

BREAKING NEWS

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UK Mortgage Approvals Hit Highest Level in a Year

UK mortgage approvals hit their highest level in more than a year boosting hopes that the worst of the downturn in the housing market is over. The Bank of England said that approvals for home loans totalled 47,584, up from 44,169 in May. The highest level in 14 months, analysts had expected a figure of around 47,000. The date were offset by lower than expected mortgage lending, which totalled just £343 million, not the expected £600 million.

UK Times

Egypt's Business Intelligence Software Market Exceeds \$10m

Due to massive IT infrastructure investments undertaken within the country over the past 10 years, the business intelligence (BI) software market in Egypt has exceeded USD 10 million according to SAS, the leader in business intelligence and analytics. At a recent conference aimed at helping Egypt-based customers maximise BI technologies, Sherif Fathy of SAS stated that "the Egyptian market is overtly embracing analytics, with a demand that is growing at a much faster pace compared to the average global growth rate." Government reform initiatives are expected to further drive the demand for performance management.

Global Arab Network

LATEST NEWS FROM EGYPT

◆ Egypt's mobile firm Mobinil jumps 26% in Q2, exceeding analyst expectations. 1.674 million new users were added over the period Apr.-Jun this year.

Noozz.com

◆ Egypt orders re-export of 45,000 T of Ukrainian and Australian wheat after investigations showed unfit grain quality.

Guardian.co.uk

◆ Egypt's Tourism Minister Zohair Garraneh announced that Hotels welcomed more guests last quarter. Occupancy rate in Cairo was 79%, Hurgada and Sharm El Sheikh 80%.

Noozz.com



IN DEPTH: RENEWABLE ENERGY

Do you agree?

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



The Egyptian government faces the twofold challenge of pursuing economic growth and environmental protection. While investment in renewable energy is able to tackle both challenges, the added costs can be a drawback, especially in light of the current economic climate. However, Egypt has adopted an ambitious plan to cover 20% of all generated electricity by renewable sources by 2020, including a 12% contribution from wind energy. Continuing reduction of domestic energy subsidies and industrial subsidies by the Egyptian government will surely stimulate the renewable energy industry. When subsidies are eliminated, renewable energy sources using more capital intensive technologies will be able to compete with natural gas as a power source. Moreover, the new Electricity Act, subject to the approval of Parliament, is aimed at diversifying energy sources and enhancing the role of renewable energy in Egypt. Private sector involvement is encouraged since the expected boom in demand for companies manufacturing renewable energy technology and in private companies generating electricity will make it too difficult for the New & Renewable Energy Authority (NREA), under the Ministry of Electricity, to manage on their own. Aside from the fact that non-renewable energy activities are a major source of pollution, a threat to the ecosystem, and oil and gas are exhaustible resources, investment in renewable energy will open the national and regional market for renewable energy equipment and create many more job opportunities.

LATEST NEWS FROM THE UK

◆ Shares in BG fell this morning after BG reported that its debt doubled to \$2 billion, profits plunged 31%. The company remains optimistic about its long-term prospects.

Timesonline.co.uk

◆ BAA, Britain's largest airport owner, saw its losses treble as passenger numbers tumbled. 4 million air passengers were lost over the first half due to recession.

Guardian.co.uk



CHAMBER NEWS

NEW EBCC PUBLICATIONS



Dr Amr Hassanein

The EBCC has released its monthly report on 22 July 2009, this most recent report discusses the banking reform programme in Egypt and consequences for the business community. The report follows the presentation on the Egyptian banking sector reform in relation to the outcome of the G20 summit given by Dr Amr Hassanein Chairman of MERIS, Moody's affiliate in Egypt, at the EBCC Parliament debate that took place on 10 June 2009.

Please [click here](#) to access the full report.

To celebrate 10 editions of the EBCC newsletter, the Chamber created an anniversary edition that contains the highlights of the newsletters that have been issued over the past 5 months.

Please [click here](#) to access the anniversary edition of the EBCC newsletter.

