



المركز المصري للدراسات الاقتصادية  
*The Egyptian Center for Economic Studies*

## **Egypt's Economic Profile and Statistics**

**2017**

## About The Report:

Egypt's Economic Profile and Statistics is an annual booklet containing summary data and information about the various aspects of the Egyptian economy. Designed in a graphical and tabular format, this publication is intended mainly for the business community and investors seeking reliable information about the main developments in the Egyptian economy. This edition covers the fiscal year 2015/16 and calendar year 2016.

## Table of Contents

<b>Section 1. Main Developments &amp; Statistical Report 2015/2016</b>	<b>3</b>
<b>A. Main Developments During 2016</b>	<b>4</b>
<b>B. Selected Macroeconomic Indicators</b>	<b>7</b>
<b>C. Figures</b>	<b>8</b>
<i>C.1. Real Economy Indicators</i>	<i>8</i>
<i>C.2. Fiscal Indicators</i>	<i>11</i>
<i>C.3. Monetary Indicators</i>	<i>13</i>
<i>C.4. External Sector</i>	<i>15</i>
<b>D. Tables</b>	<b>18</b>
<i>D.1. Real Economy Indicators</i>	<i>19</i>
<i>D.2. Fiscal Indicators</i>	<i>23</i>
<i>D.3. Monetary Indicators</i>	<i>24</i>
<i>D.4. External Sector</i>	<i>25</i>
<i>D.5. Specific Productive &amp; Services Sectors</i>	<i>27</i>
<b>Section 2. Benchmarking Egypt's Performance against Other Selected Countries</b>	<b>30</b>
<b>Section 3. Government Plan &amp; Achievements in 2015/2016 and Plan for 2016/2017</b>	<b>33</b>
<b>Egypt's Future Developmental Maps –Plan &amp; Progress</b>	<b>37</b>

## List of Figures

1. Real GDP Growth Rate at Market Prices	8
2. Sources of GDP Growth	8
3. Sectoral Distribution of Employment	9
4. Unemployment Rate	9
5. Unemployment Rate by Age Groups	10
6. Unemployment Rate by Educational Attainment	10
7. Breakdown of Public Expenditure	11
8. Budget Deficit	11
9. Public Domestic and External Debt	12
10. Total Outstanding Balances of T-Bills	12
11. Domestic Credit	13
12. Inflation	13
13. Policy Rates	14
14. EGX 30 Index	14
15. Sources of Foreign Currency	15
16. Geographic Distribution of Net FDI Inflows by Source	15
17. Trade Balance	16
18. Geographic Distribution of Exports and Imports	16
19. Net International Reserves	17

## List of Tables

1. Area and Population	18
2. Macroeconomic Indicators	19
3. Sectoral Shares in GDP	20
4. Sectoral Shares in Investment	21
5. Employment	22
6. Prices and Wages	23
7. Fiscal Indicators	24
8. Money & Banking Sector	25
9. Stock Market	26
10. Foreign Direct Investment	27
11. Foreign Trade	28
12. Manufacturing	29
13. Transport	30
14. Tourism	31
15. Communications and Telecommunications	31

## **Section 1. Main Developments and Statistical Report 2015/16**

## A. Main Developments During 2016

### Main Developments in Egypt

January 9, 2016	The President announced the loan program for SMEs.
January 10, 2016	The 596-member Parliament convened. Constitutional law professor Ali Abdel Aal was elected as speaker of the house.
January 11, 2016	The CBE announced the guidelines to help finance SMEs.
January 21, 2016	The civil service law No. 18/2015 was rejected by the Parliament among 342 presented laws.
January 26, 2016	CBE eased restrictions on monthly dollar cash deposits, increasing from US\$ 50,000 to US\$ 250,000 for four categories of importers.
February 9, 2016	Italian student Giulio Regeni was found dead.
February 15, 2016	Deposit cap was raised to US\$ 1 million per month for exporting enterprises.
February 21, 2016	Italian Petroleum Company “Eni” to develop Zohr gas field as approved by Egyptian government.
February 29, 2016	A US dollar certificate "Biladi," with maximum 5.5 percent annual interest rate, was issued by the National Bank of Egypt (NBE), Banque Misr (BM) and Banque du Caire (BdC) for Egyptians abroad.
March 8, 2016	Restrictions on foreign currency deposits and withdrawals were lifted for individuals.
March 9, 2016	Caps on foreign currency deposits and withdrawals were lifted for companies importing essential products.
March 17, 2016	The Monetary Policy Committee (MPC) increased the policy rates—the overnight deposit rate, overnight lending rate and the rate of the CBE's main operation—by 150 bps to 10.75 percent, 11.75 percent, and 11.25 percent, respectively. The discount rate was also raised by 150 bps to 11.25 percent.
March 23 2016	Reshuffle of the Cabinet.
April 9, 2016	Agreements were signed by Egypt and Saudi Arabia to draw up maritime borders.
April 20, 2016	Approval of Prime Minister Sherif Ismail Cabinet by Parliament.
May 13, 2016	Standard and Poor’s (S&P) downgraded Egypt's rating to "negative".
May 19, 2016	EgyptAir plane lost on radar over the Mediterranean sea and crashed during a flight from Paris to Cairo with 66 passengers on board.

May 31, 2016	Egypt's long-term foreign and local currency default rating affirmed "B" by Fitch.
June 16, 2016	The Monetary Policy Committee (MPC) increased the policy rates—the overnight deposit rate, overnight lending rate, the rate of the CBE's main operation and the discount rate—by 100 bps.
July 8, 2016	State Budget 2016/2017 approved by Parliament.
August 11, 2016	IMF reaches staff-level agreement on a three-year US\$12 billion extended fund facility.
August 19, 2016	Egypt rating affirmed B3 by Moody's with a stable outlook.
September 7, 2016	Issuance of Value-Added Tax (VAT) law No. 67/2016.
November 1, 2016	Issuance of the new Civil Service Law No. 81/2016
November 3, 2016	Floating the Egyptian pound, raising the key interest rates by 300 basis points, and allowing banks to be opened until 9 pm and during weekends to facilitate foreign currency and remittances operations.
November 4, 2016	Petrol prices increased as the government reduced fuel subsidies.
November 11, 2016	Egypt's credit rating upgraded to "stable" by Standard and Poor's (S&P) in view of the expected support of the International Monetary Fund (IMF).
November 11, 2016	IMF executive board approved a US\$ 12 billion loan to support the Egyptian government's economic reform program.
November 29, 2016	CBE's Board of Directors approved the new version of the "mobile payment regulations".
November 29, 2016	Egypt's Parliament passed a new NGO law.
December 6, 2016	A bilateral currency swap was signed between the Central Bank of Egypt and the People's Bank of China for a total amount of CNY 18 billion against the equivalent LE.
December 11, 2016	A terrorist attack at Al-Botrosya Church in Abbaseya during Sunday mass killed at least 25 people and wounded 49, many of whom were women and children.
December 15, 2016	Investigations of EgyptAir jet crash in May 2016 revealed traces of explosives.
December 20, 2016	Loan disbursements of US\$ 1.5 billion were approved by World Bank and AFDB.
December 21, 2016	Egypt's Parliament approved a new food safety law.
December 22, 2016	Egypt's Parliament passed a new media law.
December 29, 2016	Cabinet approved new Investment law.
January 16, 2017	Final court ruling declared Egyptian sovereignty over Tiran and Sanafir islands.

## Main International Developments

June 23, 2016	Britain votes to leave the European Union.
July 13, 2016	David Cameron steps down as the UK Prime Minister in the aftermath of June's Brexit vote.
July 18, 2016	The Turkish military launches an unsuccessful coup attempt against President Recep Tayyip Erdogan.
November 8, 2016	Donald Trump wins the U.S. Presidency.
November 30, 2016	OPEC agrees to cut production by about 1.2 million barrels per day, or about 4.5 percent of current production, to 32.5 million barrels per day.
December 9, 2016	Non-OPEC producers agree to reduce oil output by 558,000 barrels a day to help end the supply glut, which has sent oil prices tumbling, the first such deal between OPEC and non-OPEC members for 15 years.
December 19, 2016	An off-duty police officer assassinates Russian ambassador to Turkey Andrei Karlov in Ankara gallery.

