

# CASE



# YEAR BOOK 2006

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Members of the International Advisory Committee are appointed upon their own capacity and not their affiliations capacities.

# Chairman's Letter

In a year that ended in the red for most of the Middle Eastern markets, CASE has continued to improve its position in terms of benchmark performance by ending the year with a positive increase of 10 percent in the CASE 30 benchmark index for the Egyptian market. Furthermore, our core trading business has performed very well whereby turnover and volumes have almost doubled despite the turbulent period of slow growth valuation, which confirms the resilience of the Egyptian market and its standing out in the region. The market has witnessed growth in equities trading, which was mainly increased by the active participation of international and retail customers. Foreign investors now constitute more than thirty percent of our daily business volume on average and continue to grow on an annual basis, which is way ahead of the neighboring markets and proves the openness of our market.

Our new vision is to be a *World-Class Egypt-based Exchange: the Premier Capital Market in the Middle East & North Africa Region*. CASE has devised three key strategies to achieve this vision i.e. to establish a credible organization that is ready for privatization in two to three years period; to build a reliable market; and to create a customer-oriented market. Our strategic plan, which was issued to our key stakeholders, shows in detail how we aim to achieve those objectives.

CASE will shortly introduce its new amended listing rules, which will not only reinforce corporate governance and disclosure standards, but it will make it much easier for foreign blue chip companies to list on CASE. Furthermore, we have added to our leadership in technology by choosing the OMX Group, to deliver our next generation trading system, which is expected to be implemented in 2008. The new system will provide CASE with a new trading platform that deals in cash and derivative markets, which will help CASE to introduce new products such as structured products, ETFs, futures, options etc.

CASE will continue its successful and currently much demanded educational programs in collaboration with more universities in Egypt in order to enhance investor education.

Year 2006 has witnessed the passing of several important executive regulations by the Capital Market Authority or the market regulator in Egypt, most important of which are the rules governing Corporate Governance and Acquisition and Tender Offer rules, which again set Egypt the first in the region and would impact positively on CASE attractiveness.

From a global standpoint, CASE is still the only Arab Exchange that is a full member of the World Federation of Exchanges. Furthermore, the Chairman of CASE chairs the African Securities Exchanges Association and is the Vice Chairman of the Federation of Euro-Asian Exchanges, all of which attest to CASE excellence.

We trust that this Year Book will serve as a significant document for all our stakeholders to provide them with a detailed review of the Egyptian Capital Market. We would like to thank all our constituents i.e. member firms, issuers and investors for supporting our marketplace, and the employees at CASE for their due-diligence in achieving CASE new vision.

A handwritten signature in black ink, consisting of a stylized 'M' and 'S' followed by a long horizontal stroke.

*Maged Shawky Sourial*  
Chairman

# Table of Contents

A. Global Economy	14
B. Egyptian Economy	16
1. Economic Growth	16
2. Fiscal Developments	16
3. Monetary & Banking Developments	17
4. Privatization	19
5. Foreign Direct Investment	21
C. Egypt's Securities Market	22
1. Overview about Cairo and Alexandria Stock Exchanges (CASE)	22
a. Background	22
b. Regulatory Framework	23
c. Listing Rules	23
d. Membership Rules	24
e. Intra-day Trading Rules	25
f. Online Trading Rules	25
g. Omnibus Accounts Rules	25
h. OTC Rules	26
i. Products	26
j. Stock Market Indices	28
k. Trading System, Rules and Mechanisms	29
l. Investor Protection	33
m. Market Participants	33
n. Foreign Participation	33
o. Taxation	33
p. Fees	33
2. CASE Subsidiary	35
3. CASE Recent Achievements	35
a. Technological Development	35
b. Regulatory Development	36
c. Information Dissemination	36
d. Public Awareness	36
e. International Alliances	37
f. Product Development	38
4. CASE Looking Ahead	39
5. Market Statistics	39
a. Market Indices	39
1. CASE 30 Index Performance	42
2. Dow Jones CASE Egypt Titans 20 Index Performance	42
b. Main Market Indicators	43
c. Intra-day Trading System	49
d. Online Trading System	49

e. Sectors Performance	50
f. Main Indicators for the 50 Most Active Companies	51
g. Acquisition Deals in 2006	56
h. Investors Activity	57
i. Initial Public Offerings (IPOs)	60
j. Fixed Income Securities	60
1. Government Bonds	61
2. Corporate Bonds	62
3. Activities in the Bond Market	66
4. Sovereign Eurobonds	67
k. Mutual Funds	68
l. Global Depository Receipts (GDRs)	73
m. Performance of CASE 30 Certificates	79
1. CASE 30 Certificates Issued by ABN-Amro	79
2. CASE 30 Certificates Issued by Deutsche Bank	81
3. CASE 30 Certificates Issued by Goldman Sachs	82
D. Arab Markets Performance	83
E. World Stock Markets Performance	88

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# List of Tables

<b>Table 1:</b> Main Trading Statistics for CASE 30 Constituents	42
<b>Table 2:</b> Main Market Indicators Over the Period (2001-2006)	44
<b>Table 3:</b> Listings in 2006 vs. 2005	46
<b>Table 4:</b> Top 30 Companies in Terms of Value Traded (January - December 2006)	48
<b>Table 5:</b> 5 Most Active Companies According to the Intra-day Trading System	49
<b>Table 6:</b> Trading Aggregates for the Companies Eligible for Online Trading During the Period (20 July-31 December 2006)	49
<b>Table 7:</b> 5 Most Active Sectors in terms of Volume Traded During 2006	51
<b>Table 8:</b> The 50 Most Active Companies Ranked in Terms of Liquidity (January-December 2006)	51
<b>Table 9:</b> The 50 Most Active Companies Ranked in Terms of Market Capitalization (End of December 2006)	53
<b>Table 10:</b> Main Indicators for the 50 Most Active Companies	54
<b>Table 11:</b> Acquisition Deals in 2006	56
<b>Table 12:</b> Value Traded by Foreign and Local Investors	59
<b>Table 13:</b> IPOs & Private Placements in 2006	60
<b>Table 14:</b> Treasury Bonds Issued According to the Primary Dealers System	62
<b>Table 15:</b> Government Bonds	64
<b>Table 16:</b> Corporate Bonds	65
<b>Table 17:</b> Trading Aggregates for Bonds During 2006	66
<b>Table 18:</b> Eurobond Issues	68
<b>Table 19 (A):</b> Performance of Local Mutual Funds During December 2006	70
<b>Table 19 (B):</b> Performance of Local Mutual Funds During 2006 Compared to 2005	71
<b>Table 20:</b> Annual Price Change of Egyptian GDRs (%)	73
<b>Table 21:</b> Arab Exchanges Main Indicators	85
<b>Table 22:</b> World Stock Markets Performance, 2006	89
<b>Table 23:</b> Comparative Valuations of the S&P/ IFCG Indices	93

# List of Figures

<b>Figure 1:</b> Global Output Growth Rate, 2006	14
<b>Figure 2:</b> Egyptian Economic Growth Rate Over the Period (2000/2001-2006/2007)	16
<b>Figure 3:</b> Corridor Rate vs. Inflation Rate in 2006	18
<b>Figure 4:</b> Net International Reserves Over the Period (2000-2006)	18
<b>Figure 5:</b> Privatization Proceeds vs. Number of Privatized Companies	20
<b>Figure 6:</b> Method of Privatization (1994-2006)	20
<b>Figure 7:</b> FDI Flows to Egypt Over the Period (1995/1996-2006/2007)	21
<b>Figure 8:</b> CASE 30 Index Performance During 2006	41
<b>Figure 9:</b> Dow Jones CASE Egypt Titans 20 Index Performance During 2006	42
<b>Figure 10:</b> Value Traded of Securities (LE Million) - Main Market & OTC (2001-2006)	45
<b>Figure 11:</b> Volume Traded of Securities (Million) - Main Market & OTC (2001-2006)	45
<b>Figure 12:</b> Number of Listed Companies (2001-2006)	46
<b>Figure 13:</b> Market Capitalization by Sector (End of December 2006)	47
<b>Figure 14:</b> Market Capitalization as a Percentage of GDP	47
<b>Figure 15:</b> Investors' Participation in the Traded Value (%)	58
<b>Figure 16:</b> Foreign Inflows by Country in 2006	59
<b>Figure 17:</b> Foreign Inflows by Country in 2005	59
<b>Figure 18:</b> Bonds as a percentage of Total Market Capitalization (End of December 2006)	61
<b>Figure 19:</b> Value of Issued Treasury Bonds	62
<b>Figure 20:</b> Value Traded by Type of Securities	67
<b>Figure 21:</b> The Difference Between the YTM of the Egyptian Eurobonds and the US Treasury Bonds	67
<b>Figure 22:</b> Spread Over US Treasury (Basis Points) for Egyptian Eurobonds	68
<b>Figure 23:</b> Mutual Funds Performance During 2006	69
<b>Figure 24:</b> Commercial International Bank (CIB) GDRs Closing Prices (\$) Jan-Dec 2006	74
<b>Figure 25:</b> Suez Cement GDRs Closing Prices (\$) Jan-Dec 2006	74
<b>Figure 26:</b> Paints and Chemicals (Pachin) GDRs Closing Prices (\$) Jan-Dec 2006	75
<b>Figure 27:</b> Misr International Bank (MIBank) GDRs Closing Prices (\$) Jan-Dec 2006	75
<b>Figure 28:</b> EFG-Hermes GDRs Closing Prices (\$) Jan-Dec 2006	76
<b>Figure 29:</b> El Ezz Steel Rebars GDRs Closing Prices (\$) Jan-Dec 2006	76
<b>Figure 30:</b> The Holding Company for Financial Investments (Lakah Group) GDRs Closing Prices (\$) Jan-Dec 2006	77
<b>Figure 31:</b> Orascom Telecom Holding (OT) GDRs Closing Prices (\$) Jan-Dec 2006	77
<b>Figure 32:</b> Orascom Construction Industries (OCI) GDRs Closing Prices (\$) Jan-Dec 2006	78

<b>Figure 33:</b> Telecom Egypt GDRs Closing Prices (\$) Jan-Dec 2006	78
<b>Figure 34:</b> The Performance of ABN-Amro CASE 30 Open End Certificates Listed on SWX	79
<b>Figure 35:</b> The Performance of ABN-Amro CASE 30 Open End Certificates Listed on Frankfurt SE	80
<b>Figure 36:</b> The Performance of ABN-Amro CASE 30 Open End Certificates Listed on Euronext	80
<b>Figure 37:</b> The Performance of ABN-Amro CASE 30 Closed End Certificates Listed on Borsa Italiana	81
<b>Figure 38:</b> The Performance of Deutsche Bank CASE 30 Open End Certificates	82
<b>Figure 39:</b> Gains/Losses in Arab Markets Indices (2005 vs. 2006)	83
<b>Figure 40:</b> Egypt vs. GCC Markets Performance in 2006	84
<b>Figure 41:</b> Arab Exchanges Market Capitalization (2005 vs. 2006)	86
<b>Figure 42:</b> Market Capitalization of Individual Exchanges as a Percentage of Total Arab Exchanges Market Capitalization (End of December 2006)	86
<b>Figure 43:</b> Percentage Change in MSCI Price Index of 28 Selected Markets (End of 2006)	90
<b>Figure 44:</b> Performance of MSCI Emerging Markets Relative to MSCI G7 Industrial Countries in 2006	90
<b>Figure 45:</b> Performance of S&P/IFCG Egypt Relative to S&P/IFCG Middle East & Africa in 2006	91
<b>Figure 46:</b> Price Earnings Ratio for Egypt vs. Other Selected Countries (End of December 2006)	94
<b>Figure 47:</b> Price to Book Value of Egypt vs. Other Selected Countries (End of December 2006)	94
<b>Figure 48:</b> Dividend Yield of Egypt vs. Other Selected Countries (End of December 2006)	95
<b>Figure 49:</b> Comparative Valuations of the S&P/IFCG Indices (P/E Ratio vs. Dividend Yield as of End of December 2006)	95

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# Appendices

<b>Appendix 1:</b> Summary of Current Listing Rules Set by CASE and Approved by the Capital Market Authority	96
<b>Appendix 2:</b> Summary of CASE Membership Rules	100
<b>Appendix 3:</b> Summary of CASE Intra-day Trading Rules	105
<b>Appendix 4:</b> Summary of Online Trading Rules	106
<b>Appendix 5:</b> Licensed Member Firms for Online Trading (As of 31/12/2006)	107
<b>Appendix 6:</b> Omnibus Accounts Rules	107
<b>Appendix 7:</b> Member Firms Eligible for Omnibus Accounts System (As of 12/02/2007)	110
<b>Appendix 8:</b> Over The Counter Market Rules and Regulations	110
<b>Appendix 9:</b> CASE 30 Index Constituents (As of 31/12/2006)	112
<b>Appendix 10:</b> Companies Allowed to Be Traded with no Price Limits (As of 31/12/2006)	112
<b>Appendix 11:</b> Primary Dealers (As of 31/12/2006)	113
<b>Appendix 12:</b> Licensed Member Firms for Intra-day Trading (As of 31/12/2006)	113
<b>Appendix 13:</b> Main Steps in Trading, Clearing and Settlement	113
<b>Appendix 14:</b> Brokerage Firms (As of 31/12/2006)	114
<b>Appendix 15:</b> Local Mutual Funds (As of 31/12/2006)	116
<b>Appendix 16:</b> Offshore Funds (As of 31/12/2006)	116
<b>Appendix 17:</b> Fund Management Companies (As of 31/12/2006)	116
<b>Appendix 18:</b> Portfolio Management Firms (As of 31/12/2006)	117
<b>Appendix 19:</b> Underwriters (As of 31/12/2006)	117
<b>Appendix 20:</b> Venture Capital Firms (As of 31/12/2006)	118
<b>Appendix 21:</b> Private Equity Firms (As of 31/12/2006)	118
<b>Appendix 22:</b> Rating Companies (As of 31/12/2006)	119
<b>Appendix 23:</b> Custodians (As of 31/12/2006)	119
<b>Appendix 24:</b> Listed Companies Eligible for Margin Trading (As of 31/12/2006)	120
<b>Appendix 25:</b> Listed Companies' Capital Increases in 2006	120
<b>Appendix 26:</b> De-listed Companies in 2006	123
<b>Appendix 27:</b> Listed Companies and their Market Capitalization (As of 31/12/2006)	126

## A. The Global Economy<sup>1</sup>

World economic performance remains strong in 2006, growing by around 3.9 percent, on the back of the rapid expansion in the developing economies, which registered a noticeable 7 percent growth, compared to an average of 3.1 percent realized by high-income countries.

The growth in world economies had accelerated particularly in the first half of 2006, with world industrial production increasing by 6.7 percent, to conclude the year with a Gross World Product (GWP) of US\$ 65 trillion and an average per capita GDP settling at US\$ 10 thousand.

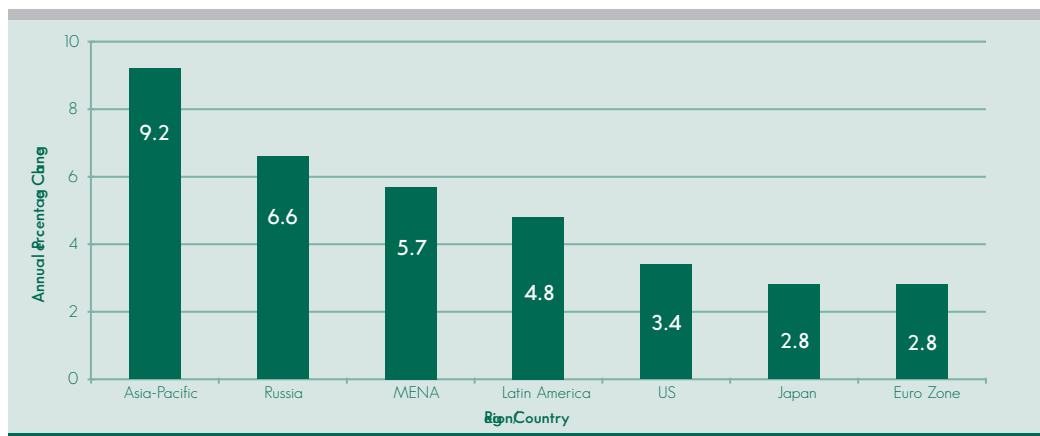
The volume of global trade continued to swell during 2006, however current account imbalances in some key economies, such as the United States, continued to widen.

The price of crude oil hit new high by mid 2006, surpassing the threshold of US\$ 79 per barrel, however, by the end of the year, oil prices began to fall again below US\$ 66 per barrel.

Global inflation has also picked up in response to the dramatic increase in oil prices, with Russia experiencing one of the highest inflation rates reaching around 9.8 percent, while the United States, developing Asia and the Euro zone have witnessed an average inflation rate of 3.5 percent, 3.2 percent and 2.5 percent, respectively.

The global growth of 3.9 percent, was primarily led by the Asia Pacific countries (9.2 percent), followed by Russia (6.6 percent), the MENA region (5.7 percent), Latin America (4.8 percent), the United States (3.4 percent), together with both, Japan and the Euro zone, growing by 2.8 percent, as illustrated in Figure (1).

Figure (1)  
Global Output  
Growth Rate, 2006



Source: World Bank, CIA and IMF

1. Source: The World Bank, the International Monetary Fund (IMF), the Institute of International Finance (IIF), the Economist, Bloomberg, the Global Insight and the CIA websites.

Investment growth in China, in conjunction with the surge in exports as a new capacity that came on stream, led to a 10.7 percent increase in its GDP during 2006 to record US\$ 10 trillion. The restructuring of the Chinese economy together with the efficiency gains have contributed to more than ten folds increase in the country's GDP since 1978.

Meanwhile, Russia's economy has grown by 6.6 percent during 2006, pushing GDP to reach US\$ 1.7 trillion, on the back of the heavy activities of the non-tradable sector as well as the huge investments injected in the oil and gas sector.

With oil prices continuing their upward climb, together with the increased infrastructure investments, the MENA region has enjoyed a spectacular year of economic growth, scoring a rate of 5.7 percent, whereby GCC saw their real GDP rising by an average of 7 percent. In 2006, the star performer of the region was the UAE with a GDP growth of 10.2 percent, followed by Bahrain, Qatar and Morocco with growth rates of 7.6 percent, 7.1 percent and 6.7 percent, respectively.

With a slight difference, the economic activities in Latin America have picked up during 2006, with GDP surging by almost 5 percent. The region's two largest economies; Brazil and Mexico have realized a growth rate of 3.1 percent and 4.5 percent, respectively, with Brazilian GDP reaching US\$ 1.6 trillion and realizing, for the first time since 1992, a current account surplus. The US\$ 1.1 trillion Mexican GDP, came on the back of the upgrade in infrastructure, modernization of the tax system and labor laws together with the private sector involvement in the energy sector.

The United States ended the year with a moderate 3.4 percent growth, securing US\$ 13 trillion worth of GDP, assisted by sound consumption and corporate investment. In June 2006, the US Federal Reserves Open Market Committee (FOMC) decided to raise interest rate to 5.25 percent, after 17 consecutive hikes from a 50-year low of 1 percent, amidst growing concerns of a slowing US economy. Despite the acceleration in exports growth during 2006, yet the US current account deficit is expected to reach 7 percent of GDP.

The increase in GDP of the Euro zone had accelerated, particularly in countries that had previously recorded lower-than-average growth rates, notably Germany and Italy, to conclude the year with a cumulative GDP of almost US\$ 13 trillion, registering a YOY increase of 2.8 percent. Growth in the Euro zone was primarily driven by the increase in exports, domestic demand and private consumption. The strong recovery in the Euro zone led the European Central Bank (ECB) to further tighten the monetary policy. Economic expansion in the United Kingdom also picked up during 2006, with GDP rising by 2.9 percent.

Likewise, Japan succeeded for the second consecutive year, to realize a GDP growth of around 2.8 percent locking in US\$ 4.2 trillion. Nevertheless, its huge government debt, accounting for 175 percent of GDP, together with the aging of the population remained the two major long-run problems.

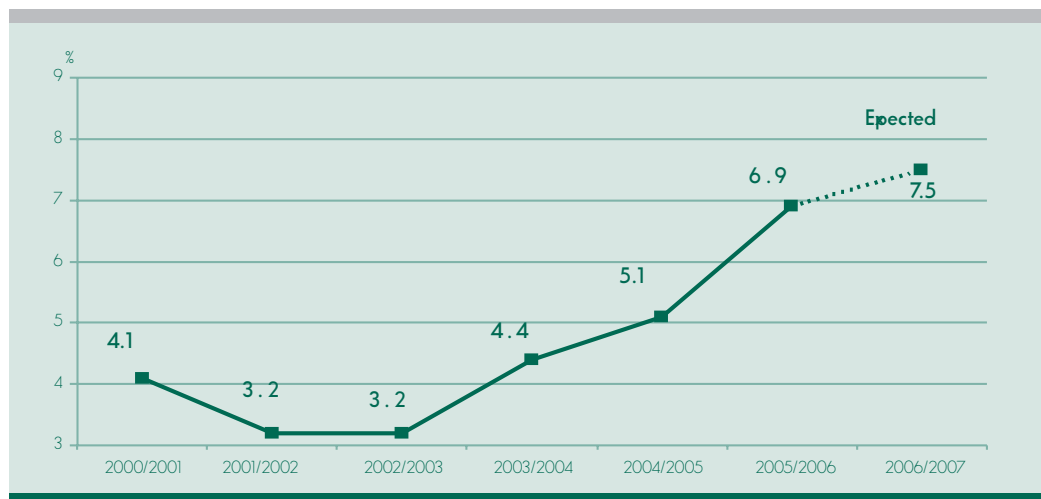
## B. The Egyptian Economy<sup>2</sup>

### 1-Economic Growth

Wide range reforms, supportive macroeconomic policies and a favorable external environment, have contributed to a faster growth in Egypt in recent years. The growth momentum in Egypt's economy has picked up since FY 2003/2004, where GDP growth rate accelerated to 4.4 percent and continued to grow at a faster rate to reach 5.1 percent in FY 2004/2005. This solid expansion pursued its course in FY 2005/2006, with GDP hitting its, 20-year high, 7 percent growth rate, as depicted in Figure (2).

This robust economic performance was mainly driven by exports growth, increase in Suez Canal receipts, resurgent tourism, buoyant domestic demand, surge in foreign direct investment as well as the improved business confidence.

Figure (2)  
Egyptian Economic Growth  
Rate Over the Period  
(2000/2001 -2006/2007)



Source: Ministry of Economic Development

### 2-Fiscal Developments

Total revenues and grants increased by 35 percent to LE 149 billion in FY 2005/2006. Tax revenues increased by one-third to LE 98.1 billion, whereas non-tax revenues increased by 47 percent to LE 51.5 billion. Despite the implementation of the new income tax code, which slashed income tax and unified it at 20 percent, yet income taxes increased by 53.6 percent to LE 48.5 billion.

<sup>2</sup> Source: Central Bank of Egypt, Ministry of Finance and Ministry of Investment

Likewise, other revenues increased by 85.4 percent reaching almost LE 25 billion, compared to LE 13.4 billion last year, after incorporating the exceptional receipts of LE 16 billion from the sale of the third mobile license.

On the other side, total expenditure increased by 15.8 percent to LE 48.8 billion, compared to LE 42.1 billion in the previous year.

These have contributed in reducing the budget deficit to 7.9 percent of GDP in FY 2005/2006, down from 9.6 percent of GDP in 2004/2005.

From another perspective, in order to encourage trade and investment and to reduce prices on consumers, a Presidential decree was issued in February 2007, to reduce import duties on 1,114 items, with average import tariff rates dropping around 25 percent to reach 6.9 percent down from 9 percent.

Following the reduction, 90 percent of all items in the tariffs schedules would be in a 10 percent-or-less import duty bracket, where the expected reductions in customs revenues, will be compensated by the increased economic activity.

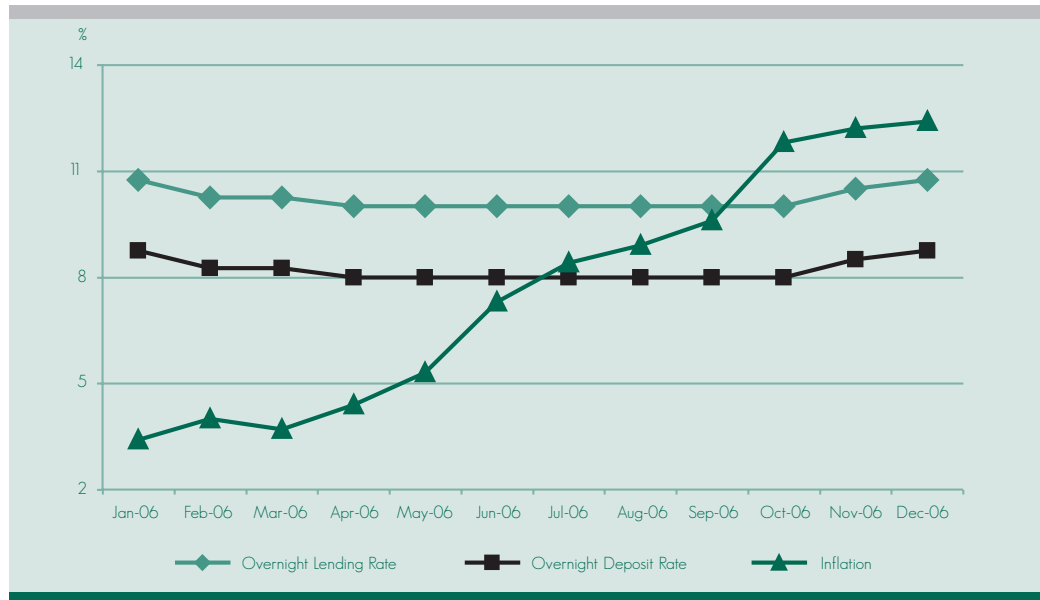
### 3 Monetary & Banking Developments

A stable, transparent and proactive monetary policy is currently being adopted in Egypt, where the Central Bank of Egypt (CBE) became fully in charge of formulating monetary policies. Currently, the overriding objective of the monetary policy is to ensure price stability necessary to sustain economic growth. The CBE has designed an interest rate corridor to guide the over-night interest rate, which has been accepted as the policy rate and has become the key determinant of market interest rate.

In December 2006, the CBE raised its overnight deposits and lending rates- corridor rate- by 25 basis points to reach 8.75 percent and 10.75 percent, respectively, to curb inflationary pressures, resulting from the high domestic demand.

Domestic inflation increased to 12.4 percent in December 2006, compared to 3.1 percent in December 2005 as illustrated in Figure (3). The average inflation since the beginning of FY 2006/2007 was almost 10.6 percent compared to 3.7 percent during the same period last year. This rise in inflation was mainly attributed to the surge in prices of food products as well as the recent increase in administered prices of telecommunications services and fuel products.

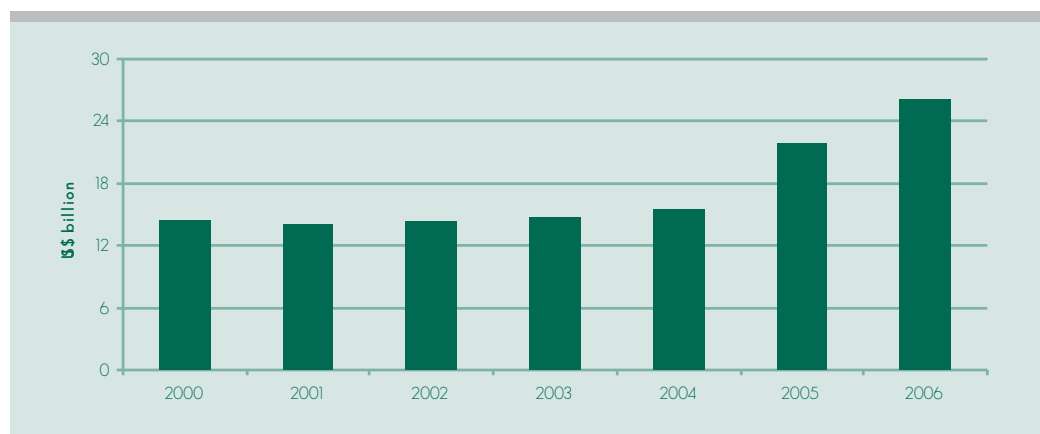
**Figure (3)**  
Corridor Rate vs. Inflation Rate  
in 2006



Source: Central Bank of Egypt

Meanwhile, the CBE continued to build its net international reserves, which surpassed US\$ 26 billion at the end of 2006, as depicted in Figure (4). The robust international reserves position owes to the strong current account as well as the overall confidence in the monetary policy and the exchange rate.

**Figure (4)**  
Net International Reserves  
Over the Period (2000-2006)



Source: Central Bank of Egypt

From another perspective, the banking sector is currently undergoing a restructuring program with the aim of increasing its robustness and enabling it to perform competitively on a regional and international level as well as achieving the targeted economic growth.

Along with the reduction in the number of banks, which reached 39 banks down from a high of 57 banks, Egypt new Banking Law has set a minimum capital requirement of LE 500 million for banks, spurring a rapid round of mergers and acquisitions.

#### 4 Privatization

Egypt's privatization program has sustained its strong momentum in 2006, with proceeds continuing to grow at a faster rate. According to the Ministry of Investment, 19 transactions were completed during the 1<sup>st</sup> half of FY 2006/2007, generating total proceeds of LE 12.5 billion, which is almost 83 percent of the LE 15 billion privatization proceeds generated in FY 2005/2006 and making up 24 percent of the total proceeds generated since the inception of the privatization program till end of December 2006, as illustrated in Figure (5).

From another perspective and despite the downturn in the number of transactions concluded in 2006 compared to the previous year, which amounted to 45 and 57 transactions<sup>3</sup>, respectively, the total proceeds of privatization has inched up to LE 17 billion in 2006, up from LE 16 billion last year. Of these, 12 privatization deals worth LE 14 billion and representing almost 84 percent of total privatization proceeds, were conducted through the stock exchange.

Privatization has also extended to the banking sector as part of the broader financial sector restructuring plan. The most prominent deals included the sale of 80 percent of the state-owned Bank of Alexandria to the Italian SanPaolo IMI, in a deal worth LE 9.3 billion, the 19 percent sale of the public stake in Commercial International Bank to Ripplewood with a value of LE 1.3 billion as well as the LE 985 million sale of the public stake in Egyptian American Bank to Calyon Bank.

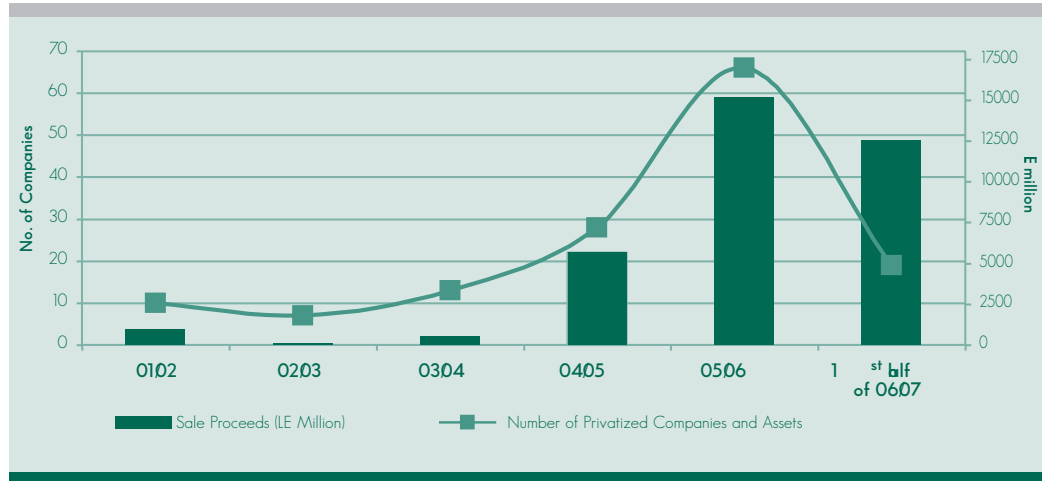
Another major deal that contributed well to the proceeds of privatization this year, was the sale of the government owned land in Sidi Abdel Rahman to Emaar company for LE 1 billion.

Figure (6) shows the various privatization methods adopted by the government since the advent of the privatization program in 1994, with 24 percent of the privatized companies sold through majority and minority IPOs, capturing almost 35 percent of the proceeds generated from the privatization program since its inception till end of December 2006. Though 25 percent of the privatized companies were sold to anchor investors, they constituted almost 58 percent of the proceeds from the program. The remaining 51 percent was sold through other privatization methods including sales to Employee Shareholders Associations (ESAs), asset sales, Liquidations as well as long term leases.

