

MARKET WATCH

BY **AYA RADY & NOURAN MEDHAT**

POWERED BY

INVESTIGATE
RESEARCH & ANALYSIS

GOVERNMENT'S ACHIEVEMENTS IN 2019

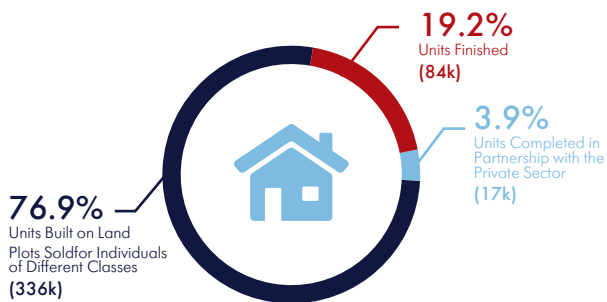


HOUSING PROJECTS

Housing Units



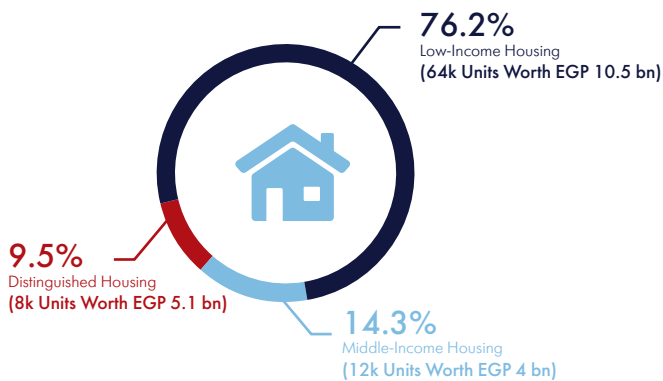
Total Units
437k



Types of Social Housing Units Built



Completed Units
84k



NEW CITIES THAT LAUNCHED IN 2019



City



Area (acres)



Target Population

City	Area (acres)	Target Population
New Rashid	3,200	250k
New Al Fashn	18,000	1.2 mn
New Mallawi	18,400	1.3 mn



SLUMS DEVELOPMENT

Unsafe Areas



Total Investment
EGP 32 bn

Completed



Under Development



Unplanned Areas



Total Investment
EGP 318 bn

Completed



Under Development





INFRASTRUCTURE PROJECTS

Potable Water and Sanitation Program

Water Projects



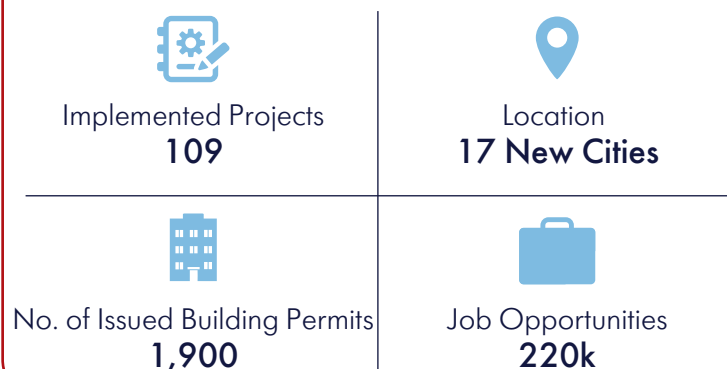
Sanitation Projects



National Road Networks



NUCA'S ACHIEVEMENTS IN 2019



NUCA'S LAND OFFERINGS IN 2019

	No. of Land Plots	Total Area (acres)
Social Housing	2,108	121
Distinguished Housing	2,359	310
More Distinguished Housing	1,762	260
For Egyptian Expats	2,068	250



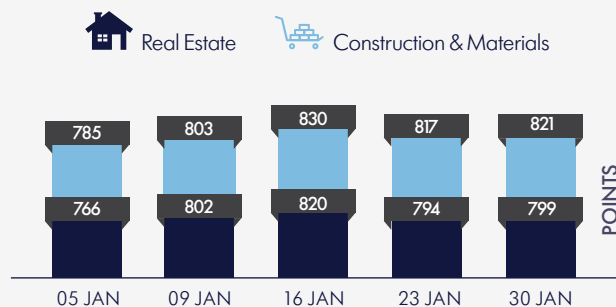
PRICES OF CONSTRUCTION MATERIALS (JANUARY 2020) (EGP)

STEEL BARS	CRETAI STEEL	PORTLAND CEMENT	COARSE SAND
(per ton)	(per ton)	(per ton)	(per sqm)
10,400	10,500	800	70
(YOY -10.7%)	(YOY -16%)	(YOY -5.9%)	(YOY 7.7%)

