

MASHREQ GLOBAL DIGEST

Egypt

October 4 – October 10



This edition of the Market Digest highlights Egypt's latest macroeconomic and financial developments, alongside recent deals and key trends influencing the country's economic outlook.

Macroeconomic News

Egypt Growth Reaches 5.1%, Targets 5.4%

The World Bank expects Egypt's GDP growth to accelerate to 5.1% in FY2025/26 from 4.4%, supported by lower inflation, stronger consumption and investment, and a recovery in extractive industries, before easing to 4.3% in 2027. Meanwhile, Egypt is targeting at least 5.4% growth in FY2026/27, helped by manufacturing, technology and the Suez Canal recovery, where revenues rose 23% to \$4.67 billion. Overall, the outlook remains positive, although sustaining momentum will depend on continued investment and stronger foreign-currency inflows.

Reference: [Ahram](#), [Arab News](#)



Egypt Drafts New Real Estate Buyer Protection Law

Egypt's real estate sector reached an estimated \$137 billion in 2025, up 11.4% year-on-year, supported by GCC capital and currency shifts, but rising costs and affordability pressures are increasing the need for stronger oversight. A new draft law would establish the Egyptian Federation of Real Estate Developers and introduce separate project accounts, buyer protection funds and stricter developer monitoring, aiming to improve transparency and reduce risks for buyers.

Reference: [Zawya](#), [Zawya](#)



Egypt's Reserves Hit Record \$57.35B in September

Egypt's net international reserves rose to a record \$57.35 billion in September, marking a ninth consecutive monthly increase. Reserves were up 15.8% year-on-year and have risen by \$5.9 billion since the end of 2025. The stronger reserve position improves Egypt's external buffer against import costs, debt repayments and other financing pressures.

Reference: [Arab News](#)



Egypt Invests EGP 57B in Sinai Power Grid

Egypt has invested around EGP 57 billion to modernize the electricity grid across Sinai, expanding transmission and distribution networks and improving supply reliability. The program includes 30 transformer substations, thousands of kilometers of power lines and upgrades serving around 280,000 subscribers. The investment should support industrial, tourism and infrastructure development while preparing the grid for higher demand and more renewable energy.

Reference: [Daily News Egypt](#)



Egypt Unveils FDI Strategy for 2027–2030

Egypt has unveiled a new foreign direct investment strategy for 2027–2030 aimed at attracting more private capital, strengthening private-sector participation and improving the investment environment. The plan focuses on industrial localization, technology transfer, higher production and exports, while also identifying priority sectors and fully digitalizing investor services to reduce procedures and delays.

Reference: [Zawya](#)



Egypt's Non-Oil Economy Contracts Further in September

Egypt's non-oil private sector weakened further in September, with the S&P Global PMI falling to 47.2 from 49.6 in August, moving further below the 50 level that separates growth from contraction. Output and new orders declined more sharply amid weaker demand, geopolitical disruptions and inflationary pressures, while input-cost inflation rose to a three-month high. Employment increased for a second consecutive month, and firms remained optimistic about the year ahead.

Reference: [Zawya](#)



Egypt Plans 31 Programs to Expand Private-Sector Role

Egypt is preparing 31 programs and around 100 implementation measures under its 2026–2030 State Ownership Policy to increase the private sector's role in the economy. The plan covers investment attraction, capital markets, state-owned asset management and governance, with clear targets and KPIs to track implementation.

Reference: [Zawya](#)

Financial/Tech News

Egypt Retains Emerging Market Status

FTSE Russell removed Egypt from its watch list for a possible downgrade to Frontier Market status, allowing the country to retain its Secondary Emerging Market classification after meeting the minimum securities requirement. Three Egyptian companies now meet mid-cap standards, which could strengthen Egypt's representation in emerging-market indices and broaden its potential investor base.

Reference: [Zawya](#)



Rise every day

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Mashreq Egypt Wins Digital Banking Award

Mashreq Egypt received the “Excellence in Corporate Banking Digitization” award at the 2026 Innovation & Excellence Awards, recognizing its investment in digital corporate banking and solutions such as NEO CORP. The award highlights the bank’s push to strengthen its digital offering for businesses in Egypt.

