

National Investment Bank

Investment and resources sector

Technical support for Investment



ECONOMIC INDICATORS



October 2016

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Technical Support for Investment



Introduction

Egypt has been in transition since January 2011. The country is preparing for takeoff, after the formation of the elected country's institutions.

Since mid-July 2013, the Country's new administration has decided to adopt a new strategy to cope with the major macroeconomic imbalances, sluggish economic growth and high poverty rates. The essence of this new strategy is to adopt expansionary fiscal and monetary policies, not deflationary. With fresh injections of resources from abroad, the strategy aims at stimulating the economy through public investment in infrastructure, rationalizing expenditures by removing major distortions (e.g., energy subsidy) and reallocating expenditures in favor of social sectors (e.g., health).

Under these circumstances, the National Investment Bank (NIB) is pleased to issue this new publication entitled "**Economic Indicators**" to shed light on the most important developments in the basic economic sectors.

Ahmed El-Sayyad

NIB, Vice Chairman and Managing Director

Economic Indicators concerned with providing the latest monthly developments in the Egyptian economy and its various sectors. **Economic Indicators** is published for only informational purposes and does not necessarily expresses the official opinion of the National Investment Bank (NIB).

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A summary of the latest developments in economic indicators

- **Gross Domestic Product (GDP) reached 4.3 percent during July-March of the fiscal year 2015/2016 compared to 5.7 percent during the same period of the previous year.**
- **Net international reserves has increased to \$ 19.04 bn at the end of October 2016 compared to \$ 19.6 bn in September 2016¹.**
- **In its last meeting on September 22, 2016, the Monetary Policy Committee (MPC) of the Central Bank of Egypt (CBE) decided to maintain the overnight deposit and overnight lending rates at 11.75 and 12.75 percent respectively. The CBE's main operations and the discount rate were also decided to be maintained at their previous levels of 12.25 percent.¹**
- **Annual inflation for the total Republic of consumer prices decreased by 1.1% to reach to 14.6 percent in September 2016 compared with 16.4 percent the previous month.**
- **In September 2016, the number of tourists fell by 41.0 percent, to only 473.0 Thousand compared with 802.0 Thousand in September 2015. The number of tourist nights fell also by 55.6 percent from 6942.4 Thousand to 3082.5 Thousand during the same period.²**
- **The number of Egyptian population rose significantly by 2.2 percent, reaching 91.6 m people in September 2016, compared to 89.6 m people in September 2015.³**

¹ Central Bank of Egypt (CBE).

² CAPMAS, September 2016, quoted from Ministry of Tourism.

³ CAPMAS.



- The tax revenue achieved during the period from July / September 2016/2017 about 64.1 bn compared to 64.5 bn during the study period of the previous year.⁴
- The total debt of the general budget (local and foreign) about 2676.9 bn at the end of March 2016 increasing by 96.6 percent of GDP.⁴
- The balance of payments deficit reached \$ 2.8 bn (-0.8 percent of GDP) during the fiscal year 2015/2016, compared with a surplus of \$ 3.7 bn (1.1 percent of GDP) during the fiscal year 2014/2015.⁴
- EGX 30 index rose during trading in September to close at 8386 points, registering a rise of 6.41 percent, and medium stocks tended to decline where the EGX 70 index declined by 1.91 percent to close at 345 points, while EGX 100 index scored a rise of about 2.78 percent to close at 812 points.⁵
- In July 2016, Suez Canal revenues rose to EGP 3.8 bn against EGP 3.4 bn in the previous year. The traffic achieved a decrease in ship numbers, as the number of ships crossed the Canal was 1420 ship, down from 1458 ships during the same period.⁶

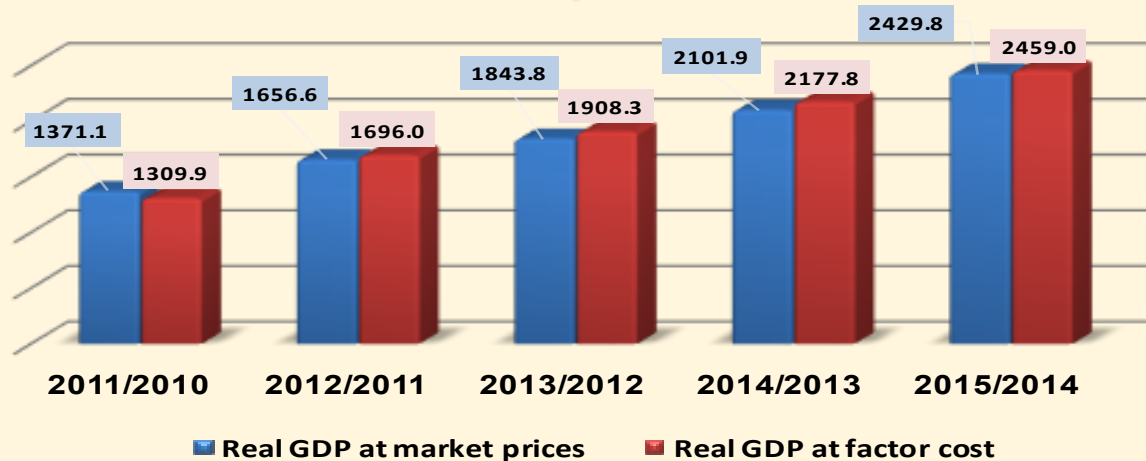
⁴ Ministry of Finance (MOF).

⁵ The Egyptian Stock Market.

⁶ Suez Canal Authority.

