

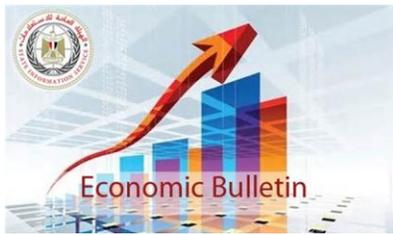


# **STATE INFORMATION SERVICE**

## **Weekly Economic Bulletin**

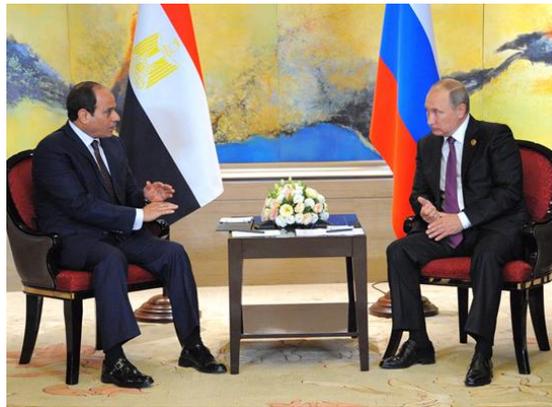
**(02-08 September 2017)**

**Mohammad Saleh**



## **Putin to visit Egypt upon Sisi invitation**

Russian President Vladimir Putin affirmed that he will visit Egypt upon an invitation from his Egyptian counterpart Abdel Fattah El Sisi.

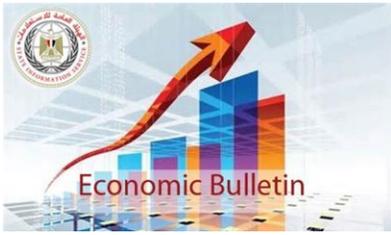


President Sisi has invited Putin, on the sidelines of the BRICS summit in the Chinese city of Xiamen, to attend a celebration at the site of the Dabaa nuclear-power station, which Egypt is planning to build with Russian assistance.

Addressing a press conference at the close of the 9th BRICS summit, Putin said that Egypt's aviation security issue is expected to be totally solved soon.

Putin voiced Russia's keenness on resuming air flights between the two countries and expressed Moscow's appreciation to the Egyptian efforts to provide needed aviation security.

Regarding Syria, Putin pointed out that the situation on the ground is dramatically changing in favor of the Syrian National forces.



However, it is too early to talk about total elimination of terrorism, Putin further said.

The Russian president pointed out that areas held by national forces have been expanded over the last two years.

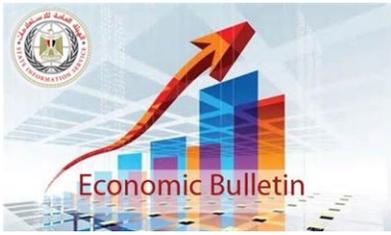
Such advance is being developed rapidly, Putin added.

### **Sisi: Economic reform measures based on national vision**

President Abdel Fattah El Sisi said that the Egyptian economic reform measures were introduced according to priorities and a sheer national vision.



Addressing the BRICS Business Forum, the president added that Egypt has successfully dealt with its chronic economic crisis despite the cost of war against terrorism and its success in restoring security and stability. The president explained that Egypt has adopted several radical economic reform measures while following a national plan that constituted a strategy for development until the year 2030.



These measures, added the president, led to improving the overall economic performance taking the foreign reserves up to 36 billion dollars. Egypt is also exerting efforts to redress the budget deficit to be less than 10 percent, he added.

The president underlined that the economic reform program was based on several policies that had their burdens on the Egyptian citizens who proved as usual to be aware of the magnitude of the challenge facing their homeland.

The president further noted that these decisions were taken to rectify economic policies for placing the Egyptian economy on the right track.

"We have studied similar examples of other countries including some of the BRICS member states such as Brazil in dealing with inflation through increasing productivity and enhancing economic efficiency through privatizing some companies while expanding public expenditures on social protection and services", he added.

"We have also studied the Indian experiment in applying modern technology for listing those benefiting from subsidy", added the president, noting that one of the most important sustainable growth and reform programs in Egypt is providing a social protection network for the needy people.