Reference: [Zawya](#)

Egypt Seeks More Long-Term Funding for Projects

Egypt plans to expand access to long-term financing for public and private projects by diversifying funding sources and improving liquidity. The move is part of broader structural reforms aimed at giving the private sector a larger role in the economy and shifting growth toward production, exports and investment.

Reference: [Zawya](#)

Egypt Digitizes Environmental Approval Process

Egypt has launched a fully digital platform for Environmental Impact Assessment (EIA) services, allowing investors to submit and track applications online. Paper-based submissions will end from November 1, 2026, as part of efforts to reduce bureaucracy, improve government efficiency and simplify procedures for investment projects.

Reference: [Zawya](#)

Rating

Fitch Affirms Egypt at ‘B’ With Stable Outlook

Fitch Ratings affirmed Egypt’s ‘B’ sovereign rating with a Stable Outlook, supported by stronger growth, improving foreign-exchange buffers and continued support from international partners. Egypt’s reserves rose to \$54.4 billion, while GDP growth accelerated to 5.1% in FY26. However, the rating remains constrained by high debt-servicing costs, large external financing needs, inflation and geopolitical risks.

Reference: [Fitch Ratings](#)

Deals

Egypt Allocates 1M+ sqm for Hurghada Tourism Projects

Egypt allocated more than 1 million square meters across 16 plots in Hurghada for new hotel, tourism-service and entertainment projects. The developments are expected to add around 856 hotel rooms, expand another project to 946 units, and include two water parks. The move should help expand Egypt’s tourism capacity and support investment and job creation in the Red Sea region.

Reference: [Zawya](#)



Egypt and South Korea Upgrade Ties to Strategic Partnership

Egypt and South Korea upgraded relations to a strategic partnership, signing agreements in shipbuilding, clean energy, power infrastructure and technology. They also plan to expand defense cooperation and explore a broader economic partnership agreement.

Reference: [Zawya](#)

Markets

Market Dashboard

- Wall Street ended the week higher, with all three major U.S. indexes posting weekly gains. Markets were volatile as Middle East tensions and higher oil prices fueled inflation and interest-rate concerns, while technology stocks faced pressure from AI-related financing worries. Stocks recovered on Friday as geopolitical concerns eased on Friday, with investors now focusing on U.S. inflation data and third-quarter earnings.
- Cryptocurrencies ended the week under pressure, with Bitcoin down 2.3% to slightly above \$82,000 and Ethereum falling 8.6% to nearly \$2,500, both reaching three-week lows. Rising oil prices, Middle East tensions, and expectations of further interest rate hikes weighed on investor sentiment, pushing investors away from riskier assets like crypto.
- Gold ended the week up around 1.2%, reaching a one-week high of \$4,194 per ounce after recovering from a two-month low. Bargain buying and easing US Treasury yields supported the rebound, while expectations of further Fed rate hikes limited gains. Investors are now watching next week’s US inflation data for clues on gold’s next move.
- Oil prices ended the week higher, with Brent crude at \$104.72 per barrel and WTI at \$91.85. Gains were driven by Middle East supply disruptions and Hurricane Isaias, which forced the shutdown of over 70% of US Gulf offshore oil production. However, hopes of progress in US-Iran talks and China’s resumption of fuel exports limited further gains.
- The dollar index strengthened for a fourth consecutive week, gaining 0.3%, supported by expectations of further Fed rate hikes. Meanwhile, the euro fell 0.4% to around \$1.12, marking its fifth straight weekly decline, pressured by rising oil prices, France’s debt concerns, and political uncertainty across Europe.

Indicators	2-Oct-26	9-Oct-26	% Change
S&P 500	7,722.72	7,811.54	1.15%
Bitcoin	84,497.21	82,546.32	-2.31%
Gold	4,142.96	4,194.46	1.24%
Crude Oil	102.25	104.72	2.42%
EUR/USD	1.1250	1.1206	-0.39%

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