## B. Selected Macroeconomic Indicators

Indicator	FY2015/16
Real GDP growth rate (%)	4.3
Year average CPI inflation (%)	13.97
Unemployment rate (%)	12
Budget deficit/GDP (%)	12.3
Trade balance/GDP (%)	-11.2
Current account balance/GDP (%)	-5.6
Domestic public debt/GDP (%)	96.7
External debt/GDP (%)	18.1
Net international reserves (billion \$)	17.55
Year average exchange rate (LE/\$)	8.15

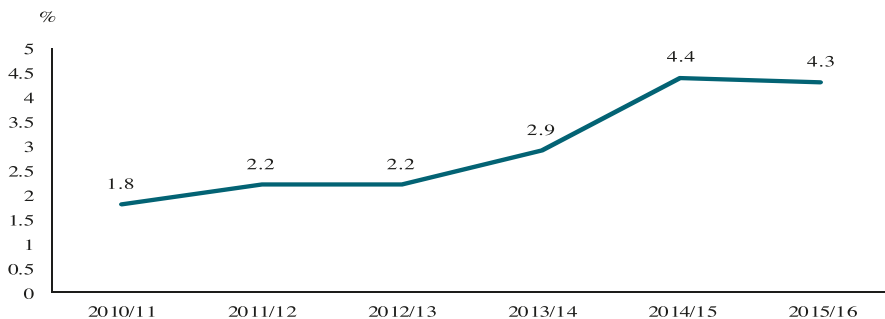


## C. Figures

### C.1. Real Economy Indicators

**Figure 1. Real GDP Growth Rate at Market Prices**

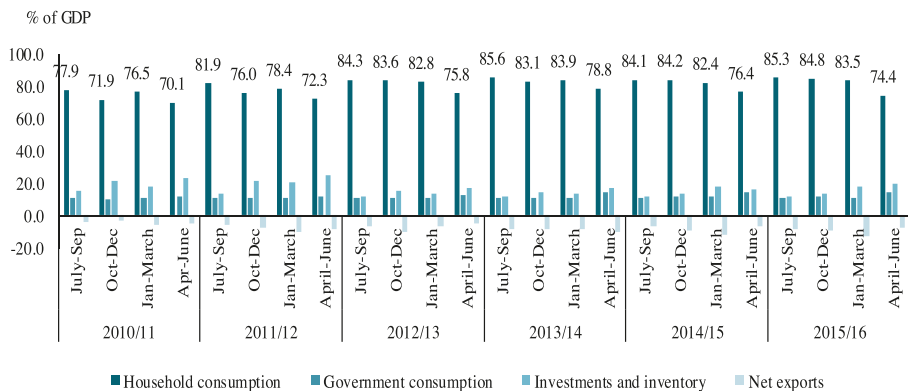
*Slow recovery in GDP growth rate*



Source: Ministry of Planning, Monitoring and Administrative Reform.

**Figure 2. Sources of GDP Growth**

*Household consumption remains the main driver of growth*

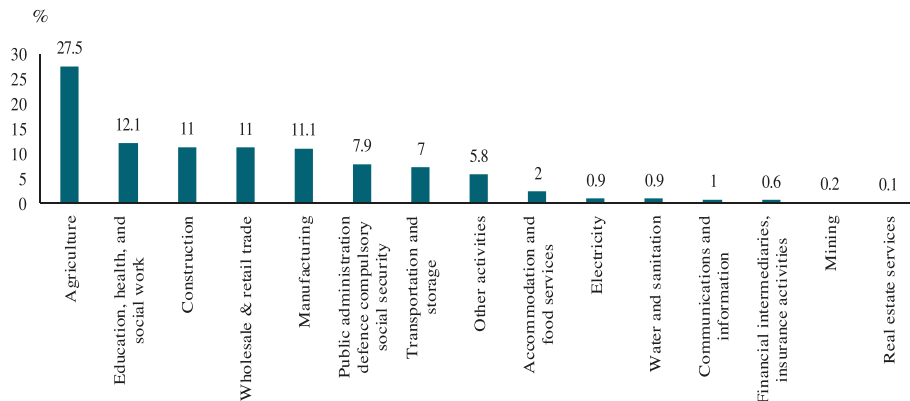


Source: Ministry of Planning, Monitoring and Administrative Reform.

Note: Data since 2011/12 has been revised by the Ministry of Planning, Monitoring and Administrative Reform.

**Figure 3. Sectoral Distribution of Employment in 2014**

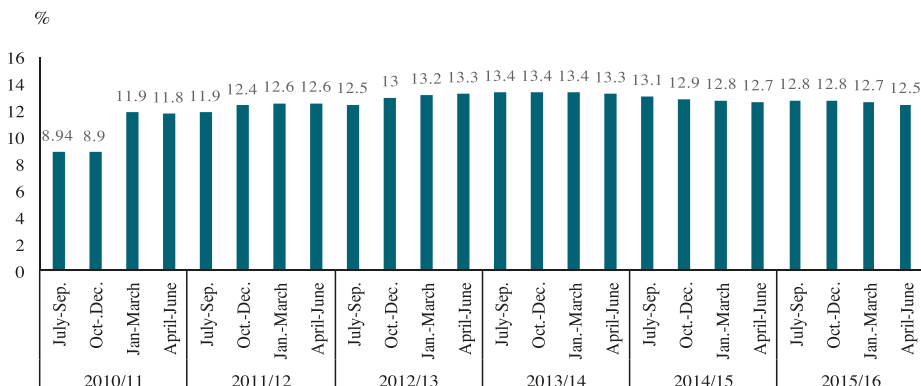
*Agriculture remains the main source of employment, however the productive and social services sectors collectively account for a larger share*



Source: Central Agency for Public Mobilization and Statistics (CAPMAS), *Egypt in Figures*, 2016.

**Figure 4. Unemployment Rate**

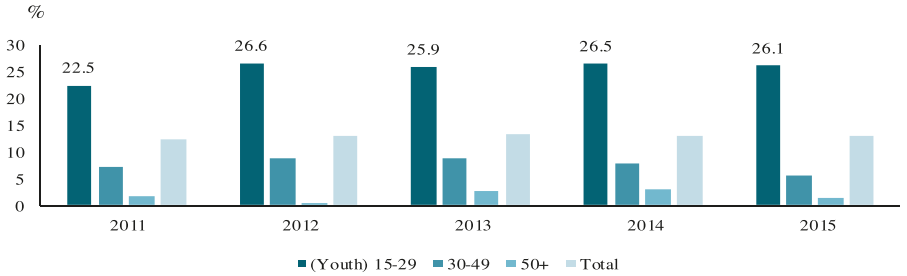
*Unemployment rate has slightly decreased in the last two quarters, but remains high compared to pre-2011 levels*



Source: CAPMAS, *Egypt Labor Force Survey*, various issues.

## Figure 5. Unemployment Rate by Age Group

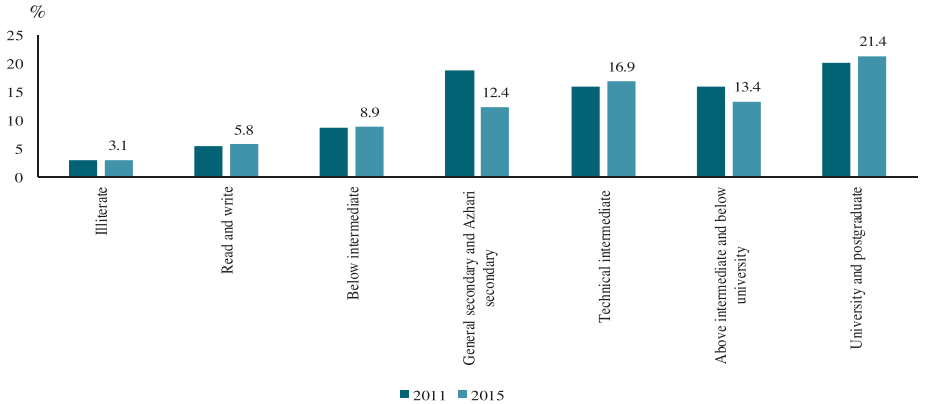
*Unemployment rate is highest among the youth*



Source: CAPMAS, *Egypt Labor Force Survey*, various issues.

## Figure 6. Unemployment Rate by Educational Attainment

*Unemployment rate is highest among technical education graduates, university graduates and postgraduates*

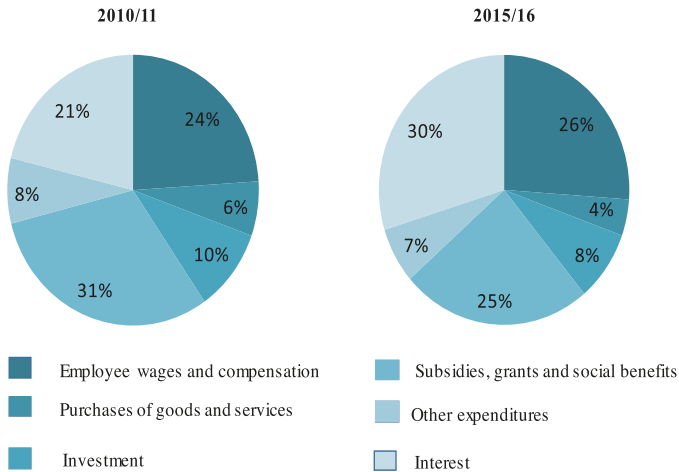


Source: CAPMAS *Egypt Labor Force Survey*, various issues.