Economic Indicators

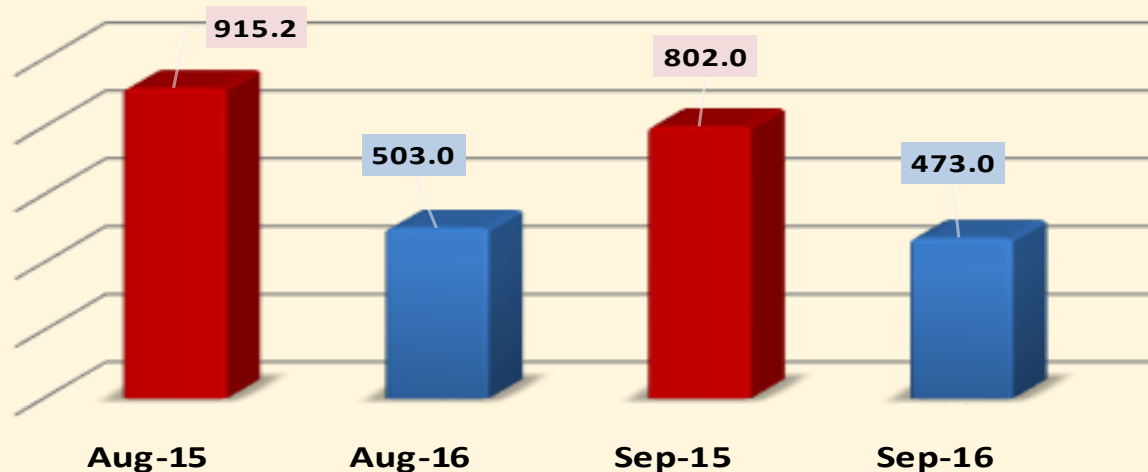
Rise in real GDP at market prices, at a cost of factors of production during the fiscal year 2015/2014



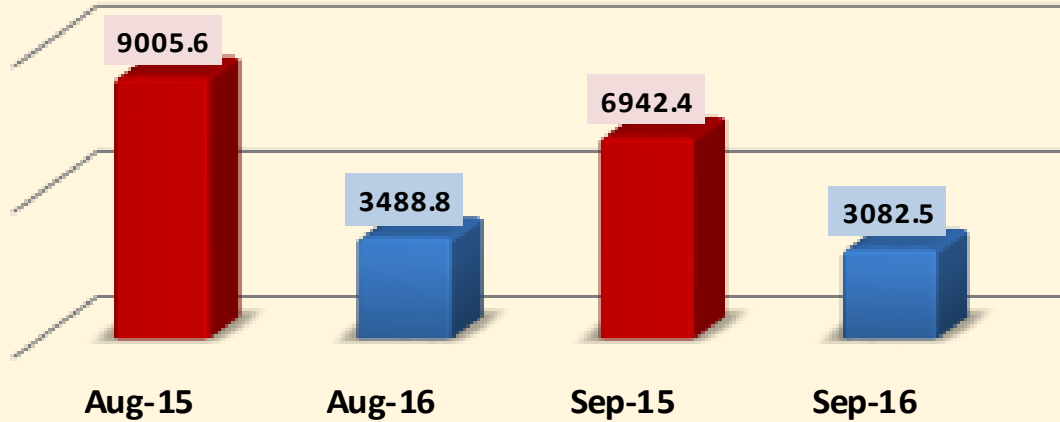
Source: Ministry of planning and land reform

Tourism

Decrease in the number of tourists per thousand tourists



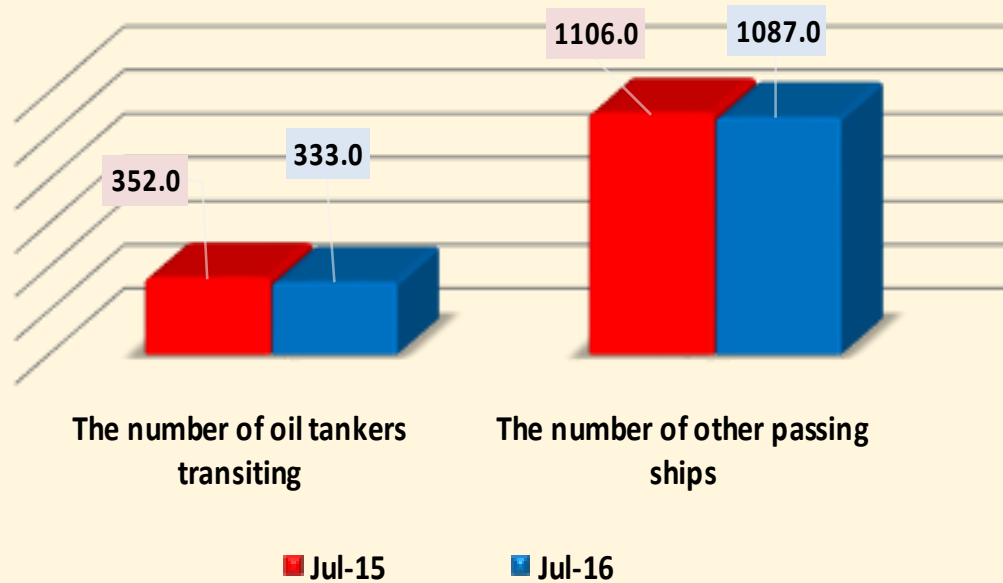
Decrease in the number of tourist nights per thousand night