SOLID CEMENT BRICKS	BRICK HOLLOW CONCRETE
(per 1,000 bricks)	(40x20x12 cm) (per 1,000 bricks)
1,100	5,200
(YOY 3.8%)	(YOY 4%)

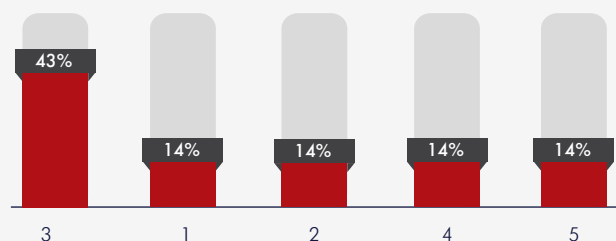


REAL ESTATE & CONSTRUCTION STOCK MARKETS INDEXES PERFORMANCE IN EGYPT (2020)



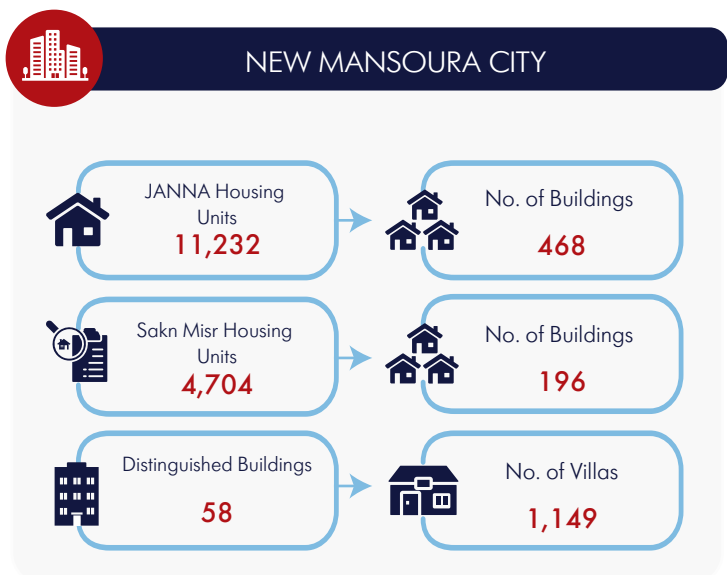