## C.2. Fiscal Indicators

**Figure 7. Breakdown of Public Expenditure**

Public spending has witnessed a slight decline in subsidies, and an increase in wages and interest payments

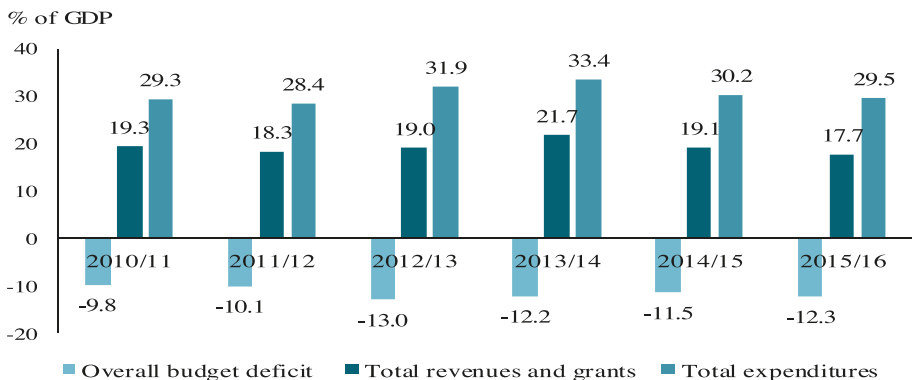


Source: Ministry of Finance, *the Financial Monthly*, various issues.

\* Preliminary.

**Figure 8. Budget Deficit**

Lower total revenue is driving the budget deficit higher in FY2015/16

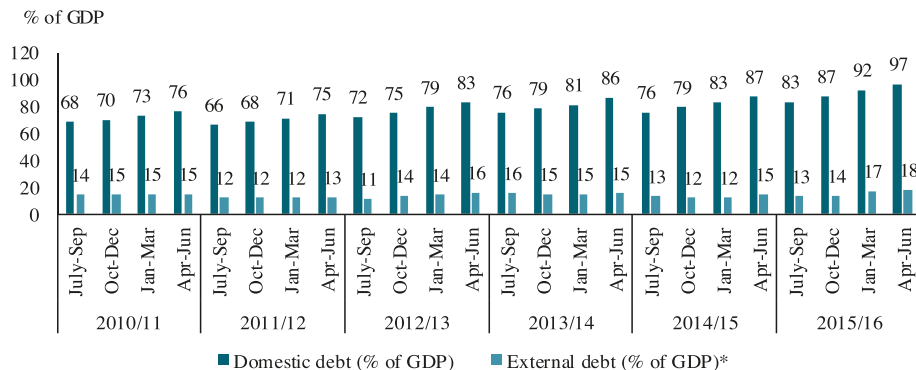


Source: Ministry of Finance, *the Financial Monthly*, various issues.

Note: Pre-actual.

**Figure 9. Public Domestic and External Debt**

*Continued reliance on domestic borrowing and increased dependence on external debt, both of which exceed 100 percent of GDP*

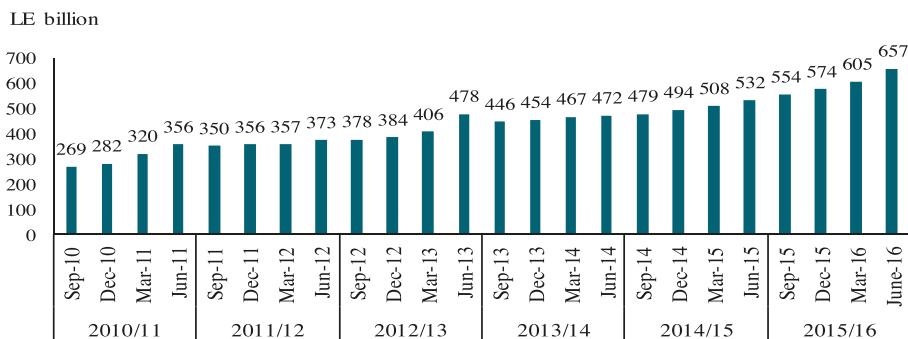


Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues.

\* Provisional for the year 2015/2016.

**Figure 10. Total Outstanding Balances of T-Bills**

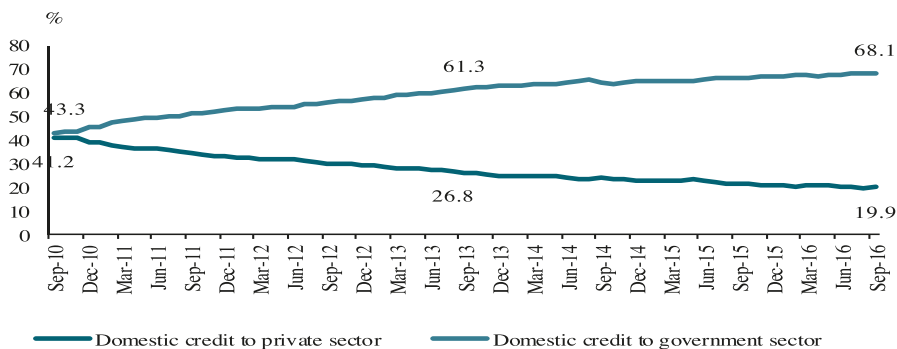
*Total outstanding balances of T-bills on an increasing trend, especially in the last two years*



Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues.

**Figure 11. Domestic Credit**

*Crowding out of the private sector since 2010*



Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues.

### C.3. Monetary Indicators

**Figure 12. Inflation**

*A significant hike in inflation since the floatation of the pound in early November 2016*

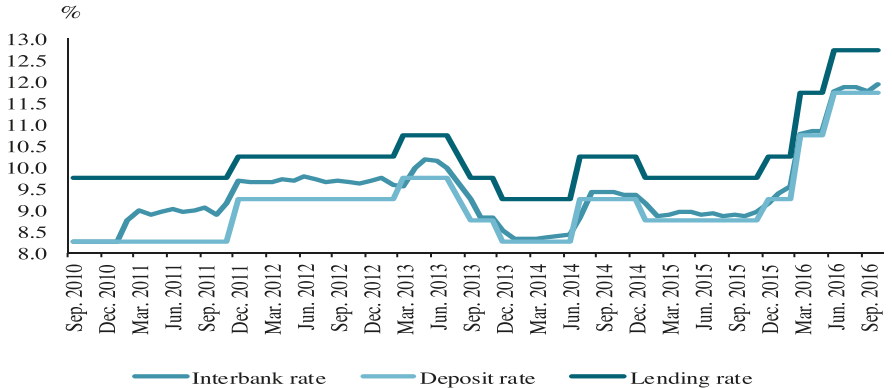


Source: Central Bank of Egypt, *Inflation Statistics*.

Note: Headline CPI (Y/Y percentage change).

**Figure 13. Policy Rates**

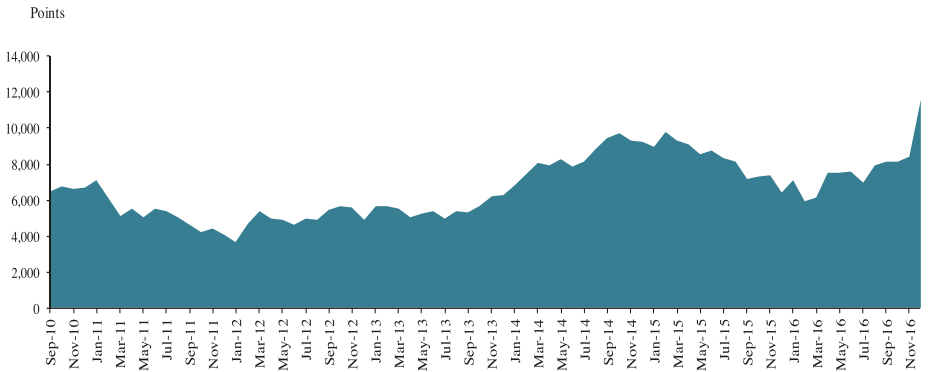
*Policy rates continued their upward trend in 2016 due to policy tightening*



Sources: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; and Ministry of Finance, *the Financial Monthly*, various issues.

**Figure 14. EGX 30 Index**

*Increasing values of EGX-30 following the floatation of the Egyptian pound*

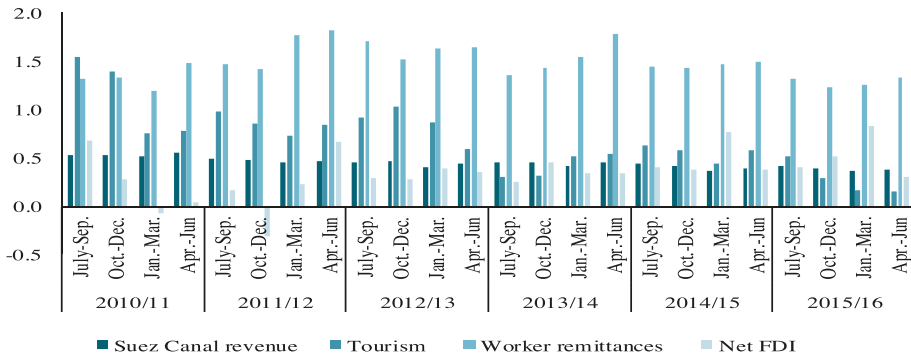


Source: The Egyptian Exchange website.