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*Do you agree?
 The healthcare system in the UK serves as a good model for the further development of the Egyptian healthcare system.*

EBCC PLANNED EVENTS

Following the EBCC Board Meeting that took place on 14 July 2009, the EBCC is working hard on developing the events calendar for the period October '09 - March '10, after the summer holidays and the month of Ramadan. The Egyptian government currently has a focus on the development of education, health care, and infrastructure to stimulate economic growth. The Chamber is preparing a programme of events largely in line with this. Our central concern will be the development of the education sector in Egypt by establishing a system of British Colleges, the Annual January Conference will likely address this concept and investment opportunities within the sector. Other events currently under development can be found in the calendar.

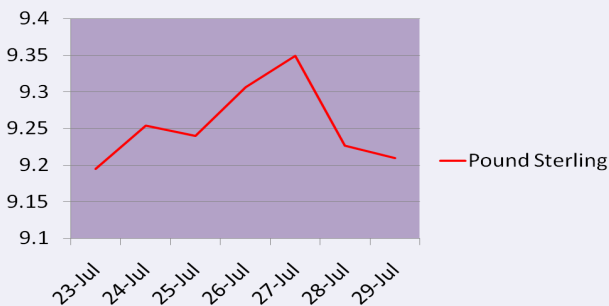
Event Calendar	Date
Seminar: Portfolio Investment. Edinburgh, Scotland.	October 2009
Outward Trade Mission to Egypt	November 2009
Conference on Further Education. Cairo, Egypt.	January 2010
Seminar on Public/Private Partnership (PPP) London, UK.	March 2010



EXCHANGE RATES

29/07/09	Egyptian Pound
GBP	9.21
USD	5.59
EUR	7.95

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

Financial Services Sector



Smart Village, Cairo

Egypt's financial services sector is one of the best developed in the region thanks to an industrious private sector and key regulatory reforms. The Egyptian government aims at improving the business community

and has implemented a rigorous reform programme to restructure state owned banks, handle the non-performing loans and strengthen the Central Bank of Egypt's regulatory and supervisory apparatuses. The government is actively reforming the insurance sector as well. Egypt is creating a solid financial services infrastructure by including a new financial services district in Smart Village, the premiere technology park in the Middle East. This will be home to the Egyptian Stock Exchange and other financial institutions, major national and regional investment banks and private equity firms. Egypt has a large and growing domestic consumer base, the majority of the population have yet to use consumer banking and insurance products. Egypt Post has partnered with industry players to offer financial services such as credit cards and e-payments to thousands of post-offices nationwide. The industry is also conducting awareness campaigns to educate people about credit and loan products. The core areas for investment are consumer and corporate banking, insurance, investment banking, private equity, advisory services and research services.

Source: General Authority for Investment (GAFI)

UK-EGYPT TRADE FIGURES JAN-APR 2009

The trade figures for the period Jan-Apr 2009 report that total UK imports from Egypt have fallen by 2.5% compared to the same period in 2008, from £211,650,287 to £206,330,609. UK exports to the UK have increased year-on-year by a substantial 16%, from £258,913,929 to £300,089,212. This is a logical consequence of the devaluation of the pound caused by the global recession. Egypt is seeking other more profitable markets to export products to while relatively cheaper products from the UK are increasingly being imported to Egypt. Egypt is now ranked 6th largest exporter from MENA to the UK and has a share of 8.2% of total MENA exports to the UK compared to 8.7% for Jan-Apr 2008. Egypt is the 5th largest MENA importer from the UK with a share of 7.6% of total MENA exports to the UK, an increase of 0.9% year-on-year. In total volume of trade Egypt is ranked 4th after the UAE, Saudi Arabia and Israel. Egypt's share of all MENA trade with the UK stands at 7.9% for the period Jan-Apr 2009 compared to 7.5% for the same period in 2008. Egypt's increase of 7.6% in total volume of trade year-on-year is significantly stronger than the increase of 2.6% of the entire MENA region.

Source: HM Revenue & Customs Overseas Trade Statistics