DECODING THE EGYPTIAN ECONOMY

Monthly Analytical Report

March 2025

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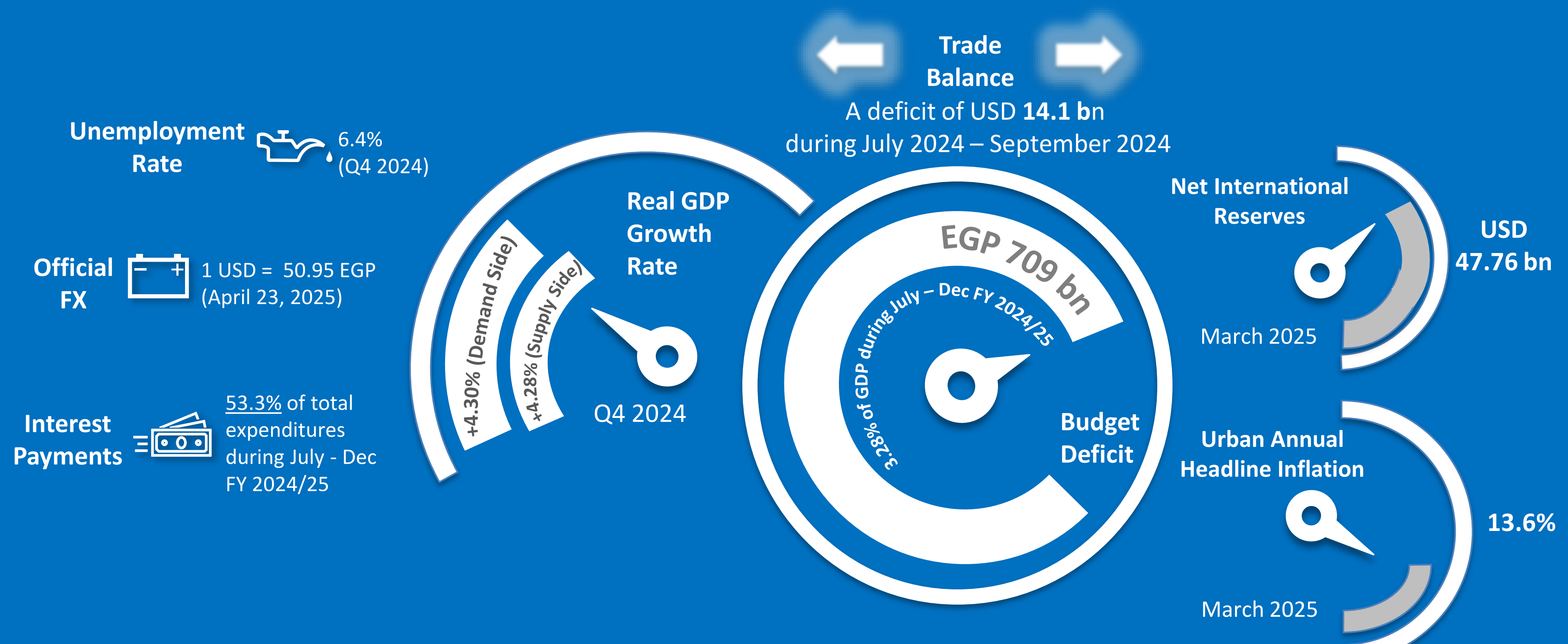
EGYPT’S ECONOMY DASHBOARD



Sources: Central Bank of Egypt (CBE), CAPMAS, Ministry of Finance (MoF), Ministry of Planning , Economic Development , and International Cooperation (MPEDIC), and Dcode EFC

FOCUS

Dcode EFC's "Focus" section is dedicated to identifying the most important areas of focus that businesses should be in look out for during next month of each issue

MPC Meeting

The upcoming Monetary Policy Committee meeting on 22 May 2025 follows the CBE's first interest rate cut in nearly four years, delivered in April amid a sharp slowdown in inflation. With headline inflation halved and real interest rates exceeding 12%, monetary conditions remain highly restrictive. The combination of easing price pressures and elevated real rates strengthens the case for a continued easing cycle, as the CBE seeks to support domestic demand and ease financial conditions after years of tight policy.

Fed Meeting

The Federal Reserve's next Federal Open Market Committee (FOMC) meeting is scheduled for May 6–7, 2025. In its March 2025 meeting, the Fed decided to maintain the target range for the federal funds rate at 4.25% to 4.50%, extending the pause in the interest-rate-cutting cycle that began in September 2024. Market expectations continue to reflect a cautious sentiment, with investors broadly anticipating that the Fed will keep rates steady during the upcoming May meeting. The consensus remains that any future rate cuts will be gradual and heavily dependent on incoming economic data, consistent with the Fed's measured and data-driven approach to monetary easing, particularly during a time of elevated uncertainty.

New Labour Law

Egypt's House of Representatives has passed a new Labour Law introducing major reforms aimed at modernizing employment practices and aligning with international standards. The law regulates working hours and overtime, formalizes flexible work arrangements, strengthens protections against arbitrary dismissal, and expands leave entitlements—including extended maternity leave and annual leave for long-serving and disabled employees. It also standardizes contract requirements and sets clear guidelines for severance and retirement. The law will come into effect 90 days after publication in the Official Gazette, giving employers a limited window to update contracts, HR policies, and compliance procedures accordingly.

New Licensing Platform

Egypt will launch its long-awaited unified online licensing platform next month, allowing investors to apply for 389 licenses and services in one place, according to Investment Minister Hassan El Khatib. The platform aims to eliminate the need for time-consuming visits to multiple government offices—long seen as a key obstacle to investment. The new system will offer transparent fee structures, faster processing via GAFI, and limited in-person requirements, making it especially valuable for investors outside Cairo or abroad. The move marks a major step toward simplifying and modernizing Egypt's investment climate.

Trump starts a global trade war and calls it America's "Liberation Day": On April 2, Trump announced a blanket tariff of 10%, reaching up to 49% on countries seen as exploiting the U.S. economy, including major trade partners like Vietnam, China, and India. The move sparked a global wave of uncertainty, shaking markets and wiping out over $10 trillion in stock market value. U.S. long-term treasury yields also came under pressure, adding to the growing concerns. Faced with the escalating fallout, Trump later announced a 90-day pause on applying tariffs to all countries except China. Tensions between the U.S. and China kept rising, with mutual tariffs soaring past 120%. Recently, Trump stated that an agreement with China is in the works and that the U.S. will be "nice" with Beijing. Still, the episode pushed global economic uncertainty to elevated levels, hitting emerging markets' currencies and capital markets hard before partial recoveries started kicking in after the pause was announced. Only a handful of markets have fully bounced back so far. The tariffs also triggered a fresh round of supply chain disruptions, with many companies scrambling to reassess sourcing strategies amid the uncertainty. Global trade volumes, which had been stabilizing earlier in the year, started to show signs of softening again. Investors have remained cautious, closely monitoring negotiations between Washington and Beijing, as any further escalation could deliver another blow to already fragile global growth prospects.

Non-oil sector's PMI slips for 1st time in 2025, falling back into contraction territory: Egypt's non-oil private sector slipped back into contraction in March, ending a short-lived recovery seen earlier this year. The S&P Global Egypt PMI fell to 49.2 from 50.1 in February, dragged down by weak demand that pushed firms to scale back output and purchasing. According to S&P Global, softening demand — partly tied to global uncertainty around U.S. trade policies — weighed heavily on business confidence, which hit one of the lowest points on record. While construction remained a bright spot with solid growth, sectors like manufacturing and retail continued to struggle, facing softer demand both locally and abroad.

Brent crude dips below $60 per barrel for first time in 4 years: Brent crude briefly fell below $60 a barrel for the first time since 2021, pressured by fears of a global slowdown and softer energy demand. Although prices rebounded to around $64 shortly after, they remain well below pre-tariff announcement levels, with markets still facing high volatility. For oil-importing countries like Egypt, the immediate impact is limited, as purchases are typically secured through longer-term contracts rather than spot market prices. However, if the lower trend is sustained, it could ease some pressure on Egypt's external balance and inflation over time. On the other side, major exporters like Saudi Arabia could face fresh fiscal challenges, as lower oil revenues would add strain to budget targets set under Vision 2030.