## C.4. External Sector

### Figure 15. Sources of Foreign Currency

*Despite its decreasing trend, workers' remittances remain the main source of foreign exchange*

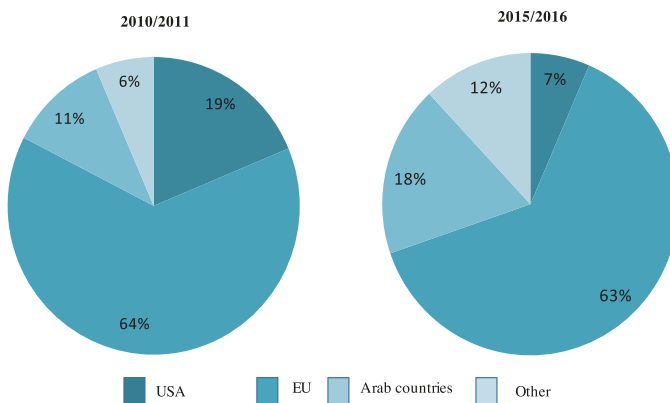


Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues.

Note: The exchange rate used to calculate GDP in US\$ for the FY 2015/2016 is LE 8.144 (fiscal year average, MOF)

### Figure 16. Geographic Distribution of Net FDI Inflows by Source

*The EU remains the main source of FDI inflows to Egypt. Arab countries' share has increased, while that of the USA has shrunk*

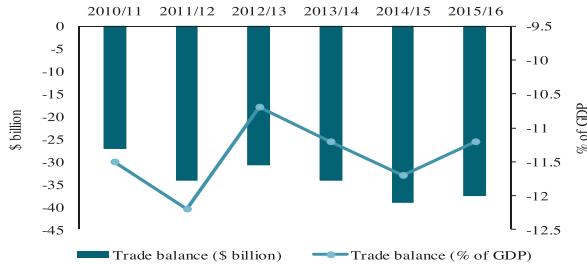


Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues.



### Figure 17. Trade Balance

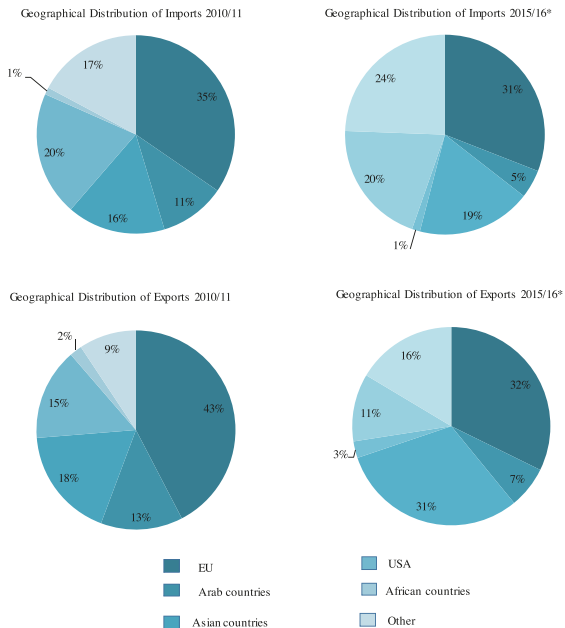
Trade deficit slightly shrinks in FY2015/16, partly due to the decline in world oil prices, which had a bearing on Egyptian exports and imports



Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, November 2016.

### Figure 18. Geographical Distribution of Exports and Imports

Egypt's main export destinations are the EU and the Arab countries.

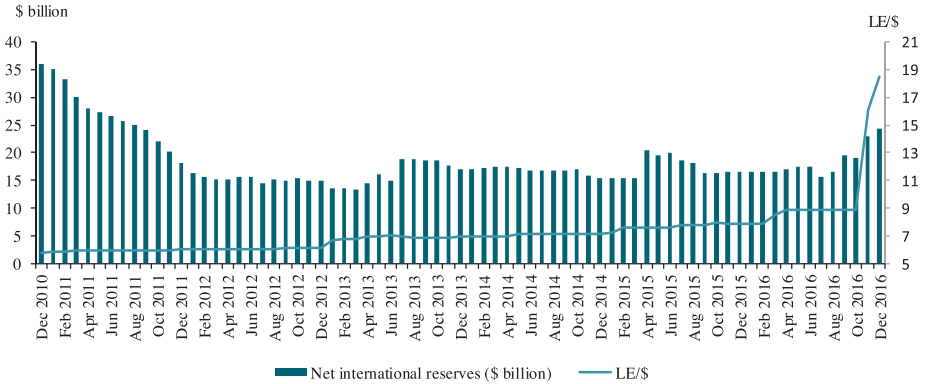


Source: Central Bank of Egypt, *Monthly Statistical Bulletin*, November 2016.

\* Provisional.

**Figure 19. Net International Reserves**

*Slight increase in net international reserves while the Egyptian pound weakens*



Sources: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; and Central Bank of Egypt’s website.

## D. Tables

**Table 1. Area and Population**

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Total area	Km <sup>2</sup>	1,009,450						
Inhabited area		78,990						
Population inside the country	Million	80.4	82.4	84.7	86.7	89	91.1	2.5
Growth in population	Percent	2.1	2.5	2.8	2.4	2.6	2.4	3.5
Density in total area*	Inhabitants/Km <sup>2</sup>	79.6	81.6	83.9	85.9	88.2	90.2	2.5
Density in inhabited area*	Inhabitants/Km <sup>2</sup>	1017.8	1043.2	1072.3	1097.6	1126.7	1153.3	2.5
Population abroad	Million	7.3	5.3	6	6.8	-	-	-0.3

Sources: CAPMAS, *Statistical Year Book*, September 2016; Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; the Ministry of Finance, *The Financial Monthly*, various issues.

\* Authors' calculations.

## D.1. Real Economy Indicators

Table 2. Macroeconomic Indicators

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Real GDP (GDP at factor cost at 2011/12 prices)	Million LE	1,657,824	1,695,096	1,751,300	1,802,400	1,863,200	1,905,200	2.8
Real GDP per capita (at 2011/12 prices)*	LE	20,620	20,572	20,677	20,789	20,935	20,913	0.3
Real GDP growth rate (at market prices)	Percent	1.8	2.2	2.2	2.9	4.4	4.3	20.7
GDP in US\$ (current market prices)**	Million \$	235,990	276,330	285,967	301,570	330,780	332,583	7.3
Trade balance		-27,103	-34,139	-30,695	-34,063	-39,060	-37,606	-7.6
Trade balance/GDP	Percent	-11.5	-12.2	-10.7	-11.2	-11.7	-11.2	0.3
Current account balance	Million \$	-6,088	-10,146	-6,390	-2,780	-12,143	-18,659	-72.7
Current account/GDP	Percent	-2.6	-3.6	-2.2	-0.9	-3.6	-5.6	-59.2
Net international reserves	Million \$	26,564	15,534	14,936	16,687	20,082	17,546	-5.2
Private final consumption/GDP (current prices)*		75.6	80.7	80.8	82.9	82.4	82.8	1.9
Annual real growth rate of private consumption*		5.5	6.5	3.3	4.4	3.1	4.6	4.2
Domestic savings rate		13	8	7.9	5.3	5.8	5.8	-12.6
Investment rate		17.1	16.2	14.3	13.8	14.3	15	-2.4
Distribution of investment by ownership								
<i>Public sector</i>		38.2	37.6	39.7	41.7	44.3	42.0	2.0
<i>Private sector</i>		61.8	62.4	60.3	58.3	55.7	58.0	-1.2
Inflation***								
<i>Consumer price index (CPI) (Headline urban)</i>		11.79	7.26	9.75	8.2	11.39	13.97	8.3
<i>Producer price index (PPI)</i>		19.4	-3.7	8.4	4.3	-2.25	5.68	71.9
Exchange rate****	LE/\$	5.94	6.033	6.99	7.14	7.61	8.88	8.6
Overall budget deficit	Million LE	134,460	166,705	239,719	255,439	279,430	339,495	21.0
Overall budget deficit/ GDP	Percent	9.8	10.1	13	12.2	11.5	12.3	5.4

Sources: The Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; Ministry of Finance, *The Financial Monthly*, various issues; Ministry of Planning, Monitoring and Administrative Reform.

\*Authors' calculations.

\*\* Exchange rate used to calculate GDP in US\$ for the FY 2015/2016 is LE 8.144 (Fiscal year average, MOF).

\*\*\* End of year.

\*\*\*\* June monthly average.

**Table 3. Sectoral Shares in GDP**

Sectors	Unit	2010/11	2015/16*	% Change over the period
Agriculture	Percent	14.5	11.9	-17.8
Mining		14.9	8.0	-46.1
Manufacturing		16.5	17.1	3.4
Electricity		1.3	1.7	35.1
Water and sanitation		0.4	0.6	70.0
Construction		4.6	5.4	18.6
Transportation and storage		4.1	4.7	15.6
Communications and information		3.1	2.3	-25.0
Suez canal		2.2	1.5	-31.1
Trade		11.5	14.0	21.9
Financial intermediaries		3.4	4.1	18.9
Insurance and social insurance		3.6	0.8	-77.8
Tourism		3.2	1.8	-43.2
Real estate services		2.6	10.5	302.6
Education		1.1	1.9	70.0
Health		1.3	2.3	85.5
Other services		1.6	0.9	-43.8
General government		10.2	10.3	1.3

Source: Computed based on data from the Ministry of Planning, Monitoring and Administrative Reform.

