

AFRICA RISK CONSULTING

Egypt Monthly Briefing November 2025

Egypt Summary 28 November 2025

Central Bank of Egypt (CBE) holds interest rates steady at 21%, pausing its recent monetary easing cycle after inflation unexpectedly accelerated for the first time in five months to 12.5%. The increase is partly due to a surge in housing rents following lawmakers' amendment of a decades-old rent freeze. Egypt and Qatar sign a \$3.5 billion financing package, to be routed through Qatari Diar, representing the initial tranche of a broader \$30 billion commitment to be disbursed over seven years. This package is expected to help unlock an additional \$2.5 billion from the International Monetary Fund (IMF) once a staff-level deal is reached. Egypt officially inaugurates the Grand Egyptian Museum (GEM) on 1 November, a landmark \$1 billion cultural project that is expected to significantly boost the tourism industry.

Egypt holds interest rates after surprise uptick in inflation to 12.5%

Egypt has held interest rates steady, pausing its recent monetary easing cycle after inflation unexpectedly accelerated for the first time in five months. The **Central Bank of Egypt (CBE)** on 20 November [kept](#) its benchmark deposit rate at 21% and the lending rate at 22%, stressing that it was adopting a “wait-and-see approach” to contain renewed price pressures. The pause breaks a two-month streak of rate cuts – the central bank has cut its rate by a cumulative 625 basis points since April, following a record hike and steep currency devaluation earlier this year. Those cuts aimed to support private-sector activity and reduce the government’s heavy interest-payment burden at a moment when public finances were stretched. However, October’s inflation reading, which [rose](#) to 12.5% from 11.7% in September, driven partly by a surge in housing rents after lawmakers amended a decades-old rent freeze, prompted the CBE to reconsider its pace of monetary loosening.

In its statement, the central bank [warned](#) that inflation remains vulnerable to global and domestic risks, pointing to geopolitical uncertainty, persistent service inflation, and potential passthrough effects from adjustments in state-administered prices. The bank also highlighted looming pressures from the recent fuel-price increase, which will likely feed into November’s numbers, as well as the possibility of higher electricity tariffs in early 2026. These adjustments form part of Egypt’s **International Monetary Fund (IMF)**-backed reform programme aimed at restoring fiscal discipline and reducing costly subsidies.

Despite the uptick, consumer-price growth is now less than half the 38% peak reached during last year’s financial crisis. By lowering rates in increments rather than aggressively, Egypt still maintains one of the highest inflation-adjusted policy rates globally, currently around 8.5%. This has reinforced foreign investor appetite for Egyptian domestic debt, helping attract billions of dollars into the local bond market since the 40% Egyptian pound devaluation early in 2024. The rate hold also comes as Egypt prepares for two combined reviews of its expanded \$8 billion IMF programme in December (see below). Successful completion would unlock \$2.5 billion in additional loan tranches, making the CBE’s cautious stance an important component of maintaining investor confidence and ensuring Egypt stays on track with IMF commitments.

Qatar to provide Egypt with financial boost that could unlock \$2.5 billion in IMF funds

Prime minister **Mostafa Madbouly** [confirmed](#) on 6 November that the government had signed \$3.5 billion financial agreement with **Qatar**, expected to arrive before the end of 2025 as part of a major **Mediterranean** tourism development. The investment, routed through **Qatari Diar**, the real estate branch of Qatar’s sovereign wealth fund, marks the initial tranche of a broader \$30 billion

commitment to be disbursed over seven years. Madbouly described the agreement at the signing ceremony of the agreement on 6 November as the result of months of negotiations and a key step in Egypt's broader strategy to stabilise its economy and attract further international financing. The deal also represents Qatar's first major investment in Egypt since April, when it pledged a \$7.5 billion investment package.

The Qatari funds will be used to [develop Alam Al-Roum](#), a stretch of Egypt's northern coast where Qatari Diar plans to build hotels, golf courses, and high-end tourism infrastructure aimed at attracting regional and international visitors. When completed, the coastal city is projected to generate at least \$1.8 billion in annual revenue. Once the company recoups its investment costs, 15% of the project's profits will go to Egypt's **New Urban Communities Authority**. The injection of hard currency is critical for Egypt, which is working to clear delayed reviews under its \$8 billion IMF loan programme. The IMF has held back disbursements, urging Egypt to accelerate privatisation and scale back the dominant role of the state and military in the economy. The Qatari agreement is expected to help unlock an additional \$2.5 billion in IMF funds once a staff-level deal is reached.

This investment follows a [broader trend](#) of **Gulf** support for Egypt during its prolonged economic crisis. It mirrors an earlier \$35 billion deal with the **United Arab Emirates (UAE)** to develop **Ras El-Hekma**, a massive headland nearby, which formed the core of a \$57 billion global bailout package that helped Egypt stabilise its currency and ease its worst economic pressures in decades. Although earlier reports also suggested **Saudi Arabia** might pursue a major tourism investment in Egypt, no concrete progress has materialised as Saudi Arabia is dealing with lower oil revenues and the demands of its own domestic megaprojects.