Sources: Reuters, Bloomberg, BBC, World Bank, Reuters, CNN, and Enterprise.

CBE cuts interest rates by 2.25 percent for first time in more than 4 years: The Central Bank of Egypt (CBE) cut key interest rates by 2.25 percentage points, marking its first rate cut since 2020. The overnight deposit rate now stands at 25.0%, down from 27.25%. The move comes after months of exceptionally high real interest rates, following a series of sharp hikes aimed at containing inflation and stabilizing the currency. According to the CBE, the decision reflects improved inflation expectations and aims to support economic activity amid easing price pressures. While inflation remains elevated, recent figures have shown signs of slowing, giving the CBE room to begin loosening policy. Markets largely anticipated the cut, especially after the recent foreign inflows and currency stabilization observed before the disruptions caused by Trump's tariffs. The CBE is expected to proceed cautiously, considering upcoming developments. The next MPC meeting is scheduled for May 22, 2025.

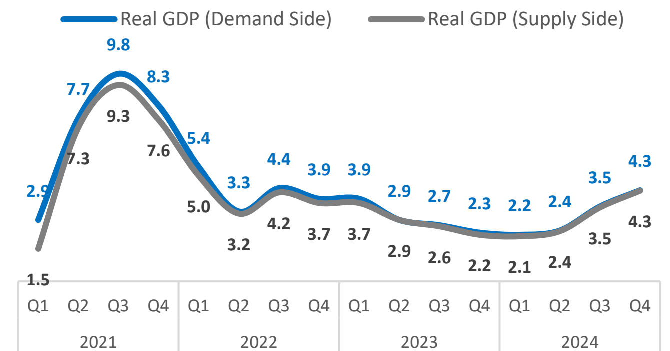
Spring Meetings 2025: Focus on Global Stability and Debt Challenges: The IMF–World Bank Spring Meetings 2025 centered around addressing global debt vulnerabilities, revitalizing growth, and supporting emerging economies amid ongoing uncertainty. Egypt used the platform to highlight its reform progress, particularly efforts to stabilize the economy, rebuild investor confidence, and strengthen its external position. Discussions emphasized Egypt's commitment to advancing private sector development, meeting external obligations, and maintaining macroeconomic stability, as the country seeks to secure further support and build resilience against global shocks.

Fuel prices increase in Egypt: Egypt raised fuel prices on April 11, 2025, for the first time this year, with adjustments reaching up to 14.8% across different fuel types. The move comes as part of Egypt's ongoing efforts to gradually lift fuel subsidies in line with its fiscal consolidation objectives and align domestic prices closer to global market rates. While the government stressed that diesel will continue to be partially subsidized to ease the burden on the public, the increase is expected to have a direct impact on transportation costs and broader commodity prices, likely adding upward pressure on inflation in the coming months. Authorities have announced that fuel prices will be held steady for the next six months before the next scheduled review.

Egypt's GDP grows 4.3% in Q2 FY2024/25, driven by private sector and tradable industries: Egypt's economy expanded by 4.3% in the second quarter of FY2024/25, up from 2.3% in the same period last year, reflecting continued recovery momentum. Growth was fueled by strong performances in non-oil manufacturing (17.7%), tourism (18%), and ICT (10.4%), as the country shifts focus toward tradable sectors and export-oriented industries. Private investment surged by 35.4%, surpassing public investment for the second consecutive quarter and accounting for over half of total investments. Meanwhile, the Suez Canal sector contracted by 70% amid ongoing geopolitical tensions, and extractive industries also declined. Net exports contributed positively to growth for the first time since early 2023, supported by steady tourism and higher goods exports. The Purchasing Managers' Index (PMI) remained in expansion territory through February, signaling improved business confidence and sustained private sector activity.

Sources: Reuters, Bloomberg, BBC, World Bank, Reuters, CNN, and MPEDIC.

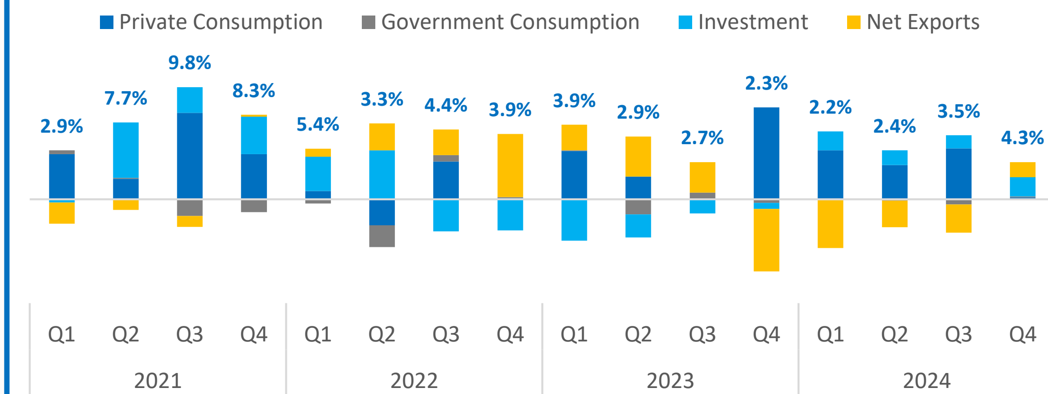
Chart 1 — Quarterly Real GDP Growth (%)



- Egypt's real GDP growth continued to improve in Q4 2024, recording 4.3% compared to 3.5% in Q3 2024. External vulnerability had peaked earlier in January 2024 after the Houthi's attacks in the Red Sea triggered an unprecedented FX crunch. Elevated inflation, which had seen an uptick in February then started to decline, while high interest rates continued to weigh on economic activity.

- The IMF revised its growth projections to 3.8% for FY2024/25, while the World Bank is projecting growth to also reach 3.8%. According to the World Bank, growth is expected to improve from 2.4% in FY2023/24 to 3.8% in FY2024/25, supported by higher private consumption as inflation eases and an uptick in private investment. However, risks remain tilted to the downside, particularly if ongoing shifts in global trade policy trigger further supply chain disruptions and uncertainty, potentially weighing on investor sentiment.

Chart 2 — Component Contribution to Real GDP Growth (Demand Side)

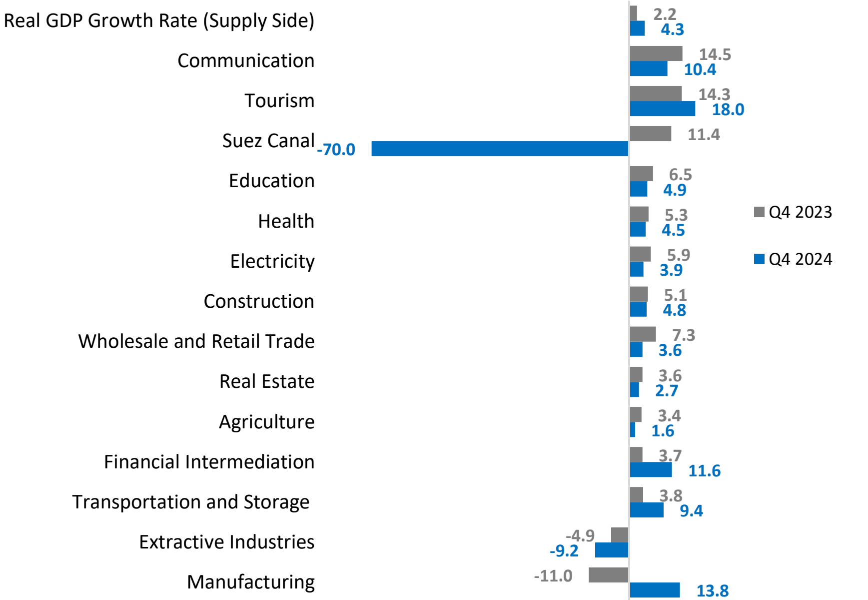


In Q2 FY 2024/25:
Real GDP growth increased primarily driven by recovering net exports and investment.

1. Real private consumption contributed minimally to the real GDP growth in the last quarter of 2024.
2. Net exports contributed positively to growth in this quarter for the first time since Q3 2023.
3. Investments returned to contributing positively to real GDP in Q1 2024 after a reversal that lasted 6 quarters and continued to improve in Q2.