Source: Ministry of tourism

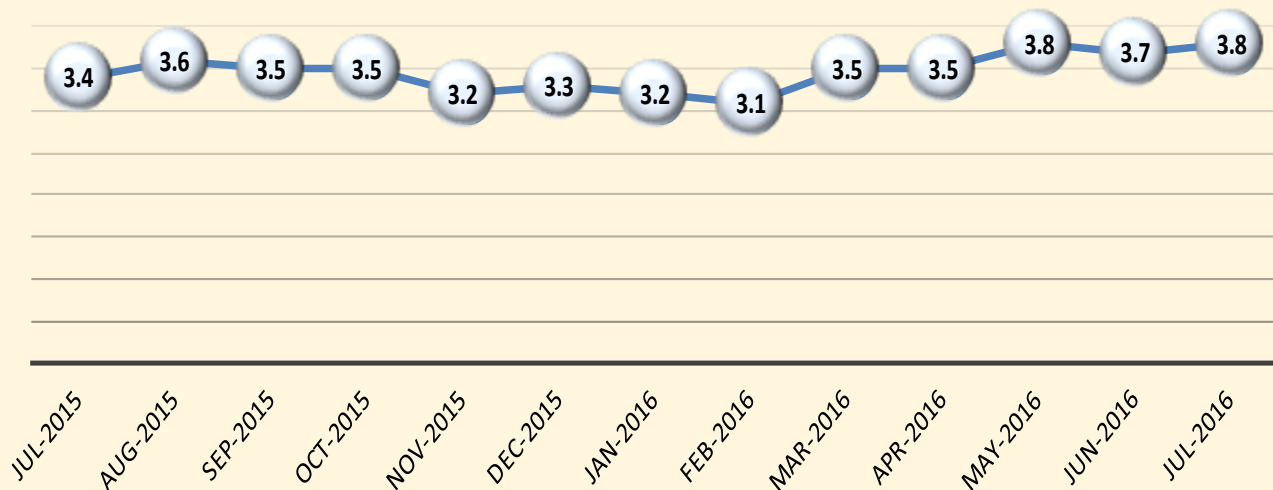
Suez Canal

numbers of vessels transiting the Suez Canal





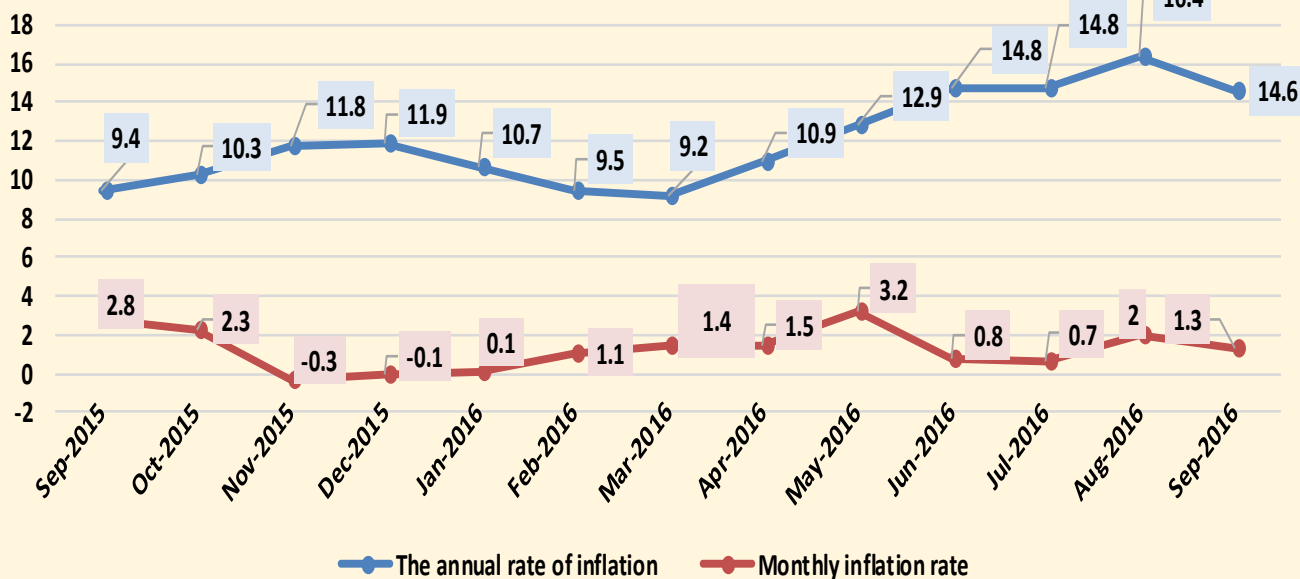
revenues for the Suez Canal Authority (LE billion)



