

MASHREQ GLOBAL DIGEST

Egypt

June 15 – June 21



This edition of Market Digest highlights Egypt’s key macroeconomic indicators, recent financial and tech developments, and major deals, offering valuable insights into current economic trends.

Macroeconomic News

Egypt Targets 4.5% Growth with New Economic Plan

Egypt’s parliament has approved the FY 2025/26 economic and social development plan, targeting a 4.5% GDP growth rate—nearly double the 2.4% recorded in FY 2023/24. The plan allocates EGP 1.16 trillion in public investments while expecting the private sector to contribute around EGP 1.94 trillion, or 63% of total investments. It focuses on rationalizing public spending, reducing public debt, and directing funds toward nearly completed projects to maximize impact. Developed amid heightened regional uncertainty, the plan emphasizes flexibility and continuous monitoring, reflecting a strategic shift toward enabling private sector-led recovery and economic resilience.

Reference: [Daily News Egypt](#)



Egypt’s Inflation Hits 16.8% in May

In May 2025, Egypt’s urban headline inflation climbed sharply to 16.8%, up from 13.9% in April. This rise was driven mainly by higher prices in pharmaceuticals, fresh fruits, and inland transportation costs following a fuel price hike. Core inflation also accelerated to 13.1% in May. Seasonal effects linked to Eid Al-Adha added to inflationary pressures, including increased costs for Hajj and Umrah. Compounding this, global shipping costs surged—some routes by up to 100%—due to the Iran-Israel conflict, raising import costs and threatening further price hikes in Egypt.

Reference: [Arab News](#), [Asharq Business](#)

Egypt Ranks 9th Globally in FDI for 2024

Egypt has emerged as a top global destination for foreign direct investment, ranking 9th worldwide in 2024, according to UNCTAD’s World Investment Report. The country attracted \$47 billion in FDI, a massive increase from \$10 billion in 2023, driven largely by major deals such as the Ras El Hekma project. This growth also made Egypt the leading FDI recipient in Africa, highlighting its rising appeal as a regional investment hub. Egyptian officials attribute this success to advancements in infrastructure, digitalization, and stronger private sector engagement.

Reference: [Zawya](#)



Egypt and Qatar in Talks Over \$3.5B Investment

Qatar is in advanced talks to invest \$3.5 billion in a major tourism project on Egypt’s Mediterranean coast, similar to the UAE’s Ras El Hekma deal. The agreement could be signed by the end of 2025, with \$1 billion paid upfront and the rest over the following year. Kuwait plans a similar \$4 billion investment, while Saudi Arabia is not expected to invest this year. These deals show growing Gulf interest in Egypt’s development and could strengthen its economic resilience amid regional uncertainties.

Reference: [Asharq Business](#)

Egypt Aims for 30 Million Tourists by 2031

Egypt has set an ambitious target to attract 30 million tourists by 2031 as part of a broader government strategy to boost foreign direct investment. Prime Minister Mostafa Madbouly highlighted efforts to expand hotel capacity, which grew by 7,200 rooms in 2024, with 19,000 more expected in 2025. The plan also focuses on developing restaurants, safaris, theme parks, and restoring antiquities through public-private partnerships. A new unit will track investment opportunities to help meet these goals as part of Egypt’s broader national investment strategy.

Reference: [Zawya](#)



Egypt’s Remittances Hit Historic High

According to the Central Bank of Egypt, remittances from Egyptians abroad soared by a historic 84.4% in the first quarter of 2025, reaching \$8.33 billion—the highest quarterly increase ever recorded—boosted by currency reforms and expanded banking channels that renewed trust. These inflows, making up about 5.85% of Egypt’s GDP, are vital for supporting the economy and foreign reserves. Egypt ranks 7th globally among the top recipients of remittances in 2024.

Reference: [Asharq Business](#)

Egypt Ramps Up Power Infrastructure Spending Amid Rising Demand

Egypt increased power infrastructure investment 20% to EGP 2.8 billion (\$55 million) for 2025–2026 to support economic growth and rising energy demand. Funds, allocated to state-owned South Cairo Electricity Distribution Company, will upgrade networks across Cairo and other regions, reflecting Egypt’s focus on energy security and infrastructure modernization.

Reference: [Zawya](#)

Egypt to Launch Property Tax Relief in FY26

Egypt’s Finance Minister announced the first phase of property tax relief to begin early in FY26, aiming to reduce tax burdens and encourage more people to comply. This relief allows taxpayers to settle old tax debts and simplifies the filing process, helping many join the formal tax system. The initiative has already boosted revenue by 36% without raising tax rates, with additional funds directed toward priority sectors like healthcare, education, and social protection.

