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Foreign minister Badr Abdelatty says on 23 July that Egypt sees a path for Iran and the United States (US) to resume peace talks, as Egypt and other key mediators push for a diplomatic resolution to the conflict. The Central Bank of Egypt's (CBE) Monetary Policy Committee (MPC) on 9 July decides to keep its interest rates unchanged for a third consecutive meeting, choosing a cautious approach as the then-fragile Iran-US ceasefire was at risk of unravelling. Yemen's Houthi rebels' ongoing attacks in the Red Sea are further impacting already stained regional oil transport routes, with Egypt emerging as an increasingly important transit point for oil exports from Saudi Arabia.

Egypt seeks to mediate US-Iran crisis

Foreign minister **Badr Abdelatty** noted on 23 July that **Egypt** sees a path for **Iran** and the **United States (US)** to resume peace talks, as Egypt and other key mediators push for a diplomatic resolution to the conflict. Abdelatty added that Egypt is in daily contact with all warring parties, **Persian Gulf** members, **Turkey**, **Pakistan** and others as it pushes for a return to the terms of the US-Iran memorandum of understanding (MoU) they signed in mid-June. Abdelatty, who was speaking on the sidelines of an **Association of Southeast Asian Nations (ASEAN)** meeting in the **Philippines**, said:

> *"There is a specific proposal now under discussion, and we hope that this proposal will contribute to de-escalation...**Oman** is playing a very important role, so we are coordinating our efforts".*

Refusing to divulge further details, Abdelatty said the proposal was still subject to further discussions between Iran and Oman and connected to *"freedom of navigation in the **Strait of Hormuz**".* However, Abdelatty added that negotiations could resume if both sides demonstrate sufficient political will and return to the terms of the interim peace agreement agreed to on 17 June. Meanwhile, Iran has indicated that it is not yet ready for formal negotiations, insisting that previous agreements must first be honoured.

The mediation efforts reflect Egypt's growing role as a regional diplomatic actor. In recent years, Egypt has sought to maintain balanced relations with competing regional powers and has increasingly positioned itself as a mediator in major regional conflicts. At the same time, Egypt has continued to criticise Iranian attacks on neighbouring Arab states, highlighting its support for regional stability while seeking a peaceful resolution to the current crisis. Despite Egypt's mediation efforts, the recent renewed fighting in the **Middle East** suggests that the conflict is unlikely to be resolved anytime soon.

Central bank holds interests rates for a third consecutive meeting

The **Central Bank of Egypt**'s **(CBE) Monetary Policy Committee (MPC)** on 9 July opted to keep the benchmark deposit rate at 19% and the lending rate at 20% for a third consecutive meeting, choosing a cautious approach as the then-fragile Iran-US ceasefire was at risk of unravelling. The pause is a continuation of an almost yearlong monetary-easing cycle the MPC first enacted when the Middle East war started in February. The MPC's decision to opt for caution ultimately proved justified as renewed conflict between Iran and the US has cast major doubts that a definitive conclusion to the conflict is close to being reached.

Egypt has thus far mostly avoided a surge in inflation from the conflict but it has still increased its energy-import bills and caused a slump in the Egyptian pound – although the slump has partially been reversed. The **Central Agency for Public Mobilization and Statistics (CAPMAS)** reported on 9 July that annual urban inflation rate cooled for a third straight slowed to 14.3% in June from 14.6% in May and 14.9% in April, below market expectations of 15.1%. This was partly due to the base effect, meaning this year's figures were compared with weaker results from the previous year.

Egypt's inflation, which was the lowest recorded since February, also decreased because the impact of higher fuel prices continued to decrease, with transport inflation cooling to 24.4% in June from 24.7% in May. Food and beverage prices, the largest component of the inflation basket, also moderated to 5.4% from 7.6% in May, when it registered the fastest rise in a year. Inflation also slowed for clothing and footwear (13.6% vs 14.2%) and health (4.0% vs 4.1%). Meanwhile, housing and utility prices quickened further (41.2% vs 40.4%), pushed by higher electricity costs. On a monthly basis, consumer prices decreased by 0.4%, undoing a 1.6% increase recorded in the previous month and registering the first monthly decline since July 2025. Annual core inflation, which strips out volatile items, increased to 14.3% in June after it had remained steady at 13.8% from April.

While annual inflation in Egypt has declined for a third consecutive month, the still relatively unstable geopolitical environment due to the resumption of conflict in the Middle East is likely to prevent the CBE from cutting interest rates in the short term.