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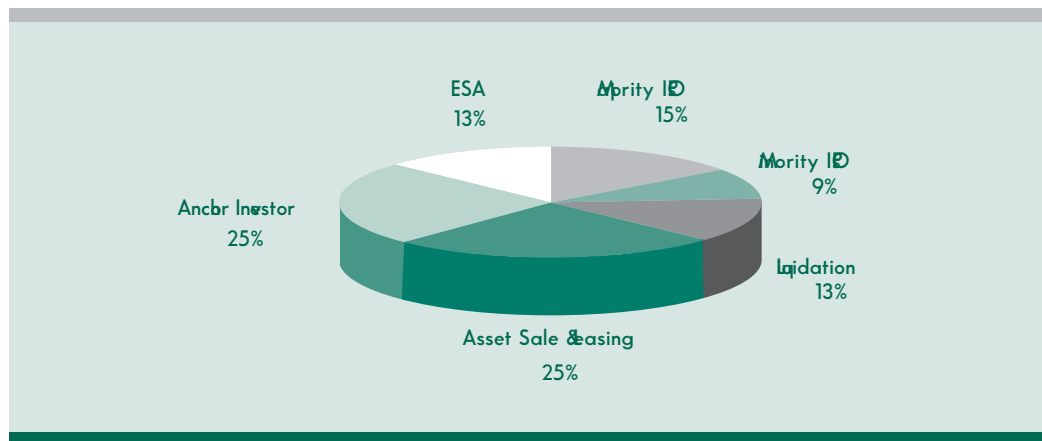
<sup>3</sup> Including 23 and 28 transactions of unutilized land and asset sale in 2006 and 2005, respectively

Figure (5)  
Privatization Proceeds vs.  
Number of Privatized Companies



Source: Ministry of Investment

Figure (6)  
Method of Privatization  
(1994-2006)



Source: Ministry of Investment

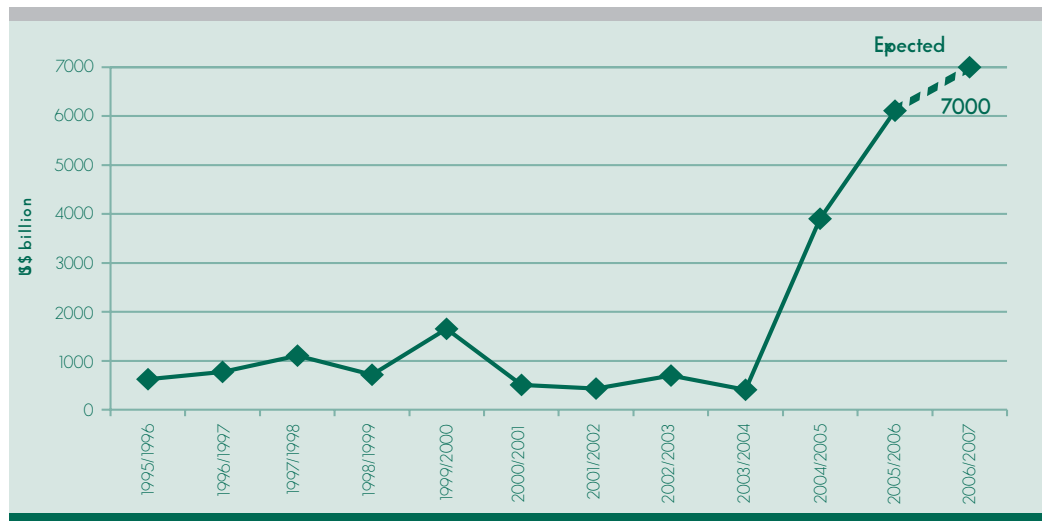
## 5. Foreign Direct Investment

Egypt has succeeded this year to become, after South Africa, the largest market for foreign direct investment (FDI) in the African continent, with FDI inflows skyrocketing by 56 percent to reach its all time high of US\$ 6.1 billion in FY 2005/2006, with a further US\$ 7 billion worth of inflows expected to be realized in FY 2006/2007, as shown in Figure (7).

The recent policy initiatives in the area of trade reform, taxation and revived privatization have been chief factors behind this outstanding performance. Moreover, the regulatory and institutional reform in the General Authority for Investment (GAFI) bode well on improving the investment environment in Egypt.

Parallel to the oil and gas sector, the non petroleum exports continued to be the main source of foreign inflows, shaping 50 percent of the FDI and reflecting the increasing competitiveness of the diversified Egyptian investing environment.

**Figure (7)**  
**FDI Flows to Egypt**  
**Over the Period**  
**(1995/1996-2006/2007)**



Source: Central Bank of Egypt

These recent economic and structural reforms have placed Egypt on a path toward a full market economy, which was highly recognized by many international institutions.

Both, Fitch Ratings and Standard & Poor's have reassured their stable outlook for Egypt, while Moody's credit rating agency upgraded Egypt's foreign debts. Moreover, the IMF and the World Bank confirmed their positive vision of the business environment in Egypt, with the latter positioning Egypt on top of the world in terms of trade policies.

## C. Egypt's Securities Market

### 1. Overview about Cairo and Alexandria Stock Exchanges (CASE)

#### a) Background

The history of Cairo and Alexandria Stock Exchanges can be traced to the 19th century, when the merchants of Alexandria used to meet in coffee houses to cut their deals, then found the urge to establish the Alexandria Bourse in 1883, to be one of the oldest among the Middle East stock markets, followed by the Cairo Stock Exchange in 1903 with 97 listed companies at an aggregate capital of LE 29 million, which jumped to 228 listed companies in 1907 with a combined capital of LE 91 million.

Both Cairo and Alexandria Stock Exchanges merged and managed to outperform throughout the 1940s and the early 1950s, to the extent that they ranked fifth among the world exchanges. Twenty-one brokerage firms were on hand to take care of this swelling trading.

Following the socialist regime and the nationalization policy adopted by the government in the early 1960s, the role of Egypt's private sector has diminished and likewise the activities of the Cairo and Alexandria Stock Exchanges (CASE). Only 9 companies were listed on the market during 3 decades, nevertheless the Exchange was never shut down.

In consistency with Egypt's new era of economic reform and restructuring undertaken in 1991, the role of Cairo and Alexandria Stock Exchanges was re-activated in 1992, with the issuance of the Capital Market Law No. 95 of 1992, issued by the Capital Market Authority (CMA), which laid the regulatory framework for the financial intermediaries; brokers, fund management firms, venture-capital firms, underwriters, investment banks..etc. During this year, 656 companies were listed and available on the trading floor.

One automated trading system was to link both Exchanges in 1994, which facilitated the implementation of the privatization program that had started in the same year leading to another push in the revival of the Egyptian Stock Market. A number of Initial Public Offerings (IPOs) of the state-owned companies were executed through Cairo and Alexandria Stock Exchanges.

Starting 1997, as the importance of the Stock Exchange was assured - as a gateway for companies to raise capital and for investors to share in companies' profits - the number of issued and listed shares kept on increasing, which attracted both retail and institutional investors to the market, leading to higher trading activities.

Both stock exchanges are managed by the same Chairman and Board of Directors. The Chairman is appointed by the Prime Minister, whereas sixty percent of the Board of Directors are elected from market participants and the remaining forty percent are appointed representatives from the Capital Market Authority, the Central Bank of Egypt (CBE) and the banking sector.

## b) Regulatory Framework

Cairo and Alexandria Stock Exchanges are operating under the provisions of the Presidential Decree 51/1997 and governed by a set of laws and their executive regulations, as illustrated below:

- The Capital Market Law 95/1992, which laid the regulatory framework within which the Exchange and the financial intermediaries such as brokers, funds, management firms, venture capital firms and underwriters can operate, together with its executive regulations issued by Ministerial Decree of the Minister of Economy and Foreign Trade 135/1993 and its amendments.
- Presidential Decree 51/1997, which has properly drafted statutes for CASE governance and its financial affairs.
- The Central Depository Law 93/2000, which regulates the shareholders record keeping, clearing and settlement, together with its executive regulations issued by Ministerial Decree of the Minister of Economy and Foreign Trade 906/2001.
- The Companies Law 159/1981 for joint stock companies, partnerships limited by shares and limited liability companies.
- The Investment Law 8/1997, which promotes investment in specific economic sectors and new industrial locations and
- The Public Enterprise Companies Law 203/1991, which identified 314 public sector companies for sale to public.

## c) Listing Rules

The current listing rules, which necessitate the dematerialization of all securities, impose fines on companies not complying to listing and disclosure standards and enforce adherence to the Egyptian Accounting Standards, reflected positively on the quality of listed companies on the Exchange.

In 2006, Articles (11) and (32) were added to the current rules, allowing holding companies that do not have annual financial statements to list on CASE, provided that the majority of the subsidiaries meet certain capital and corporate governance requirements. Article (3) and (22) were also amended. A summary of the current listing rules can be found in Appendix (1).

CASE has a Listing Committee, which handles the listing and de-listing requests. The committee is chaired by the Chairman of CASE and its members include one member appointed by CMA, two employees from CASE chosen by the Board of Directors of the Exchange, one member from the ten most active listed & traded companies on CASE, one member from the member firms operating under Capital Market Law 95/1992 and one member from the Egyptian Association of Accountants and Auditors.

CASE will shortly implement its new listing rules, which will further reinforce disclosure and corporate governance standards for its listed companies. The new rules re-define the listing requirements for foreign issuers to match international standards. The rules also include a section governing the listing of new products such as derivatives, warrants, sukus, securitized bonds, Exchange Traded Funds (ETFs). Moreover, the new rules have further regulated the treasury stocks and the rights issues.

Of equal importance, corporate governance is introduced as a separate chapter, which will be vigorously applied on companies traded in the liquid market.

#### **d) Membership Rules**

The primary concern of the membership rules is to protect investors from the risks involved in trading on the stock market, through the brokerage firms (members). Chapter (7) of the Executive Regulations of Law No. 95/1992 covers the provisions regulating the activities of brokerage firms and their obligations towards the stock exchange, clearing company and the investors.

In 2006, new membership rules were issued, to further control the risks related to exchange members. The rules include more rigid provisions enforcing governance principles, limiting risks ensued from trading activities and defining more clearly the members' rights and obligations.

A member firm will be licensed to undertake a certain activity, according to his financial and technical potentials, the experience of the firm's executives and employees as well as the automated systems used for data processing and early warning.

The rules have identified two groups of activities for the members to perform:

- The basic activities (cash only, not deferred trading and the OTC market), which are allowed for all members provided they get a license for securities intermediaries and to meet all financial and technical requirements set in the trading rules.
- The specialized activities, where members could undertake margin trading, short selling, online trading, intra-day trading, custodians and primary dealers, provided they fulfill the technical and financial requirements set for each activity.

According to these rules, members were also categorized as follows:

- An executing member who undertakes settlement.
- An executing member who undertakes settlement through custodians.
- An executing member who undertakes settlement and exercise the specialized activities.
- Primary Dealers.
- Custodians.

Moreover, CASE new membership rules focused on imposing capital adequacy ratios to ensure the solvency of the members, and mitigating risks. Refer to Appendix (2) for more details about membership rules.

A Membership Committee, presided by the Chairman of CASE, is appointed by the Exchange's Board of Directors to review membership applications or terminations, and render its decision in 30 days.

### **e) Intra-day Trading Rules**

In an attempt to increase market depth and liquidity, the Capital Market Authority (CMA) Chairman has issued, in August 2005, Decree No. 24, which introduced the "Intra-day Trading" concept for the first time to the Egyptian market. According to the rules, member firms wishing to carry out Intra-day Trading transactions, should first obtain a license from the CMA, and should deposit a minimum of LE 5 million in one of the clearing banks in order to meet the settlement of the Intra-day Trading transactions.

Member firms can only trade within the limits of four times the amount deposited at the clearing bank. Currently, fifteen member firms are licensed to undertake Intra-day Trading activities.

On the other hand, only listed companies fulfilling the requirements mentioned in Appendix (3), which summarizes the rules and regulations governing Intra-day Trading, are eligible for this type of trading, which reached sixteen listed companies at the end of December 2006.

### **f) Online Trading Rules**

To further enhance market liquidity and facilitate trading procedures to investors, the Capital Market Authority (CMA) Chairman has issued in May 2006 Decree No. 504, which introduced the online trading system to the Egyptian market. Investors can place their buy/sell orders directly on the Internet, which go to the trading system through the gateway of each client's broker. Brokerage firms wishing to provide this service have to be licensed by the CMA, after fulfilling the infrastructure and technical platform requirements. Appendix (4) provides a summary for the Online Trading rules.

Up till end of December 2006, five member firms have been granted the license and currently provide online trading service to their investors, as exhibited in Appendix (5).

### **g) Omnibus Accounts Rules**

CASE issued the rules arranging the Omnibus Accounts, whereby the asset manager can place a buy/or sell order in its name for the different investors' sub accounts, to be executed as a one giant trade. This tool allows asset managers to make the proper allocation of their executed transactions on a pro rata basis to their clients. Appendices (6) and (7) show full details of the Omnibus Accounts rules together with a list of member firms eligible for Omnibus Accounts system, respectively.

## **h) OTC Rules**

CASE issued new rules in July 2002, to rearrange the Over the Counter (OTC) market; the venue of trading unlisted securities. According to these new regulations, the OTC market is divided into two markets: Orders Market and Deals Market. The Orders Market is for the companies that the Exchange approves trading on according to their liquidity, including de-listed shares. The Deals Market is the market at which CASE announces all information related to the pre-arranged deals, after their execution.

The CMA Board of Directors issued Decree No. 9/2006, which allowed shares issued for capital increases to be traded in the OTC market, with few exceptions. The rules governing the OTC market are shown in Appendix (8).

## **i) Products**

### **Stocks:**

Common and preferred stocks are traded on CASE, however only two companies have listed preferred shares (Samcrete Misr and Snohy Building Materials).

### **Bonds:**

The fixed income market - offering government and corporate bonds- has assured its roots throughout 2006, with the increase owed to Treasury bonds issued through the Primary Dealers System.

#### **Government Bonds**

This product, representing the "risk free" financial instrument, has been a spot of attraction since the issuance of the first government bond in 1998, where the Ministry of Finance has issued several issues of housing and long term maturity treasury bonds. In November 2004, the Primary Dealers System was implemented, where 16 treasury bonds were successfully launched through this system up till end of December 2006, with different maturities ranging from 2 to 20 years. There were also 4 Treasury bonds, which are issued before the launch of the Primary Dealers System as well as 18 housing bonds offered on board, at the end of December 2006.

#### **Corporate Bonds**

Only private companies rated by credit rating agencies are allowed to issue corporate bonds. Being the alternative of borrowing from banks, the fixed income currently comprises of 12 corporate bonds, of which 6 offer fixed coupon rate and the remaining are floating.

The main players in the fixed income market are financial institutions comprising banks, insurance companies and funds.

### Securitized Bonds

Two securitized bonds issues were listed on the stock exchange for the first time in 2006, with a total size of around LE 700 million.

### Closed-ended Funds:

There are currently three closed-ended funds listed on the stock exchange. These include Orient Trust, Arab Land Direct Mutual Fund and Misr Direct Investment Fund.

### GDRs

Global and American Depositary Receipts are the two types of depository receipts, through which a listing company in Egypt can diversify its shareholders base and access international markets.

At the end of December 2006, eleven Egyptian companies had their shares traded in the form of GDRs, nine of which are listed on London Stock Exchange; namely, Suez Cement, Paints and Chemicals Industries (Pachin), Misr International Bank (MIB), EFG-Hermes, El Ezz Steel Rebars, Orascom Telecom Holding (OT), Orascom Construction Industries (OCI), Egypt Lebanon Ceramics (Lecico) and Telecom Egypt, which issued its GDRs in December 2005.

The Commercial International Bank (CIB) is the only listed company that has both GDRs, which are listed on London Stock Exchange, and ADRs, which are traded on New York Stock Exchange. Finally, Lakah Group GDRs are listed on Luxembourg Stock Exchange.

### CASE 30 Open End Certificates

A number of structured products, issued by several international institutions, on the Exchange in-house designed index; CASE 30 index, are listed and traded on international stock exchanges.

CASE gave its first license to ABN AMRO to issue structured products on CASE 30 index. Up till end of December 2006, the bank has launched two issuances, each with 500 thousand certificates in US dollars, which were listed and traded on the Swiss and Frankfurt Stock Exchanges, respectively.

In March 2006, ABN-Amro Bank has released its third issuance of 500 thousand CASE 30 Open End certificates, which were listed and traded on Euronext Amsterdam. Finally, in June 2006, the bank issued 500 thousand Close End certificates, which were listed and traded on Borsa Italiana.

CASE has also granted a license to Deutsche Bank in March 2006 to issue 1 million Open End certificates on CASE 30 Index, namely "EUR X-Perf Certificates" to be listed and traded on Frankfurt and Stuttgart Stock Exchanges.

A third license was granted to Goldman Sachs International to also issue 500 thousand Open End certificates on CASE 30 Index to be listed and traded on Frankfurt & Stuttgart Stock Exchanges, starting 5 May 2006. In the same month, Goldman Sachs issued another 380 thousand Open End certificates that were listed and traded on the Swiss Exchange.

It is worth mentioning that the Open End certificate does not have a fixed maturity and can be redeemed for cash at market value. Investors are entitled to exercise the Certificate on a yearly basis on the specified exercise dates and the issuer is entitled to terminate the certificate upon one year's notice commencing immediately after the issue date.

## j) Stock Market Indices

### CASE 30 Index

In order to remain on par with international standards, CASE has undertaken a precedent and pioneering step, in the Middle East and North Africa Region, by being the first Exchange, to change its index calculation methodology and account for free float, in its newly calculated CASE 30 index.

The CASE 30 index, a free floated market capitalization weighted index, was released on 2 February 2003 and was retroactively computed as of 1 January 1998 with a base value of 1000 points. CASE 30 index managed to become the real benchmark and barometer for the Egyptian market and is being quoted by major international and domestic information providers.

To be part of CASE 30 index, the free float of the listed company should be at least 15 percent. CASE 30 avoids cross holdings, avoids concentration on one industry and is weighted by each company's adjusted market capitalization (listed shares adjusted by free float). Companies that go bankrupt, merge with other companies or are acquired by other companies are excluded from CASE 30. Only fully paid shares, shares denominated in Egyptian Pound and common shares are included in CASE 30. Thus, preferred shares, convertibles, bonds and mutual funds are excluded from the index. The index is rebalanced every six months to reflect the latest market activity. More information about CASE 30 Price Index can be obtained from CASE website ([www.egyptse.com](http://www.egyptse.com)). Appendix (9) illustrates the constituents of the CASE 30 index as of end of December 2006.

### Dow Jones CASE Egypt Titans 20 Index

CASE was the first stock exchange in the region to team up and sign a joint branding and marketing agreement with Dow Jones Indexes, a leading global index provider, to serve an expanding international investor community, by creating the Dow Jones CASE Egypt Titans 20 Index, which tracks the 20 blue chips of the Egyptian stock market in terms of free-float adjusted market capitalization, sales and net income.

The Index was launched on 12 April 2006 and is expected to greatly contribute to the Egyptian market development, by generating substantial interest from global investors as well as international institutions. Investment

products such as funds, ETFs, structured products and derivatives are also expected to be created based on the index.

### Other Market Indices

The Capital Market Authority (CMA) calculates a daily price weighted market capitalization index that includes all listed companies on the Exchange. The CMA index was set at 100 on 2 January 1992.

Furthermore, some brokerage firms and financial institutions in Egypt have also developed their own in-house indices, which track the most actively traded companies. Of these in-house indices, Hermes Financial Index (HFI), Egyptian Financial Group Index (EFGI), Prime Initial Public Offering Index (PIPO) and Commercial International Brokerage Company Index (CIBC) are prominent in their use.

HFI is a broad-based index tracking the most actively traded companies. The EFGI tracks the movement of large capitalization companies. The CIBC 100 index is an average price index tracking the 100 most actively traded companies in terms of volume. The PIPO index is a simple price index tracking initial public offering companies.

Additionally, the Egyptian market could be tracked via the IFC Global and Investable Indices calculated since 1996 and Morgan Stanley-Egypt Index calculated on a stand-alone basis in 1997.

### k) Trading System, Rules and Mechanisms

The trading system at CASE has perceived gradual development from an outcry system (prior to 1992) to an automated order-driven system. As a result of the growth in business, the Exchange got hold of a proven and scalable system conforming to international standards and up to date technology. In May 1998, CASE contracted with "efa", a Canadian software company (which was first bought by the Australian Computershare company and was recently acquired by the leading international technology provider "OMX"), to provide a new trading, clearing and settlement system. The trading component of this system started operations in May 2001, after applying a locally developed automated trading system for almost 9 years.

Several other Stock Exchanges in the region and worldwide adopt the same software, such as Abu Dhabi Securities Market, Bahrain Stock Exchange, Doha Securities Market, Dubai Financial Markets, Barbados Stock Exchange, Boston Stock Exchange, Jamaica Stock Exchange and Nigeria Stock Exchange.

At the end of 2006, OMX has won the tender offer presented by CASE to update its technology infrastructure for implementing the Next Generation Trading System "X-streme", that offers an enlarged capacity, a faster performance of the trading system as well as the technology for accommodating the introduction of derivatives and market maker system.

Moreover, CASE offers an in-house developed OPR program that deals with the IPO's and private placements before execution in the market. This program facilitates orders' registrations and cancellations, assures accurate

calculations of the allocation percentages and enables the market to absorb efficiently the surge in the amount of placements.

There are currently five order driven markets set for trading securities which are: Liquid Market (including 50 most actively traded stocks which are chosen based on given trading criteria), Illiquid Market (lower liquidity stocks as well as three closed mutual funds), Certificates Market (for physical shares only), Bonds Market for trading government and corporate bonds and finally Tender Offers Market, which is a special market for buyers, who wish to purchase a large stake of a certain listed company, for a pre-announced given price and during a set period, after getting an approval from the CMA.

### Trading Location

Egypt's stock exchange is operating through two locations; the main trading floor based in Cairo and the Alexandria trading floor, which are both using the same trading system and trading rules as well as trading the same financial instruments.

### Trading Hours

*(Sunday through Thursday)*

Over-the-Counter Market (Deals Market)	09:45 am- 11:15 am
Listed Securities Market (On the Exchange)	10:30 am-2:30 pm
Over-the-Counter Market (Orders Market)	02:30 pm-03:00 pm
Primary Dealers Bonds Market	10.30 am- 2.30 pm

### Price Limits (ceiling /floor)

CASE's trading regulations maintains a 5 percent ceiling/floor restriction over the stocks prices, compared to its closing price in the last trading session. Only when corporate actions are undertaken, the price ceiling/floor is removed. This system is implemented in order to protect the investors.

As the Stock market developed over the years, the need to remove the price control became imperative. On 21 July 2002, CASE commenced a new price ceiling system, whereby the daily price limits are being widened to 20 percent for the most active stocks, which encompasses 43 stocks at the end of year 2006<sup>4</sup>. A list of these companies is available under Appendix (10).

<sup>4</sup> Ten companies were added to the list of companies allowed to be traded with no price limits in February 2007; namely, Alexandria Spinning & Weaving, Bisco Misr, El Ahli Investment and Development, El Nasr Clothes & Textiles (Kabol), Extracted Oils, Mena Touristic & Real Estate Investment, National Development Bank, Six of October Development & Investment (SODIC), Telecom Egypt and United Arab Shipping.

Those stocks were chosen based on a set of criteria that was determined by CASE and approved by the CMA:

- The minimum trading days per year should be 220.
- The stocks must be dematerialized.
- The average number of transactions per stock must be 20 trades.
- The minimum market capitalization should amount to LE 200 million.
- The minimum free float should be 15 percent of the total listed shares.

To ensure market fairness and investor's protection, if any of the 43 stocks' weighted average prices exceeded the 10 percent, from their opening prices, during the trading session, the trading is halted for half an hour. When the session is resumed, if the stock weighted average prices surpasses 20 percent over its opening price, the trading on this stock is halted till the end of the session.

When trading is discontinued, brokers should inform their clients about the temporary suspension, its reasons, and duration and should take the necessary actions in order to fulfill their clients' requests. Brokers are allowed to cancel any of their clients' orders, when trading is halted.

It is worth mentioning that the closing price of traded shares is determined by calculating a price-weighted average of the traded shares for the session and is considered to be the closing price if, during the session, there was at least one transaction of 100 shares. Transactions of less than 100 shares do not affect the closing price of the underlying security.

#### **Primary Dealers System:**

A special electronic system was developed by the exchange to operate the Primary Dealers System. Pricing rules follow international standards using the Clean Price. The yield to maturity, the current yield, the duration and the accrued interest are calculated automatically.

The system is linked to both, the clearing company, Misr for Central Clearing, Settlement, Depository & Registry Company (MCDR) and the custodians to guarantee the availability of the bonds that are to be sold.

The new system has been introduced to activate the bond market and enhance its liquidity, reduce the cost of borrowing for the government and provide the Central Bank with financial tools that facilitates its intervention in the secondary market via open market operations.

Currently there are fifteen primary dealers in the market, as listed in Appendix (11), whose main functions are to underwrite the initial offering of the government securities in the primary market and to act as market makers in the secondary market. This year five new treasury bonds were issued, reaching sixteen treasury bonds launched through the Primary Dealers System since its inception.

### **Intra-day Trading:**

The Intraday Trading mechanism was activated on 20 October 2004, whereby the volume of daily transactions made by one investor shouldn't exceed 1/10,000 of the company's listed securities.

Only 16 companies, at the end of December 2006, were eligible for Intra-day Trading as they fulfilled the criteria set by CASE and approved by the CMA, summarized in the following:

- The securities must be dematerialized.
- The securities must be listed on the Stock Exchange (official or unofficial schedules)
- The minimum trading days of the security should not be less than 95 percent of the total number of trading days throughout the year.
- The average number of brokerage companies executing transactions on this security should not be less than 50 companies per year.
- The security average number of transactions per day should be at least 1 percent of the total market average number of transactions throughout the year.
- The minimum free float should be 15 percent of the total listed shares.

Moreover, member firms allowed to carry out Intra-day Trading transactions, as listed in Appendix (12), are only those licensed by the CMA after fulfilling its requirements.

### **Settlement:**

Settlement takes place on T+3 for the dematerialized shares, T+2 for the companies allowed to be traded with no price limits, T+1 for treasury bonds (traded through the Primary Dealers System), and finally Real Time Gross Settlement (RTGS) for the stocks allowed to be traded on according to the Intra-day Trading system. For a detailed description of trading, clearing and settlement system, refer to Appendix (13).

### **Market Surveillance:**

To ensure investors' protection, both the CMA and CASE monitor market activity to detect possible market manipulations or insider trading transactions. CASE is responsible for on-line surveillance and the CMA for off-line surveillance. Accordingly, either CASE or the CMA may suspend offers and bids of institutions, which are deemed to be suspicious.

An advanced Surveillance system was developed in order to enhance investor's protection in the market. The system provides the exchange with real time, on-line functionality, with a complete range of alerts and freezes on the order level as well as information from listed companies for off-line surveillance.

## **l) Investor Protection**

In a step toward enhancing investor's protection in the market, a Settlement Guarantee Fund was established with a size of LE 30 million, to clear unsettled transactions (buy shares or pay cash on behalf of the defaulting party).

Moreover, the Prime Minister issued Ministerial Decree No. 1764 of year 2004 to establish an insurance fund to protect the market participants from non trading risks ensued from the activities of the securities companies.

## **m) Market Participants**

Currently, 141 brokerage firms are operating in Cairo and Alexandria, as shown in Appendix (14). The top 30 brokers accounted for more than 81 percent of the traded value in 2006 and the remaining showed the balance of 19 percent.

As of December 2006, there were 35 local funds in Egypt, of which 32 were open funds and 3 closed funds, 8 offshore funds and 24 fund management companies, as indicated in Appendices (15, 16, 17). In addition, there were 41 portfolio management firms, 38 underwriters, 15 venture capital firms, 97 private equity firms, and 4 rating companies operating in Egypt. For the complete lists of these companies, please refer to Appendices (18, 19, 20, 21, 22).

Currently, there are 29 custodians including HSBC, Citibank, Commercial International Bank, Banque Misr and the National Bank of Egypt. The list of custodians is available in Appendix (23).

## **n) Foreign Participation**

There are no restrictions on foreign investment or profit repatriation in the Egyptian securities market.

## **o) Taxation**

No taxes are levied on dividends, capital gain and interest on bonds for individuals, mutual funds and international funds. Furthermore, the corporate tax law abolished the capital gains tax levied on the Egyptian corporate entities that were previously subject to such taxes.

## **p) Fees**

### **• Brokerage fees**

Brokerage fees are negotiable and vary between 0.25 percent and 1.5 percent of the transaction value and depending on the quality of services provided by the brokerage houses to their customers.

- **Exchange service (trading) fees**

In terms of listed securities, the Exchange service fees are levied at one eighth per thousand of the value of the transaction with a maximum of LE 250.

As for unlisted securities, the Exchange service fees are levied at one per thousand of the value of the transaction with a maximum of LE 5,000.

- **Clearing and Settlement fees**

The fee amounts to 0.125 per thousand of the transaction value.

- **Listing fees**

With respect to companies listed on the Official Schedule (1) and (2), the annual listing fee is 2 per thousand of the total amount of the listed capital of the issuing company or the total size of the issue with respect to other securities, with a maximum amount of LE 50,000 and a minimum of LE 1,000.

Issuing companies to be listed on the Unofficial Schedules (1) and (2) have to pay an annual fees of 2 per thousands of the total amount of the listed capital of the issuing company or the total amount of the listed issue in respect of other securities, with a maximum amount of LE 30,000 and a minimum of LE 500.

## **2- CASE Subsidiary**

### **Egypt Information Dissemination Company (EGID)**

The company was established in June 1999 as a fully owned subsidiary of the Cairo and Alexandria Stock Exchanges, to enhance market transparency. EGID is responsible of transmitting CASE trading data as well as information about listed companies locally and internationally.

Furthermore, it has expanded to enter the field of systems development with a special emphasis on software development that automate key operations in stock exchanges such as the Surveillance System, the Disclosure Information System and the Listing System. In that respect, EGID has provided the Doha Securities Market with the Surveillance System and the Kuwait Stock Exchange with both Disclosure and Surveillance Systems.

In line with its future expansion plans, EGID (being a wholly owned subsidiary of CASE) has signed in January 2006 a Letter of Intent with OMX, an international leading expert in the exchange industry, to establish a Joint Venture that offers IT services to the financial markets in Egypt as well as the Middle East and Africa.

Due to its wide experience in the field of stock exchanges technology, OMX has won the RFP undertaken by CASE to adopt a new trading system to be implemented during 2007.

## **3- CASE Recent Achievements**

Year 2006 marks CASE 9<sup>th</sup> birthday since the beginning of its modernization program, aiming at positioning Egypt to be the premier Exchange in the Middle East and North Africa. In that respect, CASE has set a plan to undertake development at the Exchange at all levels; technological, regulatory, information dissemination, public awareness, international alliances and products development.

### **a) Technological Development**

Having recognized technology, as one of the key foundation in the capital market, CASE continuously upgrades the capacity of both the trading and surveillance systems to match up with the surge in trading volume and number of transactions.

In 2006, CASE has signed a contract with OMX to implement the Next Generation Trading System during 2007. The OMX trading solution, not only offers a reliable, robust, stable, flexible, adaptable, highly proven cost to operate and time-to-market factors, but also provides CASE with a new trading platform that deals in cash and derivative markets, which helps the Exchange introducing new products such as structured products, ETFs, futures, options etc.

Moreover, year 2006 has witnessed the activation of the online trading system allowing investors to place their sell/buy orders directly on the Internet, which go to the trading system through the gateway of the client's licensed broker.

CASE has also finalized the technological platform of the Omnibus accounts system, which was implemented during the first week of year 2007.

To match up with the extensive trading through the stock exchange, CASE has developed a new coding system enabling brokerage firms to register their new clients automatically from their offices. The system will be implemented during 2007.

### **b) Regulatory Development**

CASE added and amended some of the Articles in the Listing and Disclosure rules to accommodate new offerings, mergers and acquisitions undertaken under the privatization program. New listing rules were also drafted, which further emphasize corporate governance practices and allow for the listing of new products, pending the CMA approval.

CASE has also refurbished its membership rules to ensure integrity, professionalism and solvency of the members.

Moreover, CASE has finalized both, Online Trading and Omnibus Accounts rules, which became operative in July 2006 and the first week of 2007, respectively.

### **c) Information Dissemination**

In order to increase the level of transparency and improving the quality of information in the market, CASE has finalized the development of its new website, that is expected to be launched during the first half of 2007, providing the most recent market statistics within 15 minutes delay, together with a wealth of information about CASE rules and regulations, member firms, up-to-date news, education corner as well as information service.

Moreover, through its subsidiary (EGID), CASE ensures a proper dissemination of information to market participants.

Last but not least, CASE -with the assistance of EGID- has built this year its own database compiling all general and listing information of the listed companies on the Exchange, which facilitates the issuance of customized reports and requests. In addition, an automated Disclosure and Listing system is currently in place, to speed up the process of the information cycle from listed companies to the Exchange and to market participants.

