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Egypt Summary 29 October 2026

In a surprise announcement, President Abdel Fattah El-Sisi says on 17 October that he will step down when his presidential term ends in 2030. Jihad Azour, the International Monetary Fund's (IMF) director for the Middle East, says on 15 October that the global lender plans to complete its eighth and final review of Egypt's $8 billion loan programme by December. Despite a drop in inflation, the Central Bank of Egypt (CBE) at its 29 October meeting raises rates by 100 basis points, bringing the benchmark deposit rate to 20% and the lending rate to 21%. Parliament authorises El-Sisi on 26 October to take the necessary steps to help defend Saudi Arabia as attacks by Yemen's Iran-backed Houthi movement intensify.

El-Sisi says he will step down in 2030, outlines plan to prepare successors

President **Abdel Fattah El-Sisi** (2014-present) announced in a surprise statement on 17 October that he will step down when his presidential term ends in 2030 and emphasised that it "*was a matter that has been completely settled and will not be discussed*". While speaking at a graduation ceremony at the **Egyptian Military Academy**, El-Sisi, aged 71, further ruled out any constitutional changes that would allow him to remain in office.

El-Sisi also announced a plan to have the **Egyptian Military Academy** train future leaders who will *"be able to carry the responsibility of leading the Egyptian state"*. The 30-month training programme for potential leaders at the military academy will target PhD holders from recognised Egyptian and foreign universities, preparing them for positions ranging from the presidency to ministerial and governor roles. The military will fully fund the programme, and hundreds of Egyptians are expected to be selected.

A committee led by the speaker of parliament, comprising politicians, academics, and the justice and higher education minister, will develop the programme's selection criteria and draft legislation. El-Sisi also said Egyptian citizens could elect leaders from among the graduates, although he did not explain how candidates would be selected for elections or appointments.

The plan highlights the military's continuing influence beyond national defence and signals El-Sisi's intention to prepare for a transition before leaving office. Since becoming president, El-Sisi, a former military officer, has overseen an expansion of the armed forces' role in Egypt's economy and civilian institutions. El-Sisi assumed power in 2014, a year after he was part of a military-backed uprising that ousted president **Mohammed Morsi** (2012-2013), which was predated by the 2011 ousting of **Hosni Mubarak** (1981-2011) in the **Arab Spring** uprisings.

In both the 2014 and 2018 elections, El-Sisi faced token challengers and soared to victory, attaining 97% of the votes in both polls. Following a 2019 referendum, presidential terms in Egypt were extended from four to six years. El-Sisi secured a third term in the December 2023 elections, winning 89.6% of the vote and extending his presidency until 2030. With the exception of Morsi and the interim president who briefly followed him, every Egyptian president since 1952 has had a military background.

Although El-Sisi's pledge to leave office in 2030 signals a potential leadership transition, the military-led selection and training initiative suggests that the armed forces will continue to influence the presidency and shape Egypt's political future. Nevertheless, this could pave the way for a more controlled and gradual transfer of power than the abrupt political upheavals that accompanied previous changes in Egypt's leadership.

IMF aims to complete Egypt's $8 billion loan review by December

Jihad Azour, the **International Monetary Fund**'s **(IMF)** director for the **Middle East**, said on 15 October that the global lender plans to complete its eighth and final review of Egypt's $8 billion loan programme by December, with discussions set to begin after the fund's annual meetings taking place this month. After the review, the IMF will discuss Egypt's future economic priorities and whether the country wants another loan programme.

Egypt reached a deal with the IMF in March 2024 to expand its existing loan programme from $3 billion to $8 billion as part of wider economic reforms. These included allowing the Egyptian pound to float more freely and plans to sell state-owned assets. Speaking about the programme, Azour said Egypt's more flexible currency policy had helped the country manage external economic shocks linked to the war in **Iran**. Although investors initially withdrew funds, he said investment flows recovered relatively quickly, boosting confidence in Egyptian government bonds.

The completion of the IMF review could mark an important turning point for Egypt, offering an opportunity to assess the progress of economic reforms and determine the country's future financing needs. Although Egypt has not indicated whether it will seek another IMF programme, completing the current review will give both sides an opportunity to discuss the country's next steps.

CBE announces interest rate hike

Azour emphasised that inflation remains a concern, stressing that Egypt must keep interest rates sufficiently high to curb rising prices while implementing any fuel-price changes transparently. The **Central Bank of Egypt (CBE)**, which Azour praised for being *"very vigilant"*, paused its gradual interest-rate cuts when the Iran conflict began in February and its **Monetary Policy Committee (MPC)** confirmed in a statement on 28 September that it had kept the benchmark deposit rate at 19% and the lending rate at 20% for a fifth consecutive meeting, citing recent inflation trends, its inflation expectations, and the risks that could affect prices in the future. The **Central Agency for Public Mobilization and Statistics (CAPMAS)** reported on 10 October that urban inflation in Egypt slowed to a seven-month low in September to 13.9% from 14.5% in August. The fading impact of higher fuel prices contributed to the lowest inflation rate registered since February.