\* Preliminary.

**Table 4. Sectoral Shares in Investment**

Sectors	Unit	2010/11	2015/16*	% Change over the period
Agriculture	Percent	3.0	4.2	41.0
Mining		19.5	15.4	-21.0
Manufacturing		10.4	12.4	20.0
Electricity		7.4	4.3	-42.3
Water and sanitation		4.8	3.2	-34.0
Construction		2.5	3.0	18.4
Transportation and storage		11.1	11.2	0.6
Communications and information		8.7	6.0	-31.1
Suez canal		0.2	7.6	3554
Trade		4.5	3.9	-12.1
Financial intermediaries		0.4	0.01	-97.5
Insurance and social insurance		-	-	-
Tourism		2.5	1.5	-41.2
Real estate services		14.1	10.0	-29.4
Education		3.2	3.2	-0.3
Health		2.4	2.1	-13.6
Other services		5.3	5.4	0.3

Source: Computed based on data from the Ministry of Planning, Monitoring and Administrative Reform.

\* Preliminary.

**Table 5. Employment**

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Labor force	Thousand	26,342	26,891	27,207	27,575	27,788	28,531	1.49
Employed		23,234	23,496	23,589	23,917	24,270	24,971	1.54
Unemployed		3,108	3,395	3,618	3,658	3,518	3,560	1.26
Unemployment rate	Percentage of labor force	11.8	12.6	13.3	13.3	12.7	12.5	-0.18
Percentage of males in labor force		77.4	77.2	77.3	76.8	77.1	76.9	-0.08
Percentage of females in labor force		22.6	22.8	22.7	23.2	22.9	23.1	0.29
Refined participation rate								
Male	Percentage of labor force aged 15-64 to same age population*	77.2	76.6	75.9	74.5	74.4	75.4	-0.37
Female		23.2	23.4	22.9	23.3	22.8	23.2	-0.15

Source: CAPMAS, *Egypt Labor Force Survey*, various issues.

\* Total population inside Egypt only, and calculated from population of same age group based on the Central Bank of Egypt, *Monthly Statistical Bulletin*, November 2016.

**Table 6. Prices and Wages**

Indicator*		Units	2011	2012	2013	2014	2015	2016
Consumer price index <sup>1</sup>		Percentage points	120.1	125.7	140.4	154.6	171.7	211.7
Producer price index <sup>2</sup>			191	190.3	207.7	201	201.3	225.5**
Manufacturing producer price index <sup>2</sup>			167.2	169.8	181.4	198.6	202.9	223.2**
Mean earnings per worker/week***								
Nominal	Public sector	LE	657	845	964	1026	1064	-
	Private sector		397	395	439	506	594	-
Real****	Public sector		547	672	687	664	620	-
	Private sector		331	314	313	327	346	-

Sources: CAPMAS, *Monthly Bulletin of CPI and PPI*, various issues; CAPMAS, *Annual Bulletin of statistics of employment, wages and working hours*, various Issues.

<sup>1</sup> Only Urban, Base year: 2010=100.

<sup>2</sup> Base year: 2004/2005=100.

\* End of calendar year.

\*\* September 2016.

\*\*\* As of July.

\*\*\*\* Adjusted by the CPI (2010=100, Urban).

## D.2. Fiscal Indicators

**Table 7. Fiscal Indicators**

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15*	2015/16*	Average annual % change
Total revenues	Billion LE	265.3	303.6	350.3	456.8	465.2	491.5	13.5
Tax revenues		192.1	207.4	251.1	260.3	306.0	352.3	13.1
Grants		2.3	10.1	5.2	95.9	25.4	3.5	375.0
Other revenues		70.9	86.1	94	100.6	133.8	135.6	14.4
<i>Property income</i>		41.2	56	56.5	57	81.5	69.5	13.2
<i>Sales of goods and services</i>		17.4	17.8	22.7	28.5	26.5	29.1	11.6
<i>Others**</i>		12.3	12.3	14.8	15.2	25.9	37.1	27.3
Total expenditures		401.9	471.0	588.2	701.5	733.4	817.8	15.5
<i>Wages and salaries</i>		96.3	122.8	143.0	178.6	198.5	213.7	17.5
<i>Purchases of goods and services</i>		26.1	26.8	26.7	27.2	31.3	35.7	6.7
<i>Interest payments</i>		85.1	104.4	147.0	173.2	193	243.6	23.8
<i>Subsidies, grants and social benefits</i>		123.1	150.2	197.1	228.6	198.6	201	11.5
<i>Other expenditures</i>		31.4	30.8	35.0	41.1	50.3	54.6	12.0
<i>Purchases of non-financial assets</i>		39.9	35.9	39.5	52.9	61.8	69.3	12.6
Primary deficit***		49.4	62.3	92.7	82.3	86.4	95.9	15.9
Net acquisition of financial assets		-2.1	-0.7	1.9	10.7	11.3	13.1	188.8
Overall budget deficit	134.5	166.7	239.7	255.4	279.4	339.5	21.0	
Primary deficit/GDP	Percent	3.6	3.8	5	3.9	3.6	3.5	0.9
Overall budget deficit/GDP		9.8	10.1	13	12.2	11.5	12.3	5.4
Total domestic public debt/GDP		76.2	73.9	82.1	85.3	86.6	96.7	5.0
Total external debt/GDP		15.2	12.4	16.3	15.4	14.8	18.1	5.2

Sources: The Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; Ministry of Finance, *the Financial Monthly*, various issues.

\* Pre-Actual.

\*\* *Others* is updated to include fines, penalties and forfeits, voluntary transfers and miscellaneous revenues.

\*\*\* Primary deficit = Overall deficit - Interest payments.



### D.3. Monetary Indicators

**Table 8. Money & Banking Sector**

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Total deposits (non-government)	Million LE	848,116	908,070	1,063,832	1,254,882	1,488,006	1,761,009	15.8
Lending and discount balances excluding government		474,139	506,736	549,120	587,852	717,999	942,727	15.1
Domestic liquidity (M2)		1,009,411	1,094,408	1,296,086	1,516,601	1,765,492	2,094,500	15.8
Money supply		248,707	274,510	344,100	410,554	499,065	572,935	18.3
Net foreign assets		253,500	157,624	123,198	119,162	51,487	-87,389	-77.9
Net domestic assets		755,911	936,784	1,172,888	1,397,439	1,714,005	2,181,889	23.6
Total domestic credit		892,766	1,072,566	1,343,140	1,625,141	1,978,211	2,460,115	22.5
Dollarization rate	Percent	17.5	17	17.3	15.6	14.9	15.5	-2.3
Annual average deposit interest rate (three-month deposits in LE) (1)		6.52	7.26	7.77	7.19	6.99	7	1.7
Annual average interest rate on loans (one year or less in LE) (2)		10.84	11.63	12.2	11.92	11.71	12.12	2.3
Interest rate spread (2-1)		4.32	4.37	4.43	4.73	4.72	5.12	3.5

Sources: Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; Ministry of Finance, *the Financial Monthly*, various issues.

**Table 9. Stock Market**

Indicator	Units	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
EGX-30 index	Points	5,373	4,709	4,752	8,162	8,372	6,943	9.2
Accumulated number of privatized companies	Number	282*						
Privatization proceeds (accumulated)	Million LE	53,644*						
Number of listed companies in the primary market		211	212	210	213	221	222	1.0
Price/earnings ratio for the 50 most active listed companies	Percent	13	10.9	11	15.4	22.3	11.3	4.1
Number of listed shares in the primary market		32,364	40,019	40,147	43,800	53,304	61,773	14.1
Total value of traded securities during June	Million LE	20,502	11,408	10,859	41,657	12,631	13,863	34.9
Market capitalization of listed companies		399,756	339,768	321,679	477,641	485,175	382,541	1.7
Turnover	Percent	3.7	1.5	1.5	3.8	1.7	2.3	14.8

Sources: The Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; Ministry of Finance, *The Financial Monthly*, various issues.

\* Last change in privatized companies' number and privatization proceeds occurred in 2008/2009.

## D.4. External Sector

**Table 10. Foreign Direct Investment**

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Foreign direct investment (FDI) inflows	Million \$	9,574	11,768	10,274	10,856	12,546	12,434	6.1
FDI outflows		7,386	7,786	6,520	6,678	6,166	5,596	-5.1
Net FDI		2,189	3,982	3,753	4,178	6,380	6,838	29.5
Distribution of FDI by activity								
Non-oil net FDI		2,353	3,886	2,788	2,459	-	-	-
<i>Greenfield investments</i>		2,200	2,100	2,400	2,200	3,800	4,500	18.5
<i>Privatizations</i>		19.2	1,700	312.5	125	-	-	-
<i>Real estate</i>		134	86.2	75.9	133.7	766.2	-	-
Oil and gas net FDI		-200	130	1,000	1,600	1,700	1,600	178.9
FDI inflows by region								
<i>USA</i>		1,791	578	2,183	2,230	2,116	807	29.0
<i>EU</i>		6,115	9,510	5,625	6,610	6,523	7,864	10.3
<i>Arab countries</i>		1,053	1,186	1,456	1,290	2,668	2,277	23.2
<i>Other</i>		617	494	1,010	725	1,240	1,488	29.4

Source: The Central Bank of Egypt, *Monthly Statistical Bulletin*, various issues; *Balance of Payments Performance Press Release*, 2015/2016.