Note: MPED has revised its GDP calculation methodology based on CAPMAS Economic Census for FY 2017/18 and labor force data which has led to a significant rise in nominal GDP by around 7.5% for FY 2017/18.
Sources: MPED, Cabinet Statement, IMF, World Bank & Dcode EFC calculations

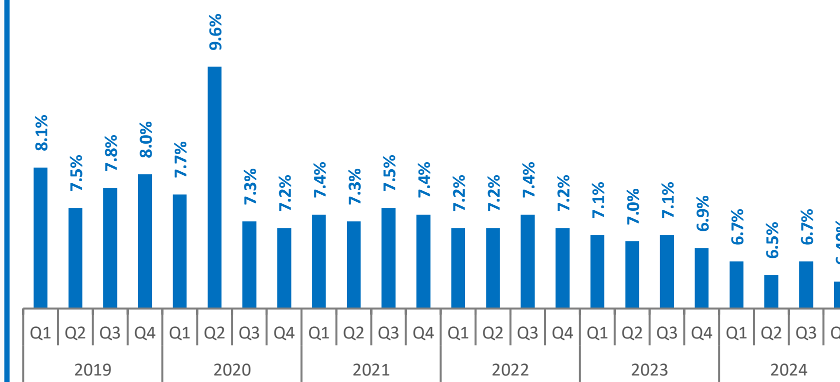
Chart 3 Sectoral Real GDP Growth (Supply Side) (%)



Real GDP growth (supply side) registered 4.3% in Q4 2024, accelerating from 3.5% recorded in Q3 2024 and recovering from the slowdown observed a year earlier. Growth performance continued to be heavily influenced by sector-specific dynamics. The Suez Canal witnessed an unprecedented contraction of 70.0%, reflecting the ongoing disruptions in Red Sea shipping routes. On a positive note, the Tourism sector led activity this quarter with an impressive 18.0% growth, supported by a rebound in travel and hospitality services. Manufacturing sector also performed strongly, posting a robust 13.8% growth. The Communication sector continued to sustain solid momentum, expanding by 10.4%, maintaining its pattern of double-digit annual growth rates since 2017 despite persistent external headwinds.

Note: The difference between GDP at factor cost (supply side) and GDP at market prices (demand side) represents the value of taxes and subsidies applied to the latter on the goods and services included in GDP.
Source: MPEDIC

Chart 4 Official Unemployment Rate

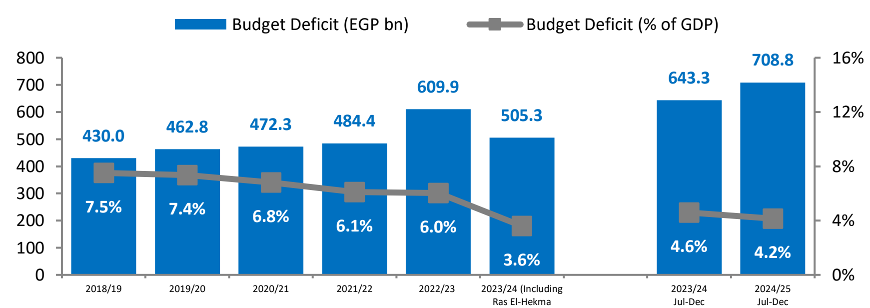


- **The official unemployment declined to a low of 6.4% in Q4 2024 compared to 6.7% in Q3.** Overall, the unemployment rate has generally been very stable since the high of 9.6% in the quarter ending June 2020 at the peak of COVID-19 lockdown measures.
- **By the end of December 2024, the labour force is 33.12 million, out of which 2.13 million are unemployed.** There has been an increase in the number of employed by 935,000 in this quarter whilst unemployed declined by 29,000.

	2022				2023				2024			
Quarterly (mn)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Employed	27.8	27.8	28.0	28.2	28.4	28.8	29.7	28.9	29.3	29.4	30.1	31.0
Unemployed	2.1	2.2	2.3	2.2	2.2	2.2	2.3	2.2	2.1	2.1	2.2	2.1
Labor Force	29.9	30.0	30.3	30.3	30.6	31.0	32.0	31.1	31.4	31.4	32.2	33.1

Source: CAPMAS

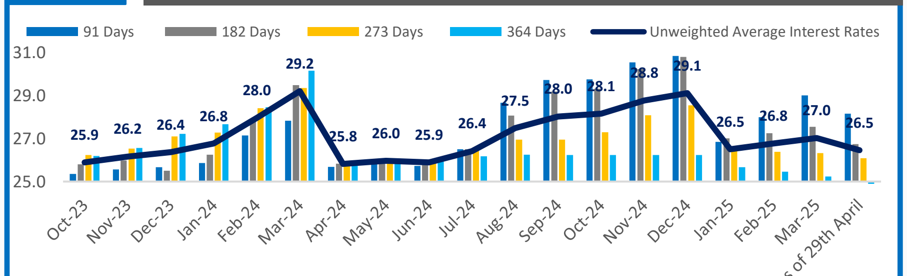
Chart 5 State Budget Deficit



- **The budget deficit has improved to 4.2% of GDP in the period Jul-Dec of fiscal year 2024/2025, down from 4.6% during the same period last year.** For the full fiscal year 2024/2025, Egypt is projecting a budget deficit of EGP 1.243 trillion, which represents 7.3% of the GDP.
- The government reported a primary surplus of 1.35% of GDP during the first half of FY2024/25, **compared to 1.07% a year earlier**. It is worth noting that the government is targeting a primary surplus of 3.5% of GDP for the full fiscal year; an all-time high.

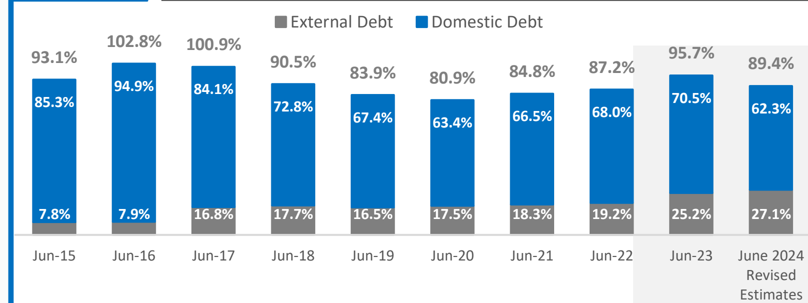
Source: MoF

Chart 6 EGP T-Bills Yield Curve (%)



Source: CBE

Chart 7 Total Central Government Debt by Component (% of GDP)



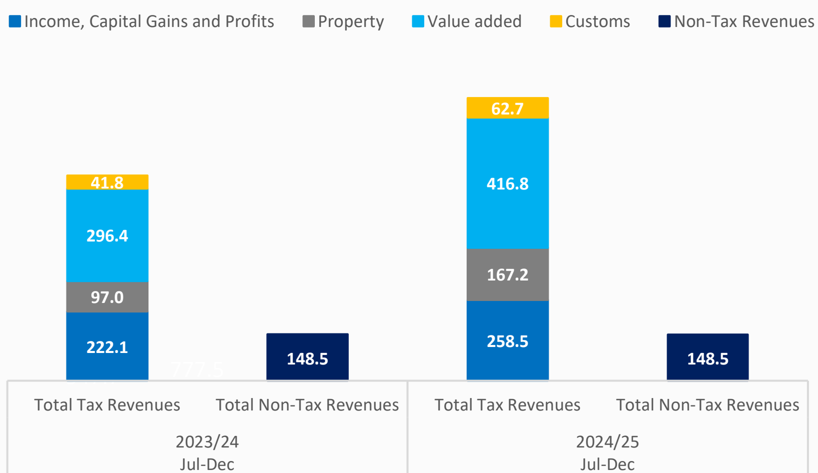
- **The Central Government debt reversed its downward trend in the last three fiscal years as the global shocks imposed huge external vulnerabilities on the debt profile to reach a preliminary value of 95.7% of GDP by the end of June 2023.** Despite dominated in domestic currency, the debt architecture has been favoring external debt, not only evident in increasing share of GDP but also increasing share of total debt, since the COVID-19 pandemic; primarily driven by debt from multilateral institutions. **Egypt, however, managed to prolong the average debt maturity, estimated to have reached 3.4 years by June 2023, up from 2.1 years by June 2016, while projecting it to record 3.3 years by June 2024.**
- Revised data reveals that the **debt declined to 89.4% of GDP at the end of June 2024**, compared to 95.7% of GDP a year earlier, driven mainly by the reduction in external budget sector debt on the back of Ras El-Hekma. The government is expecting budget sector debt to fall to 85% of GDP by June 2025.

