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The House of Representatives on 10 February approves a major economy-focused cabinet reshuffle that brings 13 new ministers into government, including those overseeing investment, planning, foreign trade, housing and higher education. Egypt unlocks around \$2.3 billion in loans after clearing reviews of its International Monetary Fund (IMF) \$8 billion 46-month programme, providing a major boost for the country, whose currency and bonds have been jittery over the potential possibility of a United States (US) and Iran conflict. The Central Bank of Egypt (CBE) cuts its interest rates to their lowest levels since mid-2023, paving the way for increased business borrowing and potentially accelerating an economic revival.

Egypt implements major cabinet reshuffle to promote economy

The **House of Representatives** (lower house of parliament) on 10 February [approved](#) a major economy-focused cabinet reshuffle that brought 13 new ministers into government, including those overseeing investment, planning, foreign trade, housing and higher education. President **Abdel Fattah el-Sisi** (2014-present) pushed for the cabinet reshuffle to help the country deal with its most challenging economic crisis in decades, as evidenced by the fact that the shakeup was made with an [emphasis](#) on economic expertise.

A senior **World Bank** economist, **Ahmed Rostom**, was appointed the planning minister, while **Financial Regulatory Authority** chairperson, **Mohamed Farid Saleh**, was named investment minister. Authorities also restored the defunct state ministry of information, dissolved in 2021, appointing **State Information Service** chairman, **Diaa Rashwan**, to lead it. Notably, only two women were appointed among the new ministers, with **Randa al-Menshawi**, a key executive figure in government, named housing minister and **Gihane Zaki**, a renowned author and Egyptologist, appointed as culture minister. Another notable change was the creation of the deputy prime minister position in charge of economic affairs.

Further changes were [announced](#) a day later, including the appointment of **Egyptian Military Academy** commandant, General **Ashraf Salem Zaher Mansour**, as defence minister. He replaces General **Abdel Majeed Saqr**, who had occupied the position since 2024. Despite the major cabinet reforms, the key ministries of finance, foreign affairs, interior, petroleum and health remain unchanged.

Egypt's economy has been facing major tailwinds for over a decade, including the **Covid-19** pandemic, years of austerity measures since joining an **International Monetary Fund (IMF)** programme in 2016, and crippling impact from regional developments, such as the **Russia-Ukraine** conflict, the war in **Gaza**, and **Yemeni Houthis'** attacks on **Red Sea** cargo vessels, which resulted in a major reduction in **Suez Canal** revenues, a major source of foreign currency. With this economy-focused cabinet reshuffle, el-Sisi expects the new leadership to effectively turn around Egypt's economic fortunes and the major economic expertise among new appointees indicates that they can do so. However, given the significant change of 14 ministers, it could take a while before notable progress is seen, as ministers will need some time to settle in their new positions.

Egypt secures about \$2.3 billion in loans after IMF clears reviews

Egypt [unlocked](#) around \$2.3 billion in loans on 26 February after clearing reviews of its **International Monetary Fund (IMF)** \$8 billion 46-month programme, providing a major boost for the country,

whose currency and bonds have been jittery over the potential possibility of a **United States (US)** and **Iran** conflict. The IMF's completion of the fifth and sixth reviews of Egypt's **Extended Fund Facility (EFF)** programme allows the country to immediately access around \$2 billion in loans. The IMF's executive board also finalised the first review of Egypt's **Resilience and Sustainability Facility (RSF)**, further permitting authorities to access another \$273m. The RSF facility is worth \$1.3 billion in total and it will be disbursed to Egypt in tranches. While announcing the development, the global lender said in a statement on 25 February that while Egypt's overall macroeconomic situation had stabilised, its progress on structural reforms has not been even:

"Efforts to reduce the state's footprint, particularly progress on the divestment agenda, have been slower than envisaged, while high public debt and elevated gross financing needs continue to constrain fiscal space and weigh on medium-term growth prospects".

The IMF had postponed the fifth review of Egypt's loan programme and combined it with the sixth, to give authorities additional time to privatise more state-owned enterprises, a key requirement of its expanded programme. But in a positive development for Egypt, it secured a \$3.5 billion tourism investment deal with **Qatar** in November, which allowed the reviews to move forward – ultimately resulting in IMF approval (See *ARC Briefing Egypt Jan 2026*). These developments come as the **Middle East braces** for a potential US airstrike on Iran. Due to growing concerns over the possibility of a conflict and its wider ramifications, Egypt's pound has been the third-worst-performing currency globally over the past week, with its US dollar-denominated bonds also the worst performers in emerging markets.