**Table 11. Foreign Trade**

Indicator	2011	Share	2012	Share	2013	Share	2014	Share	2015	Share
	Million \$	(%)	Million \$	(%)	Million \$	(%)	Million \$	(%)	Million \$	(%)
<b>Exports of goods</b>	<b>31,574</b>		<b>29,339</b>		<b>28,735</b>		<b>26,771</b>		<b>21,354</b>	
Crude oil and products	9,237	29	8,850	30	7,548	26	6,261	23	3,944	18
Agricultural products (excluding cotton)	2,751	9	2,494	9	2,796	10	2,907	11	2,926	14
Food industries	1,330	4	1,220	4	1,412	5	1443	5	1,322	6
Metal and products	3,161	10	2,501	9	2,591	9	1,949	7	1,446	7
Chemicals and medicine	4,838	15	4794	16	5,059	18	4,770	18	3,395	16
Leather and product	159	0.5	121	0.4	176	1	198	1	156	1
Furniture and product	289	0.9	330	1	377	1	365	1	369	2
Cotton, textile and clothes	3,437	11	2,908	10	3,098	11	3,014	11	2,758	13
Electronic and engineering products	1,599	5	1,589	5	1,637	6	2,387	9	2040	10
Books and paper	494	2	477	2	408	1	322	1	258	1
Others	4,279	14	4,055	14	3,633	13	3,155	12	2,740	13
<b>Imports of goods</b>	<b>62,251</b>		<b>69,846</b>		<b>66,259</b>		<b>70,879</b>		<b>74,370</b>	
Crude oil and products	9,281	15	13,034	19	9,281	14	9,824	14	11,864	16
Agriculture products excluding cotton	7,956	13	8,311	12	7,521	11	7,994	11	7,207	10
Food industries	2,797	4.5	3,084	4	2,709	4	2,894	4	3,143	4
Metal and products	8,052	13	8,886	13	8,313	13	8,525	12	8,117	11
Chemicals and medicine	8,059	13	8,933	13	9,347	14	9,511	13	10,017	13
Leather and products	60	0.1	59	0.1	60	0.1	68	0	96	0
Furniture and products	228	0.4	247	0.4	287	0.4	313	0	472	1
Cotton, textile and clothes	2,942	5	2,910	4	3,213	5	3,620	5	4,221	6
Electronic and engineering products	13,197	21	13,947	20	14,610	22	16,706	24	19,021	26
Books and paper	1,259	2	1,347	2	1,398	2	1,281	2	1,354	2
Others	8,420	14	9,088	13	9,520	14	10,143	14	8,859	12

Source: Ministry of Trade and Industry.

## D.5. Specific Productive/ Services Sectors

**Table 12. Manufacturing**

Sector	Unit	2012	2013	2014	2015	2016*
<b>Manufacturing production index**</b>		<b>114.4</b>	<b>118.12</b>	<b>115.65</b>	<b>121.04</b>	<b>108.6</b>
Other mining and quarrying		57.38	58.88	74.15	68.85	82.1
Food products		126.85	142.48	134.39	126.04	100.19
Beverages		131.44	91.55	115.51	120.29	98.41
Tobacco		112.36	107.06	129.79	87.47	60.54
Textiles		94.51	104.62	99.87	94.77	100.18
Wearing apparel		130.88	143.21	135.09	157.42	142.85
Leather and related products		62.01	43.23	45.24	53.08	67.74
Wood and products of wood and cork except furniture		79.04	68.59	63.54	73.84	60.59
Paper products		113.09	134.66	132.98	116.17	97.51
Printing and publishing		136.44	132.22	171.45	131.32	169.44
Coke		22.76	53.27	24.81	20.32	15.89
Chemicals		107.49	101.79	107.83	117.05	113.85
Basic pharmaceutical products and pharmaceutical preparations		142.2	146.28	152.95	194.66	115.56
Rubber and plastic products		55.71	46.86	48.9	58.42	89.21
Other non-metallic mineral products		142.95	137.91	121.66	137.03	77.6
Basic metals		89.7	96.49	81.2	79.8	72.39
Fabricated metals		97.53	92.98	100.74	112.18	50.09
Computer, electronic and optical products		44.58	60.22	71.17	81.49	99.9
Electrical equipment		113.86	122.53	93.74	80.02	84.46
Manufacture of machinery and equipment		130.47	89.7	163.45	144.38	201.3
Motor vehicles, trailers and semi-trailers		203.15	253.85	312.33	256.3	237.2
Other transport		34.46	24.93	23.36	926.08	2003.22
Furniture		51.92	51.21	49.26	57.61	167.41
Other manufacturing		60.18	77.25	65.78	109.82	99.21

Source: CAPMAS, *Monthly Production Index*, several issues, calendar year (December).

\* June

\*\* Base year = 2006/07.

**Table 13. Transport**

Indicator	Unit	2010	2011	2012	2013	2014	2015	Average annual % change
<b>Road transport</b>								
Total Vehicles	Units	5,714,385	6,321,336	6,552,255	6,985,377	7,784,560	8,548,748	8.4
Lorry		866,301	906,729	942,821	985,518	1,045,509	1,135,852	5.6
Private car		2,820,242	3,095,174	3,231,513	3,470,426	3,737,984	4,057,558	7.6
Taxi		249,087	361,279	307,166	318,727	322,095	324,445	7.1
<b>Rail transport</b>								
No. of passengers	Million	245	220	234.5	185	-	-	-8.2
Revenues of passenger transport	Million LE	894.8	887.2	1001.2	610.6	-	-	-9.0
Cargo	Million tons	2,147	1,719.70	1,278.90	1,081.20	-	-	-20.3
Revenues of cargo transport	Million LE	310	202	152.4	144.8	-	-	-21.5
<b>Air transport (passengers movement)</b>								
International airports	Thousand passengers	36,393	29,439	32,919	28,646	30,874	31,680	-2.0
Domestic airports		1,130	851	803	709	752	846	-4.7
<b>Maritime transport</b>								
Ships in fleet	Units	171	153	146	152	151	-	-2.9
Cargo	Thousand tons	1,474	1,672	1,531	1,526	1,519	-	1.1
<b>Suez canal (fiscal year)</b>								
Ships passing in Suez Canal	Units	18,050	17,664	16,664	16,744	17,544	17,252	-0.8
Cargo	Million tons	897	939	912	931	992	987	2.0
Revenue	Million \$	5,053	5,208	5,032	5,369	5,362	5,122	0.4

Sources: CAPMAS, *Annual Statistical Yearbook*, September 2016; IDSC, *Economic and Social Indicators Bulletin*, various issues; Ministry of Finance, *the Financial Monthly*, November 2016.

**Table 14. Tourism**

Indicator	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Tourist arrivals	Thousand persons	11,931	10,952	12,213	7,967	10,242	7,094	-6.7
Number of tourist nights	Thousand nights	124,571	131,768	142,432	72,919	99,256	53,504	-9.0
Tourism revenues	Billion \$	10.589	9.419	9.748	5.073	7.37	3.768	-11.8
Average stay per tourist	Nights	10.4	12	11.7	9.2	9.7	7.6	-4.9
Number of hotel establishments*	Number	1,321	1,223	1193	-	-	-	-4.9
Total number of rooms*		139,776	130,296	138,543	-	-	-	-0.2
Tourist average spending	Dollar per night	85	71	68	70	74	70	-3.5

Sources: Ministry of Finance, *the Financial Monthly*, November 2016; CAPMAS, *Annual Statistical Yearbook*, September 2016.

\* Calendar year.

**Table 15. Communications and Telecommunications**

Indicator*	Unit	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Average annual % change
Fixed lines penetration	Percent	11.72	10.72	8.49	8	7.78	7.16	-9.2
Mobile penetration		95.07	112.75	115.8	117.71	109.6	108.94	3.1
Internet penetration**		25.6	26.4	29.4	31.7	37.8	-	10.4
Number of ICT companies	Number	4168	4795	5428	5936	6659	7505	12.5
Number of post offices		3779	3794	3826	3865	3911	3927	0.8

Sources: Ministry of Communications and Information Technology, *ICT Indicators Monthly Bulletin*, various issues; *ICT Indicators Annual Report*, 2011-2015.

\*As of June.

\*\*Calendar year.