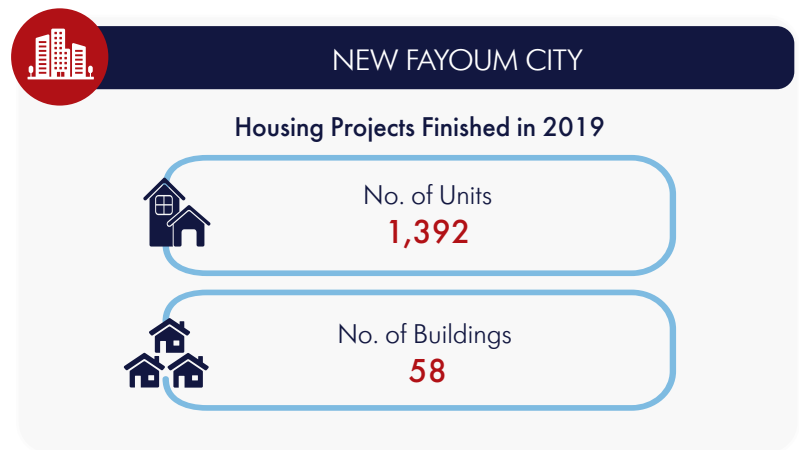
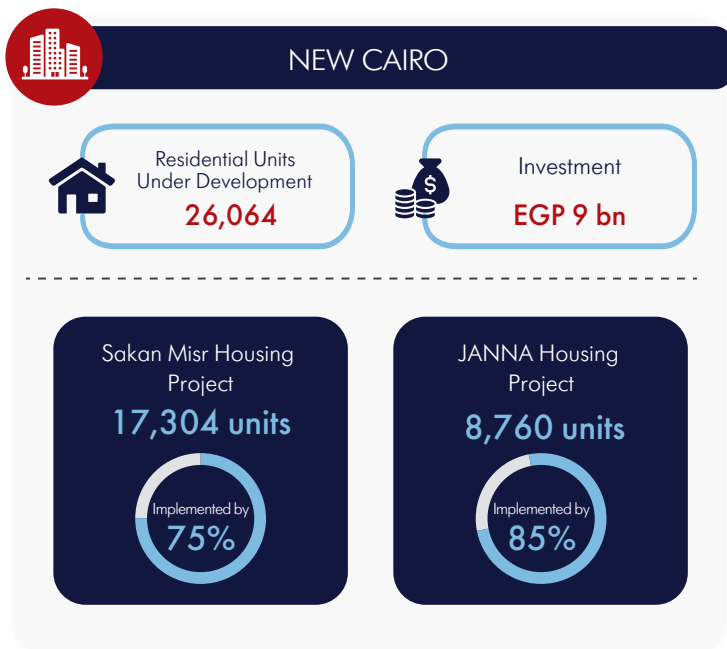
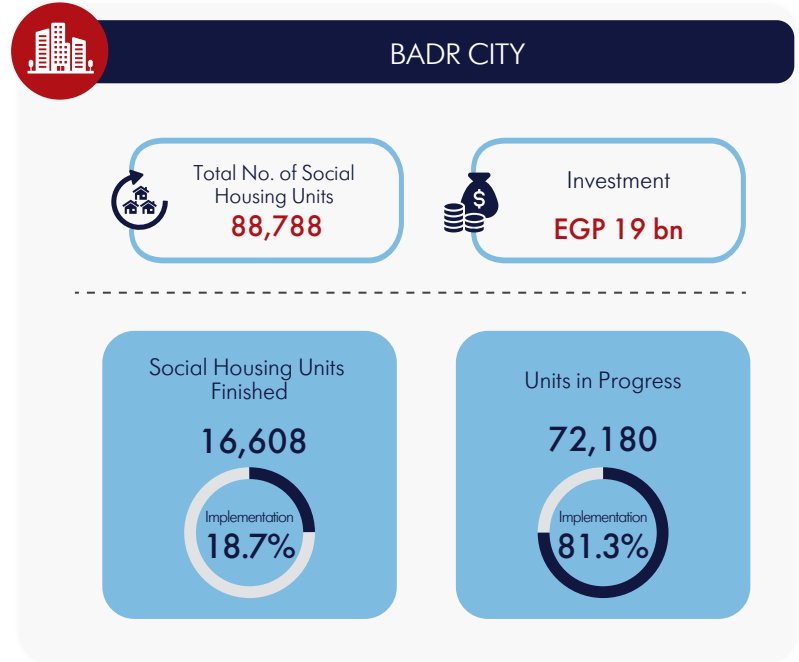
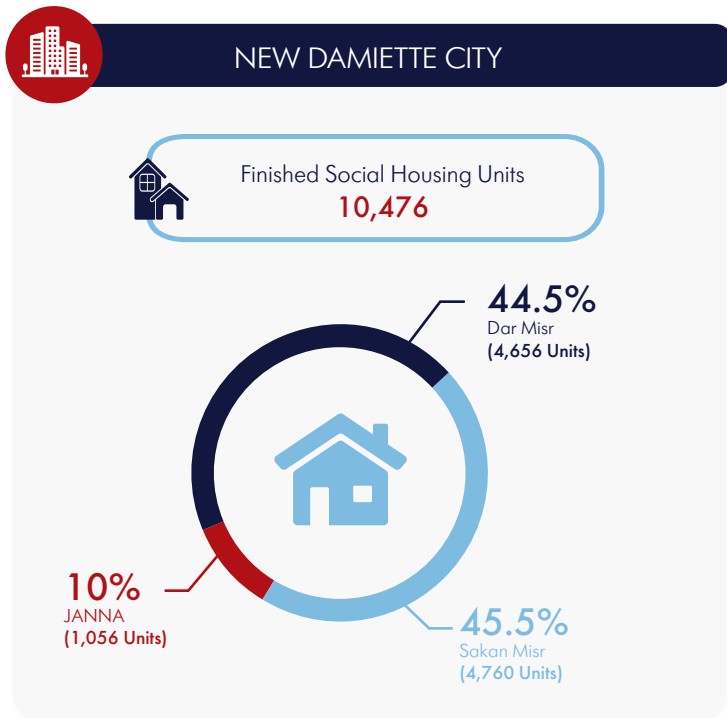
ONLINE MONTHLY SURVEY (%)

HOW DO YOU RANK THE GOVERNMENT'S ACHIEVEMENTS IN THE INFRASTRUCTURE SECTOR?