Houthi attacks in the Red Sea push more oil tankers towards Egypt

Yemen's **Houthi** rebels' ongoing attacks in the **Red Sea** are further impacting already stained regional oil transport routes, with Egypt now emerging as an increasingly important transit point for oil exports from **Saudi Arabia**. In response to the growing security risks near the **Bab el Mandeb Strait -** a key chokepoint connecting the Red Sea to the **Gulf of Aden** and the **Indian Ocean -** several empty super tankers are reported to have started diverting to Egypt's **Mediterranean** port of **Sidi Kerir** rather than sailing directly to Saudi Arabia's Red Sea ports. Media reports note that at least eight very large crude carriers (VLCCs) should be expected to arrive at Sidi Kerir in the next few weeks to load Saudi crude destined for global markets, particularly those in Asia. The rebels have said the attacks are in retaliation for Saudi airstrikes on the strategic Red Sea Yemeni city of **Hodeida**. However, some media reports indicate that the Houthis are also launching attacks due to pressure from Iran to expand regional economic warfare amid its ongoing conflict with the US and **Israel**.

This shift in regional oil transport routes reflects growing concerns among shipping companies and insurers about operating in waters Houthi attacks threaten. Some insurers have also reportedly begun limiting coverage for vessels that choose to dock at Saudi Red Sea ports, thereby making alternative export routes more attractive. As a result, state-owned energy giant **Saudi Arabian Oil Company (Saudi Aramco)** has increased the amount of crude being made available through Egypt's Mediterranean coast.

Egypt is able to play an important role in supporting Saudi Arabia through the **Suez-Mediterranean (SUMED)** pipeline – which it holds a 50% stake in. The oil is first shipped from Saudi Arabia's Red Sea port of **Yanbu** to Egypt's **Ain Sukhna**. It is then transported through the SUMED pipeline to Sidi Kerir on Egypt's Mediterranean coast, where large tankers collect and transport it to customers in Europe and Asia. This route allows global shipping companies to reduce the time spent in the most dangerous parts of the Red Sea while still maintaining Saudi oil exports. Some vessels that have reportedly changed their oil transport routes to Egypt's Sidi Kerir include the **Marshall Islands**-flagged **Bidbid** and five other tankers operated by **South Korea**'s **Sinokor Group**, among others. Some Iranian-friendly and **Chinese** vessels are still sailing through the Red Sea.

The developments highlight Egypt's growing strategic importance in regional energy trade during the current security crisis in the Middle East. As attacks continue to threaten shipping near the Bab el Mandeb Strait, Egypt's pipeline infrastructure and Mediterranean export facilities are providing Saudi Arabia with an alternative route to international markets. While Western and more risk-averse Asian shipping companies are increasingly choosing the longer but safer route through Egypt and the Suez Canal, it should be noted that previous Houthi attacks in the Red Sea severally impacted Egypt. Wgypt lost about $10 billion in Suez Canal revenues due to attacks on shipping in the Bab al-Mandab Strait as a result of the **Gaza** war. Cargo traffic started declining from late 2023 through 2025, when Houthi rebels began targeting Red Sea shipping vessels in solidarity with **Palestinian** militant group **Hamas**, disrupting a critical source of foreign currency for Egypt. This forced many global shipping firms, including **Denmark**-headquartered **A.P. Moller-Maersk A/S (Maersk)**, to avoid the Suez Canal. Although, Egypt currently is offering an alternative route for Saudi Arabia's oil exports, any expansion of Houthi attacks towards the Suez Canal could reverse these gains by discouraging commercial shipping and once again reducing canal revenues.

Planner

2026 **Cairo (Egypt) International Monetary Fund (IMF)** expected to disburse $1.8 billion to Egypt;

Chronology

28 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. **Germany**-headquartered **Siemens AG** opens a new electrification and automation factory in Egypt to localise the production of critical energy technologies, strengthen domestic manufacturing and support the country's renewable energy and infrastructure goals;

27 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Uganda** agree to expand cooperation in agriculture, livestock and fisheries, including developing joint investment projects, expanding a 500-hectare model farm in Uganda and increasing technology and expertise sharing;

27 Jul 2026 **Cairo (Egypt)** *Bloomberg*. High temperatures in Egypt and peak summer electricity demand have reportedly spurred the country's energy companies to buy prompt deliveries of liquefied natural gas (LNG);

25 Jul 2026 **Abidjan (Côte d'Ivoire)** *Fratmat*. Côte d'Ivoire and **Egypt** reaffirm their commitment to deepening political, economic and diplomatic ties, highlighting cooperation in agriculture, energy, infrastructure, governance and regional peace and security, while bilateral trade has reached $538m;