Also, the monetary policies have been amended and a resilient exchange rate system was adopted to end trading in currency outside the banking system, said the president, pointing out that this led to increasing the competitiveness of Egyptian exports and attracting more foreign investments.



Meanwhile, said the president, the Egyptian parliament adopted a unified investment law offering many incentives for investors such as tax exemptions and lands for free along with easy measures to start an investment project.

The president asserted, while addressing the BRICS Business Forum, that the Egyptian Ministry of Trade and Industry approved a law a few days ago allowing companies to issue permits only in seven days instead of 600 days.

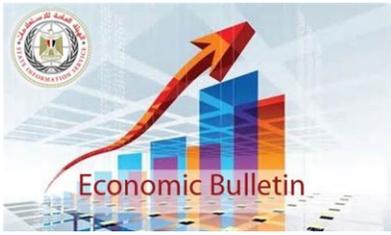
This measure shows how far the Egyptian government is aware of the magnitude of challenges and hindrances that were affecting investment in Egypt, said the president.

It also attests to keenness on providing a suitable environment for investment in Egypt in line with international standards, he added.

The president said the Egyptian national projects are achieving remarkable progress; a state of affairs which enhances the national economy through providing more jobs and pushing forward the economic growth. These projects, he noted, include cultivating 1.5 million feddans and setting up new and modern cities nationwide.

These projects include also establishing more than 5,000 kilometers of roads and undergrounds along with new oil discoveries, said the president, underlining the project for setting up the Egyptian nuclear station for power generation that will be established in cooperation with Russia.

President Sisi confirmed that Egypt is looking forward to benefiting from the experience of the BRICS member states and is



working to remove any obstacles hindering joint investments and trade exchange with the group member states.

### **Sisi: World confronts immense challenges**

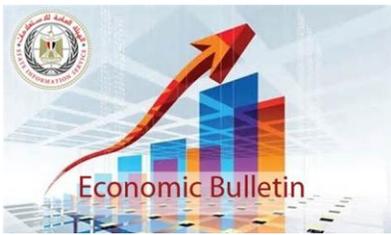
President Abdel Fattah El Sisi said that the world is confronting immense challenges that require collective action to be addressed.

The remark was made in his speech at the session of dialogue between the emerging markets and developing countries that is held here on the sidelines of the BRICS Summit.



President Sisi noted that young people are the pillar of reform in Egypt. The Egyptian people are implementing an ambitious program for economic development, he added. He also reviewed the Egyptian vision for enhancing the role of the developing countries in the world economic order.

Sisi said in his speech at the dialogue session that Egypt is appreciating the importance of the BRICS grouping not only because of its mechanisms of action but also for the joint political visions that the member states adopted towards political issues of the developing countries.



The president explained that the Egyptian people are working hard to carve out a bright future through implementing an ambitious economic growth program which is based on a radical financial and monetary reform policy.

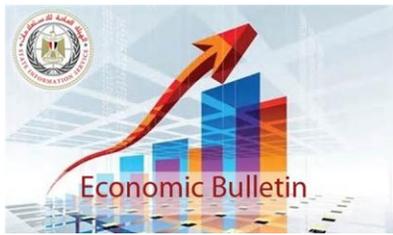
Also, added the president, the Egyptian people are implementing several mega national projects in various domains. This state of affairs led to increasing the growth rate up to 4.3 percent in July with the foreign currency reserves increasing to hit 36 billion dollars.

The president pointed out that Egypt has a vision which is based on national priorities that were mentioned in the 2030 development agenda.

This vision is meant to achieve several goals including providing more jobs and attaining higher growth rates and diversifying the national economy, said the president, adding that the young people are the driving force for development and reform in Egypt.

The president expounded the Egyptian vision holding that without a fair and transparent world economic order and enhancing the participation of the developing countries in the world economic governance frameworks and without a multilateral trade order the developing countries will not be able to achieve higher economic rates.

The president further underlined the necessity that the developing countries should defend their right to act according to their own national priorities without being subject to international criticism.