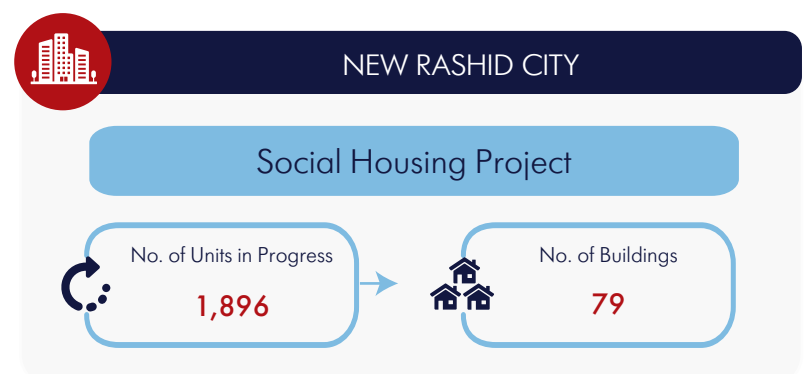
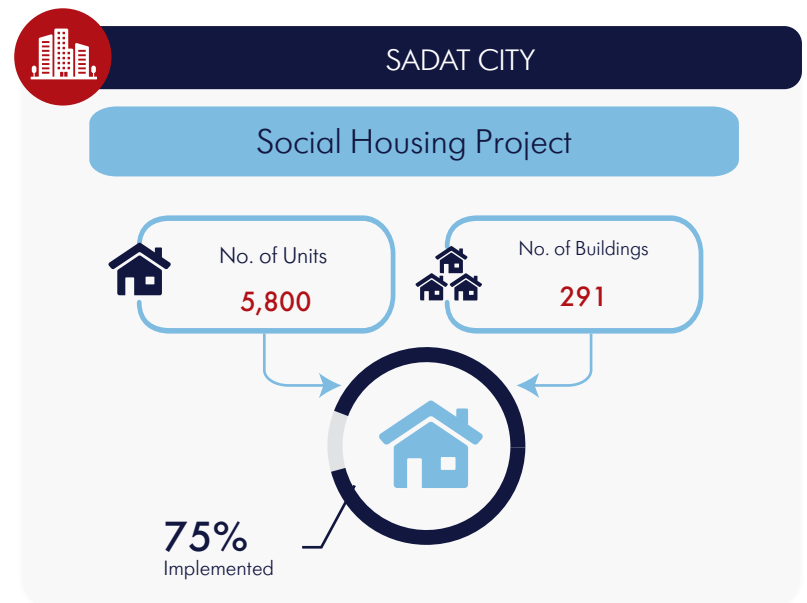
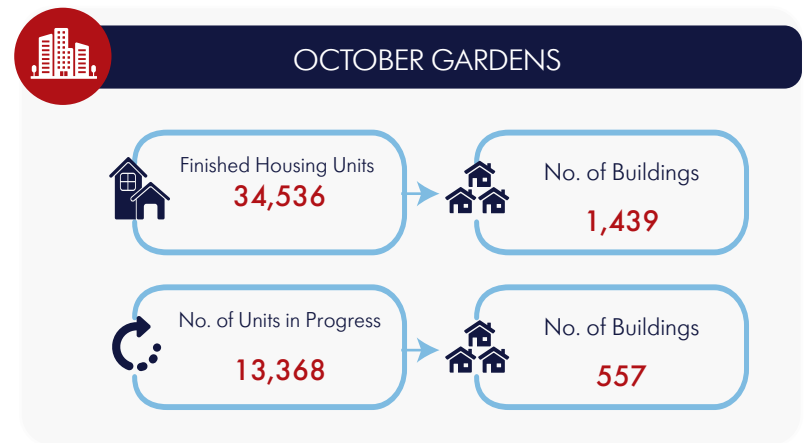
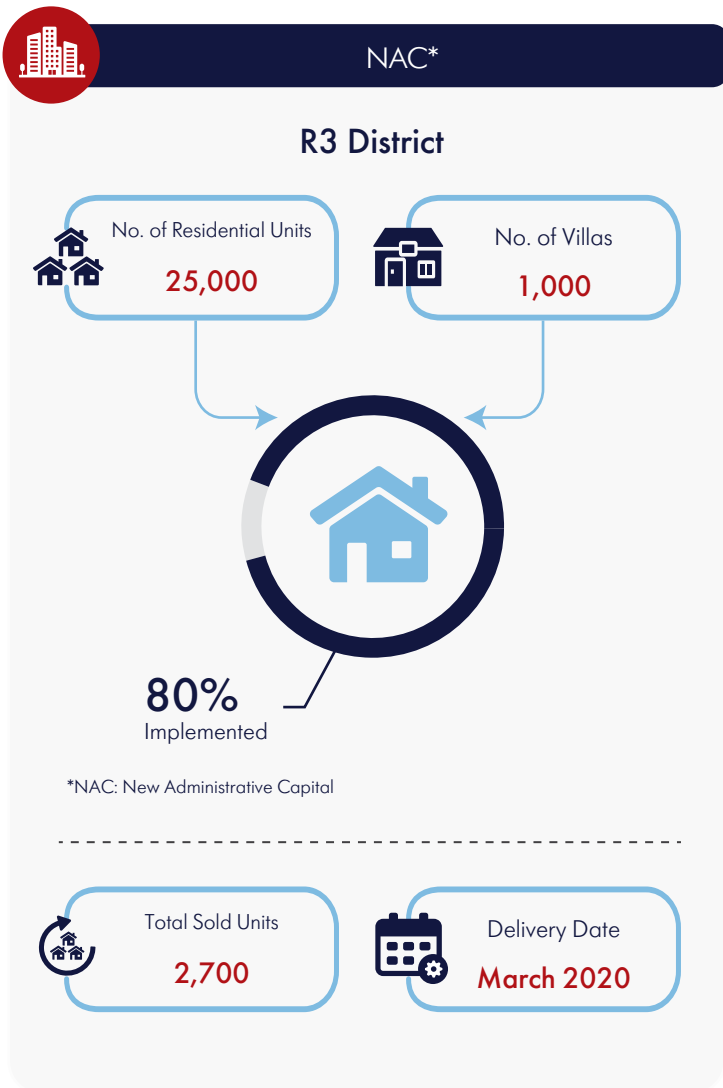