Egypt's northern coast is becoming increasingly central to Egypt's ambition of attracting 30 million tourists by 2031, especially as the region remains less saturated than the **Red Sea** resorts. Tourism remains one of Egypt's most important sources of foreign exchange, making large-scale, Gulf-backed coastal developments a strategic priority. While last year's inflows helped stabilise the economy, the government still faces pressure to attract more foreign direct investment and to deliver on IMF-mandated reforms.

Egypt has now presented a medium-term state divestment plan focusing on "*key strategic transactions*" rather than a large number of smaller sales. For now, the Qatari deal stands out as the largest single investment since last year's \$57 billion bailout, and its timing is pivotal, as an IMF mission is expected to visit **Cairo** before year-end.

Egypt officially opens \$1 billion grand museum to supercharge tourism

Egypt [officially](#) inaugurated the **Grand Egyptian Museum (GEM)** on 1 November, a landmark \$1 billion cultural project that has been two decades in the making and is expected to significantly boost the tourism industry. The opening ceremony was deliberately high-profile, illuminated by fireworks over **Giza** and attended by royalty and government representatives from across **Africa, Europe** and the **Middle East**. The opening featured orchestral performances, historical reenactments, and global broadcast interludes from cities such as **Paris (France), New York (United States), and Rio de Janeiro (Brazil)**, underscoring Egypt's attempt to position the GEM as a world-class cultural destination.

With over 100,000 artefacts spanning seven millennia, Egyptian officials describe the GEM as "*a gift from Egypt to the world*" and a showcase of national heritage at a time when Egypt is striving to reinforce its image as a hub of culture, stability, and regional diplomacy. President **Abdel-Fattah El-Sisi** (2014-present), who officially inaugurated the museum, which is the world's largest archaeological museum, also [called](#) it "*a living testament to the genius of the Egyptian individual*". GEM's centrepiece display is the entire collection of Egypt's boy Pharaoh **Tutankhamun's** treasures, including the iconic funerary mask, which is being housed for the first time in a single location.

The timing of the GEM's opening is strategic. Egypt is emerging from a prolonged economic crisis while also navigating the regional fallout from two years of conflict involving **Israel, Palestinian**

militant group **Hamas** and other **Iran**-backed groups. Despite this, tourism, a crucial source of foreign currency, has remained resilient, and officials [expect](#) a record 18 million arrivals in 2025, up from 2024's record 15.7 million. Egypt's role in mediating last month's Israel-Hamas cease-fire agreement was woven into the museum's opening theme of Egypt as "*the land of peace*" signalling efforts to leverage diplomacy to bolster its soft-power credentials.

The GEM will now replace the century-old **Egyptian Museum** in downtown Cairo as the primary repository of Pharaonic heritage. Much of its financing, roughly \$800m, came through soft loans from **Japan**. Construction of the GEM began in 2005 but faced repeated delays due to the **Arab Spring**, funding challenges, and the **Covid-19** pandemic. A year-long soft opening allowed limited public access, drawing 5,000 to 6,000 visitors daily. With the full inauguration, that figure is [expected](#) to triple to at least 15,000 per day, or more than five million annually, which would make the museum one of the most visited cultural institutions globally.

Tourism minister **Sherif Fathy** said at the opening ceremony that the museum will serve as a "*catalyst*" for Egypt's broader tourism ecosystem, driving demand for hotels, transport, and conference facilities. Beyond its archaeological exhibits, the complex includes interactive digital displays, virtual reality (VR) experiences, restaurants, retail spaces, and venues for cultural events, business gatherings, and festivals. A parallel \$30m renovation of the **Giza Plateau** aims to improve transport access, reduce congestion, and enhance the overall experience for the millions of visitors expected annually.

Taken together, the museum's opening strengthens Egypt's wider strategy to transform tourism into a long-term growth engine. With the GEM as a new global draw, the country is better positioned to meet its goal of increasing tourist arrivals to 30 million by 2032.

Planner

Dec 2025 **Cairo (Egypt) International Monetary Fund (IMF)** to complete fifth and sixth review of Egypt's \$8 billion **Extended Fund Facility (EFF)** programme;

2025 **Ras El-Hekma (Egypt)** Construction to begin on the \$35-billion Ras El-Hekma project;

2025/2026 **Cairo (Egypt)** Further subsidy reductions expected;

Chronology

27 Nov 2025 **Cairo (Egypt) Planning ministry**. Planning ministry reports Egypt's GDP grew by 5.3% in the first quarter of its 2025/26 fiscal year compared with 3.5% in the same period a year earlier, boosted by the government's economic and structural reforms;

27 Nov 2025 **Cairo (Egypt) Central Bank of Egypt**. **Central Bank of Egypt (CBE)** says Egypt is set to auction \$950m in one-year dollar treasury bills on 1 December;