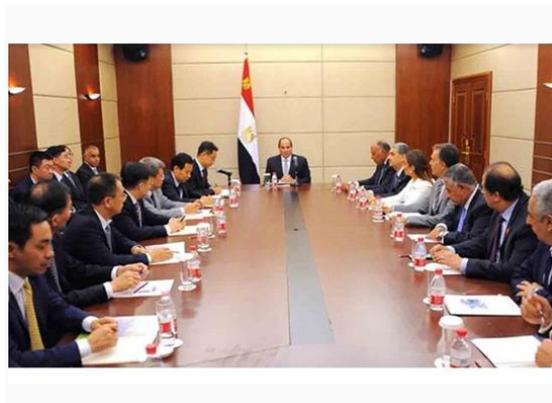
President Sisi also called for setting up a liaison group including the countries that are participating in this forum to outline a framework for implementing the goals of the sustainable development agenda.

The president confirmed that Egypt has its potentials that could benefit the BRICS grouping such as the Suez Canal Corridor that is now being turned into an industrial and technological hub serving the world trade and industry.

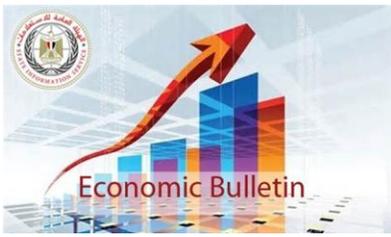
The president concluded his speech confirming that Egypt is willing to set up three-way cooperation with BRICS members and African countries in an effort to enhance South-South cooperation.

### **Sisi probes with heads of Chinese companies investment opportunities in Egypt**

President Abdel Fattah El Sisi met with heads of giant Chinese companies at his residence here to discuss investment opportunities in Egypt with them.



The meeting was attended by the Egyptian ambassador to China, as well as the delegation accompanying the president on his visit.



Egypt is keen on developing relations with all Chinese companies to push forward strategic cooperation between Egypt and China, Sisi said.

The president briefed the Chinese businessmen on the investment opportunities available in Egypt, as well as the measures taken by the government to improve the economic situation in Egypt.

The Chinese businessmen, meanwhile, praised the improved economic situation in Egypt and the measures taken by the Egyptian government to overcome obstacles facing Chinese companies.

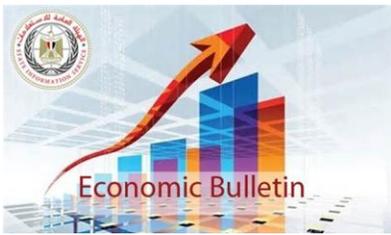
They also expressed willingness to invest in the field of infrastructure in Egypt, particularly in the areas of transportation, renewable energy and electricity.

### **Sisi, Chinese counterpart witness ceremony of signing to agreements, MOU on fringe of BRICS**

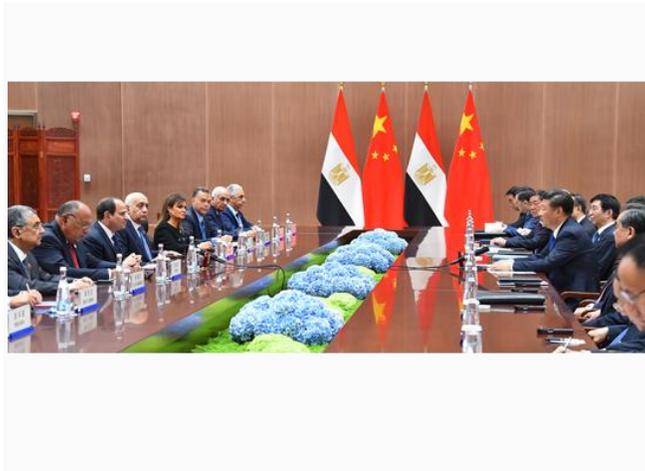
President Abdel Fattah El Sisi and his Chinese counterpart Xi Jinping witnessed the signing ceremony of two cooperation agreements and a memorandum of understanding.

The first agreement is relevant to security cooperation between the Egyptian Interior Ministry and the Chinese Public Security Ministry.

The second agreement pertains to economic and technical cooperation whereby China would grant Egypt 300 million Chinese yuan to carry out the project of Egypt SAT II.