### **d) Public Awareness**

Within the framework of its investor education and public awareness campaign, Cairo and Alexandria Stock Exchanges (CASE) continued, for the fourth consecutive year, to conduct Borsa Step x Step Program, targeting this year the different governorates around Egypt.

In July 2006, Borsa Step x Step went to Alexandria, targeting Alexandria University, Sporting Club, and Future Generation Foundation. The program also visited Mansoura and North Sinai, during August 2006. Cairo, Ain Shams and Helwan Universities together with the American University in Cairo (AUC) were also covered throughout the year by the program, whereby educational lectures about the basics of investments were given to more than 5,000 students.

During the period of 2-4 December 2006, Borsa Step X Step held its 4<sup>th</sup> annual forum in Cairo, which has offered interactive sessions educating the public and raising its awareness about the basics and fundamentals of investment and trading in the stock market.

Borsa Step x Step will continue to make its tours during 2007, to interact with individuals in other governorates around Egypt through a series of visits, seminars and educational sessions.

Moreover, CASE has renewed Borsa Step X Step website to include all the new educational programs, provided by CASE, as well as all Borsa Step X Step Forum's schedules, news and subscription procedures.

To further remove any misconceptions and to understand the various risks associated with different types of investments, CASE has conducted a project called "Pay You a Visit", which is a service offered by CASE, free of charge, to any company or a group that consists of not less than 100 people, through an educational seminar for one-two days, about the basics of investment in the stock market. CASE brings along all its experts in the field as well as all educational publications needed to raise awareness about capital market investment.

Finally, CASE has introduced an advanced version of Stock Riders game; Stock Riders Group Program, in different universities and clubs during this year. The game is a simulation of the stock market, including all market participants ( investors - banks - mutual funds - stock exchange ), replicating a real-life trading environment.

#### **e) International Alliances**

CASE is a member of WFE (World Federation of Exchanges) since November 2005, making it the first Arab country to enjoy such membership at the WFE, which in turn reflects the compliance of the Egyptian Stock Exchange to the international standards recognized by financial institutions and regulatory bodies in different markets.

On the regional front, CASE currently presides over the African Securities Exchanges Association (ASEA), which consists of 17 African Stock Exchanges members and one Bond Exchange. In line with the association aim of mutual cooperation, exchange of information and the establishment of a data bank and information system, CASE has issued the first ASEA yearbook to serve as one single source of reference for the members' trading and economic data, in addition to upgrading and re-launching ASEA website in August 2006 as a medium to access the trading data, news and profiles of the members.

Moreover, during the General Assembly of the Federation of Euro-Asian Stock Exchanges (FEAS) that was held in November 2006, CASE was nominated to be the Vice Chairman of the Federation, after an unanimous agreement on CASE active participation in promoting and endorsing the federation member exchanges.

CASE is also a member in the Union of Arab Stock Exchanges and has signed joint cooperation agreements with most of the Arab stock exchanges including Kuwait, Lebanon, Jordan, Bahrain, Oman and Sudan.

From another perspective, CASE and Borsa Italiana signed a Memorandum of Understanding, on 18 January 2006, to enhance the activities of intermediaries and investors of both the Egyptian and Italian markets. The two Exchanges will consult and cooperate on issues of mutual interest such as market regulation, investor education, market efficiency and training programs. The two Exchanges also agreed to share information on the principles of corporate governance for listed companies and on listing criteria, market surveillance, electronic platforms and statistics.

The Exchange has also Memoranda of Understanding (MOUs) signed with various stock exchanges including Korea, Hong Kong, London, Madrid, Nigeria, Johannesburg, Kuala Lumpur, Malta, China, Thessaloniki and National Stock Exchange of India.

Furthermore, CASE, Abu Dhabi Securities Market and Misr Clearing, Settlement and Central Depository (MCDR) company have signed a dual listing agreement in March 2006 which allows for dual listing and trading in both markets.

#### **f) Product Development**

On 12 April 2006, CASE has, according to the joint branding and marketing agreement, launched the Dow Jones CASE Egypt Titans 20 Index, which tracks the 20 blue chips of the Egyptian market in terms of Free-Float adjusted market capitalization, sales and net income.

Capitalizing on the 2 issuances of CASE 30 Open End certificates by ABN-Amro Bank in 2005, the bank has issued for the third time 500 thousand Open End certificates, which were traded on Euronext Amsterdam, starting 9 March 2006. The bank has also issued 500 thousand Close End certificates on 15 June of this year listed and traded on Borsa Italiana.

Moreover, CASE has granted Deutsche Bank a license to issue 1 million Open End certificates on CASE 30 Index, namely "EUR X-Perf", traded on Frankfurt and Stuttgart Stock Exchanges.

On 5 May of the same year, Goldman Sachs International has issued 500 thousand Open End certificates on CASE 30 Index, that are listed and traded on Frankfurt and Stuttgart Stock Exchanges. An additional 380 thousand Open End certificates were issued and traded on the Swiss Exchange.

By offering this tool, CASE is considered the first Arab stock exchange whereby derivative products were issued on its in-house made index, allowing foreign investors and international institutions to safely invest in the Egyptian stock market, avoiding the risk of foreign exchange currency fluctuations. In other words, these Open End certificates will serve as a hedging tool for the risk averse foreign investors, who stay away from trading in emerging markets.

## 4- CASE Looking Ahead

- Continuous development of the regulatory infrastructure to increase the quality of services and to ensure investor protection.
- CASE, in collaboration with MCDR, will introduce margin trading and short selling mechanisms in 2007. In that respect, CASE has approved a number of listed companies eligible for margin trading which are exhibited in Appendix (24).
- CASE will launch markets for ETFs, sukus and derivatives.
- CASE has initiated the establishment of the first SME's Exchange in the region, aiming at providing a solid financing source as well as opening new investment opportunities for investors interested in fast growing companies.

## 5. Market Statistics

### a) Market Indices

#### 1. CASE 30 Index Performance

The Egyptian stock market has shown a resilient ability, as a shock-absorber, in maintaining its solid performance during 2006. Having endured three major challenges during the year; the regional stock markets crisis in March, the US Federal reserves decision to increase interest rate as well as the Lebanon war, the Egyptian market was able to realize a robust 45 percent gain during the second half of the year, unlike other regional leading markets, which incurred severe losses, exceeding 53 percent over the same period, to conclude the year in a positive territory, with a 10.3 percent YOY gains.

This performance was primarily driven by the strong momentum of the Egyptian economy during the past couple of years, reaching its 20-year highest growth rates of 7 percent in FY 2005/2006, with World Bank expectations to approach 8 percent during the coming years, backed by the continuous commitment to the economic reform as well as the flexible fiscal policies.

The market started the year with a fresh rally, buoyed by the outstanding performance in 2005, outperforming both emerging and developed markets. This upward trend was further maintained, thanks to the expansionary plans announced by some of the blue chip companies, the announcement of the Bank of Alexandria privatization, including an IPO of 20 percent, with more privatization candidates on the auction block, together with the CBE decision to cut the discount as well as the overnight deposit and lending rates. This in turn has pushed CASE 30 index from the 6000 points level to the 8000-point range for the first time since inception, realizing a spectacular 25 percent monthly gains, with daily trading value exceeding LE 2 billion.

The current banking restructure program undergone by the government had in its turn a positive impact on the

market activity. Year 2006 witnessed a series of merges and acquisition deals from regional and international financial institutions, executed via the stock exchange, with a cumulative value of LE 13 billion. The first half of the year witnessed the sale of the Egyptian American Bank to Credit Agricole in a deal worth LE 2.1 billion.

Despite this positive wave at the beginning of 2006, the Egyptian market started losing ground, triggered by a massive slump in the overheated GCC markets, which resulted in a series of portfolio liquidation made by Gulf investors to cover their losses in their markets. This has coincided with some domestic investors offloading part of their portfolios, to subscribe in some of the leading companies' secondary offerings, driving CASE 30 index to bottom levels on 14 March. This was translated into a wave of investors panic and CASE 30 index retreated by 12 percent in the first half of that day's trading session, when the stock exchange took its decision to suspend the session for half an hour for the market to regain its stability. Strong inflows of foreign investments were immediately injected into the market, benefiting from the relatively attractive prices, pushing the market upwards to regain part of the losses and concluded the session with a decline of only 6 percent. The next day, the market surged 7 percent, which was followed by a gradual pick up till mid April, with CASE 30 index recording 17 percent gains, affected by the strong corporate quarter results, together with the CBE announcing its second cut in deposit and lending rates to reach 8 percent and 10 percent, respectively.

Unfortunately, the last week of April witnessed the terrorist attack in Dahab, however, CASE 30 index rose by 1.6 percent during three consecutive days, reflecting the resilience of the Egyptian Market in absorbing such shocks and highlighting the investors' confidence in both, the Egyptian economy and its stock market.

The month of May came next to witness a number of important events, starting with the World Economic Forum that was held for the first time in Sharm El Sheikh, with positive feedbacks from international institutions on the strong Egyptian economic performance. In addition, Fitch Rating has affirmed Egypt's debt ratings with a stable outlook, together with Moody's credit rating agency raising Egypt's rating for private sector's foreign financing.

Nevertheless, the market continued its mixed performance, with a general declining trend, which was aggravated by the US Federal Reserves decision to raise the interest rate to 5.25 percent, to conclude the first half of 2006 with a 24.5 percent loss in CASE 30 index.

Despite the political tension in the region, the second half of the year started with some optimism in the market, driven by the award of Egypt's third mobile license to a consortium of Emirates and Egyptian companies, namely Etisalat, Egypt Post, National Bank of Egypt and Commercial International Bank (CIB), with an outstanding LE 16.7 billion worth of proceeds, that have been earmarked to finance development projects and to cover budget deficit. This in addition to the direct and indirect investments that are expected to be made by the company. As a result, CASE 30 index leapt by a robust 12.5 percent; the highest weekly increase in the last two years.

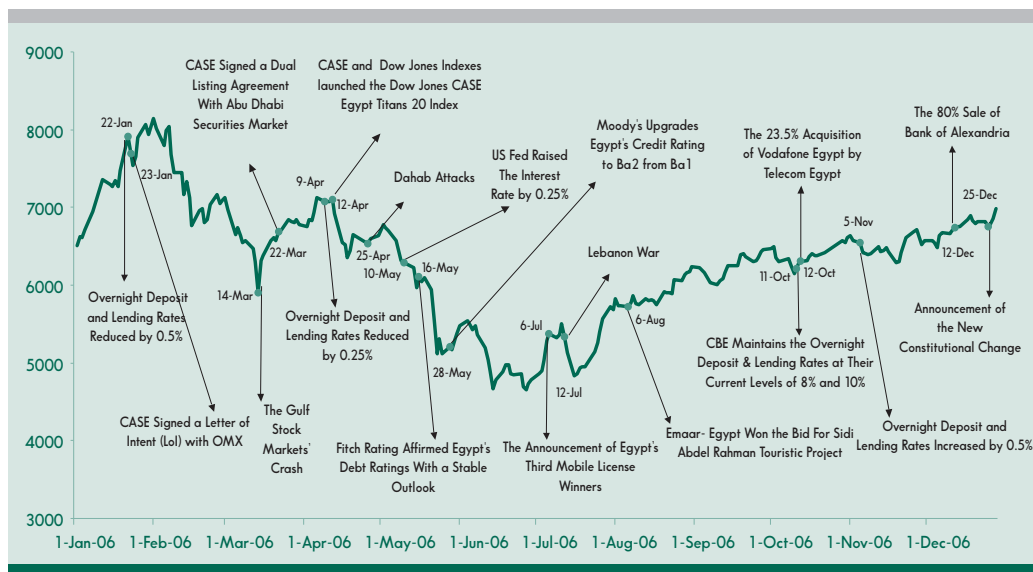
Moreover, the Lebanon war, which exacerbated the political tension in the region, hitting hard most of the Arab countries, had a marginal effect on the Egyptian market that rebounded on the back of the strong half-year corporate earnings, to break once again the threshold of 6000 points.

From another perspective, the sale of the government owned land in Sidi Abdel Rahman, within the framework of privatization program, to an international company for huge touristic projects, with around LE 10 billion worth of investments, had its positive impact on the trading activity in August, in particular the Housing and the Building Materials & Construction sectors.

Furthermore, on 12 December 2006, 80 percent of the state-owned Bank of Alexandria was sold to the Italian SanPaolo IMI, the fourth largest bank in Europe, in a deal worth US\$ 1.6 billion, which is the largest ever deal in the Banking sector history. This was followed by the IPO and private placement of the Alarafa Investment and Consultant company- the only IPO of a private company during 2006-, with the private placement oversubscribed by 7 times, pushing CASE 30 index to approach the 7000 level.

Meanwhile, the market was not negatively affected by the CBE two consecutive raises in deposit and lending rates to reach 8.75 percent and 10.75 percent, respectively, in order to face the inflationary pressure resulting from the high domestic demand. The market ended the year with the announcement of the new constitutional change, sending positive signals to the market and pushing CASE 30 index upward to conclude the year at 6973 points, recording 46 percent gains in the second half of 2006 and more than 10 percent gains over the whole year, as depicted in Figure (8).

**Figure (8)**  
**CASE 30 Index**  
**Performance During 2006**



Source: Cairo & Alexandria Stock Exchanges

Worth mentioning that constituents of CASE 30 index accounted for 70 percent and 64 percent of the listed stocks value and volume traded in 2006, as opposed to 63 percent and 61 percent in 2005, respectively. Moreover, their market capitalization makes up 56 percent of the total market capitalization up from 54 percent in the previous year, as illustrated in Table (1).

**Table (1)**  
Main Trading Statistics for  
CASE 30 Constituents

	Trading Value (LE Million)		Trading Volume (Million Shares)		Market Capitalization (LE Billion)	
	2005	2006	2005	2006	2005	2006
CASE 30 Constituents	89,191	181,283	2,559	4,960	246	301
Total Listed Securities (Stocks only)	142,068	260,037	4,190	7,745	456	534
CASE 30 as a % of Total Listed Stocks	63%	70%	61%	64%	54%	56%

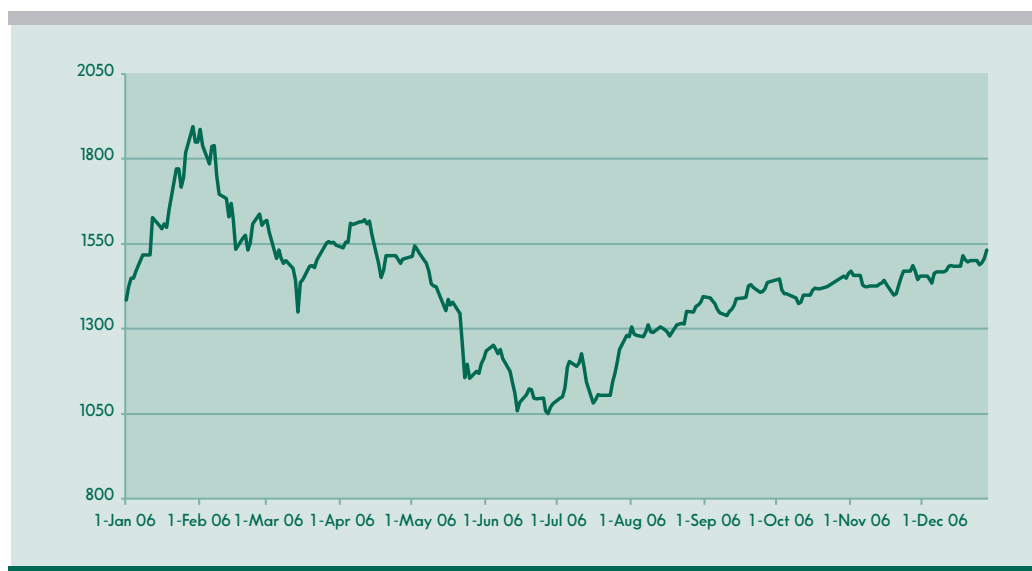
Source: Cairo & Alexandria Stock Exchanges

## 2. Dow Jones CASE Egypt Titans 20 Index Performance

CASE together with Dow Jones Indexes, a leading global index provider, have launched the Index on 12 April, 2006, which tracks the 20 blue chips of the Egyptian stock market in terms of free float adjusted market capitalization, sales and net income.

The Dow Jones CASE Egypt Titans 20 index, launched in April 2006, which followed the same pattern of CASE 30 index, was able to make up its 22 percent losses recorded in the first half of the year, on the back of the remarkable 42 percent increase in the second half of 2006, to conclude the year with YOY gains exceeding 11 percent, as depicted in Figure (9)

**Figure (9)**  
Dow Jones CASE Egypt  
Titans 20 Index Performance  
During 2006



Source: Cairo & Alexandria Stock Exchanges

## b) Main Market Indicators

Despite the plunge in the Egyptian stock market as well as other Arab and emerging markets during the first half of 2006, CASE was able to rebound during the second half of the year, registering impressive trading records in 2006 compared to the previous year.

The total market trading value soared to LE 287 billion in 2006, which is 79 percent higher compared to last year. This in turn, has led to a jump in the average monthly value traded, reaching LE 24 billion; almost double the recorded average monthly value traded in 2005, which amounted to LE 13 billion. The total volume traded leapt by 71 percent over 2005, recording 9 billion securities compared to 5 billion securities in 2005. The number of transactions has also picked up by 62 percent over last year, registering 7 million transactions, up from 4 million transactions in 2005, as shown in Table (2).

The value traded of listed securities amounted to LE 271 billion in 2006 up from LE 151 billion in 2005, recording an increase of 80 percent. Volume traded of listed securities has also jumped to reach 7.8 billion securities, registering more than 85 percent increase over last year, which stood at 4.2 billion securities, as depicted in Figure (10).

On the other hand, the value traded of Over the Counter market (OTC) registered LE 16 billion in 2006, with an increase of 64 percent compared to last year, capturing only 5.6 percent of the total market value traded in 2006, compared to 6 percent in 2005. Meanwhile, the volume traded of OTC Market recorded 1.3 billion securities up from 1.1 billion securities, which is 19 percent higher compared to last year, as illustrated in Figure (11).

The number of listed companies went down from 744 companies in 2005 to 595 companies in 2006, as portrayed in Figure (12), however, the market capitalization has escalated to reach LE 534 billion in 2006, with an increase of 19 percent compared to the previous year.

Similar to 2005, year 2006 witnessed the listing of 22 new companies, with a total paid in capital of LE 3.7 billion. Moreover, there were 115 capital increases in 2006 as opposed to 104 capital increases last year, with a total value amounting to LE 16.9 billion and LE 6.6 billion, respectively. On the other hand, 155 companies were de-listed in 2006, compared to only 68 de-listed companies in 2005, as displayed in Table (3). Please refer to Appendices (25) and (26) for more details about type of capital increases undertaken in 2006 as well as de-listed companies during the year.

Listed companies are divided into 20 sectors. Appendix (27) reveals the sectors, the companies listed on each sector and the market capitalization of each company at the end of December 2006.

Worth noting that the ratio of advancing stocks to the declining ones was 144:159, while the stocks, whose prices remained unchanged stood at 104 in 2006.

Table (2)  
Main Market Indicators Over  
the Period (2001 - 2006)

Indicators	2001	2002	2003	2004	2005	2006
<b>1. Trading Aggregates</b>						
<b>Total Volume (billion)</b>	<b>1.3</b>	<b>0.9</b>	<b>1.4</b>	<b>2.4</b>	<b>5.3</b>	<b>9.1</b>
Volume of Listed Securities	1.2	0.7	1.2	1.8	4.2	7.8
Volume of Unlisted Securities	0.1	0.2	0.2	0.6	1.1	1.3
<b>Total Value Traded (LE billion)</b>	<b>31.8</b>	<b>34.2</b>	<b>27.8</b>	<b>42.3</b>	<b>160.6</b>	<b>287.0</b>
Value Traded (Listed Securities)	24.7	25.8	23.0	36.1	150.9	271.1
Value Traded (Unlisted Securities)	7.1	8.4	4.8	6.2	9.7	15.9
<b>Total Number of Transactions (million)</b>	<b>1.1</b>	<b>0.8</b>	<b>1.2</b>	<b>1.7</b>	<b>4.2</b>	<b>6.8</b>
Number of Transactions (Listed Securities)	1.1	0.7	1.2	1.7	4.0	6.6
Number of Transactions (Unlisted Securities)	0.01	0.1	0.02	0.1	0.2	0.2
<b>Average Monthly Value Traded (LE billion)</b>	<b>2.7</b>	<b>2.9</b>	<b>2.3</b>	<b>3.5</b>	<b>13.4</b>	<b>23.9</b>
Average Monthly Value Traded (Listed Securities)	2.1	2.2	1.9	3.0	12.6	22.6
Average Monthly Value Traded (Unlisted Securities)	0.6	0.7	0.4	0.5	0.8	1.3
<b>Turnover Ratio (%) *</b>	<b>14.1</b>	<b>9.5</b>	<b>11.5</b>	<b>14.2</b>	<b>31.1</b>	<b>48.7</b>
<b>Foreign Participation as a % of Total Value Traded</b>	<b>13.3</b>	<b>17.3</b>	<b>12.7</b>	<b>20.5</b>	<b>16.4</b>	<b>16.6</b>
<b>Arab Participation as a % of Total Value of Traded</b>	<b>2.9</b>	<b>1.8</b>	<b>7.8</b>	<b>7.0</b>	<b>13.9</b>	<b>13.6</b>
<b>Number of Trading Days</b>	<b>246</b>	<b>249</b>	<b>244</b>	<b>249</b>	<b>249</b>	<b>244</b>
<b>2. Listed Companies</b>						
<b>Number of Listed Companies</b>	<b>1110</b>	<b>1151</b>	<b>978</b>	<b>795</b>	<b>744</b>	<b>595</b>
<b>Average Company Size (LE million) **</b>	<b>101</b>	<b>106</b>	<b>176</b>	<b>294</b>	<b>613</b>	<b>897</b>
<b>Number of Traded Companies</b>	<b>643</b>	<b>671</b>	<b>540</b>	<b>503</b>	<b>441</b>	<b>407</b>
<b>Number of Traded Companies as a % of Number of Listed Companies</b>	<b>58</b>	<b>58</b>	<b>55</b>	<b>63</b>	<b>59</b>	<b>68</b>
<b>Market Capitalization End of Year (LE billion) ***</b>	<b>112</b>	<b>122</b>	<b>172</b>	<b>234</b>	<b>456</b>	<b>534</b>
<b>Market Capitalization as a % of GDP</b>	<b>30</b>	<b>29</b>	<b>35</b>	<b>43</b>	<b>74</b>	<b>80</b>

Securities include stocks, bonds and mutual funds

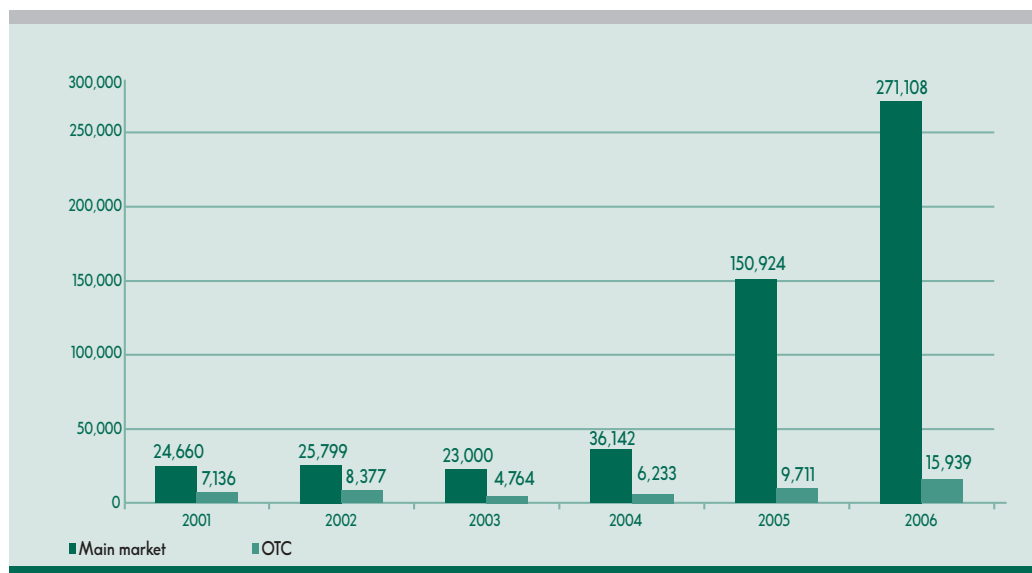
\* Turnover Ratio (%) = value traded of listed shares / market capitalization

\*\* Average Company Size = market capitalization end of year / no. of listed companies

\*\*\* Market Capitalization = no. of listed shares x market price end of year

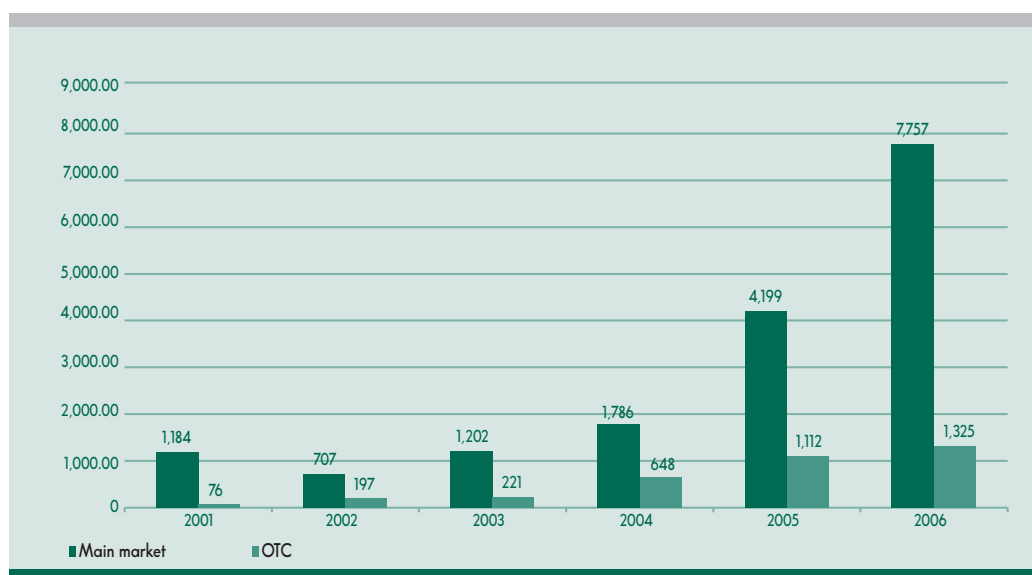
Source: Cairo & Alexandria Stock Exchanges

Figure (10)  
Value Traded of Securities  
(LE Million)  
(Main Market & OTC)  
2001 - 2006



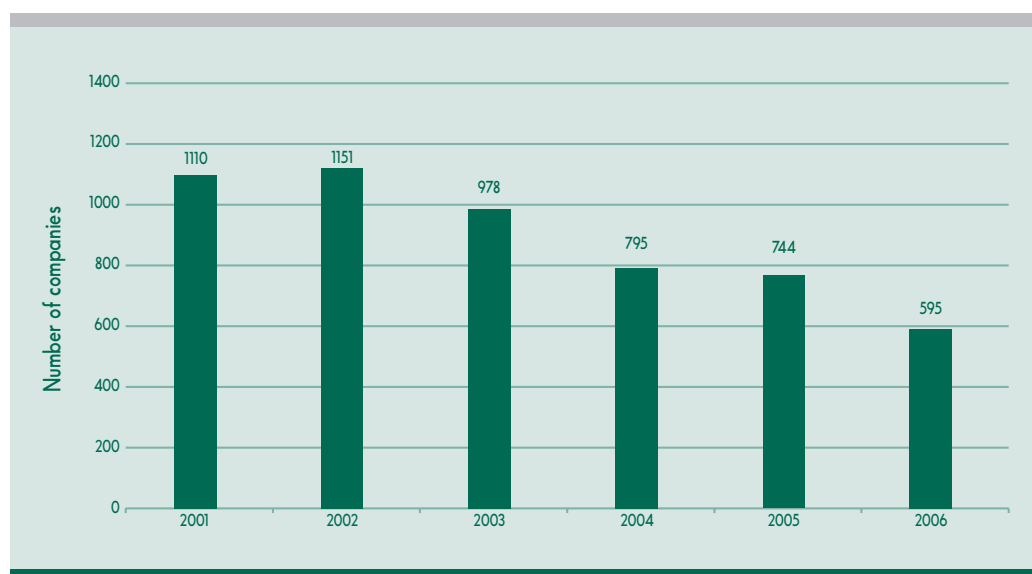
Source: Cairo & Alexandria Stock Exchanges

Figure (11)  
Volume Traded of Securities  
(Million) (Main Market & OTC)  
2001 - 2006



Source: Cairo & Alexandria Stock Exchanges

**Figure (12)**  
**Number of Listed Companies**  
**(2001 - 2006)**



Source: Cairo & Alexandria Stock Exchanges

**Table (3)**  
**Listings in 2006 vs. 2005**

	2005		2006	
	Number of Companies	Total Value (LE billion)	Number of Companies	Total Value (LE billion)
New Listing	21	3.7	22	3.7
Capital Increase	104	6.6	115	16.9
De-listing	68	1.2	155	7.5

Source: Cairo & Alexandria Stock Exchanges

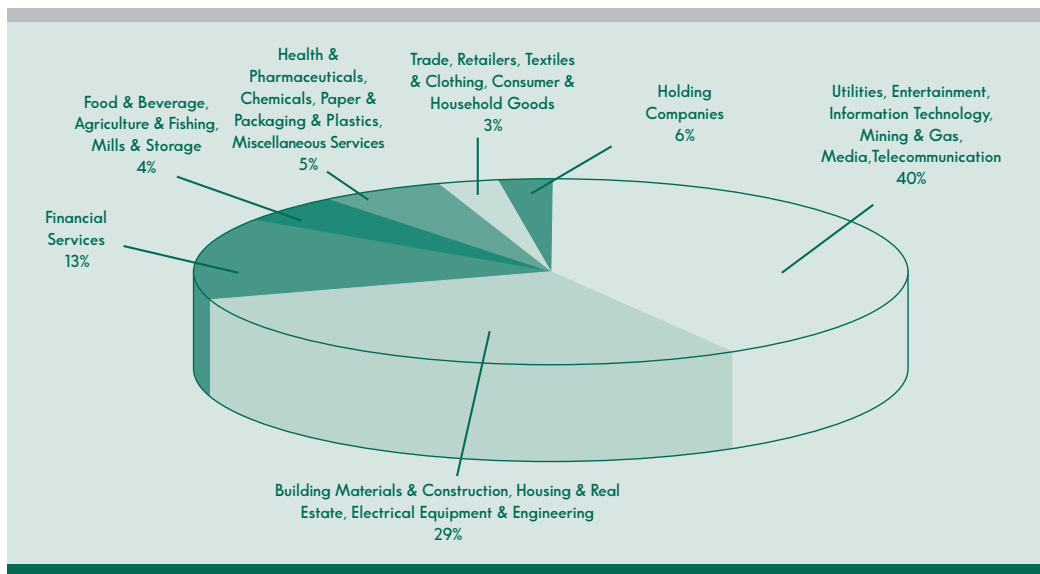
Figure (13) illustrates the major sectors by market capitalization at the end of December 2006, which shows that the Utilities, Entertainment, Information Technology, Mining & Gas, Media and Telecommunication sectors accounted for 40 percent of the market capitalization. Meanwhile, Building Materials & Construction, Housing & Real Estate and Electrical Equipment & Engineering sectors registered 29 percent of the total market capitalization.

Individually, both the Telecommunication and Building Materials & Construction sectors accounted for the highest share, making up 28 percent and 26 percent, respectively, of the total market capitalization.

Market capitalization represented 80 percent of GDP at the end of December 2006, up from 74 percent in 2005 and 43 percent in 2004, as illustrated in Figure (14).