## **Section 2. Benchmarking Egypt's Performance against other Selected Countries**

## Egypt and Other Selected Countries in 2015

	Unit	Egypt	Tunisia	Morocco	Jordan	Turkey	South Africa	Philippines	Indonesia	Malaysia	India	Brazil
GDP	Billion US\$	330.8	43	100.6	37.5	717.9	314.6	292.5	861.9	296.3	2095.4	1774.7
GDP per capita (current prices)	US\$	3614.7	3872.5	2878.2	4940	9125.7	5724	2904.2	3346.5	9768.3	1598.3	8538.6
GDP growth		4.2	1	4.5	2.4	4	1.3	5.9	4.8	5	7.6	-3.8
Gross fixed capital formation		13.7	19.7	28.7	22.9	20.4	20.6	21.4	33.2	26.2	29.3	18.2
Labor participation rate*		52.9	51.3	52.7	43.9	53.5	56.6	67.1	69.9	62.7	56.5	75
Unemployment*		13.2	13.3	10.2	11.1	9.2	25.1	7.1	6.2	2	3.6	6.8
Trade**		34.9	92.6	76.4	98.1	58.8	62.5	63	41.9	134.2	42.4	27.4
Exports of computer, communications and other services/ service exports	Percent	10.5	23.7	35	8.1	7.1	19.6	73.6	32.7	35.4	72.6	62
External balance of goods and services/ GDP		-8.4	-11	-7.8	-22.9	-2.9	-1	-6.7	0.2	7.7	-2.5	-1.3
High-technology exports/ manufacturing exports		0.8	6.3	3.5	1.8	2.2	5.9	53.1	7.0*	42.8	7.5	12.3

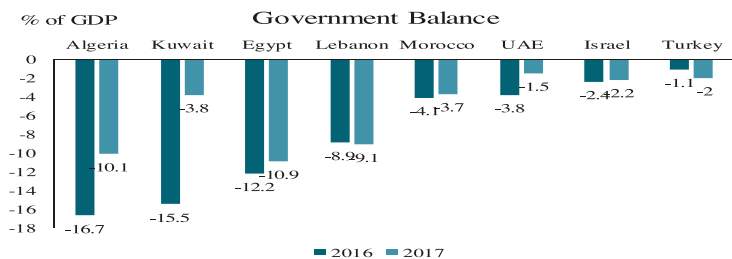
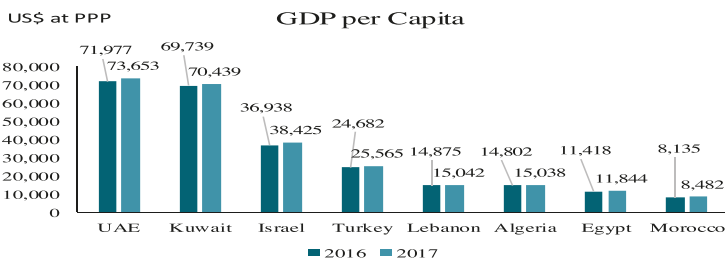
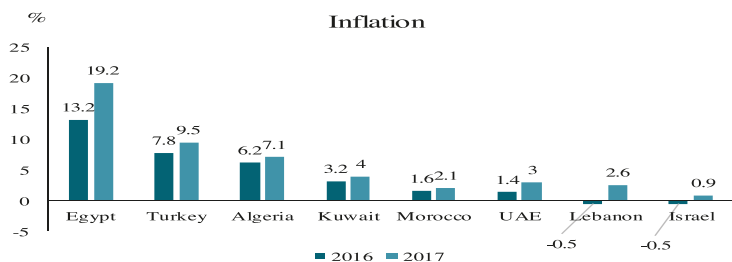
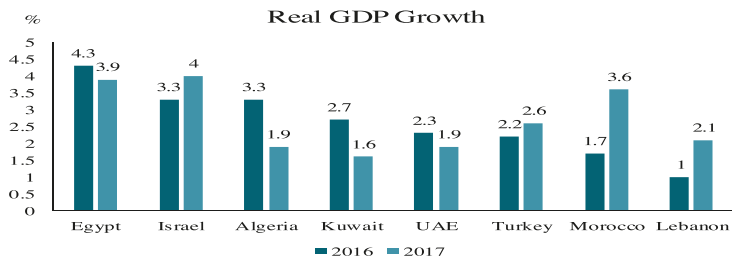
Source: World Bank Indicators.

\* Figures for 2014.

\*\* Trade is defined, according to the World Bank, as the sum of exports and imports of goods and services measured as a share of gross domestic product.



## Projections for Selected Countries



Source: Economist Intelligence Unit, *Country Reports*, January 2017.

Note: Figures for 2016 and 2017 represent estimates and forecasts, respectively.

### **Section 3. Government Achievements in 2015/2016 and Plan for FY2016/17**

The financing gap remains one of the challenges facing the Egyptian economy in FY2016/2017. The new-targeted domestic saving rate for FY2016/17 is unrealistic, especially in the face of rising inflation. The 2016/2017 plan lacks quantitative targets for public debt and inflation. The public sector's higher share in overall targeted investments in FY2016/17 compared to FY2015/16 indicates lower reliance on the private sector to drive growth. Spending on education and health is still lower than what was set in the constitution.

Targeted vs Achieved Economic and Social Indicators in the Government's Plan					
Indicator	Unit	Targeted for FY2015/16 (1)	Achieved in FY2015/16 (2)	Difference from Targeted = (2)-(1)	Targeted for FY2016/17
Nominal GDP (at market prices)	Billion LE	2833.4	2708.3	-125.1	3244.8
Real GDP (at factor cost, 2011/2012 prices)		1906.8	1905.2	-1.6	1959.2
Real GDP growth rate (at market prices)	Percent	5.0	4.3	-0.7	5.2
Private final consumption / GDP (at current prices)		81.5	82.8	1.3	79.2
Real annual growth rate of private consumption		3.3	4.6	1.3	3.0
Domestic savings rate		7.0	5.8	-1.2	9.6
Investment rate		14.7	15.0	0.3	17.6
Distribution of investments by ownership					
<i>Public sector</i>		43.1	42.0	-1.1	49.0
<i>Private sector</i>		56.9	58.0	1.1	51.0
Overall budget deficit	Billion LE	251.1	339.5	88.4	319.5
Overall budget deficit / GDP	Percent	8.9	12.3	3.4	9.8
Government spending on education (% of GDP)		3.5	3.6	0.1	3.2
Government spending on health (% of GDP)		1.4	1.6	0.2	1.5

Sources: Ministry of Planning, Monitoring and Administrative Reform, *Economic and Social Development Plan for FY2015/16, and FY2016/17. Follow-up Report for FY2015/16.*

Despite the high level of government spending compared to target in FY2015/16, the health and education sectors fell short of achieving the targeted growth rates. The targeted rate in FY2016/17 also declined compared to that achieved in the previous year. Worth mentioning, sectors associated with the outside world (such as tourism, Suez Canal, and mining) could not achieve the targeted growth rates in FY2015/16, and hence forecasts for these sectors were revised downward in the new fiscal year. Low growth rates in the mentioned sectors were compensated by supporting electricity, construction, communications and general government sectors.

Targeted versus Real Achieved GDP Growth at the Sectoral Level				
Sector	Real targeted sectoral growth for FY2015/16 (%) (1)	Real achieved sectoral growth in FY2015/16 (%) (2)	Difference from targeted= (2)-(1)	Real targeted sectoral growth for FY2016/17 (%)
<b>Commodity sector</b>				
Agriculture	3.0	3.1	0.10	3.0
Mining	0.9	-5.3	-6.25	-0.5
Manufacturing	3.7	0.5	-3.25	3.5
Electricity	3.1	7.1	4.00	4.3
Water and Sanitation	3.8	3.9	0.10	
Construction	8.1	10.8	2.74	9.3
<b>Production services sector</b>				
Transport and storage	6.0	5.4	-0.60	4.4
Communications	6.5	8.4	1.90	7.5
Information	4.2	4.0		
Suez Canal	9.0	1.3	-7.71	3.2
Retail and wholesale trade	5.5	5.2	-0.28	3.7
Financial intermediation	5.5	4.0	-1.50	3.6
Insurance and social insurance	5.0	3.7	-1.30	
Tourism	15.0	-28.7	-43.70	3.2
<b>Social services sector</b>				
Real estate services	6.3	4.6	-1.71	3.4
General government	3.0	6.6	3.56	4.8
Education, health and other services	5.2	4.0	-1.23	3.4

Sources: Ministry of Planning, Monitoring and Administrative Reform, *Economic and Social Development Plan* for FY2015/16, and FY2016/17. *Follow-up Report* for FY2015/16.

The distribution of investments for FY2016/17 indicates an imbalance against exporting production sectors such as agriculture and manufacturing, which reduces the chances of export promotion and import substitution, and therefore the general level of prices of key commodities will not be reduced. The increasing share of construction and real estate activities reflects investment in major national projects such as the new administrative capital rather than supporting infrastructure activities at the governorate level.