Sources: Ministry of Housing, Utilities, and Urban Communities, Egyptian Exchange (EGX), and Invest-Gate R&A

UPDATES ON NEW CITIES



Source: Ministry of Housing, Utilities, and Urban Communities



Source: Ministry of Housing, Utilities, and Urban Communities

DEVELOPERS' PROJECTS



RESIDENTIAL PROJECT



Baymont

Developer
Maven Developments

Location
Galala City

Area
76 acres

Investment
EGP 4 bn

Supply Volume

No. of Residential Units
1,756



Rivan

Developer
Al Tameer Arabian Developments

Location
NAC

Area
71,000 SQM

Investment
EGP 3 bn

Unit Sizes
77-500 SQM

Supply Volume

No. of Hotel Residential Units
700



COMMERCIAL PROJECTS



5A by
The Waterway

Developer
Equity Real Estate Developments

Location
New Cairo

Area
35,000 SQM

Investment
EGP 4 bn

Delivery Date
March 2021



ZED Park

Developer
Ora Developers

Location
Sheikh Zayed

Area
265 acres

Supply Volume

Playgrounds

Parties Area

Entertainment Area
(Winter Wonderland)



Capital One

Developer
Namaa for Development & Real Estate Investment

Location
NAC

Area
60,000 SQM

Investment
EGP 2 bn

Delivery Date
2023



MARQUEE Mall
New Capital

Developer
Warren Developments

Location
NAC

Area
14,000 SQM

Investment
EGP 1.2 bn

Supply Volume

No. of Units
400



COMMERCIAL PROJECTS



Skywalk

Developer

Skywalk Developments

Location

6th of October City

Area

280,000 SQM

Investment

EGP 8 bn

Supply Volume

Hotel

Luxury Restaurants

Spa and Wellness Resort

Entertainment Outlets

Shopping Centers



Elite

Developer

SAK Developments

Location

NAC

Area

5,500 SQM

Delivery Date

2022

Supply Volume

No. of Commercial Units
48No. of Offices
182La Mirada
Mall

Developer

Grand Plaza for Real Estate
& Tourism Investment

Location

New Cairo

Area

3,850 SQM

Investment

EGP 250 mn

Commercial Unit Sizes
60-350 SQMMedical Unit Sizes
35-300 SQM

HOSPITALITY PROJECTS



Regis Hotel

Developer

Marriott International

Location

NAC

Delivery Date

Q2 2020

Supply Volume

No. of Hotel Rooms
270No. of Suits
90No. of Apartments
60No. of Villas
14No. of Food and Beverage Outlets
20Hotel Project
(Name Still Unknown)

Developer

El Attal Holding

Location

Red Sea

Delivery Date

2020

Supply Volume

No. of Hotel Rooms
300Hotel Project
(Name Still Unknown)

Developer

Global Travel International (GTI)