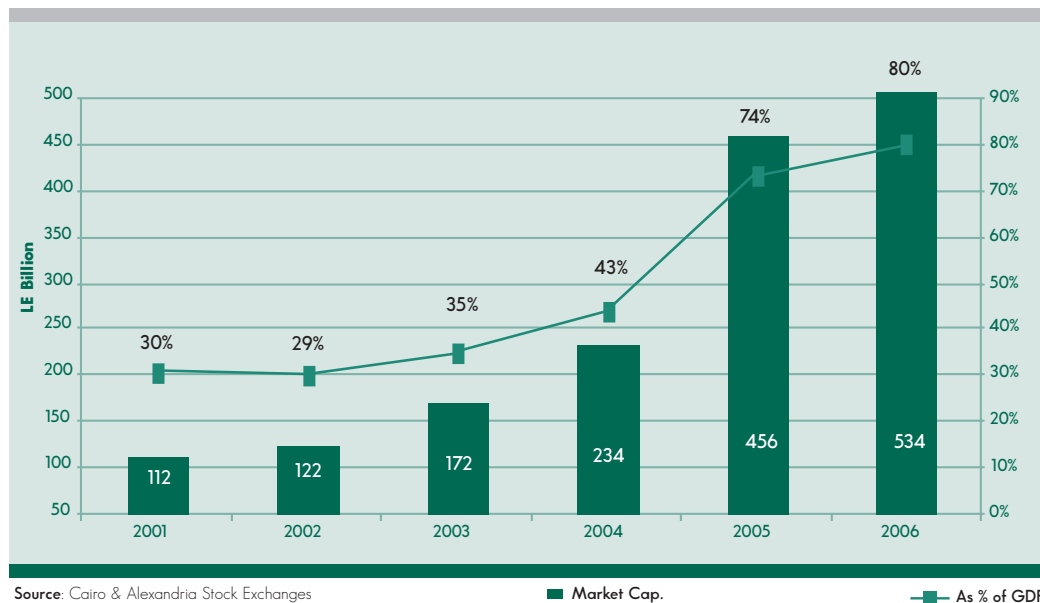
From another perspective, the top thirty companies registered 87 percent of the value traded of listed securities (stocks only) as highlighted in Table (4), which also shows the average daily value traded for these companies over 2006.

Figure (13)  
Market Capitalization by Sector  
(End of December 2006)



Source: Cairo & Alexandria Stock Exchanges

Figure (14)  
Market Capitalization as a Percentage of GDP



Source: Cairo & Alexandria Stock Exchanges

■ Market Cap.

— As % of GDP

**Table (4)**  
**Top 30 Companies**  
**in Terms of Value Traded**  
**(January-December 2006)**

Company Name	Value Traded LE	Absolute Liquidity %*	Market Capitalization LE**	Turnover Ratio %***	Average Daily Value Traded **** LE
1 Egyptian Financial Group-Hermes Holding Company	61,313,500,011	23.58	15,630,919,200	392.26	46,421
2 Vodafone Egypt Telecommunications	15,419,792,970	5.93	22,723,200,000	67.86	1,142,038
3 Arab Cotton Ginning	14,689,565,625	5.65	2,005,433,987	732.49	21,094
4 El Ezz Steel Rebars	11,846,080,295	4.56	9,629,734,313	123.02	41,513
5 Telecom Egypt	11,093,501,055	4.27	24,274,558,152	45.70	20,843
6 Orascom Construction Industries (OCI)	10,763,492,651	4.14	55,266,061,003	19.48	148,155
7 Bank Of Alexandria	9,214,720,000	3.54	11,518,400,000	80.00	9,214,720,000
8 Orascom Telecom Holding (OT)	9,016,499,270	3.47	83,017,000,000	10.86	148,173
9 EL Ezz Aldekhela Steel - Alexandria	8,185,913,930	3.15	13,166,980,017	62.17	175,006
10 Commercial International Bank (Egypt)	7,968,686,802	3.06	11,284,650,000	70.62	80,438
11 Egyptian Kuwaiti Holding	6,952,474,353	2.67	1,373,803,200	506.07	26,179
12 Orascom Hotels And Development	5,587,254,039	2.15	8,362,139,300	66.82	34,961
13 Sidi Kerir Petrochemicals	5,045,703,575	1.94	11,955,300,000	42.20	59,221
14 Medinet Nasr Housing	4,315,382,950	1.66	1,760,160,000	245.17	50,295
15 Egyptian Company for Mobile Services (MobiNil)	4,257,290,515	1.64	18,139,000,000	23.47	130,276
16 Alexandria Mineral Oils Company	4,082,169,514	1.57	6,735,603,000	60.61	28,689
17 Six of October Development & Investment (SODIC)	3,689,966,010	1.42	3,871,222,881	95.32	80,908
18 Amoun	3,310,466,063	1.27	2,523,000,000	131.21	92,782
19 Egyptian for Tourism Resorts	3,277,420,126	1.26	3,305,137,500	99.16	41,127
20 Oriental Weavers	3,242,629,898	1.25	3,218,000,000	100.77	35,945
21 Egyptian American Bank (EAB)	3,032,796,286	1.17	3,651,480,000	83.06	122,770
22 ELSWEDY CABLES	2,592,764,437	1.00	5,199,600,000	49.86	204,622
23 Nile Cotton Ginning	2,475,523,664	0.95	280,860,250	881.41	10,248
24 Raya Holding For Technology And Communications	2,315,764,131	0.89	666,721,692	347.34	17,580
25 Delta International Bank	2,225,909,074	0.86	1,670,000,000	133.29	5,983,627
26 El Nasr Clothes & Textiles (Kabo)	2,101,422,662	0.81	1,222,392,634	171.91	11,805
27 El Watany Bank of Egypt	1,972,991,304	0.76	2,513,250,000	78.50	48,010
28 El Ahli Investment and Development	1,799,954,602	0.69	348,000,000	517.23	15,639
29 Eastern Tobacco	1,776,570,947	0.68	7,750,000,000	22.92	511,980
30 South Valley Cement	1,540,250,599	0.59	2,193,196,168	70.23	17,357
<b>Total</b>	<b>225,106,457,360</b>	<b>86.58</b>	<b>335,255,803,297</b>		<b>307,468,923</b>

\* Traded Value of the Company / Traded Value of the Stock Market

\*\* Based on 31st December Prices

\*\*\* Traded Value of the Company / Market Capitalization of the Company

\*\*\*\* Based on Trading Days of Each Company

Source: Cairo & Alexandria Stock Exchanges

### c) Intra-day Trading System

The Intra-day Trading System, which started to be implemented in the Egyptian stock market since October 2005, has recorded a trading volume of 243 million shares worth LE 8 billion during 2006, that were executed over 220 thousand transactions.

Egyptian Financial Group-Hermes ranked first in terms of volume traded, with a record of 125 million shares, accounting for 51 percent of the total volume generated through the Intra-day Trading System, followed by Arab Cotton Ginning, which recorded a volume traded of 68 million shares. Table (5) illustrates the trading statistics of the five most active companies in terms of volume traded according to the Intra-day Trading System.

**Table (5)**  
**5 Most Active Companies**  
**According to the Intra-day**  
**Trading System**

Company Name	Trading Volume (million shares)	Trading Value (LE million)	Number of Transactions (thousand)
1 Egyptian Financial Group- Hermes	125	5,813	120
2 Arab Cotton Ginning	68	925	42
3 Nile Cotton Ginning	10	54	7
4 Egyptian Media Production City	9	95	6
5 El Ezz Steel Rebars	8	434	12
<b>Total Trades Executed Through Intra-day Trading System</b>	<b>243</b>	<b>8,396</b>	<b>220</b>

Source: Cairo & Alexandria Stock Exchanges

### d) Online Trading System

CASE has introduced the Online Trading System on 20 July 2006 to enhance the market liquidity as well as facilitating the trading activity for the investors. Five brokerage firms are currently allowed to carry out this service.

Table (6) shows the trading aggregates of the transactions executed through the online trading system since its inception.

**Table (6)**  
**Trading Aggregates for the**  
**Companies Eligible for Online**  
**Trading During the Period**  
**(20 July-31 December 2006)**

Trading Value (LE million)		Trading Volume (million shares)		Number of Transactions (thousand)	
Buy	Sell	Buy	Sell	Buy	Sell
729	920	35	41	49	43

Source: Cairo & Alexandria Stock Exchanges

## e) Sectors Performance

The economic and structural reforms undertaken by the government, had a significant impact on the performance and the ranking of the listed sectors traded on the Exchange. The Textiles & Clothing sector was able to book the first place in terms of volume traded, followed by the Holding Companies sector standing in the second place, the Financial Services and the Telecommunication sectors occupying the third and the fourth places, respectively and with a noticeable difference, came the Building Materials & Construction sector with the fifth highest trading volume, as illustrated in Table (7).

The Textiles & Clothing sector could comfortably sustain its first rank again this year in terms of volume traded, benefiting from the QIZ Protocol signature that took place at the end of 2004, permitting Egyptian custom free exports to the USA and pushing the sector's exports to increase to US\$ 2.4 billion in 2006. This in turn, has positioned the sector as one of the most attractive for both domestic and international investors.

The sector has registered outstanding trading volumes during 2006, hitting new history records, with 2 billion shares worth more than LE 23 billion exchanging hands.

The Holding Companies sector locked in the second highest volume traded, recording 1.6 billion shares worth LE 67.6 billion, with EFG-Hermes leading the trading activities in this sector.

Third in line came the Financial Services sector, which has undergone major structural reforms, aiming at reducing the number of working banks in Egypt towards creating big competitive conglomerates.

Year 2006 has witnessed a series of banks' mergers and acquisitions including regional and international financial institutions with proceeds exceeding LE 13 billion. The 80 percent sale of Bank of Alexandria to the Italian San Paolo, came on top, with around LE 9 billion worth of proceeds. The sale of the Egyptian American Bank to Credit Agricole in a deal worth LE 2.1 billion was the second largest deal witnessed during the year. Another prominent deal was the 19 percent sale of National Bank of Egypt stake in CIB to Ripplewood Group with a value of LE 1.3 billion.

The Telecommunication sector stood fourth among the most active sectors during 2006, backed by the liberalization plan adopted by the government towards a more competitive Egyptian telecommunication sector. A twenty percent stake of Telecom Egypt - a monopoly in land-line services in Egypt - was offered through the stock exchange at the end of 2005, while 2006 has witnessed the issuance of the third mobile operator license, which was awarded to a regional consortium, for a fee surpassing all the expectations, exceeding LE 16.7 billion. The company is expected to start operations during the first quarter of 2007, which will further intensify the competition in the telecom market, as well as the trading activity in the telecommunication sector, that has already realized during 2006 a traded volume surpassing 885 billion shares worth LE 37.6 billion.

In the fifth place, came the Building Materials & Construction sector, recording more than 482 million shares worth around LE 38 billion, mainly on the back of the strong prospects of local real-estate growth, focusing on touristic projects such as Sidi Abdel Rahman land, that was sold to an international company for LE 1.4 billion, with expected LE 10 million worth of investments injected in this project.

Likewise, the regional real-estate developments, especially in the GCC countries, have contributed to the increasing demand on the building materials in Egypt.

**Table (7)**  
**5 Most Active Sectors in Terms of Volume Traded During 2006**

Sector	Trading Volume (billion shares)	Trading Value (LE billion)	Average P/E Ratio 28/12/2006	Average DY (%) 28/12/2006
Textiles & Clothing	2.3	25.5	17.0	6.3
Holding Companies	1.7	70.9	35.5	0.5
Financial Services	1.0	36.9	13.3	17.4
Telecommunication	0.9	39.8	15.1	2.6
Building Materials & Construction	0.5	37.7	14.5	14.4

Source: Cairo & Alexandria Stock Exchanges

#### f) Main Indicators for the 50 Most Active Companies

The 50 most active companies (liquid market) made up 85 percent of the total value traded, 83 percent of the total volume traded and 88 percent of the total number of transactions of stocks during 2006. Please refer to Table (8).

Meanwhile, the 50 most active companies' market capitalization represented 70 percent of the total market capitalization at the end of December 2006, which amounted to LE 534 billion, as depicted in Table (9).

Table (10) illustrates the main indicators, earnings per share (EPS), dividends per share (DPS), price earnings ratio (P/E), dividend yield (DY) and price to book value ratio (P/BV), for the 50 most active companies at the end of December 2006, where the average P/E, DY and P/BV ratios stood at 21 times, 4.4 percent and 4.89 times, respectively.

**Table (8)**  
**The 50 Most Active Companies Ranked in Terms of Liquidity (January-December 2006)**

Reuters Code	Company Name	Sector	Value Traded (LE)	% of Total	Volume Traded	% of Total	No of Transactions
1 HRHO.CA	Egyptian Financial Group-Hermes Holding Company	Holding Companies	61,313,500,011	23.58	1,199,054,324	15.48	1,320,821
2 VODE.CA	Vodafone Egypt Telecommunications	Communication	15,419,792,970	5.93	163,909,060	2.12	13,502
3 ACGC.CA	Arab Cotton Ginning	Textiles & Clothing	14,689,565,625	5.65	999,110,479	12.90	696,374
4 ESRS.CA	El Ezz Steel Rebars	Building Materials & Construction	11,846,080,295	4.56	164,490,324	2.12	285,360
5 ETEL.CA	Telecom Egypt	Communication	11,093,501,055	4.27	712,174,066	9.20	532,235
6 OCIC.CA	Orascom Construction Industries (OCI)	Building Materials & Construction	10,763,492,651	4.14	45,941,511	0.59	72,650
7 ORTE.CA	Orascom Telecom Holding (OT)	Communication	9,016,499,270	3.47	26,700,803	0.34	60,851
8 IRAX.CA	El Ezz Aldekhela Steel - Alexandria	Building Materials & Construction	8,185,913,930	3.15	7,206,791	0.09	46,775
9 COMI.CA	Commercial International Bank (Egypt)	Financial Services	7,968,686,802	3.06	133,657,857	1.73	99,066
10 ORHD.CA	Orascom Hotels And Development	Entertainment	5,587,254,039	2.15	135,201,161	1.75	159,816
11 SKPC.CA	Sidi Kerir Petrochemicals	Mining & Gas	5,045,703,575	1.94	43,889,255	0.57	85,201
12 MNHD.CA	Medinet Nasr Housing	Housing & Real Estate	4,315,382,950	1.66	43,333,932	0.56	85,801

Reuters Code	Company Name	Sector	Value Traded (LE)	% of Total	Volume Traded	% of Total	No of Transactions
13 EMOB.CA	Egyptian Company for Mobile Services (MobiNil)	Communication	4,257,290,515	1.64	25,600,849	0.33	32,679
14 AMOC.CA	Alexandria Mineral Oils Company	Mining & Gas	4,082,169,514	1.57	48,416,439	0.63	142,291
15 OCDI.CA	Six of October Development & Investment (SODIC)	Housing & Real Estate	3,689,966,010	1.42	28,777,709	0.37	45,607
16 AMUN.CA	Amoun	Health & Pharmaceuticals	3,310,466,063	1.27	67,956,787	0.88	35,680
17 EGTS.CA	Egyptian for Tourism Resorts	Entertainment	3,277,420,126	1.26	47,849,709	0.62	79,691
18 ORWE.CA	Oriental Weavers	Textiles & Clothing	3,242,629,898	1.25	36,866,215	0.48	90,212
19 NCGC.CA	Nile Cotton Ginning	Textiles & Clothing	2,475,523,664	0.95	360,227,519	4.65	241,556
20 RAYA.CA	Raya Holding For Technology And Communications	Information Technology	2,315,764,131	0.89	136,417,965	1.76	131,726
21 KABO.CA	El Nasr Clothes & Textiles (Kabo)	Textiles & Clothing	2,101,422,662	0.81	785,401,166	10.14	178,007
22 WATA.CA	El Watary Bank of Egypt	Financial Services	1,972,991,304	0.76	80,451,372	1.04	41,095
23 AFDI.CA	El Ahli Investment and Development	Financial Services	1,799,954,602	0.69	104,728,819	1.35	115,091
24 EAST.CA	Eastern Tobacco	Food & Beverage	1,776,570,947	0.68	5,277,256	0.07	3,470
25 SVCE.CA	South Valley Cement	Building Materials & Construction	1,540,250,599	0.59	48,612,677	0.63	88,741
26 CIEB.CA	Credit Agricole Egypt	Financial Services	1,502,376,910	0.58	81,972,289	1.06	83,998
27 OLGR.CA	Olympic Group Financial Investments	Financial Services	1,484,062,759	0.57	30,307,414	0.39	40,029
28 MPRC.CA	Egyptian Media Production City	Media	1,368,748,250	0.53	121,284,100	1.57	97,972
29 APSW.CA	Arab Polvara Spinning & Weaving Co.	Textiles & Clothing	1,257,442,766	0.48	141,867,334	1.83	127,754
30 NSGB.CA	National Societe Generale Bank (NSGB)	Financial Services	1,228,933,945	0.47	29,700,431	0.38	50,909
31 ELKA.CA	El Kahera Housing	Housing & Real Estate	1,133,104,026	0.44	89,868,640	1.16	105,592
32 ABUK.CA	Abou Kir Fertilizers	Chemicals	1,131,021,816	0.43	6,400,736	0.08	4,469
33 ECAR.CA	El Ezz Porcelain (Gemma)	Building Materials & Construction	1,082,674,462	0.42	67,451,675	0.87	92,191
34 UNIT.CA	United Housing & Development	Housing & Real Estate	1,067,930,322	0.41	57,814,740	0.75	86,989
35 ELEC.CA	Egyptian Electrical Cables	Electrical Equipment & Engineering	961,725,849	0.37	96,409,523	1.24	73,714
36 HDBK.CA	Housing & Development Bank	Financial Services	761,571,720	0.29	14,862,533	0.19	44,972
37 EFIC.CA	Egyptian Financial & Industrial	Chemicals	759,687,328	0.29	8,292,065	0.11	22,563
38 PHAR.CA	Egyptian International Pharmaceuticals (EIPICO)	Health & Pharmaceuticals	730,723,543	0.28	27,537,748	0.36	39,339
39 MCQE.CA	Misr Cement (Qenal)	Building Materials & Construction	717,475,667	0.28	11,274,829	0.15	22,499
40 SUCE.CA	Suez Cement	Building Materials & Construction	639,537,080	0.25	7,654,476	0.10	6,051
41 SUGR.CA	Delta Sugar	Food & Beverage	614,785,792	0.24	7,452,602	0.10	16,988
42 MICH.CA	Misr Chemical Industries	Chemicals	567,831,527	0.22	35,602,863	0.46	48,172
43 CSAG.CA	Canal Shipping Agencies	Utilities	546,424,988	0.21	58,627,716	0.76	57,548
44 HELI.CA	Heliopolis Housing	Housing & Real Estate	505,449,338	0.19	3,715,848	0.05	4,353
45 EXPA.CA	Export Development Bank of Egypt (EDBE)	Financial Services	426,057,835	0.16	25,816,547	0.33	23,100
46 PACH.CA	Paint & Chemicals Industries (Pachin)	Chemicals	402,639,448	0.15	9,772,474	0.13	12,016
47 ELSH.CA	El Shams Housing & Urbanization	Housing & Real Estate	310,639,659	0.12	27,322,662	0.35	42,506
48 SCEM.CA	Sinai Cement	Building Materials & Construction	297,350,009	0.11	5,132,920	0.07	11,075
49 TORA.CA	Torah Cement	Building Materials & Construction	293,531,646	0.11	1,936,506	0.03	6,891
50 MBSC.CA	Misr Beni Suef Cement	Building Materials & Construction	244,382,828	0.09	2,382,549	0.03	5,868
<b>Total of 50 Most Active Companies</b>			<b>221,123,902,723</b>		<b>6,421,715,265</b>		<b>5,811,856</b>
<b>Total (stocks only)</b>			<b>260,036,614,357</b>		<b>7,744,827,692</b>		<b>6,589,592</b>
<b>Percent of 50 most active companies to total listed companies</b>			<b>85.04%</b>		<b>82.92%</b>		<b>88.20%</b>

Source: Cairo & Alexandria Stock Exchanges

**Table (9)**  
**The 50 Most Active Companies**  
**Ranked in Terms of Market**  
**Capitalization**  
**(End of December 2006)**

Reuters Code	Company Name	Sector	Market Cap (LE)	% of Total Market
1 ORTE.CA	Orascom Telecom Holding (OT)	Communication	83,017,000,000	15.55
2 OCIC.CA	Orascom Construction Industries (OCI)	Building Materials & Construction	55,266,061,003	10.35
3 ETEL.CA	Telecom Egypt	Communication	24,274,558,152	4.55
4 VODE.CA	Vodafone Egypt Telecommunications	Communication	22,723,200,000	4.26
5 EMOB.CA	Egyptian Company for Mobile Services (MobiNil)	Communication	18,139,000,000	3.40
6 HRHO.CA	Egyptian Financial Group-Hermes Holding Company	Holding Companies	15,630,919,200	2.93
7 IRAX.CA	EL Ezz Aldekhela Steel - Alexandria	Building Materials & Construction	13,166,980,017	2.47
8 SKPC.CA	Sidi Kerir Petrochemicals	Mining & Gas	11,955,300,000	2.24
9 SUCE.CA	Suez Cement	Building Materials & Construction	11,898,871,253	2.23
10 COMI.CA	Commercial International Bank (Egypt)	Financial Services	11,284,650,000	2.11
<b>Top10</b>			<b>267,356,539,625</b>	<b>50.07</b>
11 ESR5.CA	El Ezz Steel Rebars	Building Materials & Construction	9,629,734,313	1.80
12 NSGB.CA	National Societe Generale Bank (NSGB)	Financial Services	9,117,672,552	1.71
13 ORHD.CA	Orascom Hotels And Development	Entertainment	8,362,139,300	1.57
14 EAST.CA	Eastern Tobacco	Food & Beverage	7,750,000,000	1.45
15 AMOC.CA	Alexandria Mineral Oils Company	Mining & Gas	6,735,603,000	1.26
16 ABUK.CA	Abou Kir Fertilizers	Chemicals	6,479,158,268	1.21
17 CIEB.CA	Credit Agricole Egypt	Financial Services	4,653,084,800	0.87
18 OCDI.CA	Six of October Development & Investment (SODIC)	Housing & Real Estate	3,871,222,881	0.72
19 EGT5.CA	Egyptian for Tourism Resorts	Entertainment	3,305,137,500	0.62
20 TORA.CA	Torah Cement	Building Materials & Construction	3,246,245,024	0.61
<b>Top20</b>			<b>330,506,537,262</b>	<b>61.89</b>
21 ORWE.CA	Oriental Weavers	Textiles & Clothing	3,218,000,000	0.60
22 OLGR.CA	Olympic Group Financial Investments	Financial Services	3,192,427,162	0.60
23 SUGR.CA	Delta Sugar	Food & Beverage	2,730,224,035	0.51
24 AMUN.CA	Amoun	Health & Pharmaceuticals	2,523,000,000	0.47
25 WATA.CA	El Watany Bank of Egypt	Financial Services	2,513,250,000	0.47
26 MBSC.CA	Misr Beni Suef Cement	Building Materials & Construction	2,200,600,000	0.41
27 SVCE.CA	South Valley Cement	Building Materials & Construction	2,193,196,168	0.41
28 CSAG.CA	Canal Shipping Agencies	Utilities	2,154,000,000	0.40
29 SCEM.CA	Sinai Cement	Building Materials & Construction	2,111,900,000	0.40
30 ACGC.CA	Arab Cotton Ginning	Textiles & Clothing	2,005,433,987	0.38
<b>Top30</b>			<b>355,348,568,614</b>	<b>66.55</b>
31 MPRC.CA	Egyptian Media Production City	Media	1,950,480,000	0.37
32 HELI.CA	Heliopolis Housing	Housing & Real Estate	1,949,669,420	0.37
33 PHAR.CA	Egyptian International Pharmaceuticals (EIPICO)	Health & Pharmaceuticals	1,893,976,240	0.35
34 MCQE.CA	Misr Cement (Qena)	Building Materials & Construction	1,800,000,000	0.34
35 MNHD.CA	Medinet Nasr Housing	Housing & Real Estate	1,760,160,000	0.33
36 EXPA.CA	Export Development Bank of Egypt (EDBE)	Financial Services	1,440,000,000	0.27

Reuters Code	Company Name	Sector	Market Cap (LE)	% of Total Market	
37	KABO.CA	El Nasr Clothes & Textiles (Kabo)	Textiles & Clothing	1,222,392,634	0.23
38	EFIC.CA	Egyptian Financial & Industrial	Chemicals	942,069,060	0.18
39	PACH.CA	Paint & Chemicals Industries (Pachin)	Chemicals	934,000,000	0.17
40	HDBK.CA	Housing & Development Bank	Financial Services	760,433,250	0.14
41	RAYA.CA	Raya Holding For Technology And Communications	Information Technology	666,721,692	0.12
42	APSW.CA	Arab Polvara Spinning & Weaving Co.	Textiles & Clothing	569,614,285	0.11
43	ECAPCA	El Ezz Porcelain (Gemma)	Building Materials & Construction	398,883,865	0.07
44	UNIT.CA	United Housing & Development	Housing & Real Estate	368,452,464	0.07
45	MICH.CA	Misr Chemical Industries	Chemicals	368,320,000	0.07
46	ELSH.CA	El Shams Housing & Urbanization	Housing & Real Estate	354,560,000	0.07
47	AFDL.CA	El Ahli Investment and Development	Financial Services	348,000,000	0.07
48	NCGCCA	Nile Cotton Ginning	Textiles & Clothing	280,860,250	0.05
49	ELECCA	Egyptian Electrical Cables	Electrical Equipment & Engineering	252,153,000	0.05
50	ELKA.CA	El Kahera Housing	Housing & Real Estate	165,900,000	0.03
<b>Total of 50 Most Active Companies</b>			<b>373,775,214,775</b>		
<b>Total (stocks only)</b>			<b>533,985,565,846</b>		
<b>Percent of 50 Most Active to Total Listed Companies</b>			<b>70.00%</b>		

Source: Cairo & Alexandria Stock Exchanges

Table (10)  
Main Indicators for the 50 Most  
Active Companies

Reuters Code	Company Name & Sector	MKT Cap LE	Earnings (LE)	Closing Price (LE)	EPS	DPS	P/E Ratio	DY%	P/BV	
<b>Building Materials &amp; Construction</b>										
1	ECAPCA	El Ezz Porcelain (Gemma)	398,883,865	13,964,754	10.94	0.38	-	28.56	-	2.08
2	ESRS.CA	El Ezz Steel Rebars	9,629,734,313	450,340,983	52.82	2.47	-	21.38	-	10.14
3	IRAX.CA	EL Ezz Aldekhela Steel - Alexandria	13,166,980,017	2,375,899,747	963.36	173.83	32	5.54	3.32	6.52
4	MBSC.CA	Misr Beni Suef Cement	2,200,600,000	132,811,463	110.03	6.64	1.25	16.57	1.14	9.07
5	MCQE.CA	Misr Cement (Qena)	1,800,000,000	148,103,567	60.00	4.94	2	12.15	3.33	4.57
6	OCIC.CA	Orascom Construction Industries (OCI)	55,266,061,003	1,700,230,000	273.60	8.42	2	32.51	0.73	17.13
7	SCEM.CA	Sinai Cement	2,111,900,000	181,854,230	60.34	5.20	1	11.61	1.66	4.74
8	SUCE.CA	Suez Cement	11,898,871,253	776,925,134	65.43	4.27	1.7	15.32	2.60	3.32
9	SVCE.CA	South Valley Cement	2,193,196,168	-	39.55	-	-	-	-	4.15
10	TORAC.A	Torah Cement	3,246,245,024	763,026,580	136.16	32.00	43	4.25	31.58	4.90
<b>Chemicals</b>										
11	ABUK.CA	Abou Kir Fertilizers	6,479,158,268	424,473,393	141.20	9.25	8.75	15.26	6.20	4.74
12	EFIC.CA	Egyptian Financial & Industrial	942,069,060	90,002,957	72.50	6.93	2	10.47	2.76	0.90
13	MICH.CA	Misr Chemical Industries	368,320,000	38,298,981	11.51	1.20	0.5	9.62	4.34	2.57
14	PACH.CA	Paint & Chemicals Industries (Pachin)	934,000,000	81,328,926	46.70	4.07	3	11.48	6.42	2.60
<b>Telecommunication</b>										
15	EMOBCA	Egyptian Company for Mobile Services (MobilNil)	18,139,000,000	1,443,696,042	181.39	14.44	462	12.56	2.55	11.47
16	ETEL.CA	Telecom Egypt	24,274,558,152	1,858,019,000	14.22	1.09	0.5	13.06	3.52	-
17	ORTE.CA	Orascom Telecom Holding (OT)	83,017,000,000	3,900,011,434	377.35	17.73	3.75	21.29	0.99	6.69
18	VODE.CA	Vodafone Egypt Telecommunications	22,723,200,000	1,705,000,000	94.68	7.10	3	13.33	3.17	8.19

Reuters Code	Company Name & Sector	MKT Cap LE	Earnings (LE)	Closing Price (LE)	EPS	DPS	P/E Ratio	DY%	P/BV
<b>Electrical Equipment &amp; Engineering</b>									
19 ELEC.CA	Egyptian Electrical Cables	252,153,000	-7,049,001	16.98	-0.47	-	-	-	0.96
<b>Entertainment</b>									
20 EGT.SCA	Egyptian for Tourism Resorts	3,305,137,500	60,332,493	125.91	2.30	-	-	-	2.20
21 ORHD.CA	Orascom Hotels And Development	8,362,139,300	180,912,724	41.83	0.90	-	46.22	-	1.24
<b>Financial Services</b>									
22 AFDI.CA	El Ahli Investment and Development	348,000,000	16,534,215	17.40	0.83	-	21.05	-	1.48
23 CIEB.CA	Credit Agricole Egypt	4,653,084,800	60,459,275	16.24	0.21	1.25	-	-	0.89
24 COMI.CA	Commercial International Bank (Egypt)	11,284,650,000	610,136,986	57.87	3.13	-	18.50	-	3.54
25 EXPA.CA	Export Development Bank of Egypt (EDBE)	1,440,000,000	-158,000,000	24.00	-2.63	0.65	-	-	1.83
26 HDBK.CA	Housing & Development Bank	760,433,250	69,512,700	74.37	6.80	-	10.94	-	2.29
27 NSGB.CA	National Societe Generale Bank (NSGB)	9,117,672,552	493,375,800	44.96	2.43	-	18.48	-	2.98
28 OLGR.CA	Olympic Group Financial Investments	3,192,427,162	212,801,992	53.14	3.54	1	15.00	1.88	3.52
29 WATA.CA	El Watany Bank of Egypt	2,513,250,000	89,686,806	33.51	1.20	-	28.02	-	2.43
<b>Food &amp; Beverage</b>									
30 EAST.CA	Eastern Tobacco	7,750,000,000	508,081,000	310.00	20.32	10	15.25	3.23	6.34
31 SUGR.CA	Delta Sugar	2,730,224,035	227,108,331	74.14	6.17	5	12.02	6.74	4.99
<b>Health &amp; Pharmaceuticals</b>									
32 AMUN.CA	Amoun	2,523,000,000	154,558,458	42.05	2.58	-	16.32	-	3.93
33 PHAR.CA	Egyptian International Pharmaceuticals (EIPICO)	1,893,976,240	161,952,228	26.26	2.25	1.3	11.69	4.95	2.27
<b>Holding Companies</b>									
34 HRHO.CA	Egyptian Financial Group-Hermes Holding Company	15,630,919,200	350,139,955	40.30	0.90	-	44.64	-	6.47
<b>Housing &amp; Real Estate</b>									
35 ELKA.CA	El Kahera Housing	165,900,000	5,585,405	11.06	0.37	0.3	29.70	2.71	1.72
36 ELSH.CA	El Shams Housing & Urbanization	354,560,000	9,508,336	11.08	0.30	0.1	37.29	-	3.78
37 HELI.CA	Heliopolis Housing	1,949,669,420	72,106,867	131.43	4.86	3.5	27.04	2.66	13.40
38 MNHD.CA	Medinet Nasr Housing	1,760,160,000	61,918,063	110.01	3.87	3.25	28.43	2.95	9.50
39 OCDI.CA	Six of October Development & Investment (SODIC)	3,871,222,881	41,344,169	143.84	1.54	-	-	-	21.22
40 UNIT.CA	United Housing & Development	368,452,464	11,174,568	13.64	0.41	-	32.97	-	10.26
<b>Information Technology</b>									
41 RAYA.CA	Raya Holding For Technology And Communications	666,721,692	39,701,559	11.70	0.70	-	16.79	-	-
<b>Media</b>									
42 MPRC.CA	Egyptian Media Production City	1,950,480,000	29,647,687	11.34	0.17	-	-	-	0.98
<b>Mining &amp; Gas</b>									
43 AMOC.CA	Alexandria Mineral Oils Company	6,735,603,000	517,471,641	78.23	6.01	6.5	13.02	8.31	-
44 SKPC.CA	Sidi Kerir Petrochemicals	11,955,300,000	794,687,000	113.86	7.57	6	15.04	5.27	-
<b>Textiles &amp; Clothing</b>									
45 ACGC.CA	Arab Cotton Ginning	2,005,433,987	48,900,000	10.83	0.26	0.21	41.01	1.94	2.15
46 APSW.CA	Arab Polvara Spinning & Weaving Co.	569,614,285	12,218,285	6.08	0.13	-	46.62	-	0.58
47 KABO.CA	El Nasr Clothes & Textiles (Kabo)	1,222,392,634	-16,567,298	3.61	-0.05	-	-	-	0.10
48 NCGC.CA	Nile Cotton Ginning	280,860,250	-11,771,171	5.30	-0.22	1.97	-	-	0.70
49 ORWE.CA	Oriental Weavers	3,218,000,000	257,793,666	80.45	6.44	2	12.48	2.49	1.60
<b>Utilities</b>									
50 CSAG.CA	Canal Shipping Agencies	2,154,000,000	44,314,682	10.77	0.22	0.18	48.61	1.67	7.64
<b>Average of 50 Companies</b>					<b>7.82</b>		<b>21.03</b>	<b>4.41</b>	<b>4.89</b>

Source: Cairo & Alexandria Stock Exchanges

### g) Acquisition Deals in 2006

The number of acquisition deals mounted to 42 deals worth LE 39.2 billion in 2006, versus 37 acquisition deals worth only LE 19.8 billion in 2005. The most prominent deals included the sale of 80 percent of the state-owned Bank of Alexandria to the Italian SanPaolo IMI, in a deal worth LE 9.2 billion, the 23 percent acquisition of Vodafone by Telecom Egypt with an amount of LE 5.6 billion, the 56 percent acquisition of Egyptian American Bank by Credit Agricole Bank in a deal worth LE 1.6 billion as well as the 19 percent acquisition of Commercial International Bank by Ripplewood Group with a value of LE 1.3 billion.