Source: MoF

- **In the aftermath of the CBE's decision to liberalize the exchange rate in tandem with monetary tightening with an increase of 600 basis points in the policy rates, more confidence had been signaled to the market, noticeable in a decline in the (unweighted) average interest rates on government T-Bills of different maturities.** There has been a continuous increase in the yields despite efforts to stabilize the market, fueled by the war in Gaza as well as the attempts of the CBE to force an artificial exchange rate that gave unprecedented rise in the black-market premiums; all of which increased the government's risk premium to an all-time high of 29.2% in March 2024. But even following devaluation, Investors have sought higher yields to match the increased central bank rates and on the expectation the currency will continue to weaken as a result of the inflation differential. After the March peak, yields declined notably in April, likely due to improved liquidity and policy adjustments. However, starting mid-2024, yields began to climb steadily again, reflecting continued inflationary pressures, tighter monetary conditions, and increased redemption. The trend highlights the Egyptian government's increased borrowing costs amid persistent economic challenges and evolving market dynamics. However, a positive sentiment is reflected with the beginning of 2025 with the unweighted average yield falling to 26.5% as of 29th April compared to 27.0% in March.

Total government revenues increased between Jul – Dec FY2024/25 by 31% *to record EGP 1.1 tn, compared to the same period in previous fiscal year when it reached EGP 810 bn, driven by the increase in tax revenues by a significant 38%,* ***while total government expenditures increased by 21%*** *to reach EGP 1.7 tn compared to EGP 1.4 tn in the same period last year, fueled by a 43% increase in subsidies.*

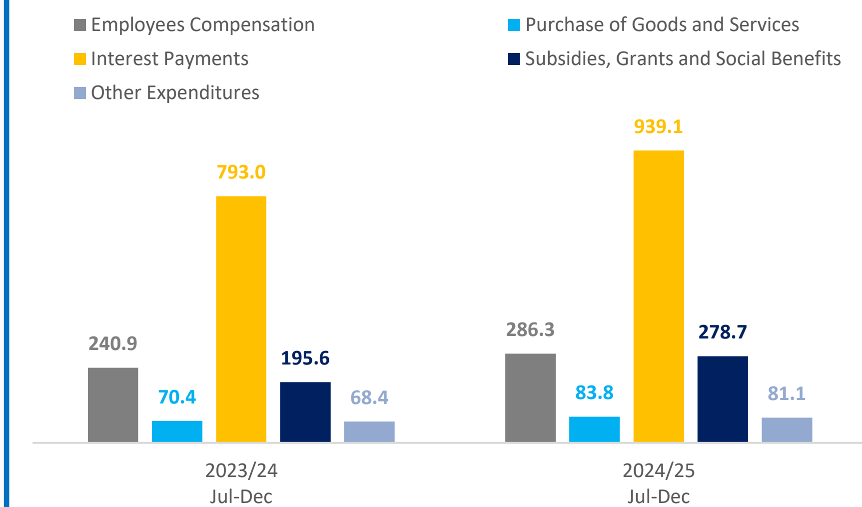
Chart 8 — Composition of Government Revenues (EGP bn)



- The share of **tax revenues** in total revenues rose to 86.0% during the first half of FY2024/25, up from 81.7% recorded during the same period last year.
- During Jul–Dec FY2024/25, tax revenues increased by EGP 250 billion, reaching EGP 912 billion compared to EGP 662 billion recorded in the same period last year. The increase was mainly driven by property taxes, which surged by 72% year-on-year. Customs revenues also saw a significant jump, rising by 49% compared to the same period a year earlier to reach EGP 62 billion. Despite recording relatively moderate growth of 40%, Value Added Tax (VAT) continues to represent the largest share of tax revenues, accounting for 45% of total collections during the first half of the fiscal year with a value of EGP 417 billion. Meanwhile, revenues from income, capital gains, and profits grew by 16% to reach EGP 258 billion.

Source: MoF

Chart 9 — Composition of Government Expenditures (EGP bn)

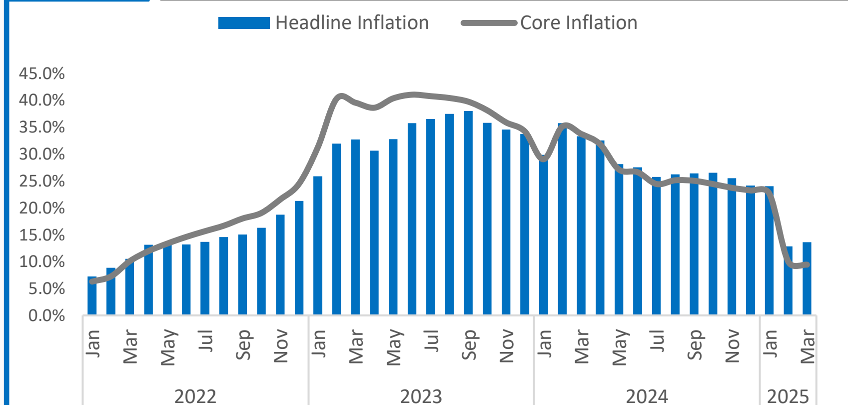


- Government expenditures increased by 21% during the period Jul–Dec FY2024/25 compared to the same period last year. Interest payments also recorded a significant rise, increasing by 18.4% year-on-year to reach EGP 939 billion in the first half of the fiscal year. Despite this rise, the interest payments-to-revenues ratio remained elevated at 89% during Jul–Dec FY2024/25. The highest expenditure increases were recorded in the Subsidies, Grants, and Social Benefits (43%), followed by Purchase of Goods and Services, which grew by 19.0% and Employees' Compensation, which rose by 18.8%.

Source: MoF

Annual urban headline inflation rose slightly to 13.6% in March 2025 (up from 12.8% in February), mainly due to a sharp increase in volatile food items, particularly fresh fruit prices (+37.7%). However, core inflation fell to 9.4%, its first single-digit reading in nearly three years, reflecting easing pressures in non-food components and stable monthly price movements. Monthly headline inflation came in at 1.6%, driven by seasonal food price hikes during Ramadan, while regulated prices remained unchanged. Services, retail items, and food categories contributed modestly, reinforcing a broader trend of subdued underlying inflation despite persistent pressures in some consumer segments.

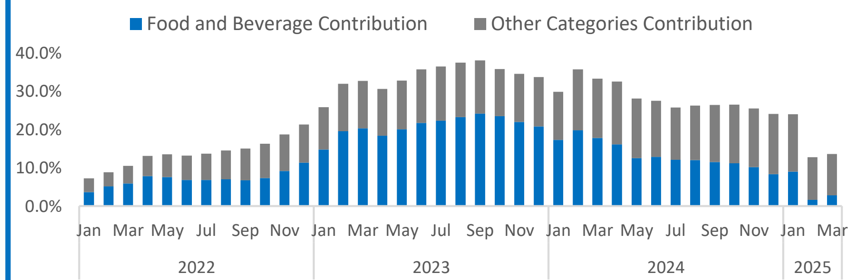
Chart 10 Annual Headline and Core Inflation



- **Annual core inflation** (which strips volatile/regulated fruits, vegetables, and energy products) **declined significantly in February 2025 to stand at 10.0%,** compared to 22.6% last month and compared to the record high of 41% in June 2023.
- **Non-Food is the main contributor to annual headline inflation this month,** contributing 11.2 percentage points (ppt), while Food & Beverage contribution declined to only 1.6 percentage points (ppt) in February 2025.
- **Transportation (34.3%) leads the list after other categories normalized due to a favorable base year effect,** followed by Healthcare (28.3%) and Alcoholic Beverage & Tobacco (25.4%).