26 Nov 2025 **Cairo (Egypt) Daily News Egypt**. Cabinet confirms Egypt and **Algeria** signed an extensive package of cooperation agreements in various sectors at the conclusion of the ninth session of the **Egyptian-Algerian High Joint Committee**;

24 Nov 2025 **Cairo (Egypt) Bloomberg**. **United Kingdom (UK)**- headquartered **HSBC Holding's** chief regional economist **Simon Williams** says Egypt's pound is gaining the trust of foreign debt-investors who likely will not be deterred if the nation makes deeper interest-rate cuts;

25 Nov 2025 **Cairo (Egypt) Daily News Egypt**. Communications and information technology minister **Amr Talaat** reports that Egypt is accelerating its economic transformation by integrating artificial intelligence (AI), cybersecurity and sustainability, with AI projected to contribute 7.7% of GDP by 2030, supported by major investments in digital infrastructure and talent development;

24 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Azerbaijan** convene the sixth session of their **Joint Cooperation Committee** in Cairo, where Egypt's planning and economic development minister, **Rania Al-Mashat**, and Azerbaijan's digital development and transport minister, **Rashad Nabiye**, discuss expanding economic and digital cooperation;

23 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. Investment and foreign trade minister **Hassan El-Khatib** reports that non-oil exports rose 19% to \$40.6 billion in the first ten months of 2025, while the trade deficit narrowed by 16%, driven by higher exports and lower imports;

20 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. President **Abdel Fattah El-Sisi** and **Russia's** President **Vladimir Putin** mark the installation of the reactor pressure vessel at Egypt's first **Dabaa Nuclear Power Plant**, signalling a major milestone in Egypt's peaceful nuclear energy programme;

19 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. Egypt hosts the first health ministerial meeting of the **Developing Eight (D-8) Organisation for Economic Cooperation**, reaching consensus on four priority areas - strengthening public health systems, improving maternal and child health, enhancing access to medicines and medical products, and advancing digital transformation in healthcare;

18 Nov 2025 **Cairo (Egypt)** *Reuters*. Egypt annuls parliamentary votes in over a quarter of first-round constituencies in one of the most significant disruptions to a national election in recent years;

15 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. **Ehab Wassef**, chairperson of the gold and precious metals division at the **Federation of Egyptian Industries**, announces that the local gold market rose 2.3% over the week, despite sharp daily fluctuations influenced by global price swings;

13 Nov 2025 **Cairo (Egypt)** *Reuters*. **South Africa**-based **Standard Bank** opens a new representative office in Egypt, aiming to boost trade and investment flows linking Egypt with **Sub-Saharan Africa** and the **Middle East**, in line with Egypt's **Vision 2030** and the bank's continent-wide strategy;

12 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. Trade between **Thailand** and Egypt reaches \$697m from January to September 2025, a 33% increase year-on-year, driven by Egypt's steel exports and Thailand's automotive parts;

11 Nov 2025 **Cairo (Egypt)** *Bloomberg*. Egypt is looking to buy three liquefied natural gas cargoes for delivery this month, underlining the frequent shifts in demand in a country that used to be a net exporter of the fuel;

11 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. **Suez Canal Economic Zone (SCZONE)** holds talks with **China's** deputy commerce minister **Ling Ji** to boost investment in automobile manufacturing and clean energy, including wind turbine and renewable energy industries;

5 Nov 2025 **Cairo (Egypt)** *Algeria Press Service*. **Algeria's** President **Abdelmadjid Tebboune** receives Egyptian foreign minister **Badr Abdelatty** to review the outcomes of the **Sharm El-Sheikh Peace Summit** and ceasefire in **Gaza**;

4 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. **Chemicals and Fertilizers Export Council (CEC)** confirms exports rose 10% in the first nine months of 2025, reaching \$6.85 billion, driven by strong growth in fertilisers, petrochemicals, intermediate chemicals and other sub-sectors with key markets including **Turkey**, **Italy** and **Brazil**, while the **European Union** remains the largest regional buyer;

4 Nov 2025 **Cairo (Egypt)** *Reuters*. **Suez Canal Authority (SCA)** chairman **Osama Rabie** says **Suez Canal** revenues rose 14.2% year-on-year between July and October, citing calmer

conditions in the **Red Sea** after a ceasefire in Gaza and a pick-up in traffic through the vital waterway;

2 Nov 2025 **Cairo (Egypt)** *Daily News Egypt*. **Central Bank of Egypt (CBE)** reports that the Egyptian banking system's net foreign assets reached \$17.9 billion in August, up from \$15 billion in June;

29 Oct 2025 **Cairo (Egypt)** *Daily News Egypt*. **Central Bank of Egypt (CBE)** reports total external debt reached \$161.23 billion, recorded at the end of June 2025, up from \$156.69 billion in March 2025;

28 Oct 2025 **Cairo (Egypt)** *Daily News Egypt*. A consortium of Egyptian and **Chinese** companies will invest \$75m in three new industrial projects in the **West Qantara** industrial zone, covering 225,000 square metres and expected to generate over \$100m in annual exports and 3,600 direct jobs;

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