Table (11) illustrates the major acquisitions deals conducted via the stock exchange during 2006.

**Table (11)**  
**Acquisition Deals in 2006**

No.	Acquirer	Acquired	Date	%	Value (LE Million)	Investment Bank/Advisor
1	El Watania Development & Trading	Asek Company for Mining	Dec-06	60.07	27.3	Hermes Securities Brokerage
2	Vodafone Europe BV	Vodafone Egypt Telecommunications	Dec-06	4.80	1,152.7	Hermes Securities Brokerage
3	Italian SanPaolo IMI Bank	Bank of Alexandria	Dec-06	80.00	9,214.7	Trust Group for Securities- Delta Misr Securities
4	Beltone Investments Group LTD	Medinet Nasr Housing	Dec-06	21.94	386.2	Trust Group for Securities
	Beltone Capital Financial Holding			4.43	77.9	
5	Anwal	Omar Effindi	Dec-06	80.00	589.5	EFG-Hermes/CIBC
6	Mercury Egypt Pharmaceutical Industries	Amoun	Dec-06	93.00	2,622.6	Trust Group for Securities
7	Mercury Egypt Pharmaceutical Industries	Amoun	Nov-06	5.80	173.9	Trust Group for Securities
8	El Watania for Printing	Modern Shorouk Printing & Packaging	Nov-06	24.30	23.5	Delta Misr Securities
9	Saudi Egyptian Investment & Finance	Giza Cables	Nov-06	16.30	36.0	Delta Misr Securities
10	Telecom Egypt	Vodafone Egypt	Oct-06	23.47	5,633.0	Financial Brokerage Group
11	Suez Cement	Ready Mix Beton (Egypt)	Oct-06	52.00	52.0	Hermes Securities Brokerage
12	Suez Cement	Ready Mix Beton	Oct-06	52.00	26.0	Hermes Securities Brokerage
13	Consakra for Trade Agencies and Consulting	Cairo Oils & Soap	Oct-06	32.30	23.3	Delta Misr Securities
14	Prime Investment Holding	Prime Capital Portfolio Managers	Oct-06	99.83	125.8	Prime Securities Stock Brokers
15	Egyptian Arab Land Bank	Arab Egyptian Engineers Co. for Development of Tourism	Oct-06	30.02	194.3	EL Horreya Securities Brokerage.
16	Flat Steel International	El Obour Metallurgical Industries (Galvometal)	Sep-06	50.51	171.4	HSBC Securities
17	Misr Conditioning (Miraco)	Miraco Development & Trading	Sep-06	14.08	12.7	Trust Group for Securities
18	Firewall Hopes Investments Limited	Commercial International Brokerage	Aug-06	10.00	3.0	Commercial International Brokerage
19	Mena Investment Holding	Delta Misr Securities	Aug-06	49.95	36.6	Delta Misr Securities
20	United Ahly Bank (Bahrain)	Delta International Bank	Aug-06	31.50	582.8	Delta Misr Securities
	Kuwait & Middle East Bank (Kuwait)		Aug-06	17.50	323.8	
	El Ahly Bank of Qatar		Aug-06	5.00	92.5	
	Wafra for International Investment (Kuwait)		Aug-06	24.00	444.0	
	Astrategia Investment Company (Kuwait)		Aug-06	11.30	209.0	
21	Naeem Investment Holding	Arab International Company (AICO)	Aug-06	99.67	254.2	Nile Investments Securities
22	Air Liquide Middle East	Air Liquid Alexandria for Medical & Industrial Gases	Aug-06	99.99	75.0	Prime Securities Stock Brokers
23	National Union Bank	Alexandria Commercial & Maritime Bank	Aug-06	94.80	244.5	Prime Securities Stock Brokers
24	Prime Investment Holding	Prime Securities Stock Brokers	Aug-06	32.20	38.4	Prime Securities Stock Brokers

No.	Acquirer	Acquired	Date	%	Value (LE Million)	Investment Bank/Advisor
25	International Emares for Investments	Prime Capital Portfolio Managers	Aug-06	25.00	10.0	Prime Securities Stock Brokers
26	Prime Investment Holding	Prime Investments Fund Managers	Aug-06	99.34	43.1	Prime Securities Stock Brokers
27	Oriental Weavers	Moquette Mac	Jul-06	53.10	717.0	EFG-Hermes
28	Oriental Weavers	Egyptian Fibres	Jul-06	76.60	108.2	EFG-Hermes
29	CI Capital Holding	Commercial International Brokerage Co.	Jul-06	89.98	27.0	Commercial International Brokerage
30	Naaem Investment Holding	Nile Investments Securities	Jun-06	99.98	300.0	Nile Investments Securities
31	The Holding Co. for Cotton, Spinning and Weaving	Oriental Linen & Cotton	Jun-06	2.90	0.2	Triple A Securities
32	Commercial International Bank - Egypt CIB Employees' Insurance Fund	Commercial International Brokerage Co.	May-06	40.00	12.0	Commercial International Brokerage
				60.00	18.0	
33	El Ezz Steel Rebars	Alexandria National Iron & Steel	May-06	29.38	4,028.3	Commercial International Brokerage
34	National Investment Bank #	Misr Iron Development Bank	Apr-06	29.93	18.7	Hermes Securities Brokerage
35	Vodafone Europe BV	Vodafone Egypt Telecommunications	Apr-06	30.00	6,431.8	Hermes Securities Brokerage
36	International Finance Corporation (IFC)	Commercial International Bank - Egypt	Mar-06	1.90	133.8	Commercial International Brokerage
37	CI Capital Holding	Commercial International Brokerage Co.	Mar-06	99.96	30.0	Commercial International Brokerage
38	Auda Bank #	Cairo Far East Bank	Mar-06	99.69	93.8	Hermes Securities Brokerage
39	Credit Agricole	Egyptian American Bank	Feb-06	56.15	1,637.2	HC Securities
	Al Mansour & Al Maghrabi Co. for Investment & Development			18.53	540.3	
40	Ripplewood CIB Holding (I, II & III)	Commercial International Bank - Egypt	Feb-06	9.60	668.7	Al Ahli/ HC/ Commercial International Brokerage
	RHJ International			3.80	263.4	
	Eton Park Master Fund Ltd			2.90	204.5	
	Eton Park Fund LP			1.60	110.1	
	Others			0.80	55.7	
41	Aabia First for Development & Investment	Delta International Bank	Feb-06	9.00	134.8	HC/ Commercial International Brokerage
	Al Baraka for Trade & Investment			2.50	37.5	
	Oryx Finance			2.50	37.5	
	Others			5.60	83.3	
42	Mena Investment Limited	Delta Misr Securities	Jan-06	49.95	35.6	Delta Misr Securities

# Value is in US Dollars

Source: Cairo & Alexandria Stock Exchanges

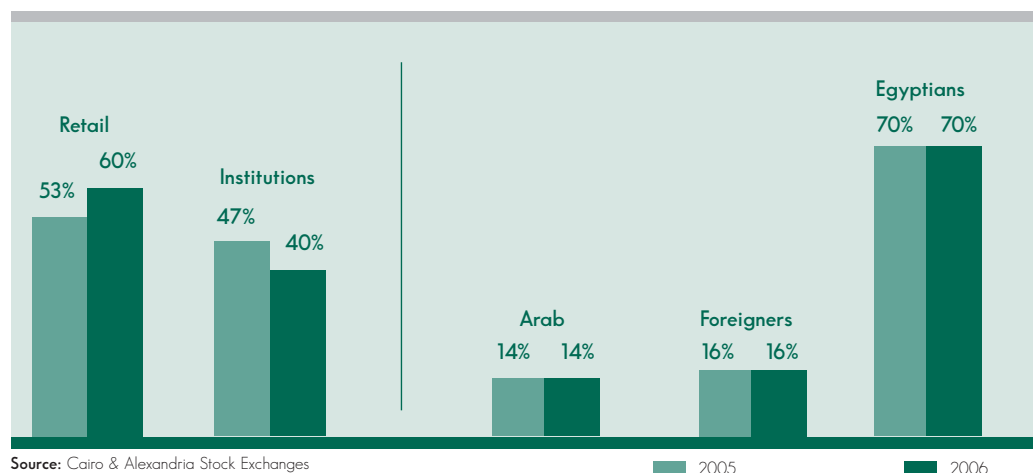
## h) Investors Activity

The Egyptian market was dominated by retail investors, accounting for 60 percent of the value traded during 2006, as opposed to 53 percent during 2005, while the rest was owed to the institutions, as depicted in Figure (15).

Despite the dominance of the retail investors, they were net sellers with around LE 10 billion during 2006; the same amount that the institutions ended the period with as net buyers. This was mainly attributed to the price

turbulences occurred in the market pushing small investors to exit the market.

**Figure (15)**  
**Investors' Participation**  
**in the Traded Value (%)**



As for foreign participation in the Egyptian securities market, year 2006 witnessed a surge in foreign investment flows, with foreigners (Arab and foreign investors) controlling around 30 percent of the total value traded in the market, ending the year as net buyers, with a net equity inflow<sup>5</sup> of LE 18 billion compared to LE 6.5 billion in 2005, as depicted in Table (12).

The Arab investors, who acquired 14 percent of the total value traded, ended the year as net sellers, realizing net equity outflows worth LE 66 million during 2006, down from LE 392 million net outflows realized during the first half of the year, as they attempted to cover their losses in their home markets.

Conversely, the foreign investors seized the opportunity of the relatively strong performance of the Egyptian market as opposed to other emerging markets and have injected huge investments exceeding LE 18 billion acquiring, almost 16 percent of the total value traded in the market.

Worth mentioning that foreign purchases surged dramatically in 2006, recording LE 91 billion, up from LE 49 billion in 2005. United Kingdom accounted for the highest share (24 percent) of foreign purchases this year, with Saudi Arabia retreating to the second place, making up 18 percent of foreign purchases, compared to 30 percent last year. Meanwhile, USA, Italy and UAE made up 11 percent, 10 percent and 9 percent of foreign purchases in 2006, respectively as illustrated in Figures (16) and (17).

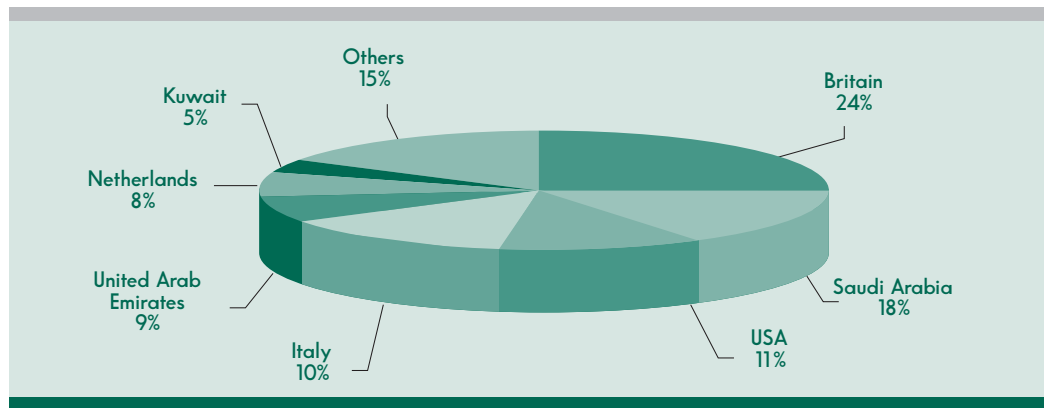
<sup>5</sup> The foreigners ended the year 2006 as net buyers with a net equity inflow of LE 5.2 billion compared to LE 3.9 billion in 2005 after excluding the special large deals of both years.

**Table (12)**  
Value Traded by Foreign and Local Investors

	January - December 2005		January - December 2006	
	LE Million		LE Million	
	Buy	Sell	Buy	Sell
Foreign Investors	24,974	24,608	54,262	35,690
Arab Investors	24,079	17,906	36,876	36,942
Local Investors	101,871	108,410	179,970	198,476
<b>Total Markets</b>	<b>150,924</b>	<b>150,924</b>	<b>271,108</b>	<b>271,108</b>

Source: Cairo & Alexandria Stock Exchanges

**Figure (16)**  
Foreign Inflows by Country in 2006



Source: Cairo & Alexandria Stock Exchanges

**Figure (17)**  
Foreign Inflows by Country in 2005



Source: Cairo & Alexandria Stock Exchanges

### i. Initial Public Offerings (IPOs)

Following the 3 major IPOs of public companies; SIDPEC, AMOC and Telecom Egypt, that took place in 2005, with a cumulative amount of LE 7.6 billion, year 2006 has only witnessed private companies' offerings worth almost LE 1.9 billion. El Sewedy Cables came first to undertake a private placement worth LE 1.3 billion, followed by the LE 525 million IPO and private placement of El Alarafa Investment and Consultant company- the only IPO of a private company during 2006-, with the public offering and the private placement oversubscribed by 5 and 7 times, respectively, as illustrated in Table (13).

**Table (13)**  
**IPOs & Private Placements in 2006**

Company Name	Investment Manager	Offering Date	Offering Method	Issue Size (Million Shares)	Issue Size (LE Million)	% of Total Shares	Oversubscription (No of Times)
Al Arafa Investment and Consulting*	EFG - Hermes	Dec-06	IPO	17.5	114	7%	5
			Private placement	60.0	412	25%	7
El Swedy Cables	HC Securities / EFG - Hermes	May-06	Private placement	30.0	1,290	50%	1

\* The company's IPO and private placement were conducted in the primary market  
Source: Cairo & Alexandria Stock Exchanges

### j) Fixed Income Securities

The government of Egypt continues to take plausible steps towards enhancing the fixed income market, yet the equity market still develops at a much faster pace, contrary to most other markets.

The Primary Dealers System launched in November 2004, with 16 bond issues up till December 2006, was almost the sole driver for liquidity in the bond market during 2005 and 2006.

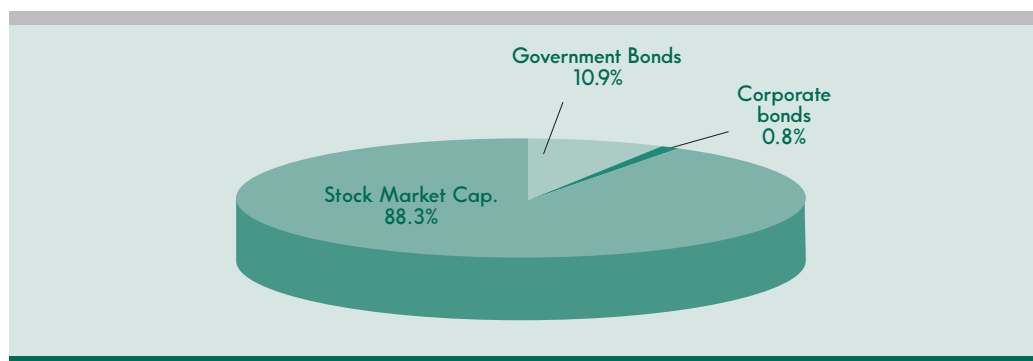
The Market capitalization for the bond market hiked to reach LE 63.5 billion in December 2006, compared to LE 52 billion in December 2005, making up 11.7 percent of the total market capitalization, as illustrated in Figure (18).

As a percentage of GDP, the bond market still did not exceed 9.5 percent, which is well below other emerging markets.

During 2006, LE 12.7 billion worth of debt securities were issued in Egypt, with the Treasury bonds accounting for 95 percent of the total.

From another perspective, year 2006 witnessed the offering of the first securitization issue in the Egyptian capital market, with a total volume of 1.4 million bonds and paying a fixed annual return of 11 percent.

**Figure (18)**  
**Bonds as a Percentage of Total**  
**Market Capitalization**  
**(End of December 2006)**



Source: Cairo & Alexandria Stock Exchanges

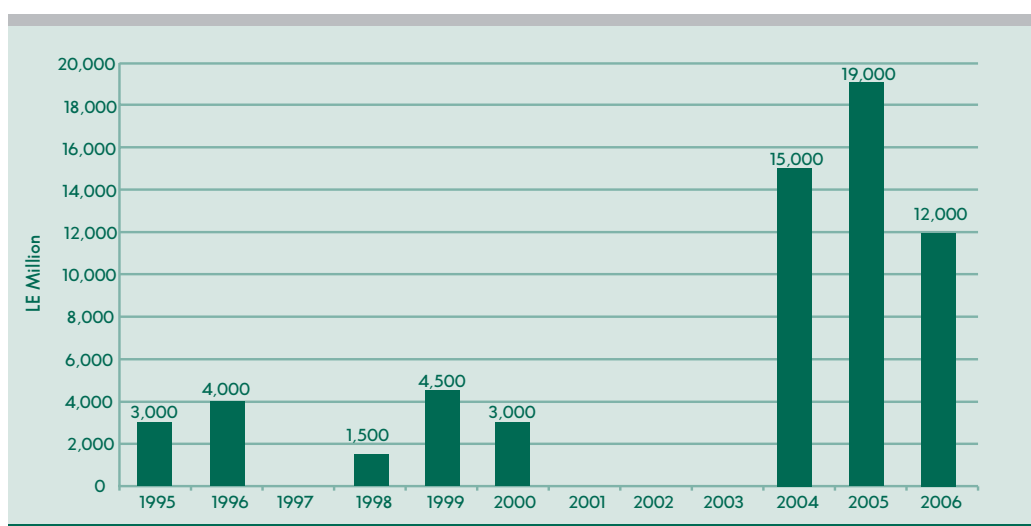
### 1. Government Bonds

Year 2006 witnessed the issuance of five additional Treasury bonds issued through the Primary Dealers System, with a cumulative size of LE 12 billion.

In December 2006, there were a total of 18 listed Housing bonds, with 20 years maturity, and 20 Treasury bonds (including Treasury Bonds launched through the Primary Dealers System), with maturities ranging between 2 and 20 years. The Housing bonds' market capitalization stood at LE 81 million, whereas, the Treasury bonds' market capitalization reached LE 58 billion (including the sixteen issues launched through the Primary Dealers).

Figure (19) illustrates the value of issued Treasury bonds over the period (1995-2006).

**Figure (19)**  
**Value of Issued**  
**Treasury Bonds**



Source: Cairo & Alexandria Stock Exchanges

## Primary Dealers System

At the end of December 2006, there were sixteen treasury bonds issues launched through the Primary Dealers System, five of them were issued during the year 2006; the LE 2 billion- 4 years issue, the LE 4 billion-7 years issue, the LE 2 billion- 2 years issue, the LE 2 billion- 5 years issue, the LE 2 billion- 4 years issue, which were launched through the Primary Dealers System on 3 January 2006, 24 January 2006, 14 February 2006, 28 February 2006, 2 May 2006, respectively. The five issues are listed on CASE with their annual coupon rate of 9.05 percent, 8.85 percent, 8.5 percent, 8.6 percent and 8.95 percent being paid twice a year through the Central Depository. The sixteen issues recorded a cumulative value traded of LE 10.6 billion in 2006, as shown in Table (14).

**Table (14)**  
**Treasury Bonds Issued According to the Primary Dealers System**

Treasury Bonds	Issue Value (LE)	Issue Date	Annual Rate of Return (Coupon)	Number of Coupons	Last Coupon Payment	Next Coupon Payment	Total Value Traded (LE)	Number of Transactions	Last Closing Price (Using Clean Price)	Yield To Maturity (YTM) %	Highest Yield to Maturity %	Lowest Yield to Maturity %
Treasury Bonds Oct-2011	5,000,000,000	10/26/04	11.50%	2	10/26/06	4/26/07	2,656,901,194.52	107	105.68%	9.17	10.55	8.49
Treasury Bonds Nov-2014	5,000,000,000	11/16/04	11.63%	2	11/16/06	5/16/07	697,260,150.63	48	108.68%	9.14	10.77	8.15
Treasury Bonds Dec-2008	3,000,000,000	12/7/04	10.94%	2	12/7/06	6/7/07	461,351,801.07	40	102.00%	9.02	10.30	8.34
Treasury Bonds Jan-2025	1,000,000,000	1/18/05	11.40%	2	7/18/06	1/18/07	53,741,345.34	5	103.09%	11.02	11.06	8.63
Treasury Bonds Jul-2010	2,000,000,000	7/12/05	9.10%	2	7/12/06	1/12/07	553,307,571.05	37	97.30%	9.14	10.38	8.53
Treasury Bonds Aug-2009	4,000,000,000	8/2/05	9.25%	2	8/2/06	2/2/07	254,514,466.27	25	97.50%	9.46	10.36	8.46
Treasury Bonds Aug-2010	2,000,000,000	8/16/05	9.35%	2	8/16/06	2/16/07	135,304,634.75	20	100.28%	10.01	10.75	8.40
Treasury Bonds Sep-2012	4,000,000,000	9/20/05	9.10%	2	9/20/06	3/20/07	215,084,940.26	13	93.59%	9.33	10.60	8.74
Treasury Bonds Oct-2008	2,000,000,000	10/4/05	9.06%	2	10/4/06	4/4/07	1,021,630,593.79	48	98.95%	8.74	10.00	8.25
Treasury Bonds Oct-2010	2,000,000,000	10/18/05	9.10%	2	10/18/06	4/18/07	28,763,552.44	1	100.34%	9.00	9.00	9.00
Treasury Bonds Nov-2015	5,000,000,000	11/15/05	9.30%	2	11/15/06	5/15/07	1,541,234,316.25	31	100.95%	8.98	9.30	8.50
Treasury Bonds Jan-2010	2,000,000,000	1/3/06	9.05%	2	7/3/06	1/3/07	580,933,122.09	27	96.33%	9.01	10.60	8.63
Treasury Bonds Jan-2013	4,000,000,000	1/24/06	8.85%	2	7/24/06	1/24/07	604,684,464.68	12	99.06%	9.18	10.65	7.86
Treasury Bonds Feb-2008	2,000,000,000	2/14/06	8.50%	2	8/14/06	2/14/07	953,577,206.33	32	98.57%	8.71	9.95	8.23
Treasury Bonds Feb-2011	2,000,000,000	2/28/06	8.60%	2	8/28/06	2/28/07	671,593,553.15	15	93.87%	9.92	10.50	8.50
Treasury Bonds May-2010	2,000,000,000	5/2/06	8.95%	2	11/2/06	5/2/07	152,355,811.70	6	100.12%	9.62	10.41	8.90

Source: Cairo & Alexandria Stock Exchanges

## 2. Corporate Bonds

By the end of December 2006, 12 corporate bonds were listed on the stock exchange, out of which 6 offer fixed coupon rates and the remaining are floating rate bonds.

However, the buy and hold nature of the financial institutions, dominating the investor base, leaves little room for retail investors and result into a relatively illiquid secondary market.

Tables (15) and (16) exhibit trading statistics for government and corporate bonds in Egypt as of end of December 2006.

Table (15)  
Government  
Bonds

Reuters Code	Issue Date	Issue Price LE	Issuer	Par Value LE	CP	Call Date	Maturity Date	Yrs	Gross Price LE	Accrued Interest LE	Clean Price LE	Clean Price %	Last Coupon Payment	Next Coupon Payment	CP Pym Dates	No CPs	Last Trade Date	Current Yield %	ReDEMPTION Average Yield or Yield to Maturity %	Market Cap. LE 31/12/2006
<b>Housing Bonds</b>																				
EG128077CA	Dec-1987	100	Housing 10*	4,304,370	9.0%	Dec-1992	Dec-2007	20	80.00	4.44	75.56	75.56	01/12/06	01/12/07	1/12	1	26/05/05	119%	-	3,292,453
EG128086CA	Dec-1988	100	Housing 11	4,324,230	9.0%	Dec-1993	Dec-2008	20	63.50	0.49	63.01	63.01	01/12/06	01/12/07	1/12	1	17/12/06	14.28%	39.05%	2,724,561
EG128094CA	Dec-1989	100	Housing 12	5,065,370	9.0%	Dec-1994	Dec-2009	20	63.75	0.49	63.26	63.26	01/12/06	01/12/07	1/12	1	17/12/06	14.23%	28.81%	3,204,193
EG129010CA	Dec-1990	100	Housing 13*	6,216,430	9.0%	Dec-1995	Dec-2010	20	75.00	0.57	74.43	74.43	01/12/06	01/12/07	1/12	1	20/12/05	12.03%	-	4,627,068
EG129111CA	Dec-1991	100	Housing 14	7,494,780	9.0%	Dec-1996	Dec-2011	20	73.46	0.49	72.97	72.97	01/12/06	01/12/07	1/12	1	17/12/06	12.33%	17.51%	5,468,705
EG129212CA	Dec-1992	100	Housing 15	8,233,830	9.0%	Dec-1997	Dec-2012	20	60.00	0.49	59.51	59.51	01/12/06	01/12/07	1/12	1	17/12/06	15.12%	21.54%	4,887,791
EG129313CA	Dec-1993	100	Housing 16*	7,104,280	9.0%	Dec-1998	Dec-2013	20	80.00	2.93	77.07	77.07	01/12/06	01/12/07	1/12	1	26/03/06	11.68%	-	5,474,967
EG129414CA	Dec-1994	100	Housing 17	12,430,110	9.0%	Dec-1999	Dec-2014	20	64.50	0.49	64.01	64.01	01/12/06	01/12/07	1/12	1	17/12/06	14.06%	17.63%	7,956,122
EG129515CA	Dec-1995	100	Housing 18	33,146,330	9.0%	Dec-2000	Dec-2015	20	63.00	0.49	62.51	62.51	01/12/06	01/12/07	1/12	1	17/12/06	14.40%	17.54%	20,718,727
EG129616CA	Dec-1996	100	Housing 19	19,241,300	9.0%	Dec-2001	Dec-2016	20	77.00	0.47	76.53	76.53	01/12/06	01/12/07	1/12	1	17/12/06	11.11%	13.59%	15,108,855
EG129717CA	Dec-1997	100	Housing 20*	7,889,800	8.5%	Dec-2002	Dec-2017	20	77.00	2.84	74.16	74.16	01/12/06	01/12/07	1/12	1	29/03/06	11.46%	-	5,650,999
EG129818CA	Dec-1998	100	Housing 21*	7,923,800	8.5%	Dec-2003	Dec-2018	20	77.00	2.93	74.07	74.07	01/12/06	01/12/07	1/12	1	02/04/06	11.48%	-	5,861,882
EG129919CA	Dec-1999	100	Housing 22*	7,941,870	8.5%	Dec-2004	Dec-2019	20	77.00	5.22	71.78	71.78	01/12/06	01/12/07	1/12	1	09/07/06	11.84%	-	5,703,586
EG130020CA	Dec-2000	100	Housing 23*	2,238,880	8.5%	Dec-2005	Dec-2020	20	75.00	8.24	66.76	66.76	01/12/06	01/12/07	1/12	1	16/11/06	12.73%	-	1,534,644
EG130121CA	Dec-2001	100	Housing 24*	1,192,060	8.5%	Dec-2006	Dec-2021	20	75.00	3.29	71.71	71.71	01/12/06	01/12/07	1/12	1	26/04/06	11.6%	-	854,854
EG130222CA	Dec-2002	100	Housing 25*	2,000,760	8.0%	Dec-2007	Dec-2022	20	75.00	3.42	71.58	71.58	01/12/06	01/12/07	1/12	1	02/05/06	11.18%	-	1,459,319
EG130323CA	Dec-2003	100	Housing 26*	859,590	8.0%	Dec-2008	Dec-2023	20	65.00	6.66	58.34	58.34	01/12/06	01/12/07	1/12	1	27/09/06	13.71%	-	501,459
EG130324CA	Dec-2004	100	Housing 27*	1,070,300	8.0%	Dec-2009	Dec-2024	20	-	-	-	-	01/12/06	01/12/07	1/12	1	-	-	-	1,070,300
				<b>117,848,850</b>															<b>80,566,584</b>	
<b>Treasury Bonds</b>																				
EG109909CA	Mar-1999	1000	Treasury 2009 (1st Issue)**	2,000,000,000	9.50%	Mar-2007	Mar-2009	10	103.20	22.83	99.37	99.37	01/09/06	01/09/07	13 & 19	2	23/11/06	9.59%	-	1,980,737,017
EG109909CA	Apr-1999	1000	Treasury 2009 (2nd Issue)**	2,000,000,000	10.0%	Apr-2007	Apr-2009	10	161.70	40.44	102.26	102.13	16/10/06	16/04/07	16 & 16/10	2	07/09/05	9.79%	-	2,042,525,683
EG105000CA	May-2000	1000	Treasury 2007*	3,000,000,000	11.0%	May-2005	May-2007	7	105.40	28.40	100.70	100.70	03/11/06	-	3 & 3/11	2	02/08/06	10.92%	-	3,021,039,783
EG101040CA	Jan-2004	1000	Treasury 2007*	4,000,000,000	8.0%	Jan-2005	Jan-2007	3	103.40	32.39	99.80	99.80	03/07/06	-	11 & 17	2	23/11/06	8.02%	-	3,992,034,783
				<b>11,000,000,000</b>															<b>11,038,307,265</b>	
<b>Primary Dealers Bonds</b>																				
ISIN	Issuer	Par Value LE	Weighted Average Current Yield %	Weighted Average Yield to Maturity %	No. of Trades	Last Trade Date	Clean Price %	Value Traded	Market Cap. LE 31/12/2006											
EG6GR001F7	Treasury Bonds Oct-2011**	5,000,000,000	-	-	3	29/11/06	105.68%	-	5,284,140,000											
EG6GR002F6	Treasury Bonds Nov-2014*	5,000,000,000	9.909	10.47	3	28/12/06	108.68%	13,281,356	5,434,100,000											
EG6GR003F5	Treasury Bonds Dec-2008	3,000,000,000	9.776	10.723	1	26/12/06	102.00%	2,052,202	3,060,000,000											
EG6GR006F2	Treasury Bonds Aug-2009	4,000,000,000	10.364	9.487	1	27/12/06	97.50%	15,183,016	3,900,000,000											
EG6GR004F4	Treasury Bonds Jan-2015	1,000,000,000	11.000	11.058	1	26/12/06	103.09%	108,113	1,030,944,000											
EG6GR005F3	Treasury Bonds Jul-2010*	2,000,000,000	-	-	-	29/11/06	97.33%	-	1,946,074,000											
EG6GR007F1	Treasury Bonds Aug-2010	2,000,000,000	10.539	9.497	3	20/12/06	100.28%	11,362,262	2,005,640,000											
EG6GR008F0	Treasury Bonds Sep-2012**	4,000,000,000	-	-	-	26/11/06	93.59%	-	3,763,412,000											
EG6GR009F9	Treasury Bonds Oct-2008	2,000,000,000	9.883	9.187	4	18/12/06	98.65%	42,773,790	1,978,966,000											
EG6GR002F6	Treasury Bonds Oct-2010*	2,000,000,000	-	-	-	25/05/06	100.34%	-	2,006,782,000											
EG6GR002F5	Treasury Bonds Nov-2015*	5,000,000,000	9.138	9.212	1	27/12/06	100.95%	51,027,348	5,047,500,000											
EG6GR002F4	Treasury Bonds Jan-2010	2,000,000,000	10.442	9.382	4	27/12/06	96.47%	7,206,428	1,926,574,000											
EG6GR002F3F4	Treasury Bonds Jan-2013*	4,000,000,000	10.338	9.481	3	28/12/06	99.06%	5,970,845	3,962,589,455											
EG6GR002F2	Treasury Bonds Feb-2008	2,000,000,000	9.565	8.603	2	14/12/06	96.57%	44,012,577	1,971,466,000											
EG6GR0025F1	Treasury Bonds Feb-2011	2,000,000,000	-	-	-	27/11/06	93.87%	-	1,877,300,000											
EG6GR0026F0	Treasury Bonds May-2010	2,000,000,000	9.403	9.070	2	28/12/06	100.12%	15,014,483	2,002,400,000											
<b>Total</b>		<b>47,000,000,000</b>			<b>25</b>			<b>247,171,771</b>	<b>47,177,874,555</b>											
<b>Total (Treasury)</b>		<b>38,000,000,000</b>							<b>58,214,947,719</b>											
<b>Grand Total (Housing &amp; Treasury)</b>		<b>58,117,848,850</b>							<b>58,249,761,304</b>											

\*\* The subscription for the Treasury bond October 2011, November 2012 and January 2013 issues were reopened, with an additional amount of LE 2 billion for each while Treasury bond November 2015 was reopened with an amount of LE 3 billion.  
\* No trading has occurred during this month.