Reference: [Daily News Egypt](#)

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Financial/Tech News



Orange Egypt Teams Up with Huawei to Launch 5G Nationwide

Orange Egypt has signed a deal with Huawei to roll out 5G across the country. The move will boost internet speed, support smart cities, and enable technologies like AI, virtual reality, and robotics. Huawei will provide advanced network tech to improve performance, especially in busy areas. The partnership also includes an energy-saving system that uses AI to cut power use and costs. This rollout is part of Egypt’s plan to upgrade its digital infrastructure and expand fast, reliable internet access.

Reference: [Zawya](#)

Egypt Approves Unified Real Estate Database Law

Egypt’s President has approved Law No. 88 of 2025 to create a unified national real estate database, assigning each property a unique number linked to a secure electronic system and national map. A designated government authority will manage the database, while strategic and military properties are excluded.

Reference: [Zawya](#)

Egypt’s Top Banks’ Profits Fall 3.1% in Q1 2025

Egypt’s top 10 banks reported a 3.1% decline in net profits for Q1 2025, totaling EGP 120.74 billion. This drop was mainly due to the fading impact of last year’s currency devaluation and a decrease in Treasury bond yields, which lowered investment income. Additionally, higher loan loss provisions and missed interest rate adjustments weighed on profits. Despite this, these banks still control about 79% of the sector’s assets. In related news, Central Bank of Egypt Governor Hassan Abdalla was named “Governor of the Year 2025” in recognition of his leadership in maintaining banking sector stability.

Reference: [Al Arabiya](#), [Daily News Egypt](#)

Egypt Prepares \$2B Sukuk Issuance

Egypt has completed preparations to issue over \$2 billion in sovereign sukuk. The final coverage will be announced this week, as the government looks to diversify funding and attract Sharia-compliant investments. A large state-owned land plot was recently allocated to support the issuance and help reduce public debt.

Reference: [Al Arabiya](#)



Deals

Egypt Secures \$1.6 Billion in Renewable Energy Deals

Egypt signed a \$600 million financial closure deal with Norway’s Scatec for a 1 GW solar power plant, allowing construction to begin. It also finalized a \$1 billion power purchase agreement for a 900 MW wind project in the Gulf of Suez. These projects are part of Egypt’s broader goal to have renewables make up 42% of its electricity mix by 2030, up from 11.5% currently.

Reference: [Reuters](#)

Markets

Market Dashboard

- For the week ending June 20, 2025, the S&P 500 fell 0.2%, the Nasdaq gained 0.2%, and the Dow Jones Industrial Average remained nearly flat. Investor caution over escalating Iran-Israel tensions and uncertainty throughout the week about potential U.S. involvement created volatility, leading to mixed market performance.
- Bitcoin dipped recently as investors grew cautious amid rising tensions in the Middle East. Uncertainty about possible U.S. involvement in the Iran-Israel conflict has made markets more risk-averse, leading to a drop in cryptocurrencies alongside stocks.
- Gold prices dipped slightly as the US postponed its decision on involvement in the Israel-Iran conflict, easing some immediate political tensions. This pause, combined with steady interest rates, weighed on gold, though ongoing safe-haven demand and central bank support helped keep prices relatively stable. However, if the situation escalates following US bombing of Iran, it would likely fuel demand for gold as a safe-haven asset amid increased uncertainty.
- Oil prices dipped slightly on Friday as the US held back from immediate military action in the Middle East, settling at \$77.27 a barrel for Brent crude. Despite the daily drop of 2.3%, oil posted a strong weekly gain of 4%, supported by ongoing tensions between Israel and Iran and concerns over potential supply disruptions. Investors remain cautious ahead of possible escalations, but the week’s overall rise reflects the market’s sensitivity to geopolitical risks in the region.
- The U.S. dollar recently rose against the yen and euro due to ongoing Middle East tensions, especially fears of U.S. involvement in the conflict between Israel and Iran. Despite the Federal Reserve signaling possible interest rate cuts soon, investors are buying dollars as a safe haven amid geopolitical uncertainty. This demand keeps the dollar strong even though rate cuts usually weaken it.

Indicators	13-Jun-25	20-Jun-25	% Change
S&P 500	5,976.97	5,967.84	-0.15%
Bitcoin	106,090.97	103,309.60	-2.62%
Gold	3,432.64	3,368.23	-1.88%
Crude Oil	74.23	77.27	4.10%
EUR/USD	1.1600	1.1526	-0.64%

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