23 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Foreign minister **Badr Abdelatty** tells a **European Parliament** delegation that Egypt is preparing its 2026–2031 **National Human Rights Strategy**, focused on strengthening democracy, citizenship, the rule of law and protections for vulnerable groups while continuing reforms despite economic and security challenges;

22 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Investment and foreign trade minister **Mohamed Farid** announces plans to establish a sovereign industrial investment fund focused on strategic manufacturing sectors and exports, alongside a dedicated **African** investment fund to support the expansion of Egyptian companies across the continent and attract long-term institutional capital;

22 Jul 2026 **Cairo (Egypt)** *Reuters*. Egypt's parliament approves four oil and gas exploration and development agreements, including a North Sinai project involving **Franco-British** independent producer **Perenco**;

21 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Foreign minister **Badr Abdelatty** and **Mozambique**'s foreign minister **Maria Lucas** discuss expanding bilateral cooperation in infrastructure, energy, security and pharmaceuticals, with a focus on increasing the distribution of Egyptian medicines across the **Southern African Development Community (SADC)**;

18 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. President **Samia Suluhu Hassan** and **Egypt**'s President **Abdel Fattah El-Sisi** sign a bilateral agreement aimed at deepening and expanding their economic ties across several key sectors, including agriculture, livestock, transport, logistics, electricity and renewable energy;

18 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Foreign minister **Badr Abdelatty** holds separate talks with the **United States (US)** special envoy, **Steve Witkoff**, as well as his **Omani** and **Cypriot** counterparts, **Badr bin Hamad Al Busaidin** and **Constantinos Kombos** respectively, to discuss regional de-escalation and contain military expansion in the **Middle East**;

16 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. The **World Bank** pledges to support Egypt's digital transformation and artificial intelligence ambitions, including broadband expansion, digital infrastructure upgrades, data governance and the implementation of the country's second **National AI Strategy**;

15 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt condemns the **Houthi** missile and drone attacks on **Saudi Arabia**'s **Abha International Airport**, reaffirming its full support for Saudi sovereignty and warning that the strikes threaten regional stability;

14 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Saudi Arabia** jointly condemn repeated **Iranian** attacks on **Kuwait**, **Bahrain**, **Oman** and **Jordan**, calling them violations of sovereignty and urging an immediate end to actions that threaten regional stability and international law;

14 Jul 2026 **Cairo (Egypt)** *Reuters*. Parliament gives final approval to a law that formalises the rapid expansion of the military-linked **Future of Egypt Authority** into the country's most powerful economic body and places it under direct presidential oversight;

12 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. Petroleum and mineral resources minister **Karim Badawi** and **Jordan**'s energy and mineral resources minister, **Saleh Al-Kharabsheh**, hold talks in **Amman** to expand bilateral cooperation across the natural gas, mining and energy infrastructure sectors;

10 Jul 2026 **Cairo (Egypt)** *Bloomberg*. **Turkey** and Egypt block a cruise ship carrying more than 1,900 LGBTQ tourists from entering their ports, with the former citing a supposed threat to Turkish society;

7 Jul 2026 **Cairo (Egypt)** *Tech Africa News*. Egypt and **Rwanda** agree to develop a Memorandum of Understanding to strengthen bilateral cooperation in artificial intelligence, digital transformation and skills development;

4 Jul 2026 **Cairo (Egypt)** *Reuters*. Foreign minister **Badr Abdelatty** says Egypt expects to receive €1.5 billion ($1.72 billion) from the **European Union (EU)** in the coming days, the first of two remaining tranches of a €5 billion ($5.7 billion) macro-financial assistance package;

1 Jul 2026 **Cairo (Egypt)** *Daily News Egypt*. President **Abdel Fattah El-Sisi** swears in four new heads of the nation's top judicial and legal authorities, reinforcing the state's commitment to supporting judicial independence and the rule of law;

30 Jun 2026 **Cairo (Egypt)** *Daily News Egypt*. Egypt and **Switzerland** sign a $1.7m grant agreement to launch the **Circular Electronics Initiative**, aimed at building a national sustainable management system for electronic waste in Egypt;

28 Jun 2026 **Cairo (Egypt)** *Daily News Egypt*. Planning and economic development minister **Ahmed Rostom** meets with **African Export–Import Bank(Afreximbank)** executive president **Haythham El Maayergi**, to discuss strengthening bilateral cooperation and supporting Egypt's entrepreneurship ecosystem;

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