### The Sectoral Composition of Targeted and Achieved Overall Investments

Sector	Targeted Overall Investments (%) for FY2015/16 (1)	Implemented Overall Investments(%) in FY2015/16 (2)	Difference from targeted=(2)-(1)	Targeted Overall Investments (%) for FY2016/17
Extractive industries	15.1	15.4	0.3	11.2
Manufacturing	12.6	12.4	-0.2	9.7
Electricity, water, and sanitation	9.7	7.4	-2.3	13.8
Transport and storage (including Suez Canal)	20.2	18.7	-1.5	12.6
Communications and information	6.3	6.0	-0.3	4.9
Social services	12.7	10.6	-2.1	14.5
Retail and wholesale trade	3.7	3.9	0.2	3.1
Agriculture	4.1	4.2	0.1	5.3
Tourism	2	1.5	-0.5	1.9
Construction and real estate	13.2	12.9	-0.3	22.5

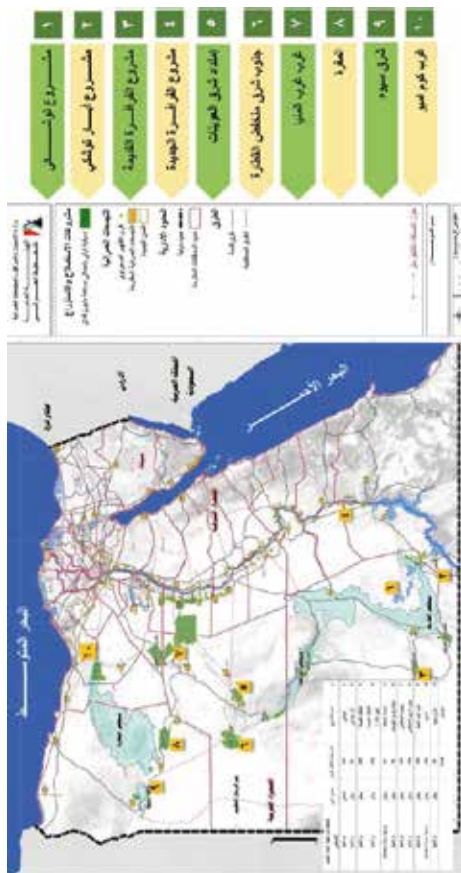
Sources: Ministry of Planning, Monitoring and Administrative Reform, *Economic and Social Development Plan* for FY2015/16, and FY2016/17. *Follow-up Report* for FY2015/16.

## **Egypt's Future Developmental Maps – Plan and Progress**

## Medium-Term National Projects (FY2015/16-FY2018/19)

### Land Reclamation and Agricultural Projects

With respect to “the 1.5 Million Feddan Project,” the government has established the “New Countryside Development Company” (REEF) as an institutional framework for the project; conducted a study of soil arability and groundwater availability; identified the phases of the project, which include an immediate stage (10 thousand feddans) in Old Farafra, which is part of the first phase that includes 500 thousand feddans distributed over nine districts nationwide; started the harvest season for the immediate stage feddans in Sahl Baraka on May 5, 2016.



## Maximizing Benefit from Egypt's Geographic Location

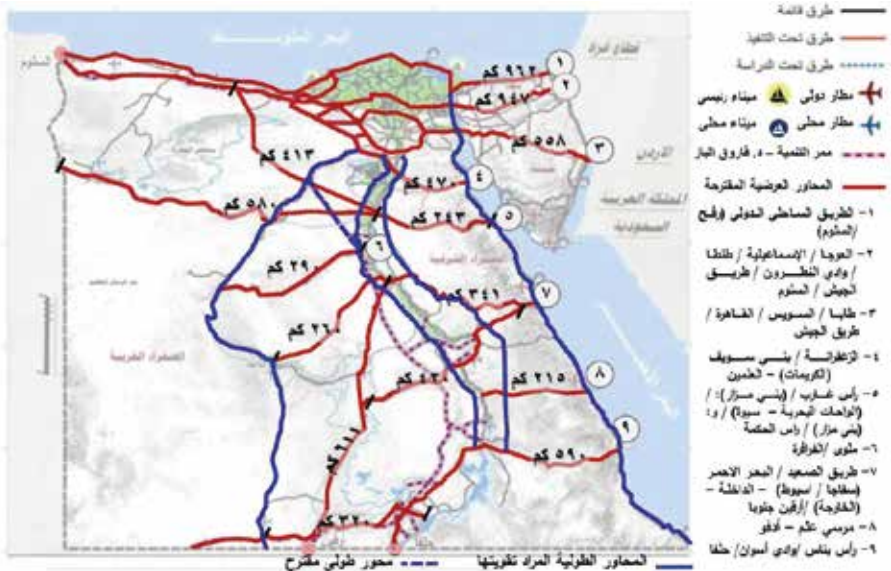
Work is underway to implement the **Egypt-Africa Highway**, which is one of the most important roads in Egypt, representing an arterial road in the existing road network. The establishment/development of 15 roads with a total length 1016 km was completed, and the establishment/development of 49 roads with a total length of 3360 km is underway, with implementation progress at 60 percent to date.





## Planned Road Network

<b>Roads</b>	Eight roads of the national project were opened: Wadi Natrun - El Alamein (135 km); The Central Ring Road (22 km); AlShat - Oyoum Mosa (35 km); Safaga - Sohag (180 km); Safaga - Qena (120 km); Cairo - Suez (70 km); Sheikh Fadl - Ras Gharib link road (55 km).
<b>Railways</b>	Implementation of a comprehensive plan to develop the railway system. Also, 266 kilometers of the Cairo - Aswan line were renovated at a cost of LE 984 million, and about 700 kilometers of the network are targeted for renovation at a total cost of LE 3 billion until 30 June 2018.
<b>Subway</b>	The subway system is currently being developed, and is planned to accommodate 9 million passengers per day.
<b>Sea Ports</b>	The development of Safaga Port was completed, and the development of Ain Sokhna port is underway.
<b>Airports</b>	The Engineering Authority of the Armed Forces was commissioned to establish and develop six airports for dual civilian/military use. Implementation progress is currently at 50 percent.



# Establishing an Economic and Logistical Center in the South

## The Golden Triangle Area for Mineral Wealth (Qena – Safage – Al-Qusair)

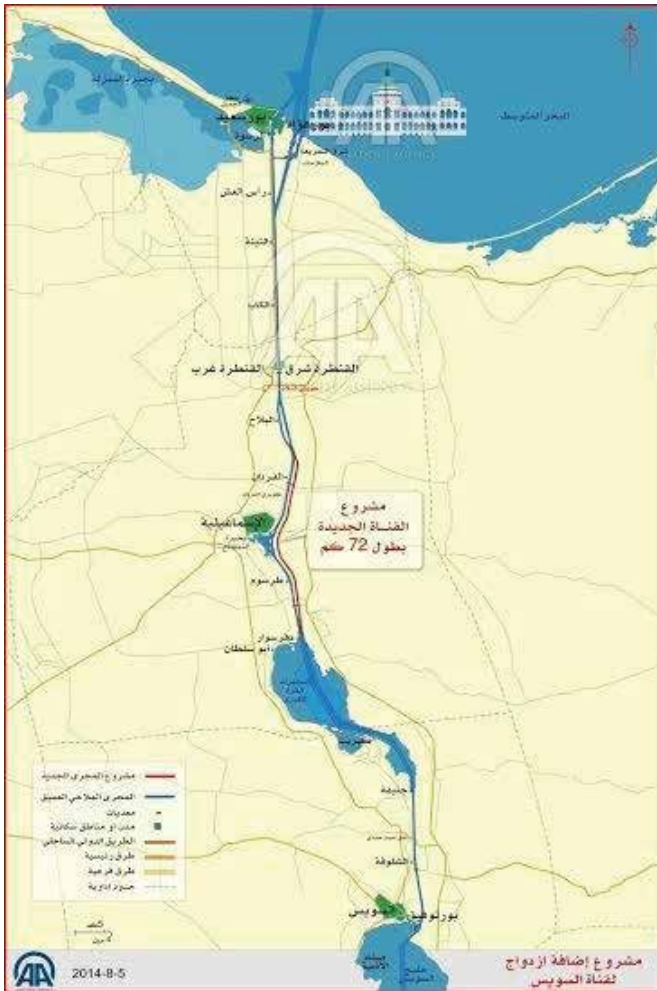
The Ministry of Trade and Industry has taken a series of steps since the end of 2016 to implement this project. The main aim is to exploit the available minerals in this region, especially gold, zinc and titanium through establishing a new economic zone that will act as an international hub for industry, economics, trade, logistics and tourism. The aim is to achieve sustainable development in Upper Egypt. The project is to be implemented.

### Schematic



# Suez Canal Area Development Project

In the Suez Canal expansion project, the main waterway was deepened and a 35-km parallel channel was drilled. The objective for 2016/17 is to make an economic and developmental boom in the Suez Canal area by developing facilities and building new docks at the Sokhna and Port Said ports.





المركز المصري للدراسات الاقتصادية

*The Egyptian Center for Economic Studies*

Nile City Towers - North Tower  
8th Floor - Corniche El Nil,  
Cairo 11221 - Egypt  
Tel.: (20-2) 2461 9037-44  
Fax: (20-2) 2461 9045  
Email: [ecses@ecses.org.eg](mailto:ecses@ecses.org.eg)  
Website: [www.ecses.org.eg](http://www.ecses.org.eg)  
Facebook: [ecses.org.eg](http://ecses.org.eg)