Location

Sahl Hashesh

Delivery Date

H1 2020

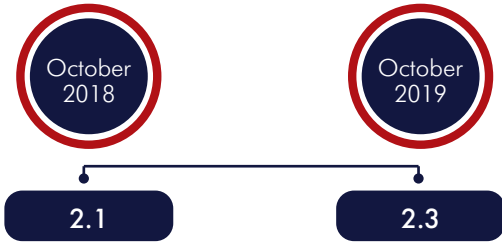
Supply Volume

No. of Hotel Rooms
350

ECONOMIC SNAPSHOT



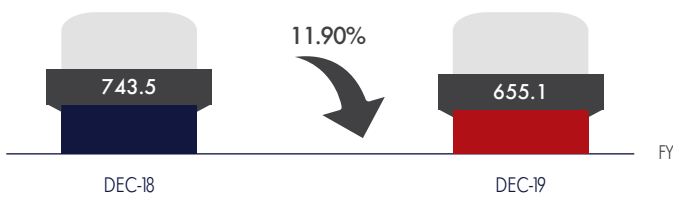
EGYPTIAN EXPAT REMITTANCES (USD BN)



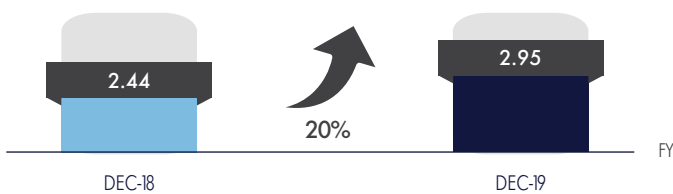
EGYPT'S BUDGET SURPLUS (EGP BN)



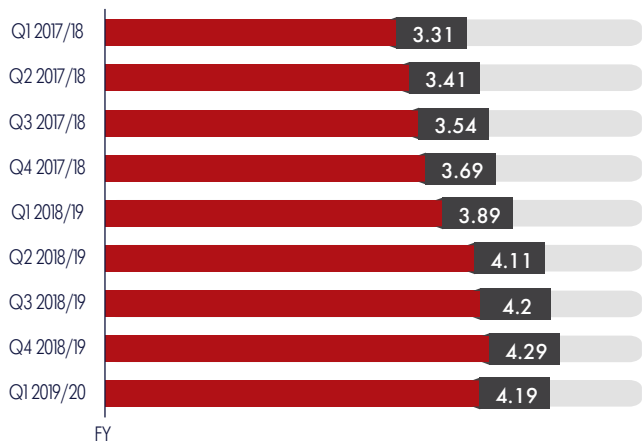
EGYPT'S FOREIGN DEPOSITS (EGP BN)



EGYPT'S DOMESTIC DEPOSITS (EGP TRLN)



GROSS DOMESTIC DEBT (EGP TRLN)



EGYPT'S TRADE EXCHANGE (USD BN)



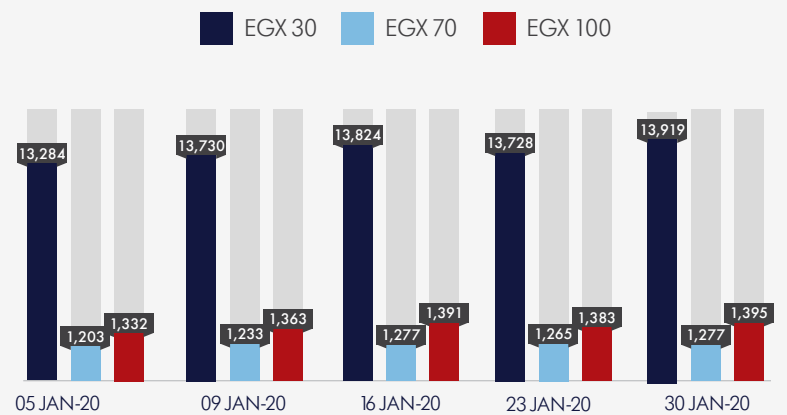
NET FOREIGN RESERVES (USD BN)



