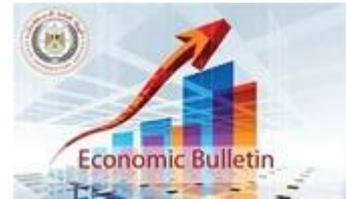


## **STATE INFORMATION SERVICE**

**Weekly Economic Bulletin**

**(09 - 15 December 2017)**

**Mohammad Saleh**



## **Sisi, Putin witness inking deal to build Dabaa nuclear plant**

President Abdel Fattah El Sisi and his Russian counterpart Vladimir Putin witnessed the signing of an agreement to start the establishment of a power plant project in Dabaa and providing it with nuclear fuel.



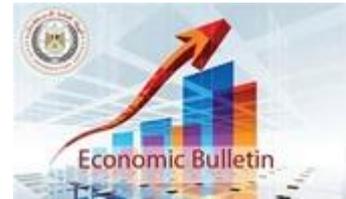
The deal was inked by Electricity Minister Mohamed Shaker and the head of Russian nuclear corporation Rosatom Alexei Likhachev.

This came at the beginning of a press conference held at El Itihadiya palace after talks between the two leaders.

In September, Sisi announced that Egypt completed the agreement that aims at building a nuclear plant in Dabaa.

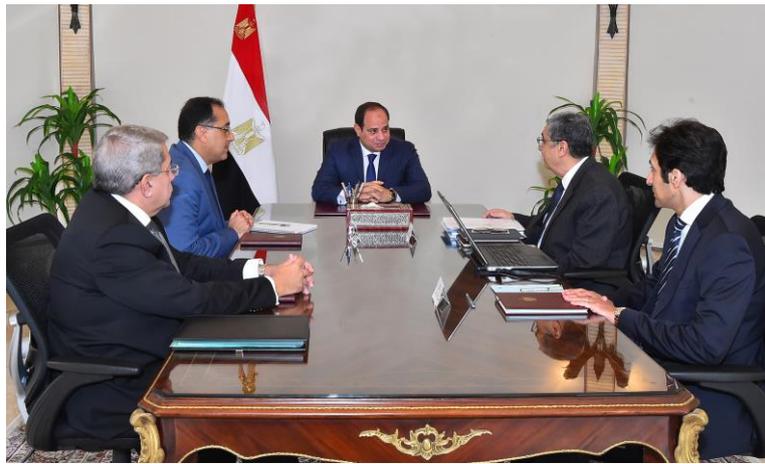
Earlier, Egypt and Russian signed a deal in which Moscow will provide 80 percent of the foreign components of the plant, while Egypt provides 20 percent.

Dabaa area will host eight nuclear plants in which the first plant will include four nuclear reactors to generate electricity.



## **Sisi probes in ministerial meeting Dabaa, Sinai projects**

President Abdel Fattah El Sisi held a meeting with Acting Prime Minister and Minister of Housing Mostafa Madbouli, Minister of Electricity Mohamed Shaker and Minister of Finance Amr el Garhi.



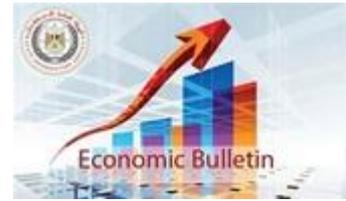
The electricity minister presented a report on the Dabaa nuclear plant and preliminary preparations for implementing the project, Presidency Spokesman Bassam Radi said.

The finance minister reviewed ways to pay off the total costs of the project, he added.

The president directed the need to accelerate government steps as regards Dabaa station, he said.

The electricity minister reviewed the ministry's plan to develop electricity services offered to citizens and measures taken to improve the service and upgrade the electricity distribution and transfer network across the country.

Madbouli reviewed the government's comprehensive plan on Sinai development which includes the establishment of several national projects in various fields which would improve the living standards of the citizens, Radi added.