Source: Suez Canal Authority

Local Price Indicators

Inflation rates for the total republic (annual and monthly) CPI %

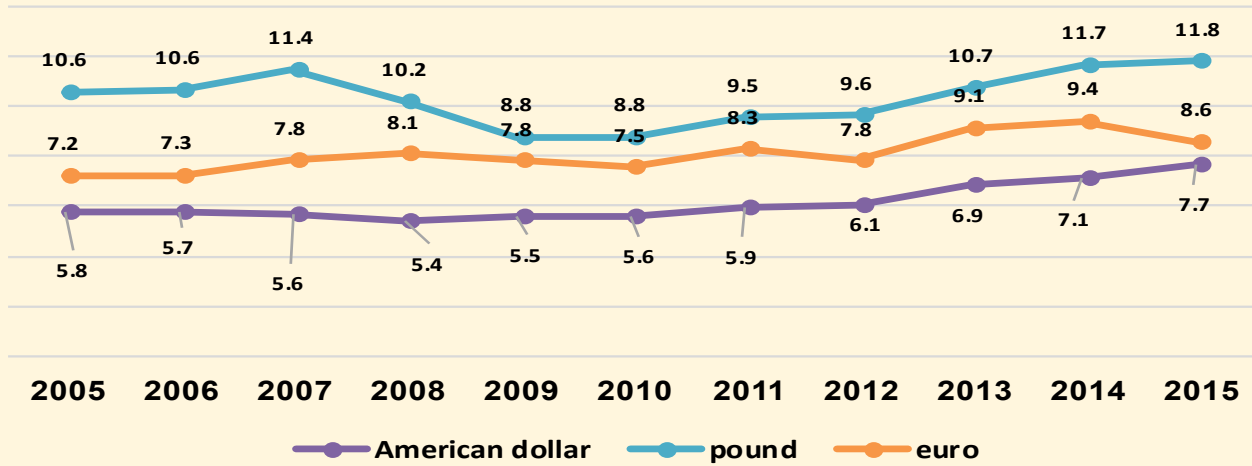


Source: Central Agency for Public Mobilization and Statistics

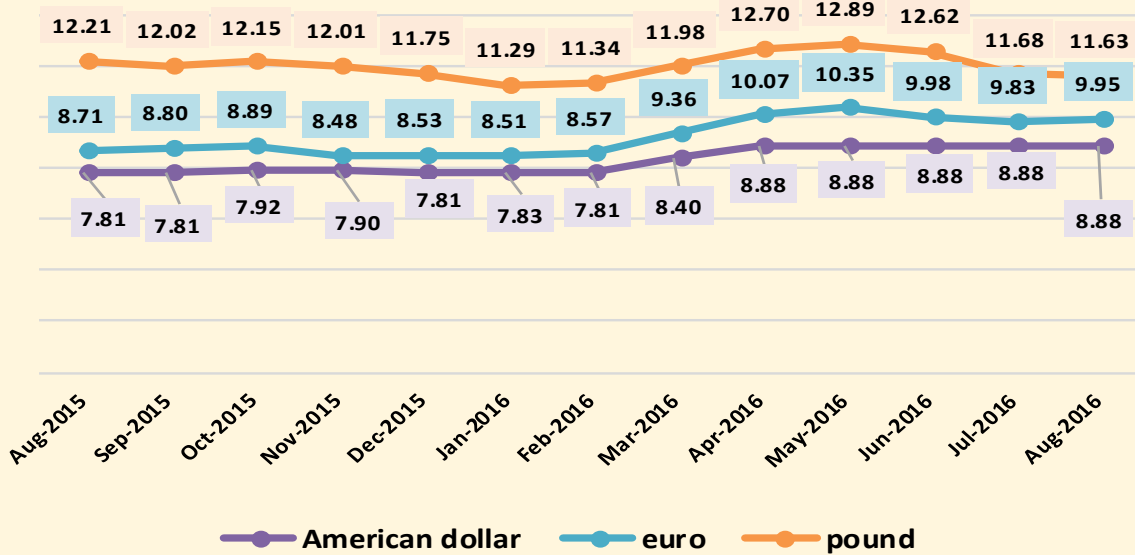


Currency Exchange

Average exchange rates locally over the past ten years (LE / currency units)



Average exchange rates locally during the period (LE / currency units)