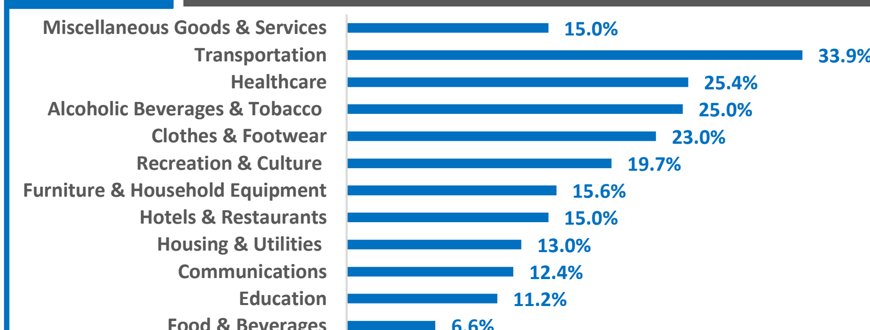
Sources: CBE & CAPMAS

Chart 11 Component Contribution to Annual Headline Inflation



Sources: CAPMAS & Dcode EFC

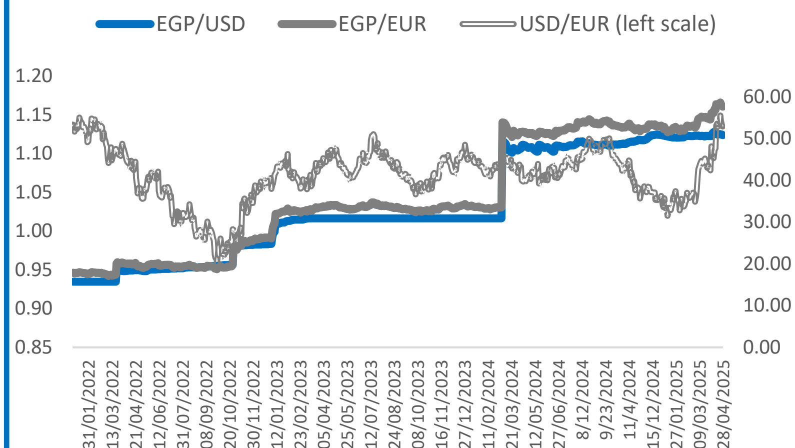
Chart 12 Annual Headline Inflation by Category in March 2025



Source: CAPMAS

In recent months, the Egyptian Pound (EGP) has seen persistent but moderate fluctuations against the US dollar. The IMF's fourth review press release highlighted the pound's relative stability and reaffirmed Egypt's commitment to a flexible exchange rate regime. Prime Minister Madbouly has echoed this stance, stressing that Egypt will avoid past mistakes tied to fixed exchange rates. By December 2024, the pound hovered around 50.93 EGP/USD, before appreciating slightly to average 50.4 EGP/USD in January 2025 and 50.5 EGP/USD in February. The government's focus remains on supporting a sustainable, market-driven exchange rate while continuing broader reforms to bolster external stability and confidence. However, following the Liberation Day, the EGP depreciated to a record 51.7 for the dollar before normalizing with the return of hot money.

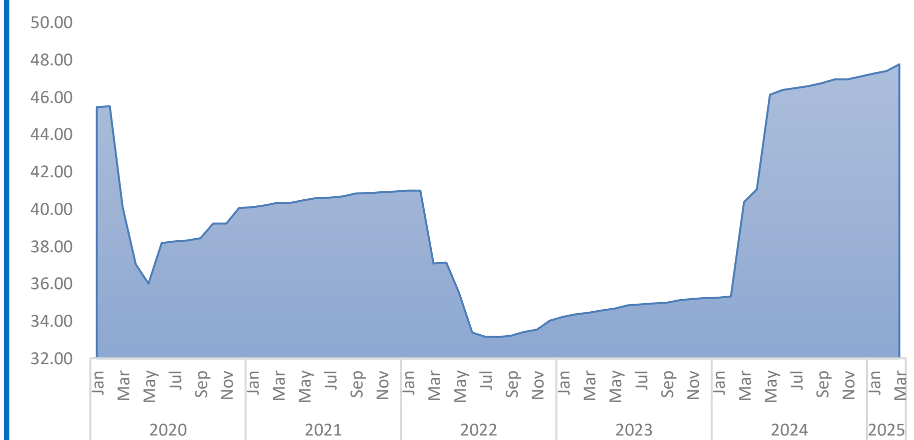
Chart 16 Mid Official Daily Exchange Rate (Until April 29, 2025)



- **The EGP/USD exchange rate remained almost unchanged as of 29 April 2025, hovering around 50.8 EGP/USD,** close to its March average of 50.6 EGP/USD despite peaking at 51.7 in the aftermath of Trump's Liberation Day at April 9th.
- **The EGP depreciated notably against the euro,** weakening by approximately 6%, **from an average of 54.6 EGP/EUR in March to 57.7 EGP/EUR as of April 29th.**
- **The US dollar depreciated significantly against the euro, sliding from 1.04 USD/EUR in February to 1.08 USD/EUR in March and further to 1.13 USD/EUR in April 29th,** amid mounting concerns over a potential US economic slowdown as a result of escalating trade tensions.

Source: CBE

Chart 17 Net International Reserves (USD bn)



- **CBE's net international reserves continued to increase in March 2025 to stand at a record-high USD 47.76 bn compared to USD 47.39 bn in February.** This month, NIR increased by USD 363 mn; compared to an increase of USD 129 mn last month.
- ***CBE NIR covers around 6.1 months of Egypt's total merchandise imports as of January 2025.***
- **Gold reserves value continued to increase in March by 6.4% compared to 4% in February and 7% in January following a decline in December and November to stand at USD 12.6 bn in March 2025, compared to USD 11.9 bn in February.**
- Liquid NIR declined in March2025 to stand at USD 35.2 bn compared to USD 35.5 bn last month.

Source: CBE

According to the Central Bank of Egypt (CBE), **Egypt's Balance of Payments (BOP) recorded a deficit of USD 991.2 mn during the first quarter of FY 2024/2025 (July-September 2024), compared to a surplus of USD 228.8 mn during the same period last year.** This shift was mainly driven by a significant widening of the current account deficit, which reached USD 5.9 bn, up from USD 2.8 bn in the previous year. **The increase in the deficit was largely due to a rise in the trade deficit, which increased by USD 6.1 bn, as well as a decline in services surplus, primarily driven by lower Suez Canal receipts.** Despite the wider deficit, the capital and financial account posted a net inflow of USD 3.8 bn, an increase from USD 1.8 bn a year earlier. Net Foreign Direct Investment (FDI) saw a rise to USD 2.7 bn, reflecting continued investor confidence. Notably, **remittances** from Egyptians working abroad surged by 84.4%, reaching USD 8.3 bn, while **tourism revenues** also saw an increase of 8.2%, totaling USD 4.8 bn, thanks to a higher number of tourist arrivals and longer stays. The BOP deficit was mitigated by a marked increase in **current transfers**, which saw a rise of 84.7%, largely attributed to remittances.

Chart 18 — Main External Balances (USD bn)

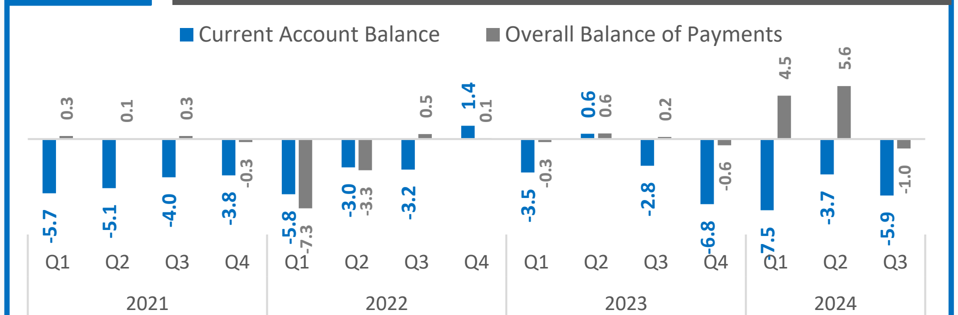
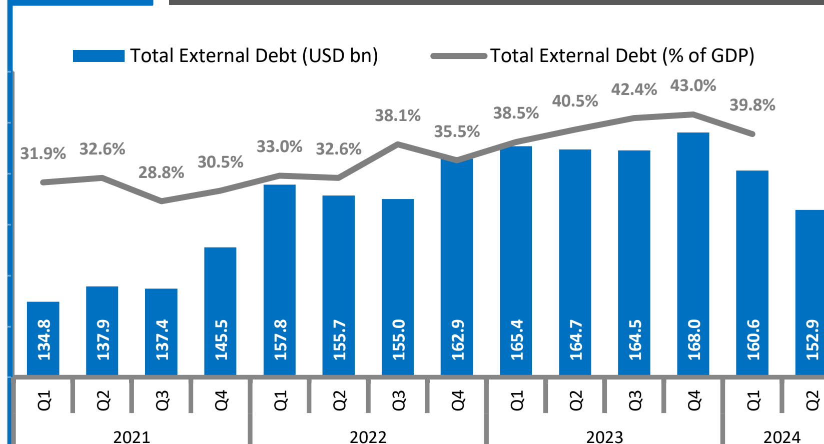