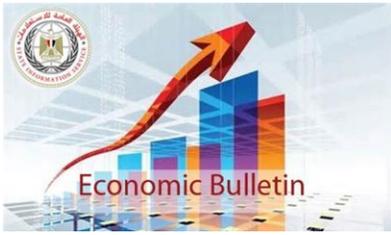


The third deal is a memorandum of understanding between the Egyptian Ministry of Investment and International Cooperation and the Chinese Ministry of Trade to implement a project of an electric train linking between El Salam City at the 10th of Ramadan and Belbeis in Sharqiya governorate.



Sisi and Xi held a session of talks earlier in the day which tackled means of bolstering bilateral ties in all fields, reviewed a set of joint projects and the progress achieved in the volume of trade exchange between the two countries. They also addressed means of giving more incentives to allow Egyptian products more access to the Chinese market.

The two leaders also discussed enhancing Chinese investments in Egypt especially in the Suez Canal Development Corridor and the new cities that are currently under construction. Talks also pored over a set of regional and international issues of common interest.



## **Sisi witnesses Egyptian-Vietnamese business forum in Hanoi**

Visiting Egyptian President Abdel Fattah El Sisi witnessed in Hanoi the Egyptian-Vietnamese business forum, Egypt's Nile News channel reported in breaking news.

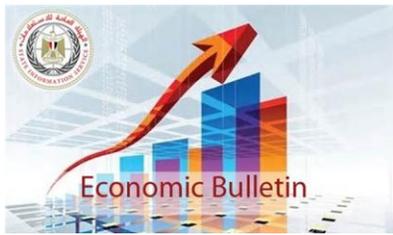


Sisi is scheduled to meet later in the day with the Vietnamese prime minister and the chairman of the Vietnamese National Assembly.

Earlier, Sisi said Egypt and Vietnam are keen on boosting political, economic, trade and cultural cooperation.

## **CBE: Egypt's foreign currency reserves rise by USD 107 million by end of August**

Egypt's foreign currency reserves jumped by \$107 million at the end of August to \$36.143 billion, the Central Bank of Egypt (CBE) said in a statement.



By the end of July, the country's foreign reserves registered \$36.036 billion.

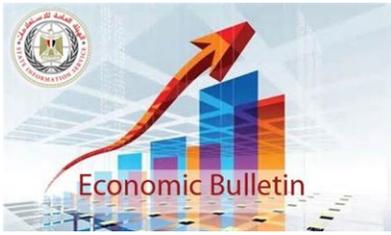
### **Chinese FAW Company to establish automotive factory in Egypt**

Chinese FAW Company has decided to establish a factory to produce trucks and minibuses in Egypt.



FAW, in cooperation with its agent in Egypt Geyushi Motors, will build the factory in the 10th of Ramadan City, said Trade and Industry Minister Tareq Qabil.

Production at the factory should start in March, the minister added in a statement.



## **Chinese company to expand investments in SCZone**

The Suez Canal Economic Zone (SCZone) has inked a contract with China's Jushi Group to pump 60 million dollars to expand the company's activities in Ain Sokhna.



The signing ceremony was attended by Mahfouz Taha, the Deputy Chairman of the General Authority for (SCZone)'s Southern Region, and Cao Jianglin of Jushi Company.

The contract was concluded during the Egyptian-Chinese Investment Forum, which was held in Yinchuan city in the presence of Trade Minister Tareq Qabil and the Chinese deputy minister of trade, the SCZone said in a statement.

For his part, Mahfouz welcomed pumping more Chinese into the industrial zones of the SCZone, stressing that new contracts will be signed for building new projects in several sectors in Ain Sokhna area over the coming months, the statement read.

Jushi company is one of the world's largest companies specialized in the manufacture of fiberglass as it opened its plant in Ain Sokhna in 2014, with the aim of increasing its annual production capacity with a total of 200.000 tons by 2017.



## United States Dollar to Egypt Pound



By the end of this week, the average buy price for the US dollar reached 17.6099 pounds, while the average sell price reached 17.7099 pounds.

## Gold Price



The following table shows gold price per gram:

Carat	Gold price per gram in Egyptian Pound (EGP)
24K Gram	754 EGP
21K Gram	660 EGP
18K Gram	565 EGP