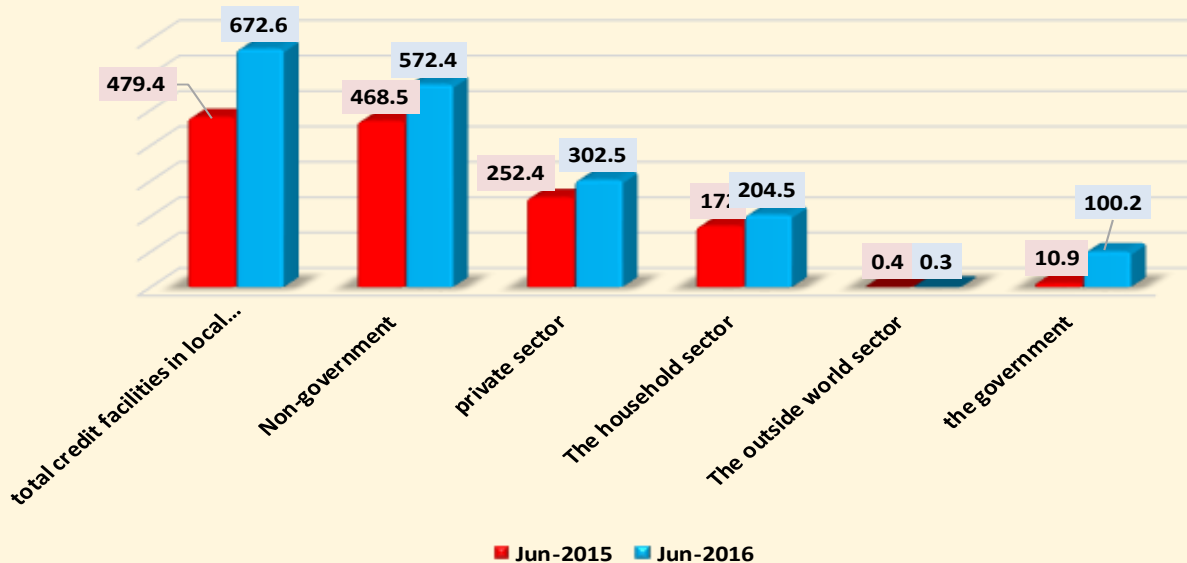


Source: CBE / Reuters

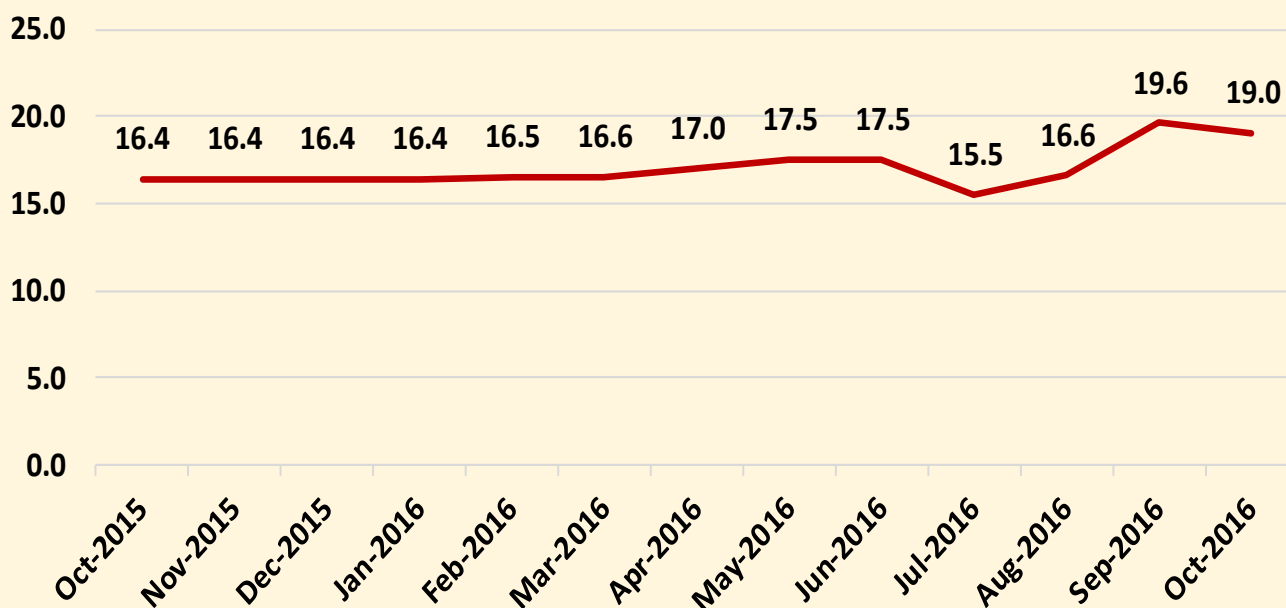


Monetary Indicators

credit facilities in local currency with LE billion



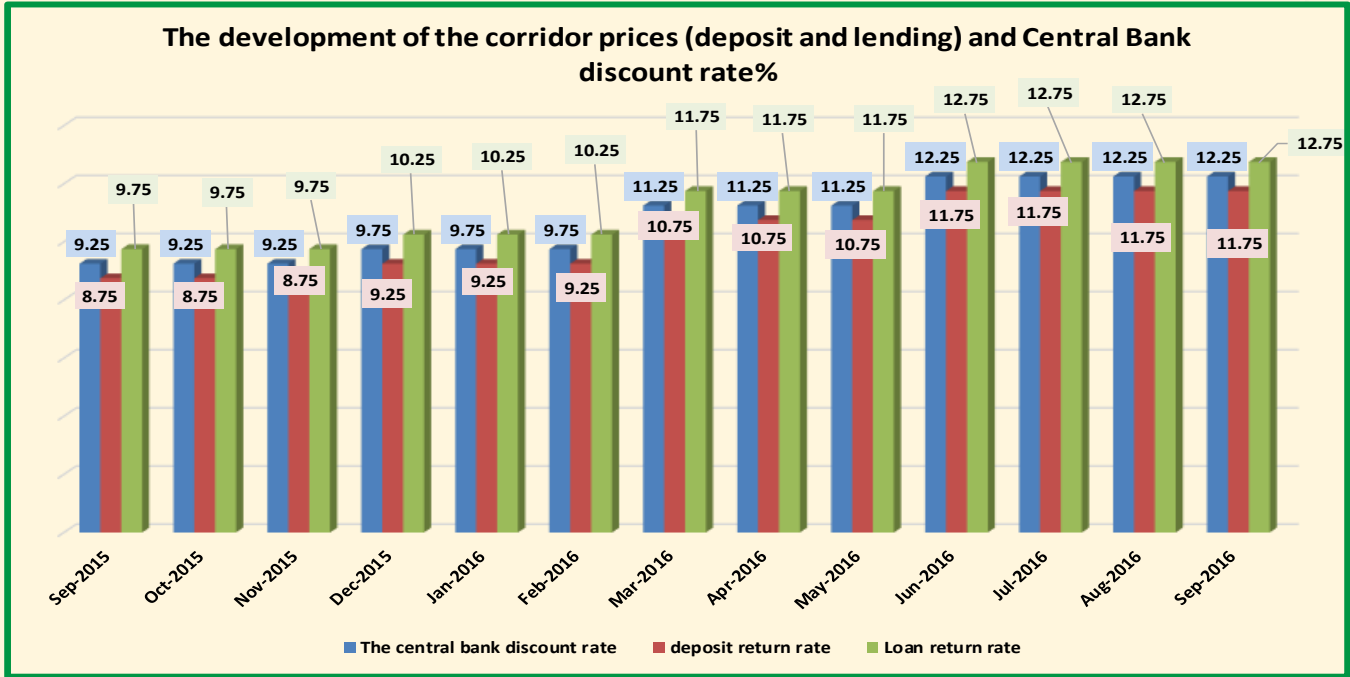
Net international reserves with \$ Billions