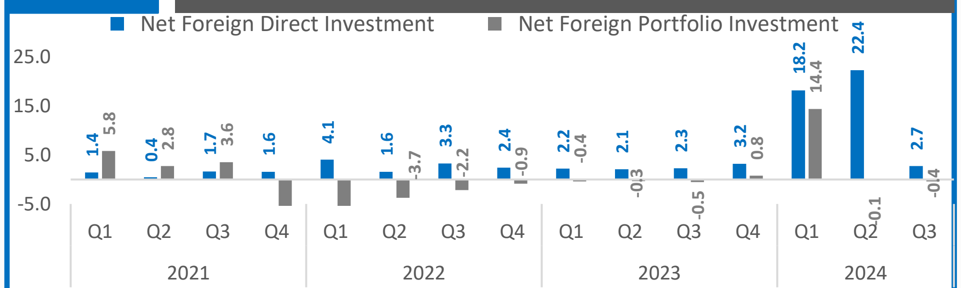
Chart 20 — Total External Debt



The Central Bank of Egypt (CBE) reported an unprecedented reduction in Egypt's external debt which now stands at USD 152.9 bn as of June 2024. This represents a reduction of USD 15.1 bn from the previous figure of USD 168.0 bn in December 2023.

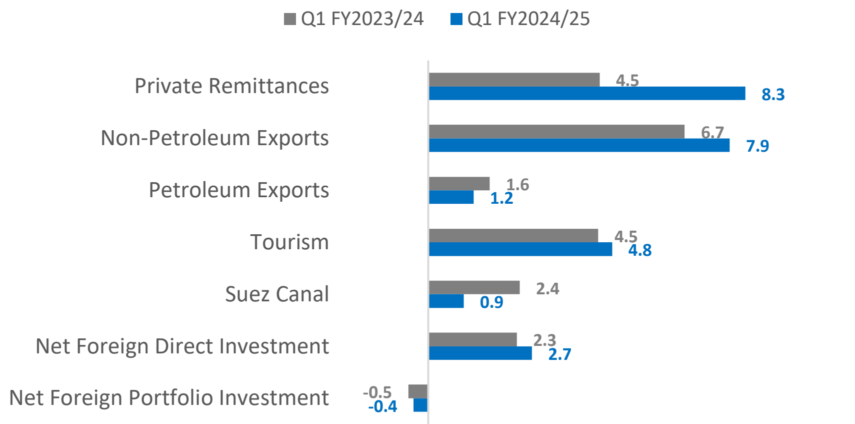
The acute geopolitical crisis increased Egypt's vulnerability significantly and desire and urgency of borrowing. However, debt reduction took place with the debt-equity swap deal of Ras El Hekma. Debt ratios are also expected to witness significant improvements moving forward.

Chart 19 — Net Foreign Direct and Portfolio Investment (USD bn)



Source: CBE

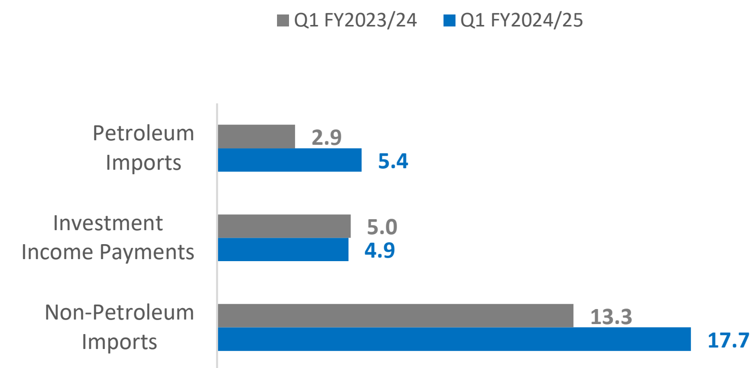
Chart 21 Main Sources of Foreign Currency (USD bn)



- **Private Remittances saw a significant increase of 84.4% in the first quarter of FY 2024/2025,** reaching USD 8.3 bn compared to USD 4.5 bn in the same period last year. This growth is primarily attributed to a surge in workers' remittances, which contributed positively to mitigating the widening current account deficit. Notably, remittances from Egyptians working abroad performed exceptionally well in this quarter, providing a substantial boost to the country's financial inflows. This increase played a crucial role in offsetting some of the challenges arising from the trade balance and declining Suez Canal revenues.
- **Non-Petroleum Exports** increased by USD 1.2 bn, a growth of 17.9%, reaching USD 7.9 bn in the first quarter of FY 2024/2025, compared **to USD 6.7 bn during the same period last year.**
- **Petroleum Exports** saw a significant decline of 43.5%, equivalent to USD 2.5 bn, reaching USD 3.2 bn in the first quarter of FY 2024/2025, compared to USD 5.7 bn during the same period last year. The decrease was driven by a drop in oil products and natural gas exports, which declined by USD 1.7 bn and USD 1.3 bn, respectively.

Source: CBE

Chart 22 Main Uses of Foreign Currency (USD bn)



- **Non-Petroleum Imports** rose by 33.3%, recording USD 17.7 bn in the first quarter of FY 2024/2025, compared to USD 13.3 bn in the same period last year. This increase was mainly driven by higher imports of wheat, soya beans, pharmaceuticals, gauze pads, vaccines, and spare parts for electric household appliances.
- **Investment Income Payments** stood at USD 4.9 bn during the first quarter of FY 2024/2025, with interest payments on external debt rising by 1.6% to USD 4.9 bn compared to USD 5.0 bn in the same period last year.
- **Petroleum Imports** surged to USD 5.4 bn in the first quarter of FY 2024/2025, a figure that is higher the worst-performing quarters in recent history. This increase was largely driven by a dramatic rise in imports of oil products and natural gas, which rose by USD 1.5 bn and USD 1.2 bn, respectively.

