



BREAKING NEWS

UK Unemployment Reaches a 14 Year High of 2.38 Million

Unemployment climbed by a record 281,000 to hit 2.38 million in the three months to May. This is the highest level since October 1995. The bigger than expected jump in unemployment, which includes those not claiming jobless benefit, is the largest rise since records began in 1971. The number of people claiming jobless benefits rose by a smaller than expected 23,800 in June, lower than May's increase. Despite this, economists predict unemployment will continue to rise until GDP rate has got back towards its trend rate. Expected is that unemployment will peak at 3 million next year.

Source: Timesonline.co.uk

Egypt's Telecom Sector Buoyant Despite Delay on Second Fixed Line Licence and Ongoing Mobinil Dispute

The decision of National Telecommunications Regulatory Authority (NTRA) to postpone the sale of a second fixed line licence combined with the ongoing dispute between shareholders of Mobinil as France Telecom and Orascom Telecom jockey to retain shares of the company, has caused some trouble for the Egyptian Telecom sector. However, there is a lot of cautious optimism as the high demand for mobile telephony will continue to bolster the shares' value and buoy the sector. Since February 2009 the number of mobile users in Egypt increased by one million a month.

Source: businesstodayegypt.com

IN DEPTH: INVESTING IN EDUCATION



**Do you agree?
The Egyptian education system should be considered as offering a high return on investment.**

The Egyptian education system indeed offers a high return on investment, particularly in further education since there currently is a strong demand and very limited supply. The Egyptian Education system not only provides a solid long-term workforce but is also able to stimulate the economy through growing partnerships between education and businesses. A myriad of universities in Egypt have recognized this opportunity to work closely together with the business community but there is a shortage of Egyptian further education and vocational training programmes. There needs to be a focus on the further development of this section of the Egyptian education system, business involvement is essential and relevant. Business investment in an Egyptian college and vocational training system will generate more technicians and skilled workers in human resources, and other various fields and industries. This can greatly benefit the individual companies involved and the business community at large since these students are trained specifically to fulfil a particular role within the company. In this way the company will directly benefit from students' education and training. Development of this section of the Egyptian education system will ensure a more well-rounded workforce and these workers will continuously innovate and drive economic prosperity.

LATEST NEWS FROM EGYPT

◆ Egypt's Bank Misr to cut bad debts, it expects Government firms to repay LE 5.5 billion in overdue debts within weeks.

Source: Egypt Daily News

◆ Egyptian President Mubarak urges the leaders of the G8 to freeze African debt.

Source: Egypt Daily News

SOHO SQUARE

SHARM EL SHEIKH

an exclusive purpose built venue located in front of Savoy Sharm El Sheikh Hotel.

You can dine out in many restaurants that offer cosmopolitan cuisine. Stylish bars and a swanky night club create some fantastic nights out.
www.soho-sharm.com

LATEST NEWS FROM THE UK

◆ UK interest rates likely stay at record 0.5% low after 0.4% drop in CPI inflation of to 1.8% in June. Source: Timesonline.co.uk

◆ UK Energy Secretary Ed Miliband plans comprehensive changes to meet UK target to cut emissions by 34% in 2020. 40% of emissions is to come from low carbon sources such as renewable, nuclear and clean coal. Source: Guardian.co.uk

Sama El Qahera
سما القاهرة
المدينة الجديدة في قلب القاهرة

Magical city in the heart of Cairo.
First we build, then we sell
[www.samaelqahera.com/002\(0\)219723](http://www.samaelqahera.com/002(0)219723)

CHAMBER NEWS

NEW BOARD MEMBERS

The EBCC takes this opportunity to officially welcome two new board members, Ania Thiemann and Amr Allouba. The EBCC is confident that the two new members will be a great asset to the chamber.

Ania Thiemann



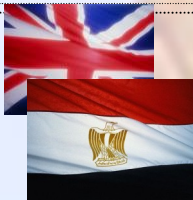
Ania Thiemann is senior political and economic analyst with the Economist Intelligence Unit in the Middle East & North Africa. She works on independent and autonomous political and economic analysis/forecasting, credit risk analysis (sovereign, banking sector, currency) and industry specific analysis (covering 7 markets). She is also Head of the Economist Intelligence Unit's Country Forecast & Business Environment Rankings. She currently has country expertise in Egypt, Algeria, the UAE, and Tunisia.

Amr Allouba



Amr Allouba is Chairman of Tea Computers, CEO and Partner with thirty eight years of experience in the fields of electronic data processing, electrical, electronic & communication engineering, management & marketing. During the last thirty years the company grew from a small sized computer company to one of the largest reputable companies working in Egypt, offering its advanced services for over one thousand installations. In addition, he is the Chairman of the board of ECG Engineering Consultants Group, & Chairman and CEO of MIST (Misr for Information Services and Trading.)