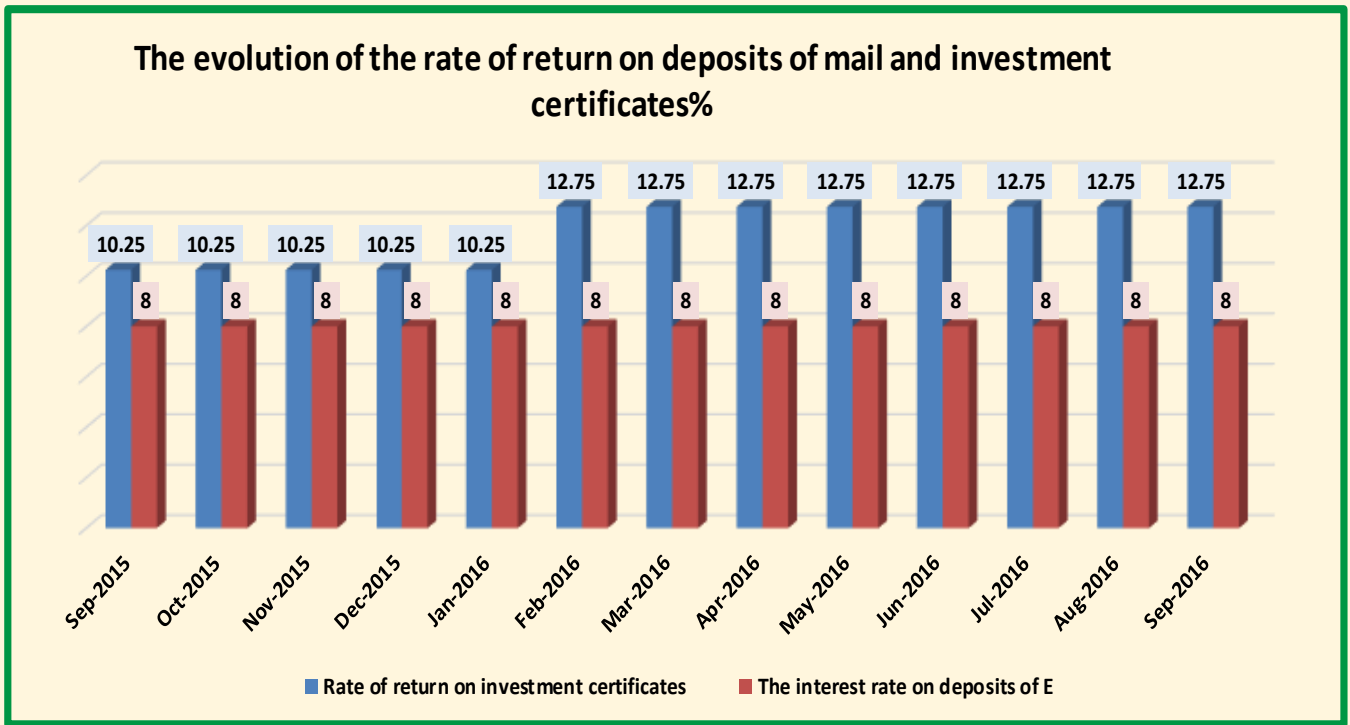
Source: CBE



Interest Rate



Source: CBE



Source: NIB

Fiscal Indicators

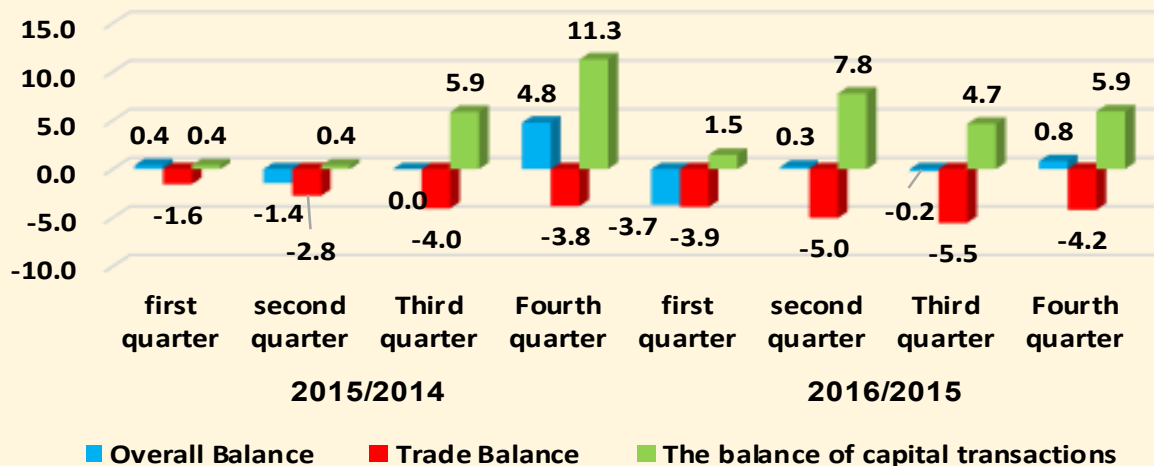
The evolution of revenues and expenses during the past years in LE billion