ANNUAL HEADLINE INFLATION



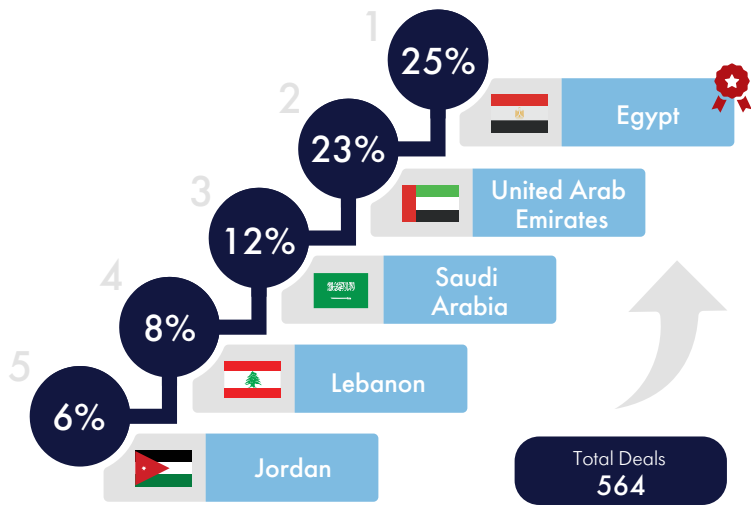
CAPITAL MARKET INDICATORS



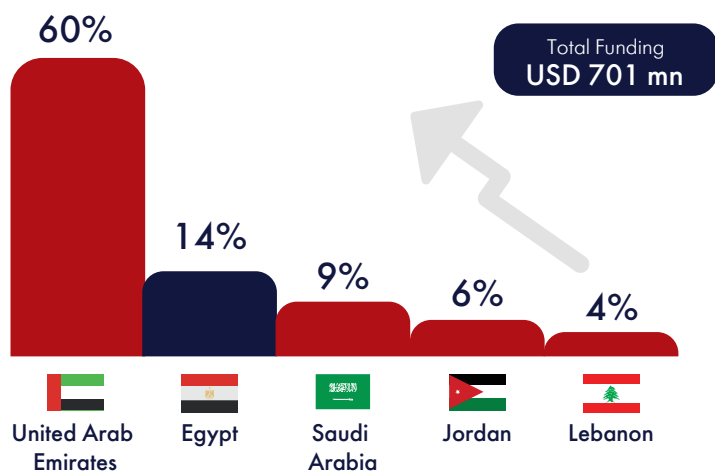
Sources: Central Agency for Public Mobilization and Statistics (CAPMAS), Central Bank of Egypt (CBE), and EGX