Table (16)  
Corporate  
Bonds

Reuters Code	Issue Date	Issue Price LE	Issuer	Par Value LE	Number of Bonds	CP	Call Date	Maturity Date	Gross Price LE	Yrs	Accrued Interest LE	Clean Price LE	Clean %	Last Coupon Payment	Next Coupon Payment	CP Pym Dates	No CFs	Last Trade Date	Current Yield %	Market Cap. LE
<b>Straight Bonds</b>																				
EGE1M0807-CA	Oct-1999	100	Egyptian company for Mobile Services (MobNil)	340,000,000	3,400,000	12.25%	Oct-1999	Oct-2007	8	103.63	2.73	103.90	100.90	01/10/06	01/04/07	1/4, 1/10	2	18/12/06	12.4%	343,073,731
EGORHD07-CA	Jan-2000	100	Orascom Hotels & Development (2)	100,000,000	1,000,000	12.975%	Jan-2002	Jan-2007	7	94.50	5.39	89.11	89.11	31/07/06	-	31/7 & 31/1	2	29/12/04	14.44%	89,114,185
EGOH07-CA	Nov-2000	100	Orascom Holding Hotels *	100,000,000	1,000,000	13.00%	Nov-2004	Nov-2007	7	100.00	-	-	-	-	-	31/7 & 31/1	2	-	-	100,000,000
EGEEMAI11-CA	Nov-2004	100	Egyptian Cement Company (ECCI) (1 <sup>st</sup> Tranche)	500,000,000	5,000,000	11.75%	Jan-2007	Jul-2011	7	109.00	3.61	104.39	104.39	01/07/06	01/01/07	1/1, 1/7	2	20/04/06	11.26%	521,972,603
EGTELE10-CA	Feb-2005	100	Telecom Egypt (first Tranche)	1,000,000,000	10,000,000	10.95%	Dec-2006	Feb-2010	5	104.58	0.67	103.91	103.91	01/12/06	01/03/07	1/3, 1/6, 1/9, 1/12	4	20/12/06	10.54%	1,039,108,333
EGOC111-CA	Jun-2005	975	Orascom Construction Industries (OCI) (1 <sup>st</sup> Tranche) #	243,750,000	2,500,000	11.75%	Jul-2007	Dec-2011	6	111.50	4.82	106.68	109.42	31/07/06	31/01/07	31/7 & 31/1	2	26/12/06	10.74%	266,699,171
				<b>2,283,750,000</b>																
<b>Floating Rate Bonds FRNs</b>																				
EGCFE09-CA	Mar-1999	1000	Egyptian Arab Land Bank (1)	150,000,000	150,000	DR less 1.5%	Mar-2007	Mar-2009	10	950.00	55.65	894.15	89.42	01/07/06	01/07/07	1/1, 1	24/09/06	10.07%	134,122,603	
EGMID007-CA	Feb-2002	1000	Misr Iron Development Bank	200,000,000	2,000,000	DR -0.3%	Feb-2006	Feb-2007	5	1016.50	36.82	981.68	98.17	20/08/06	-	20/8 & 20/2	2	25/06/06	10.31%	196,335,016
EGCEM11-CA	Jul-2004	100	Egyptian Cement Company (ECCI) (2 <sup>nd</sup> Tranche) †	457,600,000	800,000	1160R (six month) +1.5%	Jan-2007	Jul-2011	7	100.00	-	-	-	01/07/06	01/01/07	1/1, 1/7	2	-	-	457,600,000
EGTELE10-CA	Feb-2005	100	Telecom Egypt (Second Tranche)	1,000,000,000	10,000,000	DR+0.7%	Dec-2006	Feb-2010	5	100.64	0.58	100.06	100.06	01/12/06	01/03/07	1/3, 1/6, 1/9, 1/12	4	20/12/06	9.64%	1,000,553,425
EGOC111-CA	Jun-2005	975	Orascom Construction Industries (OCI) (3 <sup>rd</sup> Tranche) #	243,750,000	2,500,000	DR -1.5%	Jul-2007	Dec-2011	6	98.20	1.77	96.43	96.43	31/07/06	31/01/07	31/7 & 31/1	2	28/09/06	10.42%	241,082,446
EGOC2112-CA	Jun-2005	975	Orascom Construction Industries (OCI) (3 <sup>rd</sup> Tranche) † #	836,550,000	150,000	1160R (six month) +1.5%	Jul-2007	Dec-2011	6	100.10	2.59	97.51	100.01	31/07/06	31/01/07	31/7 & 31/1	2	26/12/06	6.15%	836,666,618
				<b>2,887,900,000</b>																
				<b>5,171,650,000</b>																
<b>Securitized Bonds</b>																				
Reuters Code	Issue Date	Issue Price LE	Issuer	Par Value LE	Number of Bonds	CP	Call Date	Maturity Date	Yrs	Accrued Interest LE	Clean Price LE	Clean %	Last Coupon Payment	Next Coupon Payment	CP Pym Dates	No CFs	Last Trade Date	Current Yield %	Market Cap. LE	
EGCOSC10-CA	Jun-2006	72	Contact ***	81,200,000	140,000	11%	Jan-2008	Dec-2012	5	-	-	-	-	-	-	-	-	-	-	5800
EGCFE13-CA	Jun-2006	1000	Egyptian Arab Land Bank	500,000,000	5,000,000	DR -0.5%	May-2010	Jun-2013	7	-	-	-	-	-	-	-	-	-	-	-

Bold refers to dematerialized bonds

\$ Issue in US \$

† From Dec 30, 2006 to 31/12/2006, according to the Central Bank of Egypt

‡ Call for Redemption: Egyptian interest with Arab Land Bank and the name of the new issuer

†† The gross price represents the par value of the bond as no trading has occurred since the issuance of the bond

# The par value was decreased from LE 100 to LE 97.5 due to partial redemption of the bond issues on 1/8/2006

\*\* This bond issue is partially redeemed every month and the par value represents the par value after the periodical partial redemption

\*\*\* Explanations:

Corporate bonds: are issued by banks or corporations

Flight to quality bonds: are bonds which pay a fixed interest rate till maturity

Floating Rate Bonds: are bonds whose interest rate is changing according to a certain benchmark

N.A: Not Applicable if yield exceeds 30%

No. CFs: No. of coupons paid per year

TB: Treasury Bill rate

Yrs: No. of years

**Gross Price:** Closing price of the bond including accrued interest  
**Accrued Interest:** (par value of bond x coupon rate x actual no. of days since last coupon payment) / 365  
**Clean Price:** Closing price less accrued interest / 365  
**Price of a bond:** is quoted as a percent (%) of its par value  
**Current Yield:** Current Coupon / Clean Price  
 There is a four day period between the trading of bonds (buying or selling) and settlement (receiving bonds or cash)

**Source:** Cairo & Alexandria Stock Exchanges

### Securitized Bonds

In September 2006, the first securitization bond issue was offered in the Egyptian capital market by Contact, with a total value of LE 100.8 million, distributed over 1.4 million bonds and offering a fixed annual return of 11 percent. These bonds are partially redeemed every month on the same date of the coupon payment.

The second securitization bond issue was offered by Arab Land Bank on 17 September, 2006, with a total par value of LE 500 million, distributed over 500,000 bonds and offering a variable rate of (0.5 percent above the discount rate determined by the Central Bank of Egypt), that is paid every six months, as shown in Table (16).

### 3. Activities in the Bond Market

Activity in the bond market has been relatively low, despite the steady rise in value of bonds issued over the past few years. In 2006, the value of bond traded leapt to LE 11 billion up from LE 8.9 billion last year, an increase of almost 24 percent over 2005, yet, representing only 4 percent and 6 percent of total value traded of listed securities, respectively. Likewise, the volume of bonds traded reached 12 billion bonds up from 9 million bonds during 2005, as highlighted in Table (17).

This performance was mainly on the back of the heavy trading activity of the Government bonds, in particular the ones traded through the Primary Dealers System, which account for almost 96 percent and 81 percent of the total bonds value and volume traded during 2006, respectively.

The corporate bonds has also witnessed an increase in their value traded during 2006, though still remain thin in value terms, to register LE 360 million, up from only LE 161 million last year, together with a hike in volume traded that reached 2 million bonds versus 1.2 million bonds in 2005.

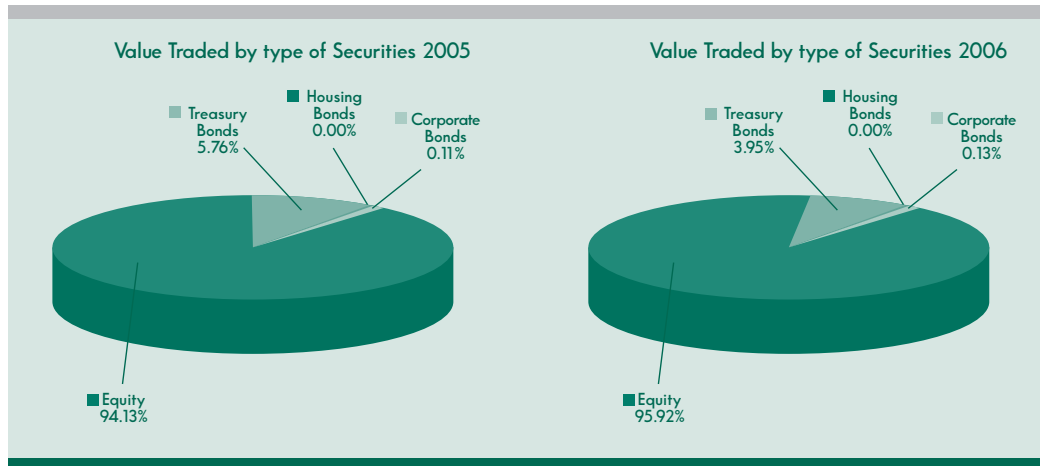
Figure (20) illustrates the breakdown of value traded by type of securities in 2006 versus 2005, with bonds turnover contributed almost entirely by Treasury Bonds launched through the Primary Dealers System.

**Table (17)**  
**Trading Aggregates for Bonds**  
**During 2006**

	Trading Value (LE million)	Trading Volume (thousand)
<b>Governmental Bonds</b>	<b>10,711</b>	<b>10,171</b>
Housing Bonds	0.31	4
Treasury Bonds	128	124
Treasury Bonds (According to Primary Dealers System)	10,582	10,043
<b>Corporate Bonds</b>	<b>360</b>	<b>2,134</b>
<b>Total</b>	<b>11,070</b>	<b>12,305</b>

Source: Cairo & Alexandria Stock Exchanges

Figure (20)  
Value Traded  
by Type of Securities



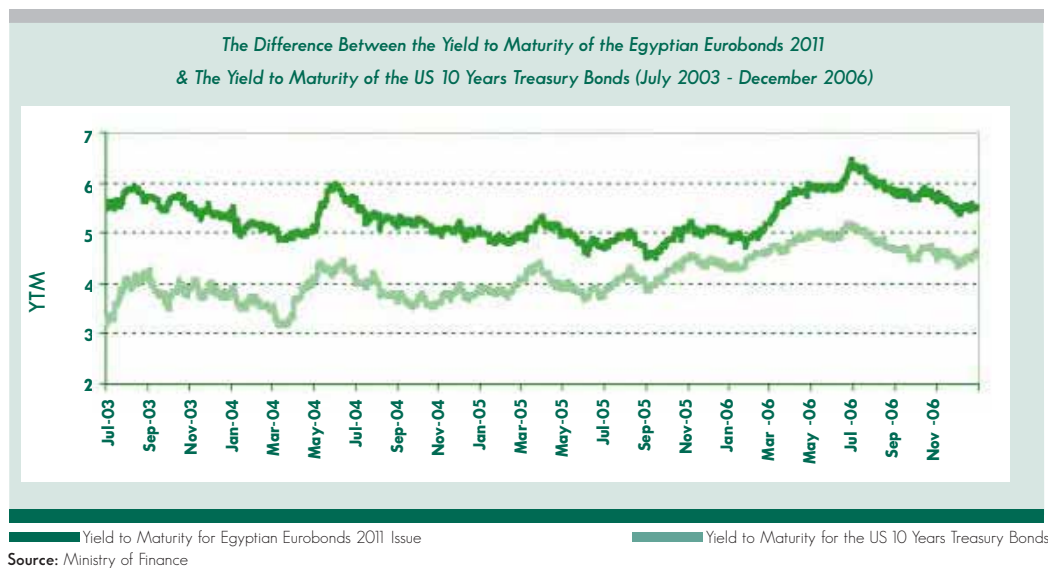
Source: Cairo & Alexandria Stock Exchanges

#### 4. Sovereign Eurobonds

In December 2006, the price of Eurobond 2011 decreased to reach 112.77 compared to 118, at the end of 2005, which in turn led to a higher yield to maturity of 5.52 percent versus 4.97 percent at the end of 2005, yet this bond is still traded at a premium, as depicted in Figure (21).

On 30 December 2006, the US ten year Treasury bonds yield went up to reach 4.66 percent compared to 4.34 percent in December 2005, while the spread over US Treasury reached 86.2 basis points, as depicted in Figure (22) and Table (18).

Figure (21)  
The Difference Between the YTM  
of the Egyptian Eurobonds and  
the US Treasury Bonds



Source: Ministry of Finance

Figure (22)  
Spread Over US Treasury  
(Basis Points)  
for Egyptian Eurobonds



Source: Ministry of Finance

Table (18)  
Eurobond Issues

Reuters Code	Issue Date	Maturity Date	Avg YTM %	Price (End of Dec 2006)	Spread over US Treasury (Basis Points)
EG013221413=	July 2001	July 2011	5.52	112.77	86.18

Source: Ministry of Finance

#### k) Mutual Funds

In December 2006, there were 35 local mutual funds operating in Egypt and managed by 11 fund management firms. Out of these 35 funds, there were 7 balanced funds, 10 equity funds, 8 fixed income funds, 4 Islamic funds, 3 asset allocator funds and 3 closed funds.

The total return of these funds ran up to 793 percent since inception till the end of 2006. However, the political instability in the region as well as the emerging and Arab markets slump in 2006, which had its negative impact on the Egyptian capital market, have also affected the funds performance in 2006, yet the majority of the funds were able to realize positive annual returns, with Credit Agricole Egypt II fund realizing the highest gains of 20.8%, followed by Credit Agricole Fund II, Bank of Alexandria, Banque du Caire and Egyptian Gulf Bank, with 15.4 percent, 15 percent, 12.4 percent and 11 percent gains, respectively, as illustrated in Figure (23).

From another perspective, year 2006 has witnessed the launch of 3 new Islamic mutual funds investing only in sharia-compliant companies, to join Faisal Islamic Bank fund, which was the first and the only Islamic mutual fund in Egypt till May 2006.

Worth mentioning that the CMA is currently studying the amendments in the rules that regulate the fund's activity in Egypt, including replacing the clause which restricts setting up mutual funds to banks and insurance companies with another one to allow other companies to launch mutual funds. The new amendments are intended to encourage the expansion of mutual funds business in Egypt.

Tables 19 (A) and (B) display the full details of these funds as of end of December 2006.

**Figure (23)**  
**Mutual Funds Performance**  
**During 2006**



Source: Management Company of Each Fund

**Table 19 (A)**  
**Performance of Local**  
**Mutual Funds**  
**During December 2006**

Fund	Fund Manager	Inception Date	Par Value LE	Size LE Million	Net Asset Value LE (December 2006)				Cash Distributions Since Date of Inception	Total Returns Since Inception (%) *
					7	14	21	28		
<b>Open End - Balanced Funds</b>										
National Bank of Egypt I	El Ahly Fund Management	Sep-94	500	200	1760.00	1772.00	1768.00	1800.00	0.00	260.00
Banque Misr I	Concord International Investments	Feb-95	100	500	103.33	104.06	103.68	104.08	87.30	91.38
National Bank of Egypt II	El Ahly Fund Management	Oct-95	100	300	86.40	87.00	86.50	86.00	107.00	93.00
Export Development Bank I	Cairo Fund Management	Oct-96	100	100	289.11	290.19	288.13	290.72	33.00	223.72
Suez Canal Bank	HC Securities	Dec-96	500	100	318.66	318.37	315.89	322.71	20.00	(31.46)
National Bank of Egypt III	HC Securities	Aug-05	100	200	110.05	111.10	111.15	110.50	6.50	17.00
El Watany Bank of Egypt	Hermes Fund Management	Aug-06	100	135	101.09	102.37	102.60	104.04	0.00	4.04
<b>Open End - Equity Funds</b>										
Credit Agricole Egypt I ***	Hermes Fund Management	Oct-94	100	300	294.84	304.89	304.92	311.24	121.75	332.99
Bank of Alexandria I	Hermes Fund Management	Nov-94	100	200	398.92	411.63	411.45	421.35	131.50	452.85
Banque Misr II	Concord International Investments	Sep-95	66.67	300	79.46	80.53	80.42	81.15	39.65	81.19
Banque du Caire	Hermes Fund Management	Nov-95	100	200	847.76	869.27	870.07	892.92	0.00	792.92
Credit Agricole Egypt II ***	Hermes Fund Management	Apr-97	100	300	139.20	143.68	143.80	148.15	37.50	85.65
Egyptian Gulf Bank	Hermes Fund Management	May-97	100	100	328.21	338.48	339.17	330.60	112.00	342.60
Banque Misr III ^	HC Securities	Dec-97	100	138.97	445.44	449.38	445.24	456.50	40.00	396.50
Shield Fund **	Concord International Investments	Feb-98	100	280	106.79	107.61	107.03	108.34	43.00	51.34
Misr Iran Development Bank I	HC Securities	Aug-98	100	100	430.28	433.69	432.84	437.75	70.00	407.75
Commercial International Bank II (Istithmar)	C I Asset Management	Apr-06	100	600	110.08	110.89	111.05	112.33	0.00	12.33
<b>Open End - Fixed Income Funds</b>										
Societe Arab Int'l Banque III	Prime Investments Fund Management	Feb-99	100	50	101.17	101.32	101.45	100.06	68.80	68.86
Credit Agricole Egypt III ***	Egyptian Fund Management Group	Jun-99	1000	150	1077.78	1079.66	1081.68	1000.25	782.05	78.23
Commercial International Bank I (Osoul)	C I Asset Management	Apr-05	100	1000	116.20	116.35	116.52	116.91	0.00	16.91
Misr Iran Development Bank II	HC Securities	Jul-05	1000	500	1032.22	1034.06	1035.67	1000.23	121.90	12.21
Bank of Alexandria II	Egyptian Fund Management Group	Apr-06	10	200	10.52	10.54	10.56	10.58	0.00	5.81
National Bank of Egypt IV	El Ahly Fund Management	Apr-06	100	145	105.05	105.22	105.39	105.61	0.00	5.61
National Societe Generale Bank (Thamar)	Egyptian Fund Management Group	Oct-06	100	100	101.82	102.01	102.19	102.43	0.00	2.43
Export Development Bank II	ABN-Amro-Delta Fund Management	Nov-06	100	100	100.74	100.92	101.10	101.34	0.00	1.34
<b>Open End - Islamic Funds</b>										
Faisal Islamic Bank	Hermes Fund Management	Dec-04	100	50	148.43	152.19	152.10	145.33	25.00	70.33
Egyptian Saudi Finance Bank	Hermes Fund Management	Jun-06	100	50	107.08	110.23	110.67	110.07	4.62	14.69
Faisal Islamic Bank-CIB (Al Amman)	C I Asset Management	Oct-06	100	100	101.27	101.49	101.82	102.80	0.00	2.80
Banque Misr IV	HC Securities	Oct-06	100	200	100.48	100.80	100.69	101.47	0.00	1.47

Fund	Fund Manager	Inception Date	Par Value LE	Size LE Million	Net Asset Value LE (December 2006)				Cash Distributions Since Date of Inception	Total Returns Since Inception (%) *
					7	14	21	28		
<b>Closed End Funds</b>										
Orient Trust	Egyptian Investment & Finance Co.	Feb-97	1000	50	1230.48	1230.88	1224.19	1231.36	100.00	33.14
Misr Direct Investment Fund	Al Ahly Development & Investment	Jul-99	1000	35	1065.60	1065.60	1065.60	1065.60	0.00	6.56
Arab Land Direct	Prime Investments Fund Management	Feb-00	1000	70	870.88	871.20	870.98	872.17	113.75	(1.41)
<b>Asset Allocator Funds</b>										
Arab Misr Insurance Group	Prime Investments Fund Management	Aug-95	500	100	746.89	749.93	748.81	760.06	212.00	94.41
Societe Arab Int'l Banque I	Prime Investments Fund Management	Jun-96	500	100	2196.54	2204.73	2201.36	2236.70	340.00	415.34
Societe Arab Int'l Banque II	Prime Investments Fund Management	Oct-97	100	200	276.15	277.15	277.02	281.30	74.00	255.30

**Table 19 (B)**  
**Performance of Local Mutual Funds During 2006 Compared to 2005**

Fund	Fund Manager	Par Value LE	Net Asset Value (LE)		Cash Distributions During 2006	Annual Return (%) **
			29-Dec-05	28-Dec-06		
<b>Open End - Balanced Funds</b>						
National Bank of Egypt I	El Ahly Fund Management	500	1737.50	1800.00	0.00	3.60
Banque Misr I	Concord International Investments	100	106.64	104.08	5.00	2.29
National Bank of Egypt II	El Ahly Fund Management	100	91.80	86.00	7.00	1.31
Export Development Bank I	Cairo Fund Management	100	267.81	290.72	0.00	8.55
Suez Canal Bank	HC Securities	500	358.34	322.71	0.00	(9.94)
National Bank of Egypt III	HC Securities	100	117.80	110.50	6.50	(6.68)
<b>Open End - Equity Funds</b>						
Credit Agricole Egypt I	Hermes Fund Management	100	269.61	311.24	0.00	15.44
Bank of Alexandria I	Hermes Fund Management	100	366.77	421.35	0.00	14.88
Banque Misr II	Concord International Investments	66.67	78.06	81.15	2.50	7.16
Banque du Caire	Hermes Fund Management	100	794.53	892.92	0.00	12.38
Credit Agricole Egypt II	Hermes Fund Management	100	122.65	148.15	0.00	20.79
Egyptian Gulf Bank	Hermes Fund Management	100	315.82	330.60	20.00	11.01
Banque Misr III	HC Securities	100	417.03	456.50	5.00	10.66
Shild Fund	Concord International Investments	100	215.64	108.34	0.00	(49.76)
Misr Iran Development Bank I	HC Securities	100	411.70	437.75	15.00	9.97

Fund	Fund Manager	Par Value LE	Net Asset Value (LE)		Cash Distributions During 2006	Annual Return (%) **
			29-Dec-05	28-Dec-06		
<b>Open End - Fixed Income Funds</b>						
Societe Arab Int'l Banque III	Prime Investments Fund Management	100	102.31	100.06	6.55	4.20
Credit Agricole Egypt III	Egyptian Fund Management Group	1000	1104.33	1000.25	83.80	(1.84)
Commercial International Bank I (Osoul)	C I Asset Management	100	108.06	116.91	0.00	8.19
Misir Iran Development Bank II	HC Securities	1000	1000.00	1000.23	37.85	3.81
<b>Open End - Islamic Funds</b>						
Faisal Islamic Bank	Hermes Fund Management	100	145.54	145.33	9.00	6.04
<b>Closed End Funds</b>						
Orient Trust	Egyptian Investment & Finance Co.	1000	1232.98	1231.36	100.00	7.98
Misir Direct Investment Fund	Al Ahly Development & Investment	1000	1077.20	1065.60	0.00	(1.08)
Arab Land Direct	Prime Investments Fund Management	1000	1029.01	872.17	0.00	(15.24)
<b>Asset Allocator Funds</b>						
Arab Misr Insurance Group	Prime Investments Fund Management	500	716.77	760.06	20.00	8.83
Societe Arab Int'l Banque I	Prime Investments Fund Management	500	2138.51	2236.70	70.00	7.86
Societe Arab Int'l Banque II	Prime Investments Fund Management	100	269.97	281.30	10.00	7.90

\* ((NAV (End of December 2006) - Par Value)+Cash Distribution)/Par Value

\*\* ((Net Asset Value 28/12/2006 + Cash Distributions during 2006 - Net Asset Value 29/12/2005)/ Net Asset Value 29/12/2005

^ The par value has changed from LE 1000 to LE 100 after the amendment of Article (5) of the fund's prospectus, effective 27/08/2006

^^ The Misr International Bank fund has changed to Shild Fund starting from 02/04/2006, with a split of 2:1 for certificates

^^^ The Egyptian American Bank Funds have changed to Credit Agricole Egypt Funds starting from 03/09/2006

Source: Management Company of Each Fund

## I) Global Depository Receipts (GDRs)

Most of the GDRs witnessed a retreat in their prices during the first half of 2006, affected by the general declines in their underlying local shares prices. However, some of the GDRs rebounded during the second half of the year, while others could not, yet performed better than the first half of 2006.

Table (20) below illustrates the changes in the GDRs' prices in 2006 compared to 2005. Figures (24-33) portray the closing prices of the GDRs over 2006.

**Table (20)**  
**Annual Price Change of**  
**Egyptian GDRs (%)**

	# of GDRs to Local Share	GDR Closing Price on 30/12/2005	GDR Closing Price on 29/12/2006	Annual Change in GDR Price %
Egyptian Financial Group Hermes Holding*	0.5	15.81	14.33	-9
Orascom Construction Industries (OCI)	0.5	74.40	96.50	30
Orascom Telecom (OT) **	1	53.50	66.00	23
El Ezz Steel ***	0.33	15.10	39.00	158
Commercial International Bank (CIB)	1	9.87	9.80	-0.7
Pachin	3	2.40	2.50	4
Misr International Bank (MIBank)	2	4.70	3.38	-28
LAKAH Group****	0.33	0.44	0.44	0
Suez Cement	1	12.90	12.00	-7
Telecom Egypt	0.2	16.21	12.99	-20
Lecico	1	10.50	10.25	-2

All values in US\$

\* 2 Rights Issue were announced, in February and March 2006 with a subscription allocation ratio of 1 : 5 shares and 2 : 1 share, respectively.

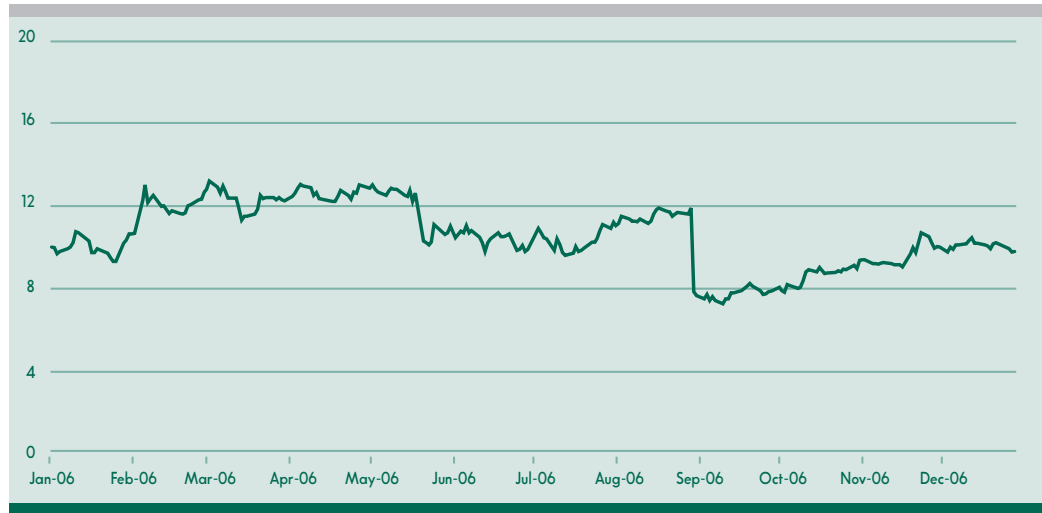
\*\* Conversion ratio has changed to 1:1, effective 23 January 2006

\*\*\* A swap deal was executed with Alexandria National Iron & Steel with a swap ratio of 219

\*\*\*\* Closing price on 03/03/2005

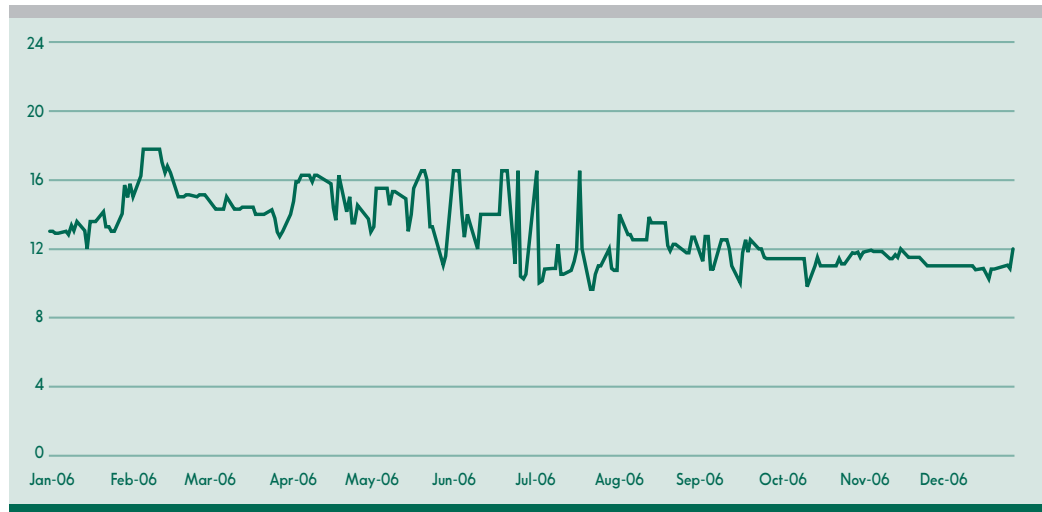
Source: Reuters

Figure (24)  
 Commercial International Bank  
 (CIB) GDRs Closing Prices (\$)   
 Jan-Dec 2006



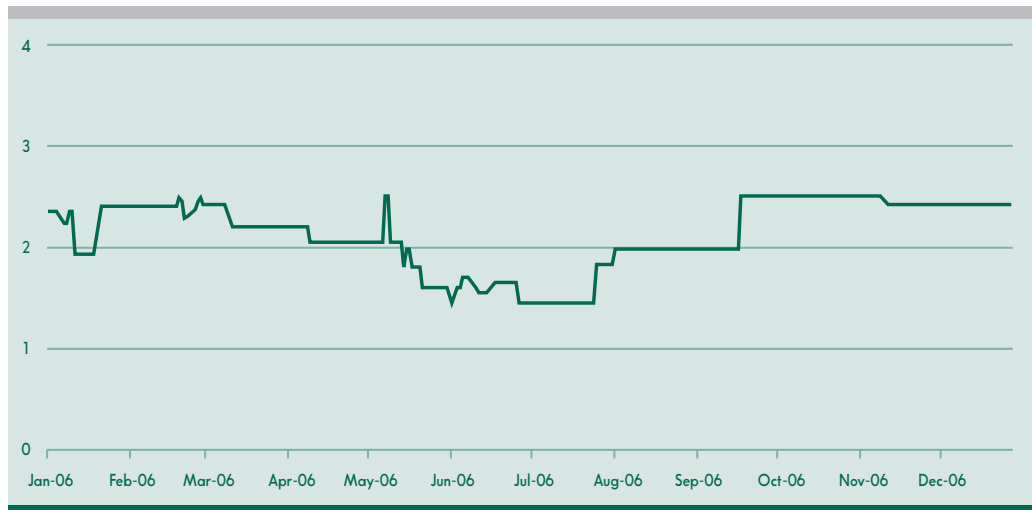
Source: Reuters

Figure (25)  
 Suez Cement GDRs  
 Closing Prices (\$)   
 Jan-Dec 2006



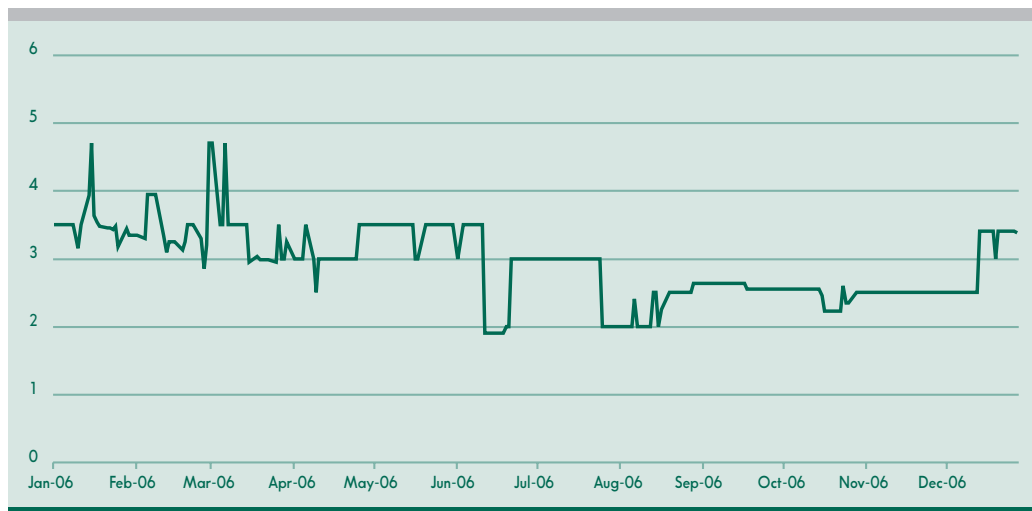
Source: Reuters

Figure (26)  
 Paints and Chemicals (Pachin)  
 GDRs Closing Prices (\$)  
 Jan-Dec 2006