Source: Ministry of Finance

External Sector Indicators

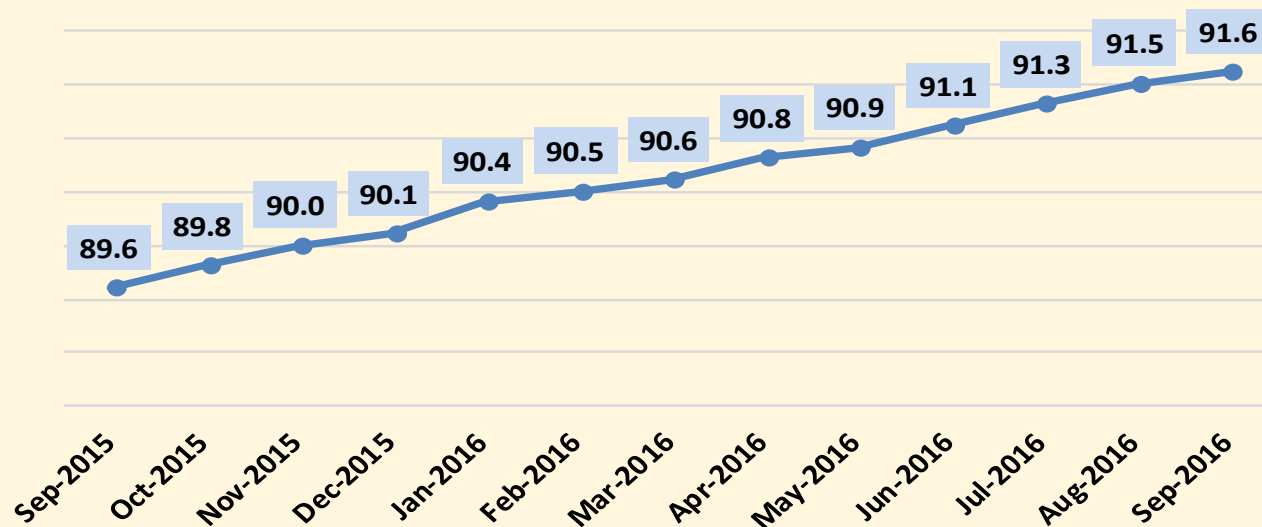
The evolution of the balance of payments, both current and capital in billion dollars