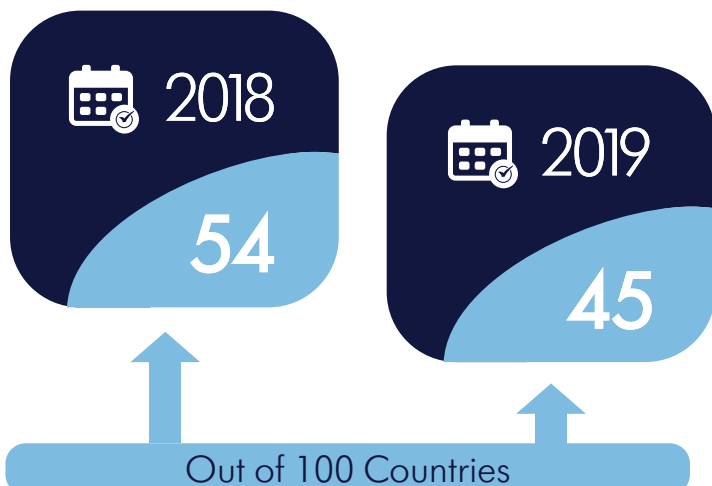
TOP 5 MENA COUNTRIES BY NUMBER OF STARTUP FUNDING DEALS IN 2019



TOP 5 MENA COUNTRIES BY TOTAL FUNDING (USD) IN 2019



EGYPT'S BRANDS INDEX

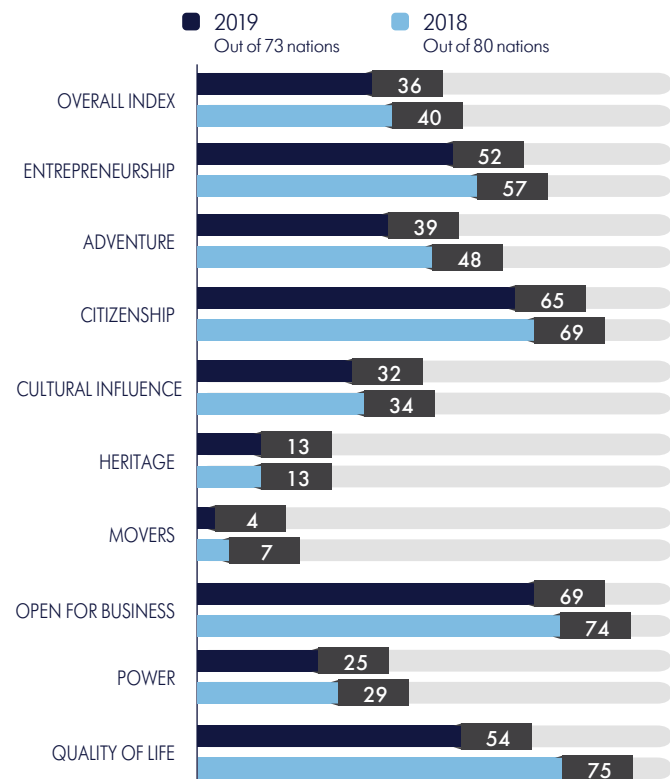


TOP 20 COUNTRIES BY FASTEST-GROWING BRANDS (VALUE) IN 2019

Rank	Country	Growth Rate
1	Ghana	67.1%
2	Uganda	55.7%
3	Paraguay	55.4%
4	Bangladesh	53.8%
5	Egypt	50.1%
6	Turkey	46.5%
7	Yemen	45.2%
8	Kazakhstan	41.9%
6.5	China	40.4%
10	Qatar	35.5%
11	Uruguay	30.1%
12	Nepal	29.3%
13	Libya	29.0%
14	Ethiopia	27.1%
15	Japan	25.9%
16	Nigeria	25.6%
17	Israel	24.2%
18	Kenya	23.6%
19	Morocco	23.3%
20	Turkistan	23.1%



EGYPT RANKING IN BEST COUNTRIES INDEX



Sources: Magnitt, Brand Finance, and US News

FULL ANALYSIS

**FACTS
& FIGURES**

Economic Snapshot:

Inflation:

Egypt's annual headline inflation rate recorded 7.2% in January 2020, compared to 7.1% in December 2019, due to seasonal factors and a slight adjustment to household consumption patterns, as well as annual process revisions that are usually timed in January by traders and wholesalers.

In December 2019, the annual headline inflation rate rose to 7.1%, compared to 3.6% in November of the same year.

Net Foreign Reserves:

Egypt's Net foreign reserves have augmented slightly in January 2020 to hit USD 45.45 bn from USD 45.42 bn in December 2019. Since the completion of the International Monetary Fund loan, Egypt's net foreign exchange rates (FX) see monthly slow increases, however, main sources of FX witness a notable improvement, namely, tourism revenues, as well as Egyptian expat remittances, which rose by 12.7% y-o-y in October 2019 to reach USD 2.3 bn, compared to USD 2.1 bn in the same month 2018.

The Egyptian Center for Economic Studies (ECES) expects remittances in Egypt to dip in 2019 by 9%, most likely due to lower rates on certificates and the strengthening of the EGP. Moreover, new laws and regulations by the Financial Regulation Authority (FRA) to combat money laundering will make it more difficult and costly to send money home, resulting in fewer remittances. An improvement in the banking system and money transfer services may result in opposing figures, ECES added.

On another positive note, Egypt's Gross Domestic Debt has fallen in absolute number and to reach EGP 4.19 trillion in the first quarter of the fiscal year 2019/20, and relative to Gross Domestic Product (GDP) for the first time in ten years recording 66.7% of GDP. The Cabinet referred this decline to the consecutive cuts in interest rates, which is, in turn, declined due to inflation retreat.

Invest-Gate Survey:

As of monthly tradition, Invest-Gate posted a poll on its website to survey people's insights on their appropriate tool when looking for new homes. The results display a nearly even distribution of preferences, where 27% said real estate exhibitions are the best for them, 25% said developers campaigns, 24% pointed to brokers, and last, 23% said listing websites.

Government's Achievements in 2019

Housing Projects:

The infographic shows that units built on land plots offered by the government seized the first place with more than 75% of housing units in 2019, followed by finished social housing units with near 20%. While it seems that units completed in collaboration with the private sector are still lagging behind with only 3.9% of total units.

The distribution of social housing units shows more than 75% goes to low-income housing units with a total cost of EGP 10.5 bn.

Slums Development:

Remarkably, the government completed most of the job in 2019 with development across 298 unsafe areas with 165,900 units, while the remaining 59 areas are under development, with investments amounted to EGP 32 bn.

The same goes for unplanned areas with EGP 318 bn total investments, where 53 areas completed yet another 17 areas are under development.

Infrastructure Projects:

The government got 54 water projects completed with total investments worth of EGP 5.1 bn, as well as 241 sanitation projects with investments amounted to EGP 12.7 bn. With regard to national road networks, the government implemented 25 road projects in 2019 with a total length of 732 Km and investments worth EGP 8 bn.

Private Sector:

Similar to January, new development launches in February are leaning towards commercial projects more than residential and hospitality projects collectively. New cities see seven new commercial projects, yet two new residential in Galala city and New Administrative Capital (NAC) and three new hospitality projects on the Red Sea, in Sahl Hasheesh, and NAC.

INVESTIGATE

RESEARCH & ANALYSIS

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