Source: CBE

		Egypt [1/ 2/]	Argentina	India	Jordan	Lebanon	Morocco	Nigeria	Qatar	Saudi Arabia	South Africa	Tunisia	Türkiye	United Arab Emirates
Real GDP Growth (%)	2019	5.5	-2.0	3.9	1.8	-6.8	2.9	2.2	0.7	1.1	0.3	1.6	0.8	1.1
	2020	3.6	-9.9	-5.8	-1.1	-24.6	-7.2	-1.8	-3.6	-3.6	-6.2	-9.0	1.9	-5.0
	2021	3.3	10.4	9.7	3.7	2.0	8.2	3.6	1.6	5.1	5.0	4.7	11.4	4.4
	2022	6.7	5.3	7.6	2.4	1.0	1.5	3.3	4.2	7.5	1.9	2.7	5.5	7.5
	2023	3.8	-1.6	9.2	3.1	-0.7	3.4	2.9	1.4	-0.8	0.7	0.0	5.1	3.6
	2024	2.4	-1.7	6.5	2.5	-7.5	3.2	3.4	2.4	1.3	0.6	1.4	3.2	3.8
	2025	3.8	5.5	6.2	2.6		3.9	3.0	2.4	3.0	1.0	1.4	2.7	4.0
Nominal GDP (USD Bn)	2019	317.9	446.8	2835.6	44.6	50.9	128.9	474.5	176.4	838.6	389.2	41.9	760.4	418.0
	2020	382.5	385.2	2674.9	43.8	25.0	121.4	432.3	144.4	734.3	337.9	42.5	717.1	349.5
	2021	423.3	486.0	3167.3	46.4	19.8	142.0	441.1	179.7	874.2	420.8	46.8	807.9	415.2
	2022	475.2	632.3	3346.1	48.7	24.7	131.0	476.5	235.7	1108.6	406.8	44.6	905.8	502.7
	2023	393.8	645.5	3638.5	51.2	23.6	144.4	363.8	213.0	1067.6	380.6	48.5	1130.1	514.1
	2024	383.1	632.1	3909.1	53.4	28.3	155.4	187.6	221.5	1085.4	400.2	53.1	1322.4	537.1
	2025	347.3	683.5	4187.0	56.1	n/a	165.8	188.3	222.8	1083.7	410.3	56.3	1437.4	548.6
GDP per Capita (USD thousands)	2019	3.2	9.9	2.1	4.2	8.8	3.6	2.4	63.0	27.9	6.6	3.6	9.2	43.9
	2020	3.8	8.5	1.9	4.0	4.4	3.4	2.1	51.0	23.3	5.6	3.6	8.6	37.6
	2021	4.1	10.6	2.3	4.2	3.5	3.9	2.1	65.4	28.4	6.9	3.9	9.6	42.1
	2022	4.6	13.7	2.4	4.3	4.5	3.6	2.2	80.4	34.5	6.6	3.7	10.7	48.9
	2023	3.7	13.8	2.5	4.5	4.4	3.9	1.6	69.5	31.7	6.1	4.0	13.2	48.1
	2024	3.6	13.4	2.7	4.7	5.3	4.2	0.8	71.6	30.7	6.3	4.3	15.5	48.8
	2025	3.2	14.4	2.9	4.9	n/a	4.4	0.8	71.7	30.1	6.4	4.5	16.7	49.5

Source: International Monetary Fund, World Economic Outlook Database (April 2025)

1/ Fiscal Year data for Egypt: 2023 = FY 2022/23 and 2024 = FY 2023/24.

2/ Data for Egypt is obtained from the same sources as peer country data and may thus differ slightly from official statistics.

		Egypt [1/ 2/]	Argentina	India	Jordan	Lebanon	Morocco	Nigeria	Qatar	Saudi Arabia	South Africa	Tunisia	Türkiye	United Arab Emirates
Total Investments (% of GDP)	**2019**	20.7	14.2	30.1	18.8	n/a	30.4	25.4	n/a	28.3	15.8	19.8	24.9	24.1
	2020	18.8	14.4	28.9	18.7	n/a	28.6	27.5	n/a	27.7	12.3	12.7	31.3	23.3
	2021	18.2	18.1	32.1	19.7	n/a	30.5	33.8	n/a	25.4	12.8	15.2	31.4	25.8
	2022	19.9	17.8	33.6	18.5	n/a	30.1	33.0	n/a	26.4	15.4	14.2	35.0	26.5
	2023	16.5	18.8	33.4	18.6	n/a	28.7	30.6	n/a	29.3	15.5	12.3	30.0	27.1
	2024	13.0	14.4	33.4	20.5	n/a	29.0	30.6	n/a	30.0	13.9	11.9	25.5	27.3
	2025	11.5	13.5	33.4	19.6	n/a	28.5	29.1	n/a	31.7	13.4	10.7	24.6	28.1
Average Consumer Prices Inflation (%)	**2019**	13.9	53.5	4.8	0.8	2.9	0.2	11.4	-0.9	-2.1	4.1	6.7	15.2	-1.9
	2020	5.7	42.0	6.2	0.3	84.9	0.7	13.2	-2.5	3.4	3.3	5.6	12.3	-2.1
	2021	4.5	48.4	5.5	1.3	154.8	1.4	17.0	2.3	3.1	4.6	5.7	19.6	-0.1
	2022	8.5	72.4	6.7	4.2	171.2	6.6	18.8	5.0	2.5	6.9	8.3	72.3	4.8
	2023	24.4	133.5	5.4	2.1	221.3	6.1	24.7	3.1	2.3	5.9	9.3	53.9	1.6
	2024	33.3	219.9	4.7	0.2	45.2	0.9	33.2	1.1	1.7	4.4	7.0	58.5	1.7
	2025	19.7	35.9	4.2	3.6	n/a	2.2	26.5	1.2	2.0	3.8	6.1	35.9	2.1
Unemployment Rate (%) (a)	**2019**	8.6	9.8	7.5	19.1	11.3	9.2	n/a	n/a	5.6	28.7	14.9	13.7	n/a
	2020	8.3	11.6	8.7	22.7	13.3	11.9	n/a	n/a	7.7	29.2	17.4	13.1	n/a
	2021	7.3	8.8	7.4	24.1	12.7	12.3	n/a	n/a	6.1	34.3	16.2	12.0	n/a
	2022	7.3	6.8	5.3	22.9	11.6	11.8	n/a	n/a	4.9	33.5	15.2	10.4	n/a
	2023	7.2	6.1	4.9	22.0	11.5	13.0	n/a	n/a	4.0	33.1	16.4	9.4	n/a
	2024	7.4	7.2	4.9	n/a	n/a	13.3	n/a	n/a	3.5	32.8	n/a	8.7	n/a
	2025	7.7	6.3	4.9	n/a	n/a	13.2	n/a	n/a	n/a	32.8	n/a	9.4	n/a

Source: International Monetary Fund, World Economic Outlook Database (April 2025)

1/ Fiscal Year data for Egypt: 2023 = FY 2022/23 and 2024 = FY 2023/24. 2/ Data for Egypt is obtained from the same sources as peer country data and may thus differ slightly from official statistics.

		Egypt [1/ 2/]	Argentina	India	Jordan	Lebanon	Morocco	Nigeria	Qatar	Saudi Arabia	South Africa	Tunisia	Türkiye	United Arab Emirates
General Government Budget Deficit (% of GDP)	**2019**	-7.6	-4.4	-7.7	-5.8	-10.5	-3.9	-4.7	1.0	-4.2	-5.1	-3.6	-4.8	2.6
	2020	-7.5	-8.7	-12.9	-9.1	-7.1	-7.1	-5.6	-2.1	-10.7	-9.6	-9.1	-4.7	-2.5
	2021	-7.0	-4.3	-9.4	-7.5	-2.0	-5.9	-5.5	0.2	-2.2	-5.5	-7.6	-3.0	4.0
	2022	-5.7	-3.8	-9.0	-7.0	-6.5	-5.4	-5.4	10.4	2.5	-4.3	-6.9	-1.1	10.0
	2023	-5.8	-5.4	-7.9	-7.6	-0.1	-4.5	-4.2	5.5	-2.0	-5.4	-7.0	-5.3	5.9
	2024	-7.1	0.9	-7.4	-8.3	0.4	-4.1	-3.4	0.7	-2.8	-6.1	-5.9	-5.2	4.8
	2025	-12.1	0.4	-6.9	-5.3	n/a	-3.9	-4.5	0.0	-4.9	-6.6	-5.4	-4.3	2.9
General Government Gross Debt (% of GDP)	**2019**	80.1	89.8	75.0	78.0	172.1	60.3	30.2	62.1	21.6	56.1	67.3	32.4	26.8
	2020	86.2	103.8	88.4	88.0	148.7	72.2	35.6	72.6	31.0	68.9	77.7	39.4	41.3
	2021	89.9	81.0	83.5	98.2	360.9	69.4	36.8	58.4	28.6	68.7	79.7	40.4	36.3
	2022	88.5	84.5	82.2	97.9	246.5	71.5	40.4	42.6	23.8	70.8	82.9	30.8	32.1
	2023	95.9	155.4	81.2	97.0	192.1	69.5	48.7	43.7	26.2	73.4	82.5	29.3	32.4
	2024	90.9	85.3	81.3	95.9	164.1	70.0	52.9	40.8	29.9	76.4	83.1	26.0	32.1
	2025	86.6	73.1	80.4	92.6	n/a	68.9	52.5	40.5	34.8	79.6	82.9	26.7	32.8
Current Account Balance (% of GDP)	**2019**	-3.4	-0.8	-0.9	-1.7	-21.8	-3.4	-2.9	2.4	4.6	-2.6	-8.1	2.0	8.9
	2020	-2.9	0.7	0.9	-5.7	-11.1	-1.2	-3.7	-2.1	-3.5	2.0	-6.0	-4.3	6.0
	2021	-4.4	1.4	-1.2	-8.0	-23.0	-2.3	-0.7	14.6	4.6	3.7	-6.0	-0.8	11.5
	2022	-3.5	-0.6	-2.0	-8.1	-29.4	-3.6	0.2	26.8	13.6	-0.5	-9.0	-5.1	13.2
	2023	-1.2	-3.2	-0.7	-3.6	-23.9	-0.6	1.7	17.1	3.3	-1.6	-2.7	-3.5	10.7
	2024	-5.4	1.0	-0.8	-5.8	-18.2	-1.5	9.1	17.2	-0.5	-0.6	-1.7	-0.8	9.1
	2025	-5.8	-0.4	-0.9	-5.5	n/a	-2.0	6.9	10.8	-4.0	-1.2	-2.7	-1.2	6.6

Source: International Monetary Fund, World Economic Outlook Database (April 2025)

1/ Fiscal Year data for Egypt: 2023 = FY 2022/23 and 2024 = FY 2023/24.