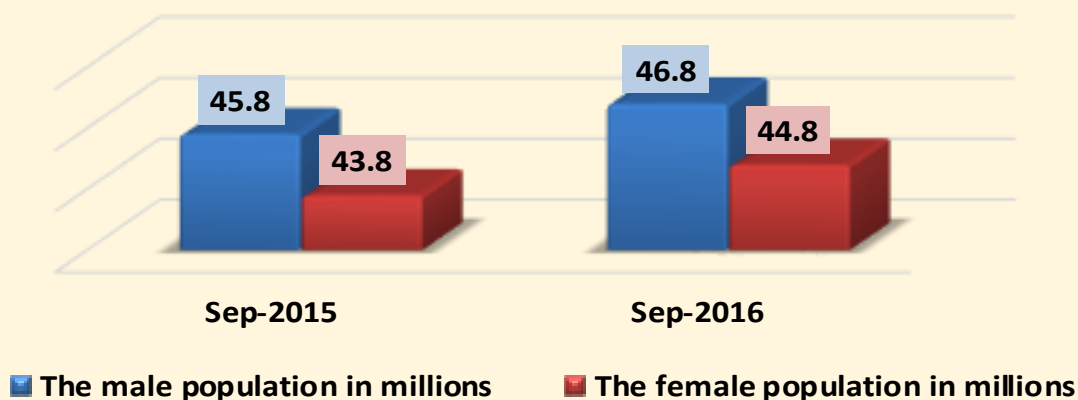
Source: CBE

Population and Labour Force

The continued rise in the number of people per million population



High numbers of male and female population in millions

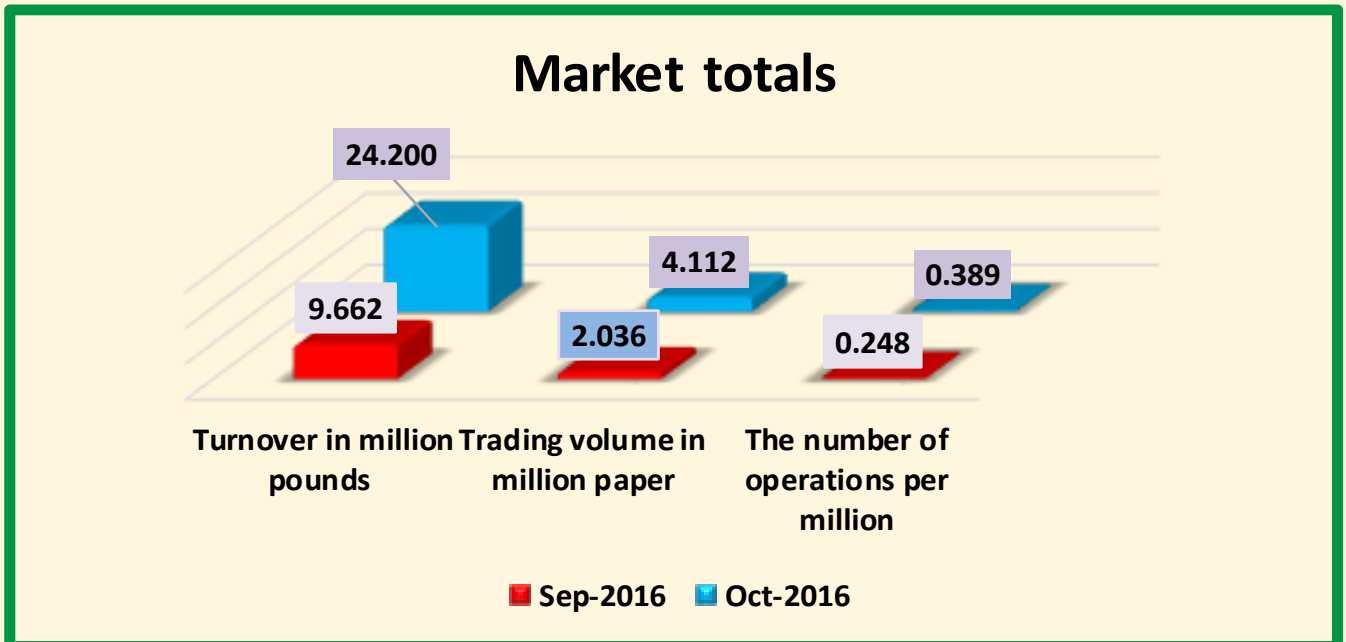
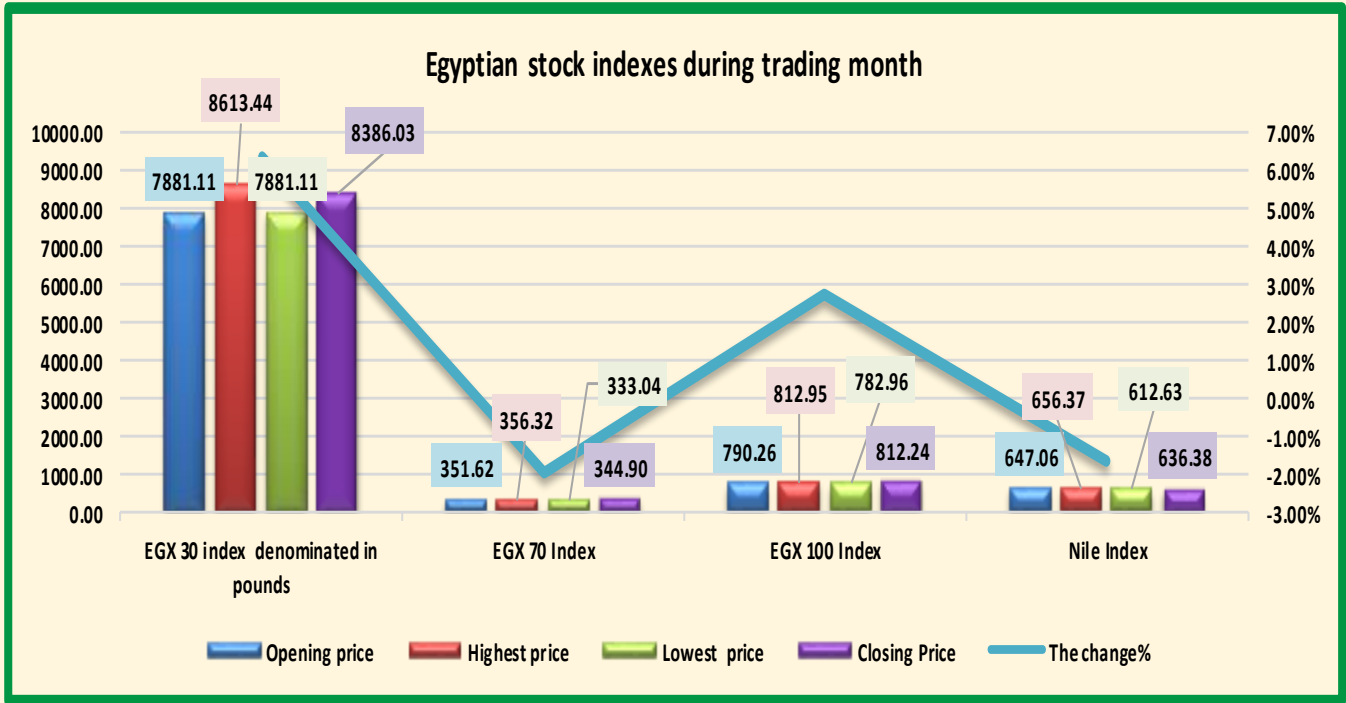


Source: Central Agency for Public Mobilization and Statistics

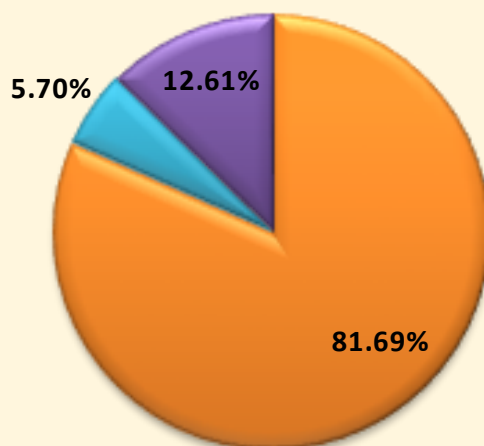


Money Market Indicators

Egyptian Stock



Investors' dealings



■ Egyptians
 ■ Arabs
 ■ Non-Arab foreigners

Source: Egyptian Stock Exchange

International

Index	September 2016 (points)	October 2016 (points)	% the change
Dow Jones	18308.15	18142.42	0.91%-
DAX	10511.02	10665.01	1.47%
FTSE 100	6899.33	6954.22	0.80%
Nikkei 225	16449.84	16251.54	1.21%-
Dollar Index	95.39	98.42	3.18%
Euro Index	89.32	88.74	0.65%-



Global Commodity Prices

Item	September 2016 (dollar)	October 2016 (dollar)	% the change
<u>Crude Oil</u>	48.240	46.860	2.86% -
<u>Brent</u>	49.060	48.300	1.55% -
<u>gold</u>	1313.300	1271.500	3.18% -
<u>Silver</u>	19.214	17.796	7.38% -
<u>US wheat</u>	401.750	415.250	3.36%
<u>US cotton 2</u>	68.060	68.870	1.19%
<u>London Sugar</u>	597.200	579.400	2.98% -

Source: investing.com



Data Sources

Central Agency for Public Mobilization and Statistics

National Investment Bank

The Ministry of Planning and Follow-up and administrative reform

Ministry of Tourism

Suez Canal Authority

Central Bank of Egypt

Ministry of Finance

Egyptian Stock Exchange

investing.com