Source: Reuters

Figure (27)  
 Misr International Bank (MIBank)  
 GDRs Closing Prices (\$)  
 Jan-Dec 2006



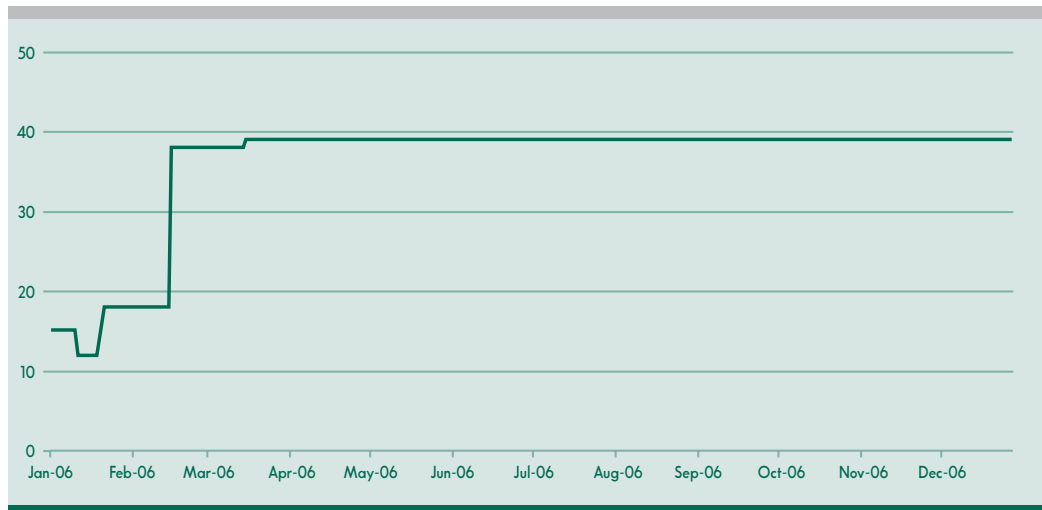
Source: Reuters

Figure (28)  
 EFG - Hermes GDRs  
 Closing Prices (\$)   
 Jan-Dec 2006



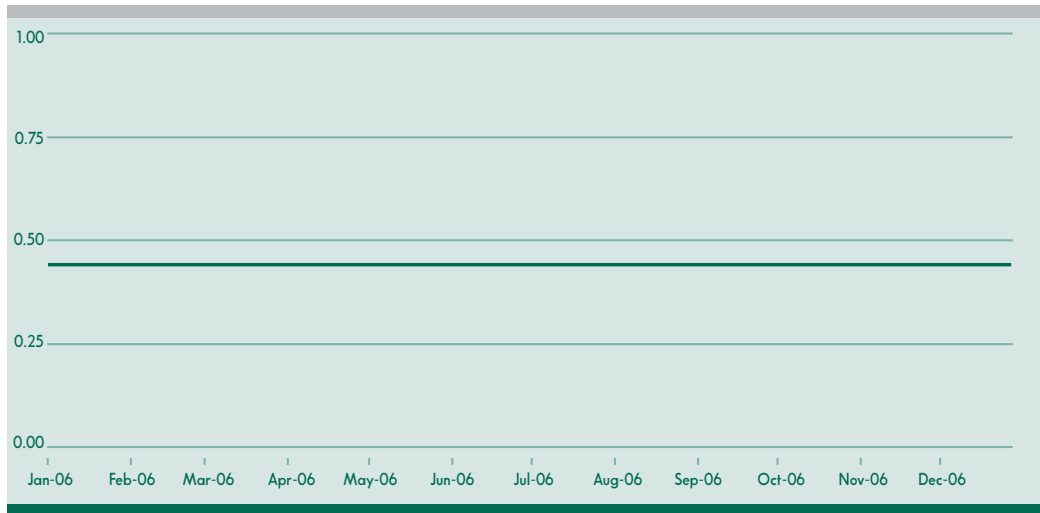
Source: Reuters

Figure (29)  
 El Ezz Steel Rebars GDRs  
 Closing Prices (\$)   
 Jan-Dec 2006



Source: Reuters

Figure (30)  
 The Holding Company for  
 Financial Investments  
 (Lakah Group) GDRs  
 Closing Prices (\$) Jan-Dec 2006



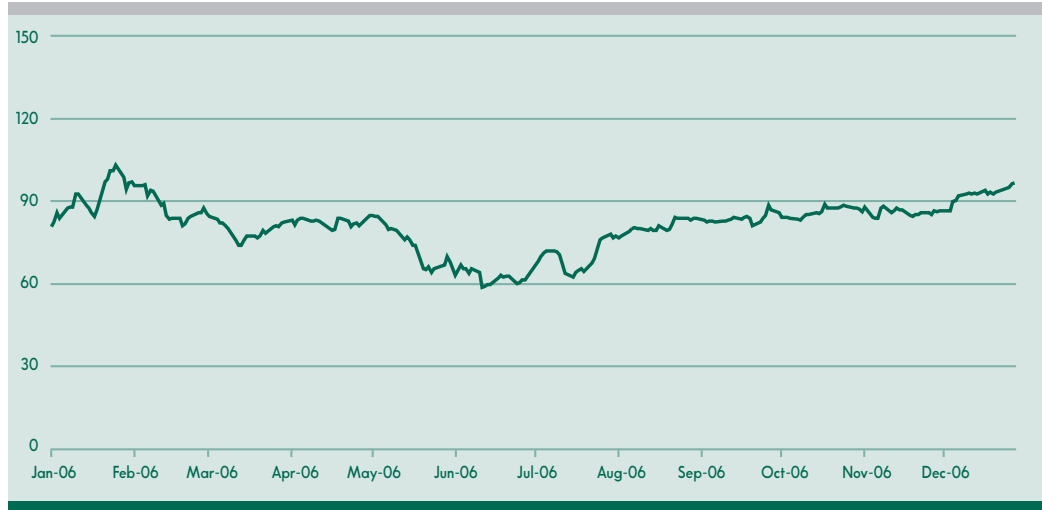
Source: Reuters

Figure (31)  
 Orascom Telecom Holding (OT)  
 GDRs Closing Prices (\$) Jan-Dec 2006



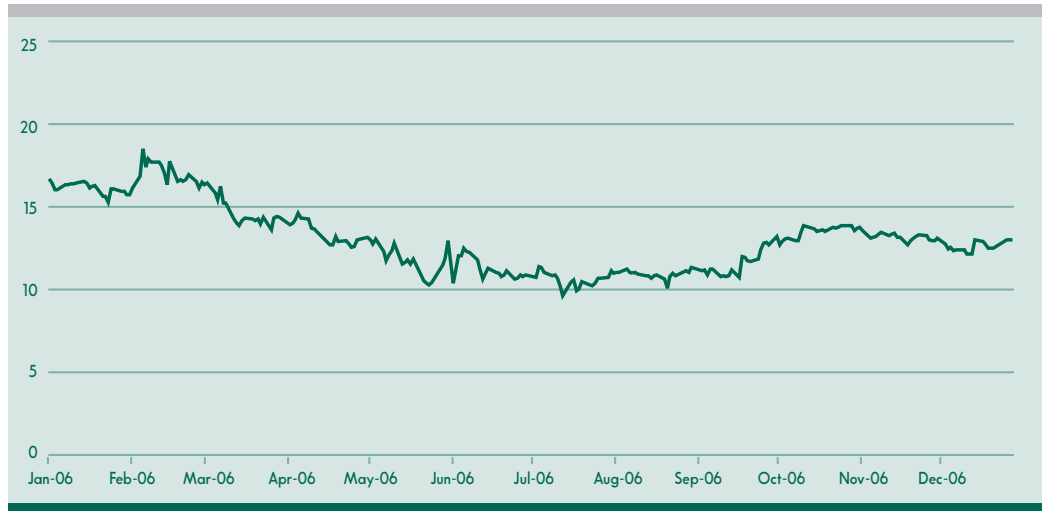
Source: Reuters

Figure (32)  
 Orascom Construction Industries  
 (OCI) GDRs  
 Closing Prices (\$)   
 Jan-Dec 2006



Source: Reuters

Figure (33)  
 Telecom Egypt GDRs  
 Closing Prices (\$)   
 Jan-Dec 2006



Source: Reuters

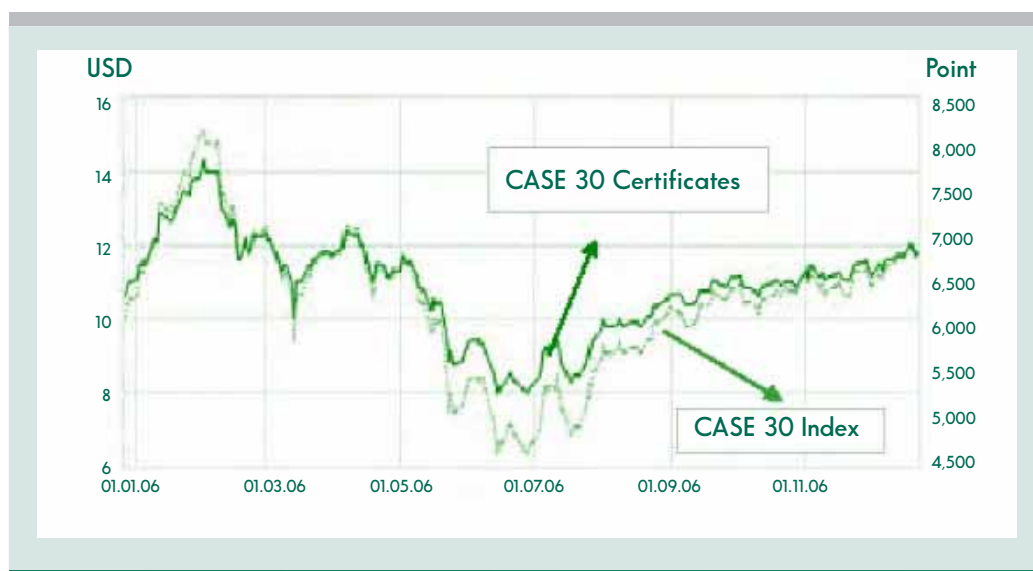
### m) Performance of CASE 30 Certificates

#### 1. CASE 30 Certificates Issued by ABN-Amro

##### a. Open End Certificates Performance:

- Figure (34) below shows the performance of the first issuance by ABN-Amro of 500,000 open end certificates on CASE 30 index, that was listed and traded on SWX since 27 October 2005 and has realized 11 percent gains during 2006.

Figure (34)  
The Performance of ABN-Amro  
CASE 30 Open End Certificates  
Listed on SWX



Source: ABN-AMRO website

- The second issuance of CASE 30 open end certificates by ABN-Amro was on 31 October 2005, with 50,000 certificates listed and traded on Frankfurt Stock Exchange. Figure (35) shows the performance of these certificates, which increased by around 1.12 percent during 2006.

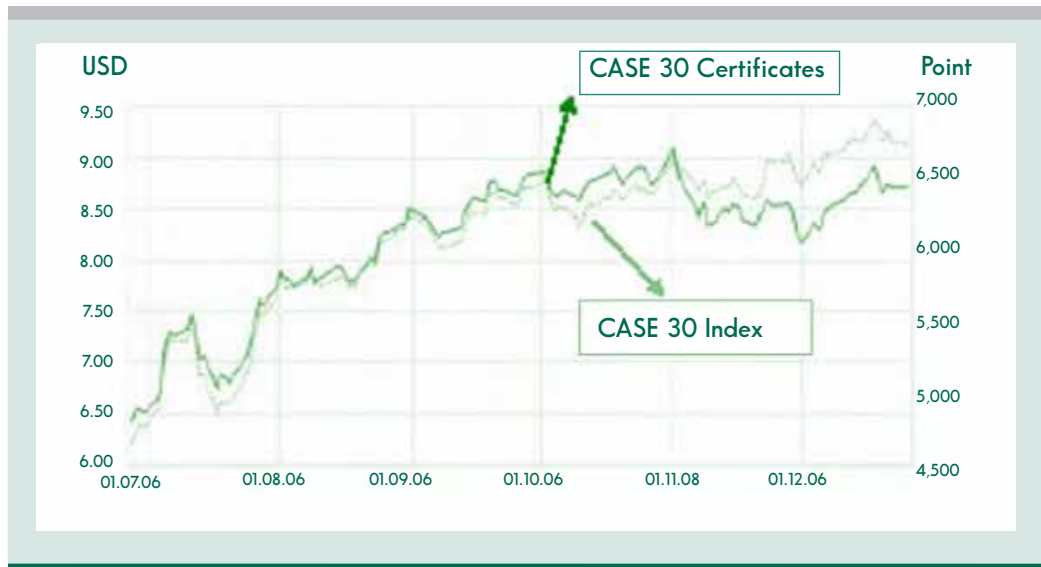
Figure (35)  
The Performance of ABN-Amro  
CASE 30 Open End Certificates  
Listed on Frankfurt SE



Source: ABN-AMRO website

• Figure (36) illustrates the performance of the third issuance of 500,000 CASE 30 open end certificates by ABN-Amro that were listed and traded on Euronext Amsterdam, starting 9 March 2006. The certificates surged by 41.6 percent during the second half of 2006.

Figure (36)  
The Performance of ABN-Amro  
CASE 30 Open End Certificates  
Listed on Euronext

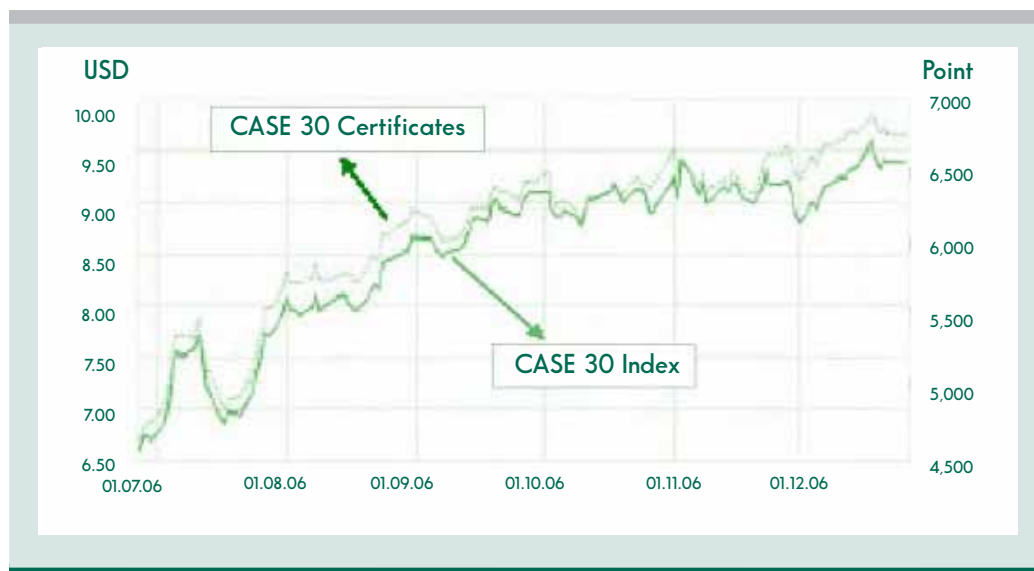


Source: ABN-AMRO website

**b. Close End Certificates Performance:**

For the first time, 500,000 close end certificates on CASE 30 index were issued on 15 June 2006, with a price of 7.14 Euro per certificate, worth 3,570,000 Euro, to be listed and traded on Borsa Italiana and maturing on 18 June 2010. The close end certificates rose by around 36 percent since its issuance and till the end of 2006, as manifested in Figure (37).

*Figure (37)  
The Performance of ABN-Amro  
CASE 30 Closed End Certificates  
Listed on Borsa Italiana*



Source: ABN-AMRO website

**2. CASE 30 Certificates Issued by Deutsche Bank**

The price of these certificates has declined by 7 percent since their issuance on 13 March 2006 till the end of 2006 as shown in Figure (38) below.

Figure (38)  
The Performance of Deutsche  
Bank CASE 30 Open End  
Certificates



Source: Deutsche Bank website

### 3. CASE 30 Certificates Issued by Goldman Sachs

The performance of these certificates has witnessed a decrease of 10 percent since their issuance in May 2006 till end of 2006.

## D. Arab Markets Performance

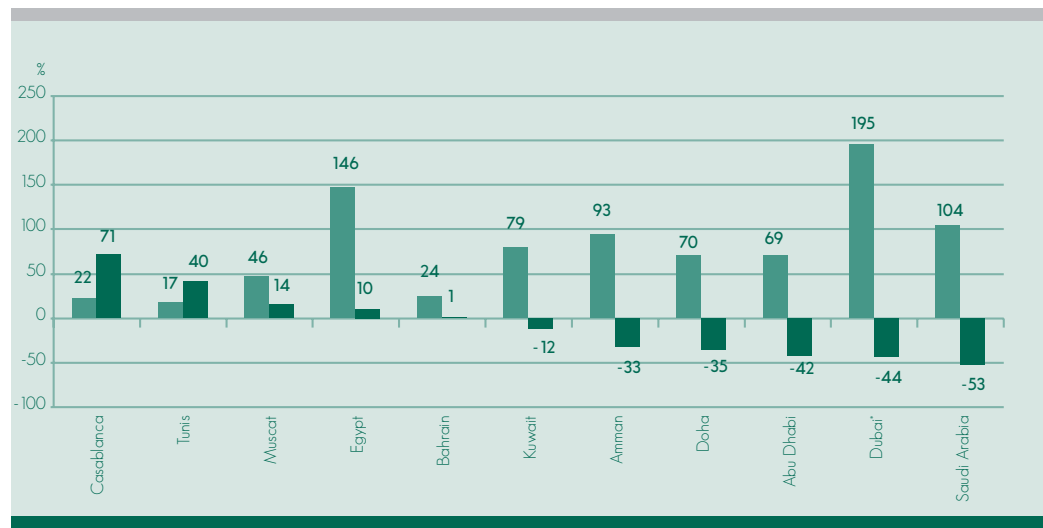
Following a bullish performance over the past three consecutive years, Arab markets endured a severe retraction in 2006, with a sharp correction sweeping across most of the region.

The steep decline was mainly attributed to the decreasing investors' confidence in their overheated markets, higher interest rates as well as the political instability in the region arising from the violence escalation in Iraq and the war in Lebanon. Meanwhile, the entrance of a large segment of highly leveraged short-term investors further exacerbated the effects of the decline.

Only the stock markets in Casablanca, Tunis, Oman, Egypt and Bahrain ended the year in a positive territory, as illustrated in Figure (39). Casablanca led all Arab markets with a robust increase of 71 percent, followed by Tunis and Muscat, which put on gains of 40 percent and 14 percent, respectively. The Egyptian market came fourth in line, concluding the year with more than 10 percent gains, followed by Bahrain with a mere 1 percent increase.

The Saudi market, on the other hand, was hit hard, retreating by 53 percent, followed by Dubai Financial Market, Abu Dhabi Securities Market and Doha Securities Market, recording 44 percent, 42 percent and 35 percent losses, respectively.

**Figure (39)**  
Gains/Losses in  
Arab Markets Indices  
(2005 vs. 2006)

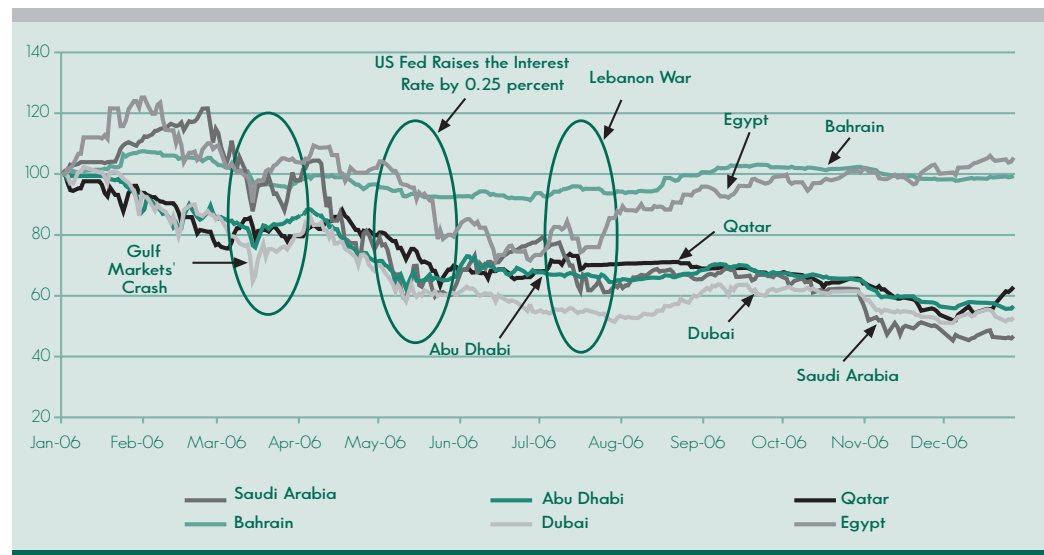


\* A new index was launched in 2006 replacing the market main index.  
Source: Arab Exchanges websites

The peak of these declines took place in March, when most of the Gulf investors liquidated portfolios throughout the region to cover their margin positions in their home countries.

Another major challenge to the Arab markets was the US Federal Reserves announcing an increase in interest rate to 5.25 percent, together with the Lebanon war, which had their negative impacts on the Arab markets. Figure (40) illustrates the 3 major shocks of 2006 and their effects on the Arab markets performance. Only Egypt and Muscat were able to endure these challenges, realizing 46 percent and 15 percent gains, respectively in the second half of 2006.

**Figure (40)**  
**Egypt vs. GCC Markets**  
**Performance in 2006**



Source: Reuters and Arab Exchanges website

These heavy declines resulted in diminishing the aggregate market capitalization of all Arab stock markets by 31 percent to culminate at US\$ 888 billion, compared to US\$ 1.3 trillion at the end of December 2005, as highlighted in Table (21). This was mainly attributed to the dramatic fall in equity prices in 2006 as well as the decline in the region listed companies. The total market capitalization of the GCC markets declined by 39 percent to reach US\$ 696 billion, versus US\$ 1.1 trillion at the end of last year.

The number of total listed companies was cut down to 1615 companies compared to 1665 companies at the end of 2005, mainly affected by the reduction in CASE listed companies, which accounted for almost 37 percent of the region total listed companies.

Individually, Saudi Arabia market capitalization lost almost half of its end of 2005 capitalization, followed by Abu Dhabi and Palestine Stock Exchanges, with their market capitalization tumbling by 39 percent each, over the year. Doha and Dubai market capitalization have also retreated by 30 percent and 22 percent, respectively, as portrayed in Figure (41).

On the other hand, Casablanca and Beirut market capitalization registered the highest increase in 2006, yet still the lowest in value terms, growing by 81 percent and 69 percent, respectively, followed by Tunis, Khartoum, Bahrain and Egypt with a 51 percent, 45 percent, 21 percent and 18 percent upsurge in their market capitalization, respectively.

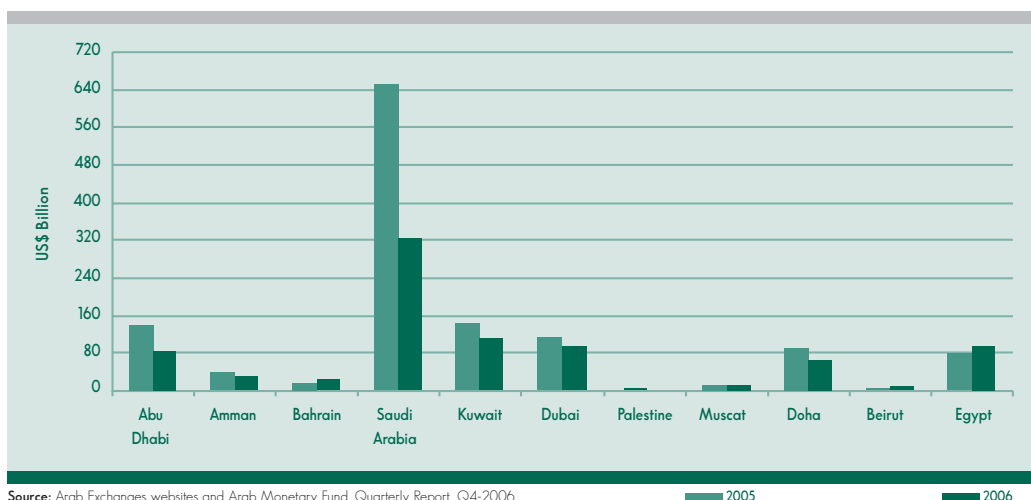
Saudi Arabia Stock Exchange still accounts for the lion share of the region capitalization, though dropping to 37 percent in 2006, down from a 50 percent share of the region's capitalization in 2005. Meanwhile, Kuwait and Egypt made up around 12 percent and 11 percent of the region market capitalization in 2006, up from 10 percent and 6 percent, respectively, last year. Dubai and Abu Dhabi Stock Exchanges came in the fourth and fifth places, constituting 10 percent and 9 percent, compared to 9 percent and 10 percent in 2005, respectively, as demonstrated in Figure (42).

**Table (21)**  
**Arab Exchanges**  
**Main Indicators**

	Number of Listed Companies (End of Period)		Market Capitalization (US\$ Billion)		Value Traded (US\$ Billion)		Volume Traded (Billion Shares)	
	2005	2006	2005	2006	2005	2006	2005	2006
Abu Dhabi Securities Market	59	60	132.4	80.7	28.5	19.2	8.3	11.3
Amman Stock Exchange	201	227	37.6	29.7	23.8	21.6	2.6	4.3
Bahrain Stock Exchange	47	50	17.4	21.1	0.7	1.4	0.5	0.7
Saudi Stock Exchange	77	86	646.1	326.9	1,103.6	1,402.9	12.3	54.4
Kuwait Stock Exchange	156	180	123.9	106.0	97.3	59.6	52.2	37.7
Casablanca Stock Exchange	54	63	27.3	49.4	7.9	9.1	0.4	0.2
Algeria Stock Exchange	3	2	0.1	0.1	0.00005	0.0003	0.00001	0.0001
Tunis Stock Exchange	45	48	2.8	4.2	0.5	0.6	0.04	0.1
Dubai Financial Market	30	46	112.0	86.9	110.3	94.7	25.5	39.6
Khartoum Stock Exchange	49	52	3.2	4.6	0.5	1.0	1.7	7.6
Palestine Stock Exchange	28	33	4.5	2.7	2.1	1.1	0.4	0.2
Muscat Securities Market	125	121	12.1	13.0	3.3	2.2	0.5	0.9
Doha Securities Market	32	36	87.1	60.9	28.3	20.6	1.0	2.4
Beirut Stock Exchange	15	16	4.9	8.3	0.9	2.0	0.1	0.1
Cairo & Alexandria Stock Exchanges	744	595	79.4	93.4	27.9	50.2	5.3	9.1
<b>Total</b>	<b>1,665</b>	<b>1,615</b>	<b>1,290.7</b>	<b>888.0</b>	<b>1,435.6</b>	<b>1,686.1</b>	<b>110.8</b>	<b>168.6</b>

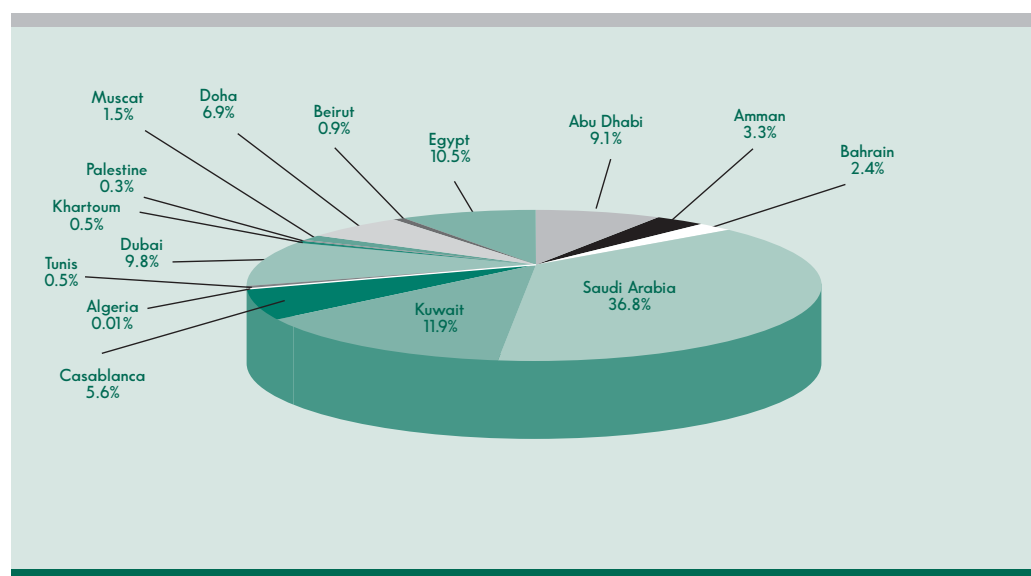
Source: Arab Exchanges websites and Arab Monetary Fund, Quarterly Report, Q4 - 2006

Figure (41)  
Arab Exchanges Market  
Capitalization  
(2005 vs. 2006)



Source: Arab Exchanges websites and Arab Monetary Fund, Quarterly Report, Q4-2006

Figure (42)  
Market Capitalization of  
Individual Exchanges as a  
Percentage of Total Arab  
Exchanges Market  
Capitalization  
(End of December 2006)



Source: Arab Exchanges websites and Arab Monetary Fund, Quarterly Report, Q4 - 2006

Nevertheless, the accumulated value traded of the Arab region surged to US\$ 1.7 trillion up from US\$ 1.4 trillion, with Algeria Stock Exchange registering the highest increase in the region, growing by a robust 596 percent over 2006, yet still remain thin in value terms, locking in US\$ 0.3 million. Beirut, Bahrain and Khartoum Stock Exchanges came in the second, third and fourth places, hiking by 120 percent, 95 percent and 92 percent, respectively. Egypt ranked fifth, with its value traded jumping by 80 percent over the year.

Saudi Arabia grew by only 27 percent in value traded, yet, it still makes up around 83 percent of the region total value traded, securing US\$ 1.4 trillion worth of shares traded in 2006 compared to a recorded value of US\$ 1.1 trillion last year. Tunis witnessed only a 6 percent rise in its value traded in 2006. The rest of the Arab markets have experienced a retreat in their recorded traded values in 2006 compared to the previous year.

Likewise, the cumulative volume traded of the region soared by 52 percent in 2006, reaching 169 billion shares as the regulators in many markets allowed stock split to encourage retail investors' participation. Algeria realized the highest gains in volume traded, which surged by 433 percent in 2006. The trading volume of Saudi Arabia Stock Exchange mounted to 54 billion shares in 2006, with an upsurge of 343 percent over last year, which was mainly due to a new regulatory development reducing the par value of shares from SR 50 to SR 10 to enhance liquidity and attract more retail investors. Khartoum and Doha Stock Exchanges came in the third and fourth places, recording a 338 percent and 135 percent increase in 2006, respectively. Muscat Stock Market ranked fifth, recording 925 million shares in 2006 compared to only 512 million shares last year, on the back of the stock splits undertaken by listed companies, resulting in an 82 percent increase in the volume traded in 2006.

From another perspective, the initial public offerings (IPOs) have done relatively well in 2006. The total number of IPOs in 2006 amounted to 23 up from 21 in 2005. Meanwhile, the average size of offerings has grown to US\$ 363 million up from US\$ 262 million last year, which asserts the big appetite for investor, despite the continued fall in equity markets. The IPOs in the GCC markets witnessed a dramatic increase in 2006, raising around US\$ 13.5 billion which is more than twice the US\$ 6.2 billion risen in 2005, with Saudi Arabia capturing half of the number of the total IPOs in the GCC markets.