## **Egypt, Switzerland sign joint declaration on strategic cooperation for 2017-2020**

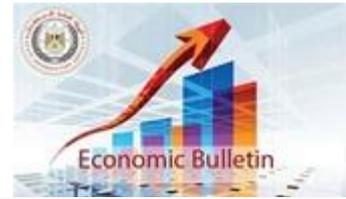
Egypt and Switzerland have signed a joint declaration for a strategic cooperation program between the two countries for 2017-2020 at a total value of 86 million francs.



Minister of Investment and International Cooperation Sahar Nasr signed for the Egyptian side, while Swiss State Secretary for Economic Affairs Marie-Gabrielle Ineichen-Fleisch signed for her country.

In a press statement, Nasr said the cooperation agreement will include investment in the New Administrative Capital, new cities, water desalination stations, social housing, banking and financial sectors as well as funding of women and youth projects.

The minister explained that existing cooperation projects covered dangerous waste management of hospitals in Daqahliya governorate at a value of 9.2 million franc, water and sanitation projects in four Upper Egypt governorates; Qena, Sohag, Assiut and Minya.



The Swiss minister, for her part, asserted that Switzerland's main priority is to create job opportunities and improve the living standards of Egyptians.

### **Mamish: Russian industrial zone in Port Said a gate for Russian companies to world**

Chairman of the Suez Canal Authority and the Suez Canal Economic Zone (SCZone) Mohab Mamish said President Abdel Fattah El Sisi is deeply interested in the Russian industrial zone in East Port Said and is closely following up its work progress.



In a statement, Mamish said talks with the Russian side focused on the necessary industries that are much needed by East Port Said as well as the needs of the local and international market, adding that this zone would serve as a gate for Russian companies to the African and European markets.

He pointed out that agreements reached with investors to establish industrial compounds stipulated that 90 percent of the labor force should be Egyptians in order to achieve the aim of providing around one million job opportunities in the Suez Canal Corridor and as part of Egypt's development vision for 2030.



As per the Russian industrial zone, Mamish said the total value of investments in East Port Said industrial reached dhrs 6.9 billion.

He also said work in the industrial zone will be operational on three stages starting in early 2018. The first phase of the Russian industrial zone will provide 7300 job opportunities in the field of construction and building. The Russian side would work on luring new investors during 2018 and 2019.

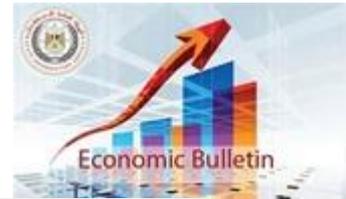
Technopolis Moscow, which is a specialized territory for the development of high technology industries, agreed with the SCEzone on setting up a company to operate the Russian industrial zone and outline the projects that are much needed inside the zone in order to turn it into an industrial hub overlooking the Mediterranean Sea, Mamish said.

The two sides also agreed that the project will be supervised by the two countries' governments as the projects will be funded by the Russian investment fund and a number of Egyptian companies along with the private sector in both sides.

As per the main industries that will be established in the zone, Mamish said construction materials, glass, ceramics, motors, air conditions, paper, wood, medical appliances, plastic and spare parts.

### **CBE: Core inflation recedes to 25.54% in November**

The core inflation receded 25.54 percent year-on-year in November, compared to 30.53 percent in October, the Central Bank of Egypt (CBE) said.



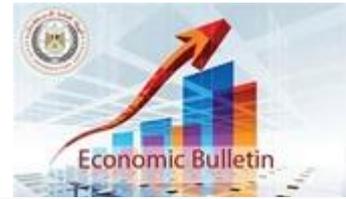
On a monthly basis, the inflation grew 1.31 percent in November from 0.7 percent in the previous month.

### **CBE: Foreign investment inflows hit USD 1.6 billion during Q3 of FY 2017-2018**

Net foreign direct investment inflows increased to hit USD 1.6 billion in the third quarter of 2017/2018, according to the Central Bank of Egypt (CBE).



In its annual report, the CBE said that the volume of foreign investments which entered Egypt during the third quarter of 2017/2018 hit about USD 3 billion.



Foreign investment in Egyptian treasury bills reached USD 7.4 billion, added the CBE.