Despite the drop in inflation, the CBE at its 29 October meeting, opted to raise rates by 100 basis points, bringing the benchmark deposit rate to 20% and the lending rate to 21%. The CBE cited heightened global uncertainty, unfavourable global conditions and a need to keep bringing inflation down. The IMF's emphasis on maintaining tight monetary policy to bring inflation down means the central bank has had to weigh the benefits of lower borrowing costs against the risk of reigniting price pressures and undermining investor confidence.

This decision reflects a cautious approach, shaped by fading hopes for a **United States (US)**-Iran peace deal, despite a drop in inflation in August. 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 seeking yields - an important source of funding. Reducing inflation has been central to this strategy, as it can give authorities leeway to slash rates further. Sustaining investor confidence and securing further economic stability will

depend on the government's ability to do this as well as managing its debt burden and maintaining reform momentum amid ongoing external uncertainty.

Egypt approves military support for Saudi Arabia amid Houthi attacks

Egypt's parliament authorised El-Sisi on 26 October to take the necessary steps to help defend **Saudi Arabia** - key political and financial partner of Egypt, having provided billions of dollars in investments, financial support and energy supplies - as attacks by **Yemen**'s Iran-backed **Houthi** movement intensify.

The move followed El-Sisi's 17 October statement in which he said Egypt would offer support to Saudi Arabia if it requested and called on parliamentarians to convene an emergency session to authorise such action if necessary. The decision to provide military support could bring Egypt closer to direct involvement in regional security, although it remains unclear whether Saudi Arabia has formally requested military assistance or what form it might take. Egyptian officials have also stressed that any assistance would focus on defending Saudi Arabia rather than participating in attacks inside Yemen.

A major concern for Egypt is the strategic **Bab el-Mandeb Strait**, which connects the **Red Sea** to the **Gulf of Aden**. Houthi attacks and threats to shipping could disrupt maritime trade and further reduce traffic through Egypt's **Suez Canal**, an important source of foreign currency. Egypt has traditionally been cautious about overseas military operations, partly because its intervention in Yemen during the 1960s became a costly and prolonged campaign. It has also avoided direct involvement in the wider Iran-US conflict, instead calling for negotiations and de-escalation.

Egypt is also considering closer regional defence cooperation with Saudi Arabia, **Pakistan** and **Turkey,** suggesting Egypt is increasingly concerned about threats to Red Sea shipping security. While military involvement could strengthen ties with **Gulf** allies, it could also draw Egypt deeper into regional conflicts, further straining the local economy, which is still recovering from its worst crisis in decades.

Planner

Dec 2026 **Cairo (Egypt) International Monetary Fund**'s **(IMF)** to complete its eighth and final review of Egypt's $8 billion loan programme

Chronology

28 Oct 2026 **Cairo (Egypt)** *Bloomberg.* A Cairo court orders the closure of **Mada Masr**, one of Egypt's few remaining independent news outlets, and fines its editor-in-chief, **Lina Attalah**, for operating it without a license;

26 Oct 2026 **Cairo (Egypt)** *Al Jazeera.* Parliament approves a mandate that allows President **Abdel Fattah El-Sisi** to provide military support to **Saudi Arabia** should that country request assistance;

26 Oct 2026 **Cairo (Egypt)** *Reuters.* Egypt has signed a preliminary financing agreement with **Norway**'s **Scatec** and three multilateral development banks for a $650m solar power project in the southern province of **Qena**;

23 Oct 2026 **Cairo (Egypt)** *Africa Business News*. Egypt and **Nigeria**, alongside two other African countries, record the highest number of migrants turned away from **Italy**;

22 Oct 2026 **Cairo (Egypt)** *Africanews*. Foreign minister **Badr Abdelatty** says all options must be explored to find a political solution between **Saudi Arabia** and the **Houthis**;

22 Oct 2026 **Cairo (Egypt)** *Egypt Today*. President **Abdel Fattah El-Sisi** stresses that Egypt's potential military role in **Saudi Arabia** is intended to defend Saudi territory and borders, not to attack **Yemen**;

21 Oct 2026 **Cairo (Egypt)** *Reuters.* The foreign ministry rejects the maritime boundaries deal that **Libya**'s eastern parliament ratified with **Turkey**, saying in a statement that the ratification will have no legal impact on Egypt;

20 Oct 2026 **Cairo (Egypt)** *Reuters.* **Italy**-headquartered energy company **Eni** says it will increase its gas processing capacity in Egypt's **Western Desert** with its **Meleiha Phase 2 Project**, bolstering Egypt's gas output by up to 100 million standard cubic feet per day;