2/ Data for Egypt is obtained from the same sources as peer country data and may thus differ slightly from official statistics.

		Egypt [1/ 2/]	Argentina	India	Jordan	Lebanon	Morocco	Nigeria	Qatar	Saudi Arabia	South Africa	Tunisia	Türkiye	United Arab Emirates
Exports G&S Volume Growth (%)	2019	9.6	12.1	-2.0	12.0	-3.4	4.4	17.8	0.2	-3.4	-3.3	-8.9	5.3	0.1
	2020	-4.6	-12.8	-6.4	-15.8	-50.3	-16.8	-16.7	-0.2	-14.5	-12.0	-6.5	-14.6	-8.0
	2021	-10.7	12.6	19.5	7.8	-4.0	7.6	-21.4	-2.4	5.7	9.7	15.9	25.1	-0.1
	2022	30.6	-5.2	9.5	18.4	18.0	31.7	-2.1	6.5	24.5	6.8	24.6	9.9	6.8
	2023	2.2	-13.4	0.5	7.1	-4.1	6.9	4.5	-3.4	-1.6	3.7	4.7	-2.8	12.1
	2024	-8.4	29.1	4.7	1.6	-4.9	6.5	3.2	-2.5	4.2	-2.0	-1.2	4.2	4.0
	2025	5.7	5.6	3.3	5.9	n/a	6.6	2.4	0.7	6.5	1.4	-5.4	5.6	4.3
Net FDI Inflows (USD Bn)	2019	9.0	6.6	50.6	0.7	1.9	1.7	2.3	-2.8	4.6	5.1	0.8	9.5	17.9
	2020	5.9	4.7	64.1	0.8	1.6	1.4	2.4	-2.4	5.4	3.1	0.7	7.7	19.9
	2021	5.1	6.8	44.8	0.6	0.6	2.3	3.3	-1.1	19.3*	40.9^	0.7	11.8	20.7
	2022	11.4	15.1	49.4	1.1	0.5	2.1	-0.2	0.1	7.9	9.1	0.7	12.9	22.7
	2023	9.8	22.9	28.1	0.8	0.6	1.1	1.8	-0.4	12.3	5.2	0.7	10.4	30.7

Sources: International Monetary Fund, World Economic Outlook Database (April 2025) & UNCTAD World Investment Report (2024)

1/ Fiscal Year data for Egypt: 2020 = FY 2019/20 and 2021 = FY 2020/21. 2/ Data for Egypt is obtained from the same sources as peer country data and may thus differ slightly from official statistics.
(b) Calendar year basis.

*Two large deals in Saudi Arabia were major drivers of the hike in net FDI in 2021.
^A single intrafirm financial transaction in the second half of the year resulted in inflated net FDI level for South Africa in 2021.

- **Balance of Payments [BOP]:** summary of all transactions between a country and the rest of the world and includes all trade, financial, investment, banking and other inflows and outflows recorded by the banking system. The Balance of payments, as classified according to international standards, is composed of the Current account, the Capital account, and Net errors and omissions (unidentified/other flows). The Current account shows (1) the country's commodity exports and imports with the rest of the world with the net given country's trade balance; (2) other main sources of foreign currency receipts and payments, such as travel (tourism), government grants, interest payments on external debt, remittances from abroad, etc. The Capital account captures investment flows (in and out) such as Foreign Direct Investment (FDI), Portfolio investments (e.g., in government notes/bonds), cross country bank transactions affecting the banking sector's assets and liabilities, and amortization payments on foreign debt, etc.

- **Budget sector deficit:** the excess of government spending (such as expenditures on wages, goods and services, investments, etc.) over revenues collected by the government (e.g., through different types of taxes like income, sales and customs taxes; grants, and/or other revenue sources). When the value of government expenditures exceeds total revenues, a government budget deficit arises. In the event that revenues exceed expenditures, a surplus in the government budget arises.

- **Budget sector debt:** accumulated liabilities on the government due to running of previous budget deficits. Whenever a government runs a deficit (expenditures exceed revenues), it borrows the difference to fulfill its spending needs, which is called financing the government budget deficit. If the government borrows to finance its operations, such borrowing act as an obligation on the government to be repaid back at a future date (known as the maturity date of the debt). Debt service that usually accompanies any instant of government borrowing refers to the interest paid on due borrowed funds by the government.

- **Core Inflation:** a measure of inflation that is computed by the Central Bank of Egypt for the sole purposes of monetary policy conduct. Core inflation is based on Headline inflation statistics (see definition below), after which the CBE excludes from the Overall Headline Measure a number of commodity and service items whose prices are either "inherently volatile" or subject to direct and indirect regulation by the government. This treatment adjusts for the effects of "temporary price shocks on inflation" (source: CBE).

- **Gross Domestic Product [GDP]:** the value of all goods and services produced by an economy within a given year. GDP is measured both nominally (i.e., taking into account quantities and prices of commodities and services) or in real terms (focusing on volume changes only, excluding price effects, usually compared relative to a base year.) Depending on how it is measured, GDP it is a standard indicator of the level of income and /or production in an economy.

- **Headline Inflation (or overall average):** the term inflation is used to describe a general rise in prices of goods and services in an economy over time by measuring the degree to which goods and services became more or less expensive from one time period to another. Headline Inflation in Egypt is statistically measured by CAPMAS as the percentage difference in the price level of a basket of selected commodities and services, and is conducted through market surveys, on a monthly basis. The market surveys have the objective of tracking selling prices of each commodity and service in this basket to consumers over time to gauge how much prices have changed (increased or declined). The overall index used is thus called the Consumer Price index (CPI) and is an average of price increases for each commodity/service weighted by the share households (or consumers) spend on it from their incomes. The relative weights used in the CPI are derived from an extensive survey also undertaken by CAPMAS, called the Household Income, Expenditure and Consumption Survey.

- **Net International Reserves (NIR):** is a country's stock of accumulated assets denominated in foreign currencies over time. NIR stock changes over a certain period reflects the net change in foreign currency flows (inflows versus outflows) as recorded on the country's Balance of Payments (BOP) for the same period. As a result, a BOP surplus (commonly termed "favorable" external position) raises the stock of NIR for a country, while a BOP deficit reduces it.

- **Portfolio Investments:** foreign investment flows associated with the purchase or sale by foreigners of their holdings of securities, especially the Egyptian Treasury notes.

- **Total (Domestic) Liquidity:** the total amount of cash pumped into and circulating in an economy in a given time. Total liquidity is comprised of two components: (a) Money supply, and (b) Quasi money. Money Supply consists of money in circulation (outside the banking system) as well as private sector demand deposits (in local currency). Quasi money is formed of "non-government time and saving deposits in local currency; non-government foreign- currency demand deposits (minus purchased cheques and drafts); and non-government time and saving deposits in foreign currencies, with all the banking system" (source: CBE).

- **Unemployment rate:** percentage of the labor force that cannot find a job but is looking for one. It is a standard measure of how well an economy can generate job opportunities. In general, it is statistically calculated by finding the number of unemployed people (obtained as the difference between the total labor force available and the number of employed) and dividing this number by the total labor force.

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not intentions”

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