Despite this, the IMF's clearance of Egypt's reviews is a major development, particularly as its relations with the lender are closely monitored by investors, who see it as a bellwether of its commitments to its programme. Beyond indicating to investors that Egypt is on the right track, authorities will see the IMF's clearance of its reviews as an indication that their reforms are producing tangible results, although not as fast as the global lender had expected.

Egypt cuts interest rates to boost liquidity and spur economy...

In a widely anticipated development, the **Central Bank of Egypt (CBE)** on 12 February, for a second consecutive round, **cut** its interest rates by 100 basis points to 19% while also lowering the lending rate by the same amount to 20%, their lowest levels since mid-2023. These cuts pave the way for increased business borrowing and potentially accelerating an economic revival. The MPC also reduced the portion of cash that local commercial lenders have to set aside as part of their mandatory reserves from 18% to 16%. In its statement announcing the cuts, the **Monetary Policy Committee (MPC)** **said** that the measure:

"aims to safeguard the effectiveness of monetary policy transmission...[by] appropriately calibrating liquidity conditions within the banking system".

The CBE sharply raised its interest rates and then devalued the pound by around 90% in early 2024 as part of its IMF reforms to stabilise the local economy, which ultimately culminated in the country securing a \$57 billion global bailout. These measures not only helped Egypt restore its foreign reserves and calm the markets but also resulted in borrowing costs hitting record highs, heavily impacting state finances and economic activity. The CBE cut rates five times last year, but in a gradual manner, aiming to find a careful balance. While Egypt's rates need to fall enough to reduce its high interest payments, they also need to remain high enough to keep the country an attractive destination for foreign portfolio investors who are seeking yield - an important source of funding. Reducing inflation has been a central part of this strategy, as it gave authorities leeway to slash rates further.

While inflation in Egypt peaked at 38% in September 2023, it has significantly reduced since then. Headline inflation in Egypt cooled to its lowest levels since September 2025 in January, indicating that the impact of higher fuel prices in October 2025 had faded, providing the CBE with the opening to cut interest rates. The **Central Agency for Public Mobilization and Statistics (CAPMAS)** **reported** on 10 February that annual urban inflation stood at 11.9% in January, dropping from 12.3% in both December and November – although the decrease was above the market forecast of 11.7%. CAPMAS

data showed that inflation cooled for transport (27.5% vs 28.4% in December), restaurants and hotels (11.9% vs 12.8%), miscellaneous goods and services (10.4% vs 11.3%), and furnishings (10.8% vs 12.6%), while remaining steady for communications at 0.4%. Meanwhile, inflation quickened for food and non-alcoholic beverages (1.9% vs 1.5%), which is the largest component of the inflation basket, clothing (14.1% vs 12.8%), and housing (29.8% vs 29.2%) as a result of the lingering effects of rent increases. Month-on-month inflation was registered at 2.3% and annual core inflation, which strips out volatile and regulated items, reduced slightly to 11.2% in January from 11.8% in December.

The easing of rates is expected to free up liquidity in the domestic economy and support credit growth. The CBE also said that it forecasts headline inflation to remain stable in the first quarter of 2026 before continuing a decline towards its set target of 7%, plus or minus two percentage points, in the last three months of the year.

Planner

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

Chronology

25 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Petroleum minister **Karim Badawi** meets with executives from **Scotland**-headquartered **Capricorn Energy** to discuss expanding the company's investments and increasing oil and gas production in its **Western Desert** concession areas;

24 Feb 2026 **Cairo (Egypt)** *World Bank*. Egypt joins the **World Bank's Sustainable Finance Facility (SFF)** under the Joint Capital Market Program (J-CAP) to strengthen domestic capital markets, attract private investment, and support long-term financing for sectors;

23 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Water resources and irrigation minister **Hani Sewilam** visits **South Sudan**, reaffirming Egypt's commitment to strengthening cooperation with South Sudan and other **Nile Basin Initiative** members;

22 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. **Central Bank of Egypt** reports the banking sector's net foreign assets rose by \$4.7 billion in the final quarter of 2025, reaching a total of \$25.5 billion in December, the highest level since 2012, supported by improved external conditions and exchange rate developments;

19 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. **Egypt Healthcare Authority** chair **Ahmed Elsobky** meets with **Canada's** ambassador to Egypt, **Ulric Shannon**, to explore prospects for expanding bilateral cooperation across multiple healthcare sectors, including digital health, oncology, medical education, and public-private partnerships;