20 Oct 2026 **Cairo (Egypt)** *Reuters*. The presidency says Egypt and Cairo-headquartered **Talaat Moustafa Group Holding** signed a deal worth EGP 11 trillion ($202 billion) to develop, build and operate four major mixed-use real-estate projects;

18 Oct 2026 **Cairo (Egypt)** *FT.* President **Abdel Fattah El-Sisi** says he will step down when his term ends in 2030 and has outlined a process to prepare a successor, involving the **Egyptian Military Academy** training presidential candidates for 30 months;

17 Oct 2026 **Cairo (Egypt)** *Bloomberg.* President **Abdel-Fattah El-Sisi** says his country stands ready to defend **Saudi Arabia** as it comes under attack from **Yemen**'s **Houthis** and called on parliament to convene an emergency session to authorise such action if it became necessary;

15 Oct 2026 **Cairo (Egypt)** *Bloomberg.* **Nigerian** billionaire **Aliko Dangote** is pushing to expand capital markets as he readies to offer global depository receipts in Egypt;

13 Oct 2026 **Cairo (Egypt)** *Business Insider Africa*. Egypt pledges to provide **Saudi Arabia** with any support needed to fight **Houthi** militants in **Yemen**, as renewed Houthi attacks on Saudi Arabia's airports and major cities intensify the conflict in Yemen;

12 Oct 2026 **Cairo (Egypt)** *Al Jazeera.* **Sudan**-based rights group **Emergency Lawyers** accuses the Egyptian military of carrying out an airstrike on a gold mining site in northern Sudan which killed at least 72 workers;

12 Oct 2026 **Cairo (Egypt)** *Africa Business Insider.* Egypt has signs 20 agreements and memoranda of understanding with **South Korea**, **Malaysia** and **Indonesia** as the African country seeks to expand its economic partnerships with some of Asia's major economies;

10 Oct 2026 **Cairo (Egypt)** *CAPMAS*. **Central Agency for Public Mobilisation and Statistics (CAPMAS)** announces that inflation slowed for a second consecutive month, declining from 14.5% in August to 13.9% in September, despite renewed price pressures amid an escalation in the **Iran** war;

8 Oct 2026 **Cairo (Egypt)** *Reuters*. **South Korea**'s President **Lee Jae Myung** says ahead of a summit with President **Abdel Fattah El-Sisi** that his country and Egypt have upgraded their bilateral ties to a strategic partnership;

6 Oct 2026 **Cairo (Egypt)** *Polity*. **United States (US)** senior adviser for **Arab** and **African** affairs, **Massad Boulos**, says he attended a lunch Egypt's President **Abdel Fattah El-Sisi** hosted alongside **Sudanese** army chief **Abdel Fattah al-Burhan**;

6 Oct 2026 **Cairo (Egypt)** *Africa Business Insider.* Egypt has been listed as one of three countries, alongside **Kuwait** and the **United Arab Emirates (UAE)**, to be part of a potential $2.27 billion **United States (US)** military trade deal;

5 Oct 2026 **Johannesburg (South Africa)** *Polity*. South Africa and **Egypt** launch a **Joint Business Council** to boost trade, including in mining, agriculture, renewable energy and mobility, and to strengthen economic relations between the two countries;

4 Oct 2026, **El-Alamein (Egypt)** *Africa News*. More than 20 African heads of state and government representatives, together with business leaders and development institutions, attend the inaugural **Alamein Africa Forum**, calling for the continent's capital to be unlocked to better finance its growth and reduce reliance on external funding;

1 Oct 2026, **Cairo (Egypt)** *Daily Maverick*. **United States (US) State Department** says it has waived human rights conditions on more than $300m in military aid to Egypt considering the country's *"helpful role"* since the launch of the US war with **Iran**;

30 Sep 2026 **Cairo (Egypt)** *Reuters*. Egypt's mining sector attracts hundreds of millions of dollars in planned investments this week at the **Egypt Mining Week**, as companies seek gold and other minerals in a country often seen as one of Africa's most underexplored;

29 Sep 2026 **Cairo (Egypt)** *Reuters*. Italian foreign minister **Antonio Tajani** comments after the **Assize** court in **Rome** finds three Egyptian security officials guilty in absentia of the 2016 kidnapping of student **Giulio Regeni**, who was killed after his abduction, that *"Egypt has not been convicted,* signalling that Italy wants to avoid a diplomatic rupture with Egypt over the conviction;

27 Sep 2026 **Cairo (Egypt)** Daily News *Egypt*. Planning and economic development minister **Ahmed Rostom** says Egypt is targeting economic growth of 5.2%-5.4% in the upcoming fiscal year, driven by private-sector empowerment, a better investment environment, and job creation;

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