To view the entire list of EBCC Board Members, go to www.theebcc.com/?category=The Board



Do you agree?

Despite the economic downturn there is a need to focus on renewable energy investments.



BOARD MEETING REVIEW



On Tuesday 14 July 2009 The EBCC held its bi-annual Board Meeting to discuss all matters that concern the Chamber's current position and future development. The meeting was very well attended and good results were achieved. Central issues addressed in the meeting were the financial report and a review of the business plan first presented to the Board in the meeting in January of this year.

The business plan had a focus on increased activity and events and improved contact with the EBCC members base through e-newsletters, the recently launched EBCC website (www.theebcc.com), research reports, new publications. The Secretary-General presented the latest Egypt-UK trade figure for Q1 2009, showing that Egyptian exports to the UK increased by 2% and UK exports to Egypt increased by 13%. In total MENA volume of trade with the UK, Egypt ranks 4th after UAE, Saudi Arabia and Israel. The meeting ended with a discussion on planned events for the coming year. The next meeting is scheduled for January 2010.

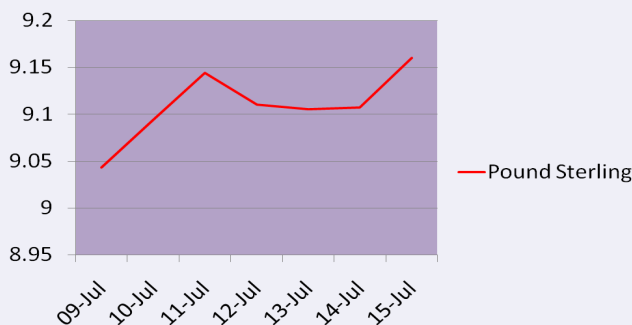




EXCHANGE RATES

15/07/09	Egyptian Pound
GBP	9.16
USD	5.63
EUR	7.86

Egyptian Pound vs Sterling over a week



Source: Central Bank of Egypt

BMI Special Offer ~ Premium Economy Rate Flights

Valid for all current EBCC members

Valid for booking 01 June 2009 - 31 August 2009

Features:

- Market leading, business class style seat, with 50" legroom, 21" width and 50 degree recline
- Dedicated cabin crew
- 30kg baggage allowance



BUSINESS OPPORTUNITIES

Mortgage Finance in Egypt



When entering the property market in Egypt as a foreign national, there are many Egyptian banks and financial institutions that are able to provide mortgages. The Mortgage Finance Authority (www.mfa.gov.eg)

has allowed foreign nationals to get mortgage loans provided they follow regular procedures. The Egyptian Ministry of Investment is mobilizing the development of the mortgage finance infrastructure, ensuring that the necessary regulatory adjustments are made to provide the key services. Development of the mortgage finance sector is a vital factor in Egypt's economic growth and development. Since the 1990s, Egyptian policy makers have been taking important steps towards creating a real-estate finance system that would enable financial intermediaries to provide loans to homebuyers with minimal risk. Egypt's Real Estate Finance Law (REFL) of 2001 established industry standards and a regulatory framework. In 2003 the Mortgage Finance Authority began operations and developed the process for licensing real-estate finance companies, together with commercial banks they provide real estate finance under the procedural protections of the REFL.

The process of purchasing a property in Egypt starts with finding a registered house that is in the possession of the applicant. The next steps include providing salary details or a certificate from the tax authorities, selecting a Mortgage Finance intermediary, dealing with the Mortgage Finance Company, appraising the real-estate, writing a three party contract (buyer - seller - Mortgage Finance company), providing Insurance Certificate against death, inability, and fire, and lastly registering the property.

Source: Ministry of Investment

INFLATION FIGURES IN EGYPT

Egyptian Urban Consumer Inflation dropped to 9.9% in June, down from 10.2% in May this year. Inflation is now at an 18 month low as indicated by the figures released by the Central Authority for Public Mobilization and Statistics (CAPMAS). The drop came despite expectations that inflation levels would continue to rise in the second half of the year due to the summer holiday period and the month of Ramadan. Despite the fact that inflation levels have been steadily dropping over the past few months. The Consumer Price Index is still up by 10% year-on-year. The CPI rose 0.4% from May, due to an increase in the prices of food products (0.5%), recreation services (4.6%) and miscellaneous items (0.1%), though the prices of the items declined year-on-year from May. Monthly changes in CPI levels peaked at 1.7% in April before declining again to current rates. Experts estimate that inflation will average at 9.5% for 2009. The Central Bank of Egypt lowered its overnight deposit rate by half a percentage point in June to 9%, the fourth cut this year. The bank reduced its overnight lending rate by the same measure to 10.5%. The committee will meet again on July 30 to review its rate decision.