18 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Kenya** agree to deepen strategic cooperation on water security, investment and regional stability during talks in **Nairobi (Kenya)** between foreign minister **Badr Abdelatty**, water resources minister **Hani Sewilam**, and Kenyan president **William Ruto**;

17 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. The **Egyptian Organisation for Standardisation and Quality (EOS)** and **Saudi** firm **Tabseer** sign a Memorandum of Understanding to enhance regional cooperation in quality infrastructure, conformity assessment and environmental sustainability;

15 Feb 2026 **Cairo (Egypt)** *IMF*. Egypt unlocks about \$2.3 billion in loans after clearing reviews of an \$8 billion **International Monetary Fund (IMF)** programme that was expanded in 2024;

15 Feb 2026 **Cairo (Egypt)** *Reuters*. While most **Gulf** stock markets dip amid investor caution over **United States (US)-Iran** tensions, Egypt's **EGX30 index** jumps 3.6% after the **Central Bank of Egypt** cut interest rates by 100 basis points on 19 February;

11 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. **Khaled Hashem** assumes the position of industry and trade minister, succeeding **Kamel Al-Wazir**, as part of a cabinet reshuffle aimed at accelerating industrial development, boosting exports, and integrating Egypt further into global markets;

10 Feb 2026 **Cairo (Egypt)** *Bloomberg*. Egyptian inflation slows to its lowest level since September, with consumer-price growth in urban areas cooling to 11.9% in January from 12.3% in December;

10 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Parliament approves a major cabinet reshuffle President **Abdel Fattah el-Sisi** proposed, introducing new leadership across key economic, investment, foreign affairs and infrastructure portfolios;

8 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Online gold and jewellery trading platform **iSagha** reports Egypt's gold prices fell by EGP 150 (\$8.10) per gram last week despite a global increase, with 21-carat gold at EGP 6,675 (\$360/gram) and 24-carat gold at EGP 7,629 (\$412/gram), reflecting a local market correction after a built-up domestic premium;

5 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. **Turkish** president **Recep Tayyip Erdogan** will visit Egypt after a stop in **Saudi Arabia** for talks with President **Abdel Fattah el-Sisi** on bilateral relations, regional developments and the **Palestinian** issue, aiming to deepen cooperation and raise trade from about \$10 billion to \$15 billion, with potential new partnerships in energy, defence, textiles and tourism;

3 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Sweden** hold talks to strengthen bilateral healthcare cooperation, focusing on expertise exchange, digital transformation, governance reforms, and follow-up on a health agreement supporting Egypt's universal health insurance system;

2 Feb 2026 **Cairo (Egypt)** *Daily News Egypt*. Electricity minister **Mahmoud Esmat** says the government is accelerating work on the **El Dabaa** nuclear power plant with **Russian** partners as part of **Vision 2030** to meet rising demand and strengthen energy security;

2 Feb 2026 **Cairo (Egypt)** *Bloomberg*. Egypt's **New Administrative Capital (NAC)** gets its first international flight connection, a boost for the ambitious megaproject that seeks to ease pressure on congested historic **Cairo**;

2 Feb 2026 **Rabat (Morocco)** *Morocco World News*. **Egyptian** investment bank **Zilla Capital** plans to expand into Morocco in the second half of 2026 to provide corporate finance, IPO support, mergers and acquisitions and asset management services;

1 Feb 2026 **Cairo (Egypt)** *Bloomberg*. The **Rafah** crossing between **Gaza** and Egypt is reopening for the limited passage of people in both directions, as part of **United States (US)** President **Donald Trump's** 20-point peace plan to end the war between **Israel** and **Hamas** and rebuild the territory;

31 Jan 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Rwanda** sign an executive action plan to implement their bilateral agreement on water resources management and irrigation during an official visit by water resources minister **Hani Sewilam** to Kigali (Rwanda);

28 Jan 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Jordan** call for full implementation of the **Gaza** ceasefire and **United States (US)** President **Donald Trump's** comprehensive peace plan, backing a transitional 'Peace Council' to oversee the process and ensure unrestricted humanitarian aid;

27 Jan 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt holds bilateral talks with **Finland**, **Germany**, and the **Geneva Water Hub** on the sidelines of preparations for the **United Nations (UN) Water Conference**, focusing on strengthening international cooperation on water governance amid climate and resource pressures;

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