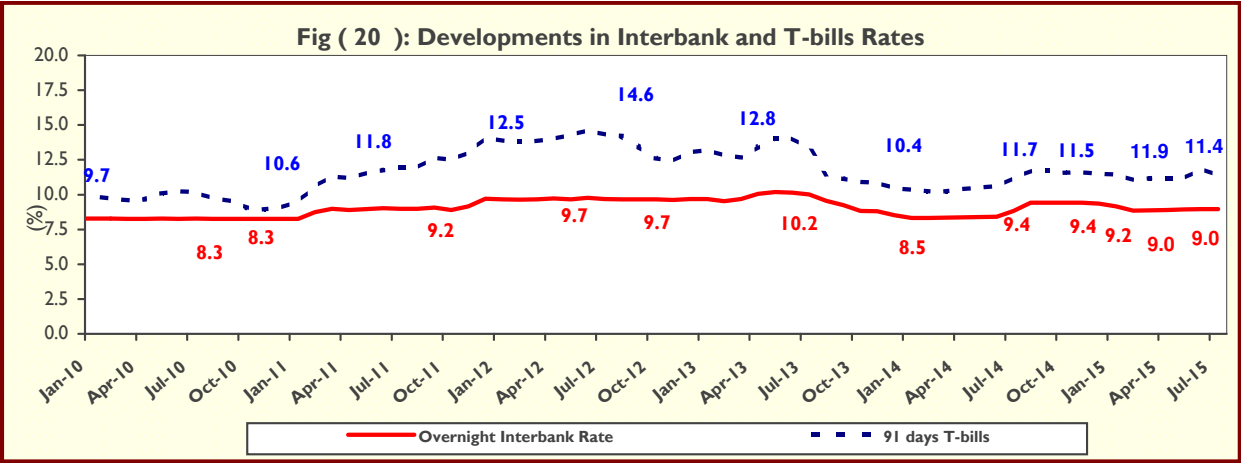
Table (30) : Average Interbank Rates ^{1/}

	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	--	--
May-15	8.93	9.19	--	--
Jun-15	8.96	9.22	--	--
Jul-15	8.96	9.25	--	--

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.