### **Planning Ministry, Misr Company for E-Services sign cooperation protocol**

Acting Prime Minister Mostafa Medbouli and Minister of Planning, Follow-up and Administrative Reform Hala El Saeed witnessed the signing ceremony of a protocol of cooperation between the Ministry and Misr Company for E-Services.

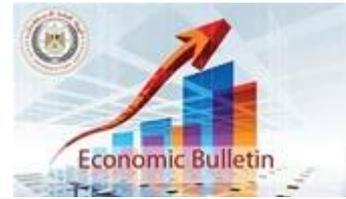


Under the protocol, the expertise of both parties will be used to integrate the e-government services exchange platform and the e-government services portal with the Governmental Electronic Payment and Collection Center.

### **Cabinet approves 5 oil exploration deals**

The Cabinet, under Prime Minister Sherif Ismail, approved five agreements on oil exploration in Egypt, Petroleum Minister Tareq Mulla said.

Of all, the Egyptian Natural Gas Holding Company (EGAS) signed four agreements with a raft of international oil companies to explore oil in Ras El Esh, El Hammad, Hadi and El Tabia



maritime zones, Mulla said at a press conference following the cabinet meeting.

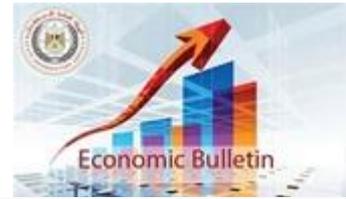


The fifth agreement was signed by the Egyptian General Petroleum Corporation and Trident Petroleum Egypt to extend a deal to develop the production and extraction of oil reserves in Suez to ten more years, he added.

### **Head of CAPMAS: 2017 start of real economic reform in Egypt**

Head of the Central Agency for Public Mobilization and Statistics (CAPMAS), Abu Bakr el Gendy has said that real economic reform started in Egypt in 2017.





More reform measures should follow, Gendy said in statements.

Most of the economic indexes have improved after only one year of applying the "inevitable" reform measures, he noted.

He touched upon an increase in the growth rate and improvement in the balance of trade.

Gendy also talked about negative results, such as the increase in the inflation rate, but noted that the government was able to alleviate that through its "unprecedented" social protection programs. Unemployment rates also receded in 2017, he added.

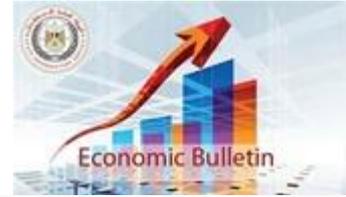
He believes that the Egyptian economy is still in the safe zone despite an increase in the internal and external public debt, stressing this was the outcome of establishing projects, rather than consumption.

### **Egypt, Russia sign protocol on resumption of direct flights**

Egyptian Aviation Minister Sherif Fathy and Russian Transport Minister Maxim Sokolov signed a cooperation agreement on the resumption of direct flights between the two countries after a two-year break.



Air traffic will resume on February 1, 2018, Sputnik News reported.



According to the Egyptian aviation minister, Moscow and Cairo will discuss the resumption of charter flights in April, 2018.

Under the protocol, flights will be resumed first to Cairo International Airport and then to the resort cities of Sharm El Sheikh and Hurghada.

Following the signing of the protocol, Fathy said that tour operators were given the green light to resume flights between Egypt and Russia as of next February.

The Egyptian and Russian sides agreed to continue contacts in April to consider next steps in the field of aviation.

### **Egypt bourse gains EGP 32 bln in week**

The Egyptian Exchange (EGX) gained 32 billion pounds this week as the market capital went up 4.1 percent to 820.7 billion pounds compared to 788.7 billion pounds in the previous week.



The EGX 30 benchmark index upped 2.69 percent to 14,680 points, according to its weekly report on Thursday 14/12/2017.

The broader EGX 70 index of the leading smaller and mid cap enterprises (SME) went up by 4.85 percent to 805 points.

The all-embracing EGX 100 index rose 5.07 percent to close at 1,903 points.

The EGX 20 index upped 2.98 percent to reach 14,414 points.