Although over subscription rates dropped and the number of IPOs increased only slightly, primary markets showed impressive performance irrespective of last year's slump in secondary markets.

## E. World Stock Markets Performance

The world stock markets witnessed a mixed performance during 2006, whereby most of the developed markets manifested good performance, while the emerging markets, in particular in Africa and the Middle East have recorded severe losses reaching 35 percent in some countries according to MSCI price index.

Table (22) illustrates the world stock markets performance in 2006, ranked by the percentage change in MSCI price indices, where only 4 markets out of the 50 markets tracked by MSCI recorded losses; namely, Jordan which incurred the sharpest losses in 2006, slipping by 32 percent, followed by Turkey (-9 percent), Israel (-7 percent) and Pakistan (-2 percent).

China was the best performer, soaring by 78 percent during 2006, followed by Indonesia and Argentina, which grew by 70 percent and 66 percent, respectively.

The Egyptian stock market, on the other hand, concluded the year with a YOY increase of 15 percent, outperforming all Arab exchanges, except for Morocco which realized 63 percent gains during the year, as depicted in Figure (43) .

Worth mentioning that the top 9 performers were all belonging to the emerging markets, realizing annual returns running down to 49 percent.

Figure (44) compares the performance of emerging markets with G7 industrial countries, where emerging markets outperformed the G7 industrial countries for the sixth year in a row. According to MSCI Price Index, the Emerging Markets grew by a remarkable 29 percent in 2006, compared to only 16 percent gains for G7 countries.

Moreover, Egypt has also outperformed Middle East and Africa Region, according to S&P Global Index (S&P/IFCG), with S&P/IFCG Egypt soaring by 8 percent compared to a 16 percent losses recorded by S&P/IFCG Middle East and Africa at the end of 2006, as shown in Figure (45).

Table (22)  
World Stock Markets  
Performance, 2006

Ranked by % Change in MSCI Price Indices in US\$		
Rank	Market	% Change in MSCI Price Index
1	China	78.12
2	Indonesia	69.61
3	Argentina	66.07
4	Morocco	62.65
5	Venezuela	62.16
6	Philippines	55.39
7	Russia	53.71
8	Peru	52.13
9	India	48.95
10	Spain	44.83
11	Ireland	43.86
12	Portugal	43.43
13	Sri Lanka	42.78
14	Singapore	41.91
15	Norway	41.56
16	Brazil	40.52
17	Sweden	40.49
18	Mexico	39.04
19	Denmark	36.84
20	Poland	35.35
21	Austria	34.75
22	Belgium	33.27
23	Malaysia	33.11
24	Germany	33.03
25	France	31.68
26	Greece	31.60
27	Hungary	31.11
28	Czech Republic	29.64
29	Netherlands	28.23
30	Italy	28.06
31	Finland	27.15
32	Australia	27.09
33	Chile	26.40
34	Hong Kong	26.27
35	United Kingdom	26.20
36	Switzerland	25.86
37	South Africa	17.25
38	Taiwan	16.30
39	Canada	16.18
<b>40</b>	<b>Egypt</b>	<b>14.84</b>
41	USA	13.18
42	Korea	11.21
43	Colombia	10.92
44	New Zealand	10.02
45	Thailand	6.76
46	Japan	5.09
47	Pakistan	-1.66
48	Israel	-7.11
49	Turkey	-9.22
50	Jordan	-32.48

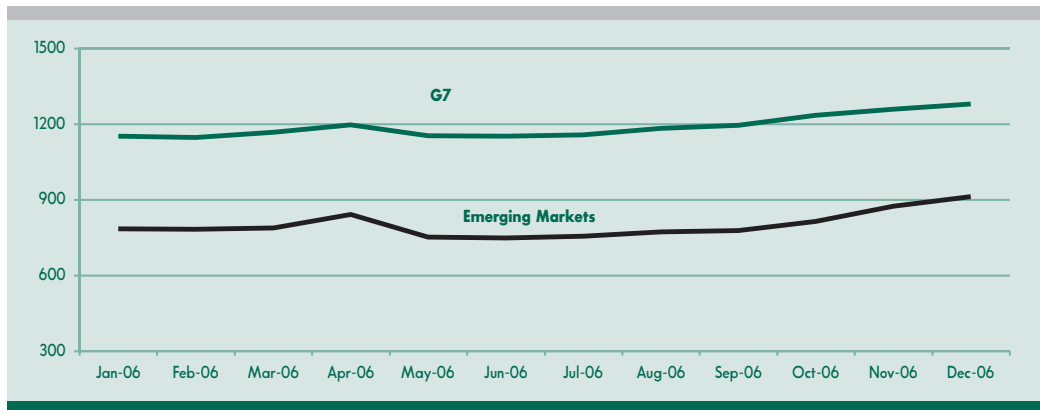
Source: Morgan Stanley website

Figure (43)  
 Percentage Change in MSCI Price  
 Index of 28 Selected Markets  
 (End of 2006)



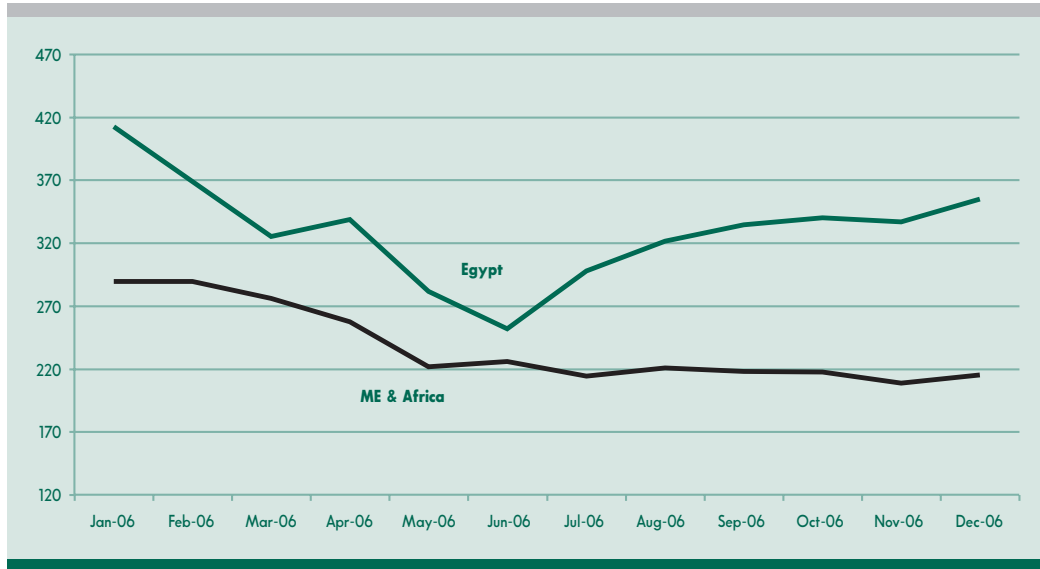
Source: Morgan Stanley website

Figure (44)  
 Performance of MSCI Emerging  
 Markets Relative to MSCI G7  
 Industrial Countries in 2006



Source: Morgan Stanley website

Figure (45)  
Performance of S&P/IFCG  
Egypt Relative  
to S&P/IFCG Middle East  
& Africa in 2006



Source: Standard & Poor's website

### Comparative Valuations of the S&P/IFCG Index

Table (23) shows the comparative valuations of the 35 emerging markets (spread over four regions) tracked by S&P/IFCG indices in December 2006 vis a vis December 2005. The table portrays the price earnings multiple (PE), price to book value (P/BV) and dividend yield (DY) for these markets.

The Zimbabwe market was the most expensive in the emerging markets, with the highest recorded PE and P/BV of 156.8x and 98.2x, respectively, while registering the lowest dividend yield of 0.2 percent. The Saudi market came second, registering a PE of 52 times and a recorded P/BV of 7.6x at the end of 2006, as depicted in Figures (46) and (47).

The Price Earnings (PE) ratio for the 50 most active stocks in the Egyptian market (Liquid Market) reached 21x earnings in December 2006, versus a recorded 22x earnings at the end of 2005.

As for the dividend yield (DY), Egypt and Bahrain came on top of the Middle East- Africa region, recording 4.2 percent, each, and came fourth among the emerging markets, after Venezuela (5.7 percent), Oman (4.6 percent) and Thailand (4.5 percent), as illustrated in Figure (48).

Figure (49) asserts that Egypt still offers attractive valuations compared to other emerging markets, with a lower PE ratio and favorable DY.

**Table (23)**  
**Comparative Valuations**  
**of the S&P/IFC Indices**

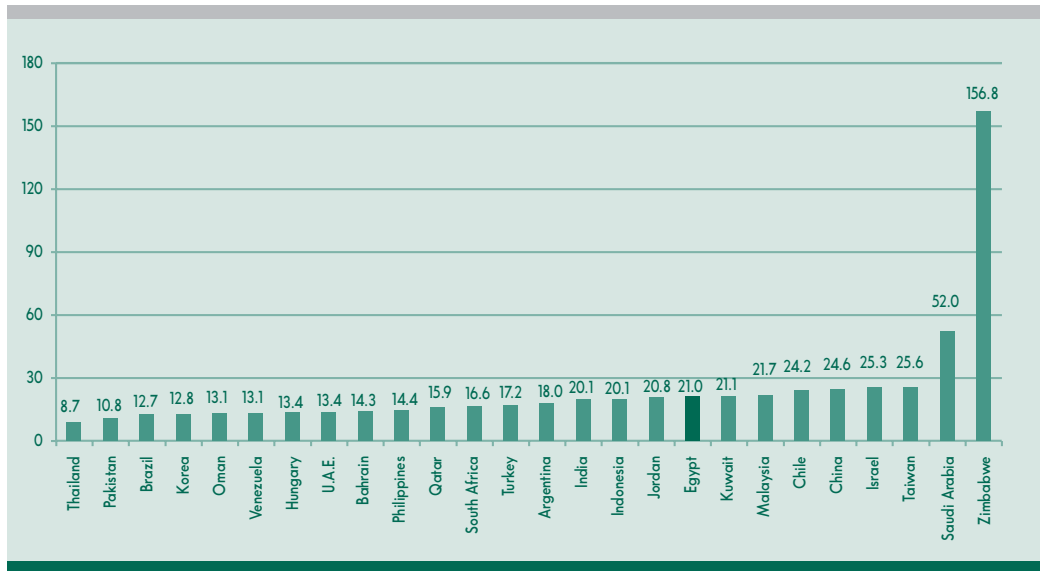
Market	Price-Earnings Ratio	Price-Book Value Ratio	Dividend Yield %	Market	Price-Earnings Ratio	Price-Book Value Ratio	Dividend Yield %
	Dec-05	Dec-05	Dec-05		Dec-06	Dec-06	Dec-06
<b>Latin America</b>				<b>Latin America</b>			
Argentina	11.09	2.50	1.20	Argentina	18.03	4.09	1.21
Brazil	10.66	2.16	3.98	Brazil	12.66	2.68	3.38
Chile	15.69	1.93	2.99	Chile	24.15	2.43	2.07
Colombia	28.79	2.41	1.38	Colombia	21.86	1.78	1.96
Mexico	14.21	2.88	2.18	Mexico	18.63	3.84	1.24
Peru	11.97	2.17	3.45	Peru	15.71	3.47	3.83
Venezuela	5.10	0.72	6.27	Venezuela	13.13	2.59	5.71
<b>Asia</b>				<b>Asia</b>			
China	13.94	1.81	2.56	China	24.60	3.12	1.29
India	19.42	5.15	1.25	India	20.05	4.89	1.07
Indonesia	12.63	2.50	2.74	Indonesia	20.11	3.35	2.18
Korea	20.75	1.95	1.70	Korea	12.79	1.74	1.49
Malaysia	15.04	1.67	4.33	Malaysia	21.72	2.08	3.72
Pakistan	13.10	3.51	2.50	Pakistan	10.78	3.17	3.96
Philippines	15.69	1.73	2.63	Philippines	14.39	1.92	2.00
Sri Lanka	23.57	2.56	2.47	Sri Lanka	15.35	2.41	1.77
Taiwan	21.89	1.93	3.39	Taiwan	25.57	2.36	3.06
Thailand	9.95	2.06	3.05	Thailand	8.70	1.85	4.51
<b>Europe</b>				<b>Europe</b>			
Czech Republic	21.12	2.35	1.42	Czech Republic	20.04	2.39	3.71
Hungary	13.48	3.08	2.05	Hungary	13.36	3.08	1.83
Poland	11.70	2.53	2.48	Poland	13.92	2.52	3.36
Russia	24.06	2.19	1.07	Russia	16.59	2.53	1.83
Turkey	16.15	2.13	1.81	Turkey	17.15	1.95	2.19
<b>Mid-East/Africa</b>				<b>Mid-East/Africa</b>			
Bahrain	31.69	2.73	1.77	Bahrain	14.26	2.23	4.16
<b>Egypt *</b>	<b>21.99</b>	<b>9.08</b>	<b>3.82</b>	<b>Egypt *</b>	<b>21.03</b>	<b>5.85</b>	<b>4.16</b>
Israel	19.99	3.00	1.58	Israel	25.32	3.48	2.55
Jordan	57.10	6.24	2.19	Jordan	20.83	3.30	1.06
Kuwait **	-	-	-	Kuwait **	21.08	4.52	2.97
Morocco	22.35	2.92	3.61	Morocco	22.45	3.11	2.22
Nigeria	20.71	5.36	3.14	Nigeria	24.07	5.22	2.29
Oman	15.76	2.28	2.15	Oman	13.05	2.19	4.64
Qatar **	-	-	-	Qatar **	15.85	2.73	1.69
Saudi Arabia	104.75	14.54	1.25	Saudi Arabia	52.02	7.57	2.65
South Africa	12.79	2.98	3.09	South Africa	16.58	3.80	2.77
U.A.E. **	-	-	-	U.A.E. **	13.39	3.07	2.12
Zimbabwe	67.52	49.83	0.19	Zimbabwe	156.77	98.22	0.19

\* P/E and DY ratios are based on the 50 most active companies.

\*\* Kuwait, Qatar and UAE joined the S&P indices in March 2006.

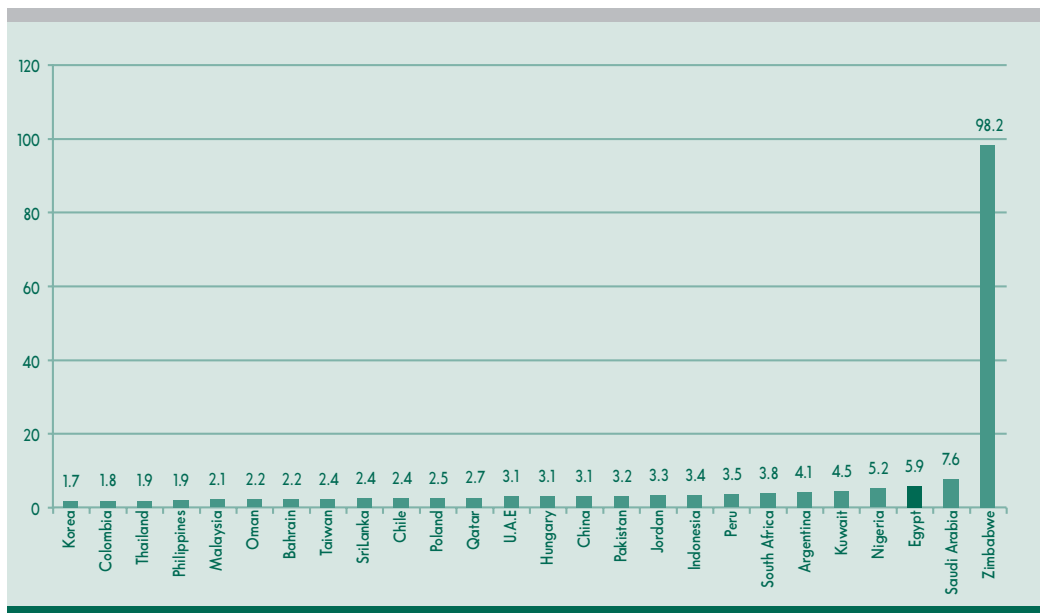
Source: S&P/IFC.

**Figure (46)**  
**Price Earnings Ratio**  
**for Egypt vs.**  
**Other Selected Countries**  
**(End of December 2006)**



Source: Standards & Poor's website

**Figure (47)**  
**Price to Book Value of Egypt**  
**vs. Other Selected Countries**  
**(End of December 2006)**



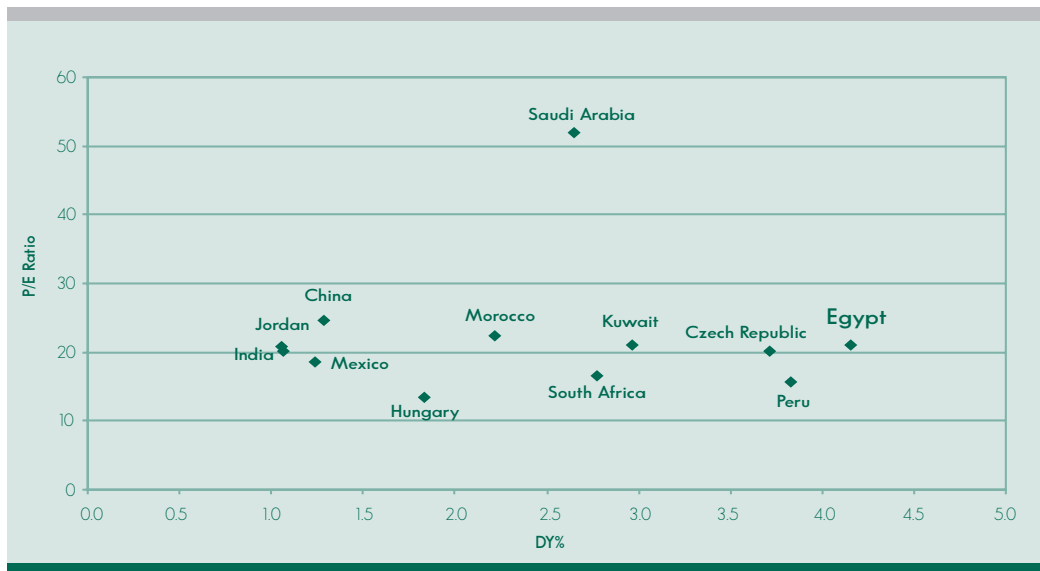
Source: Standards & Poor's website

Figure (48)  
Dividend Yield of Egypt  
vs. Other Selected Countries  
(End of December 2006)



Source: Standards & Poor's website

Figure (49)  
Comparative Valuations of the  
SB/IFCC Indices  
(P/E Ratio vs. Dividend Yield as  
of End of December 2006)



Source: Standards & Poor's website

# Appendices

Appendix (1)  
Summary of Current Listing Rules  
Set by CASE and Approved by  
the Capital Market Authority

## I. General Guidelines to Listing

1. All listed securities must be deposited at the Central Depository.
2. The company's by-laws should not include any constraints on the trading of the securities to be listed.
3. Listing should be made for all the issued securities and any subsequent issues shall be recorded within two months from the date of the CMA approval on the capital increase.
4. Listing and de-listing decisions is the sole responsibility of the Listing Committee at CASE, which is chaired by the Chairman of CASE and its members are appointed & chosen from the following entities:
  - One member appointed by CMA.
  - Two employees from CASE chosen by the Board of Directors of CASE.
  - One member from the 10 most active listed & traded companies on CASE.
  - One member from the securities firms operating under Capital Market Law No. 95/1992.
  - One member from the Egyptian Society of Accountants and Auditors.
5. The request of the issuer or the listed company for listing will be published at the Exchange's web site ([www.egyptse.com](http://www.egyptse.com)), the daily bulletins issued by the Exchange, for ten days, prior to its listing. During this period, public comments may be submitted in writing, to the Listing Committee of CASE.

## Foreign Securities

Foreign securities are to be listed according to the same terms of listing securities of Egyptian companies in addition to the following requirements:

- 1- The security should be listed on one of the foreign exchanges that are subject to the supervision of a recognized entity practicing mandates similar to that of the CMA. The currency of the security should be convertible to the Egyptian pound.
- 2- The company shall review and prepare its financial statements according to internationally accepted accounting and auditing standards, publish financial statements, the related comments and auditor's report in one of the daily widespread newspapers published in Egypt. This should be done within one month from the date of its approval by the regulating authority at the country of the company's headquarters.

## Holding Companies

Holding companies that have not issued financial statements for a whole fiscal year, are allowed to list their shares on the schedule where the majority of their affiliate companies comply with its requirements.

To list their shares, holding companies should meet the following requirements:

- 1- The Holding company should have at least 2 affiliate companies.
- 2- The issued and paid in capital should not be less than LE 500 million or its equivalent.

- 3- The number of shares should not be less than 500 thousand shares.
- 4- Percentage of the net profit before taxes for all affiliate companies should not be less than 5 percent of their capital, according to the latest annual financial statements before the listing.
- 5- Shareholders' equity for all affiliate companies must not be less than total issued and paid in capital, according to the latest annual financial statements before the listing.
- 6- The holding company must be committed within 3 months from the listing date to the following:
  - Offering its shares for trading on the stock exchange, by not less than 30 percent of its total issued shares, either through public or private offering.
  - The number of investors should not be less than 150 after the offering
  - The free float for the company's shares after the offer should not be less than 15 percent.
  - The company should publish the requested disclosure report mentioned in Article no. 138 of the executive regulations of Law no. 159/1981
- 7- Founders should not be less than 25 percent of the company's capital for at least 2 years starting.

The Listing Committee has the right to de-list the company if it did not comply with the above mentioned offering requirement.

Holding companies requesting to list on CASE should submit along with the listing application, their financial statements since inception, the Auditors' report as well as the financial statements for their affiliate companies for at least one fiscal year.

## II. Disclosure Rules

- 1- Disclosure rules are mandatory for all listed companies on all CASE schedules.
- 2- The issuer or listed company should refrain from engaging in promotional activities, which might affect investors negatively and prevent them from taking well-informed investment decisions. Such acts includes inappropriately worded news releases, public announcements that are not justified by actual or factual business, exaggerated reports or predictions, flamboyant and other forms of overstated or over-zealous disclosure activities, which could mislead investors and cause unfavorable and unusual price movements in the issuers' securities prices.
- 3- The issuer or listed company should refrain from disclosing any given information, specifically designated to financial analysts, financial institutions or other parties, before disclosing them to the market as a whole. (Ensure fair disclosure to all entities at the same time).
- 4- The issuer must appoint a senior employee as an "Investor Relations Officer", whose main responsibility is to provide information and respond to queries of the Exchange, investors and analysts. The Investor Relations Officer must prepare and provide press releases to the market, as requested by the Exchange.

### A- Regarding Organization and Corporate Governance

- 1- Notify CASE in details about the Board of Directors of the issuer, its key officers including their work experience, background, qualifications, training, expertise, etc.
- 2- Business contracts between the company and its directors, management and shareholders.
- 3- Business contracts with related parties.
- 4- Organizational structure of the issuer (it must be shown if the company is a holding company or a subsidiary).
- 5- Detailed percent of shareholders structure (detailed ownership) in both the holding company and subsidiaries, that equals or exceeds 5 percent.
- 6- All transactions between the issuer and any of its shareholders or any of the shareholders in its subsidiaries.

- 7- The existence of an Audit Committee, the names of its members and the description of duties.
- 8- The internal procedures and regulations undertaken by the issuer, which do not permit a director or any other insider, from purchasing or selling securities of the company, based on insider information.

#### **B- Regarding Financial Statements and Financial Reporting:**

- 1- Send a copy of the financial statements, immediately after the issuance of Auditor's Report to the Exchange and the CMA, within a maximum of three months period after the fiscal year end.
- 2- Publish a "Board Report" that provides an overview about the company activities during the year.
- 3- Send a copy of the quarterly financial statements, accompanied by a review report, to the Exchange and the CMA, within a maximum of forty five days, after their issuance.
- 4- The financial statements of the issuer must be prepared, in accordance with the Egyptian Generally Accepted Accounting Principles (EGAAP). The EGAAP follow the International Accounting Standards, with few exceptions.
- 5- Issuers whose securities are listed on the Official Schedule (1), (2) and Unofficial Schedule (1) must publish their financial statements, together with the related footnotes and the Auditor's Report, in two daily morning and widely circulated newspapers, one of which, must be in Arabic.
- 6- Issuers whose securities are listed on the Unofficial Schedule (2) must publish the annual financial statements, together with the related footnotes and the Auditor's Report, as soon as being approved by the General Assembly, in the daily news published by the Exchange on its website.

#### **C- Regarding Material Events**

- If a material or significant event occurs, the issuer must immediately notify the Exchange. Material events include but are not limited to: new issue of bonds, material changes in shareholders' structure, purchase of treasury stocks, change in the issuer's financial leverage, material changes in investment policies, government decrees that might affect the issuers' activities etc.
- Directors and senior managers of the company & brokerage firms must inform the CMA of their trading on the company's shares, before their execution.

#### **D- Regarding Dividends**

- The issuer must publish the decisions of the General Assembly Meeting concerning the declaration of cash or stock dividends in two daily morning, widely spread newspapers, one of them in Arabic.
- The listed company must start the legal procedures concerning the increase of capital by issuing stock dividends, once the General Assembly decision is approved.
- The issuer must inform the Exchange of the payment date (cash or stock dividends), fifteen days prior to such date, together with the announcement in two daily morning, widely spread newspapers.

### **III. Penalties**

#### **1. De-listing**

Securities listed on the Stock Exchange shall be de-listed in the following cases:

- a- If it appears that listing is made on the basis of incorrect information that affects the validity of listing.

- b- If the listed company does not comply with disclosure according to the provisions of these rules after one month of receiving a related notification from the Exchange.
- c- If the listed company does not comply with the financial standards used as a basis for listing for two consecutive years after the listing date.
- d- If one of the listing conditions stipulated in Article (3) of these rules is no longer applicable.
- e- If the foreign securities that are represented by the Egyptian Depository Receipts are de-listed\*.
- f- If a period of six consecutive months passed without any trading on the company's shares.
- g- If the company does not pay the required listing fees or violated the declarations included in paragraph (d) of Article (3) of these rules.

The company may complain against the de-listing decision to the CMA within fifteen days from the day of being notified of the decision.

#### **Optional delisting:**

Listed securities may be de-listed upon a request from the issuer and after a decision is taken by the Listing Committee provided the following conditions are met:

- 1- The company's Extraordinary General Assembly resolution is issued with a majority of 75% approving de-listing securities from the Exchange.
- 2- No objection is made on part of any shareholder on the Extraordinary General Assembly's resolution within one month from the date of the resolution. In case of objection by any of the shareholders or some of them, they will then have the right to sell their shares to the company at the highest price traded during the month preceding the date of the de-listing resolution.
- 3- No objection from any other party having the company's shares pledged as a guarantee for a debt on the company or any of its shareholders within one month from the date of the de-listing resolution. In case of objection by the pledgee, he shall have the right to sell the pledged shares to the company at the highest price traded during the month preceding the date of the de-listing resolution.

## **2. Administrative Penalties**

- A penalty of LE 5000, if the issuer failed to disclose information that results in loss to investors. The penalties could be doubled in case of reoccurrence during the same year.
- Failure to send the required financial statements on time, results in a penalty that stated in Article 65 added by Law 143 /2004.

\* When a foreign company listed on a foreign stock exchange wishes to list its securities on CASE, it could do so through issuing Egyptian Depository Receipts, which are then listed on CASE. In the event said securities are de-listed from the foreign stock exchange, this will consequently result in the de-listing of the Egyptian Depository Receipts representing such securities.

### General Provisions

The Membership rules aim at enforcing governance principles and limiting the risks ensued from the trading activities, whereby the member firm will be licensed to undertake a certain activity according to his financial and technical capability, the experience of the company's executives and employees, the IT systems used for data processing as well as the existence of early warning systems.

### Stock Exchange Membership

The Stock Exchange membership shall be for companies licensed by the CMA to exercise securities intermediaries' transactions and other activities related to securities brokerage.

### Application for Stock Exchange Membership

Application for the Stock Exchange membership, together with all other requested documents stipulated in the rules shall be submitted to the Membership Committee. The application shall be submitted according to the format prepared by the stock exchange and approved by the CMA for that purpose. The names of all employees working for a member shall be registered at the Stock Exchange as per the terms and provisions included in the rules.

The Stock Exchange may contact the competent entities to verify the validity of the data and statements submitted from the company, it may also take any of the procedures referred to in the executive regulations in case of revealing the invalidity of any of the data and declaration referred to.

### The Stock Exchange Membership Committee

A Membership Committee, presided by the Chairman of CASE, is appointed by the Exchange's Board of Directors to review membership applications and is required to render its decision in 30 days. The Committee shall comprise nine members- including CASE Chairman:

- 1- Six members from CASE Board of Directors representing different entities.
- 2- One of CASE managers.
- 3- One of CASE legal counselors.

CASE membership department will be the executive arm for membership terms and procedures and shall assist the committee in performing its functions. The manager of the membership department shall be the committee's secretary.

### The Stock Exchange Authority in Verifying Member's Compliance with Membership Rules

Without violation to the CMA's authorities and rights stipulated in the law and the executive regulations, the committee shall have the right to take any of the actions necessary to make sure that a member complies with the correct application of the rules and provisions governing his activity.

The committee shall also have the right to follow any of the measures stipulated in executive regulations of the law in case of any violation committed by a member or any member company employees of such rules and decrees.

The Stock Exchange shall notify the CMA with any information it has on the violation of members or any of its employees.

### Activities Exercised by Members

The activities to be exercised at the Stock Exchange can be grouped into two groups of activities according to the availability and compliance with the criteria and conditions as follows:

#### Basic Activities

These are the activities allowed for all Stock Exchange members provided that they get a license to practice the activity of securities intermediaries and satisfy the financial and technical conditions included into the rules governing trading at the Stock Exchange. The activities include the following:

- 1- Cash transactions not deferred trading.
- 2- Orders Market - Over the Counter.
- 3- Deals Market - Over the Counter.

#### Specialized Activities

These are the activities that could be exercised by the Stock Exchange members provided that they get the license required by the CMA and satisfy all the financial and technical solvency standards required to exercise these activities. These include:

- 1- Margin trading
- 2- Short selling
- 3- Intra-day trading
- 4- Public and private placements and takeover offers
- 5- Primary dealers
- 6- Custodian activities
- 7- Online trading
- 8- Any other capital market activities added and licensed by the CMA

### Classification of the Stock Exchange Members

Stock Exchange members could be classified as follows:

#### Section One: An Executing Member Who Undertakes Settlement:

A member in this section is allowed to exercise all the basic activities only and not the specialized ones according to the license granted by the CMA and in view of the financial solvency of a member and his technical capabilities.

#### Section Two: An Executing Member Who Undertakes Settlement Through Custodians:

This section includes the stock exchange members who are not members at the central depository and registry company provided that they sign a written agreement with one of the custodians who will undertake the settlement. They may exercise activities according to the license granted by the CMA and in view of the financial solvency of a member and his technical capabilities.

**Section Three: An Executing Member Who Undertakes Settlement and Exercise the Specialized Activities:**

A member in this section is authorized to exercise any of the basic activities in addition to the possibility of exercising any of the specialized activities according to the license granted by the CMA and in view of the financial solvency of a member and his technical capabilities.

**Section Four: Primary Dealers:**

This section includes Stock Exchange members who are banks and have a license from the CMA to work as a primary dealer. This is in addition to the members from securities brokerage companies who have license that requires dealing and brokerage in bonds activity according to Article three of the issuing articles of decree no. 480 of year 2002 of the Minister of Finance.

**Section Five: Custodians**

This section includes Stock Exchange members who have a license to practice custodian activity.

**Members' Rights and Obligations****Members' Rights**

Without violation to members' rights included into any of the laws, or regulations, or rules or decrees governing and regulating trading in the Stock Exchange, the members shall have the following rights:

- 1- A member may submit his remarks and proposals concerning developing or updating the effective membership rules.
- 2- A member has the right to submit a complaint to CASE Chairman or the Committee whether against any of his clients or other members or any of the Stock Exchange departments provided that the complaint is supported with the documents that confirm its validity.

**Members' Obligations**

A member shall submit the annual financial reports to the Stock Exchange no later than 90 days after the end of the fiscal year and the quarterly financial reports no later than 45 days after the end of the quarterly period. All the reports shall be prepared according to the Egyptian Accounting Standards.

A member shall notify the Stock Exchange in writing whenever any of the following events occur:

- 1- A law-suit or a legal action is raised against a member or any of his employees related to his activity at the Stock Exchange or raising a public action against any of the member's founders or managers or employees.
- 2- Any change in the management or administrative structure or legal system of the member.
- 3- Any change in the member's shareholders' structure that entails that what he owns exceeds 5 Percent of the member's share capital.
- 4- A member's inability or failure to pay his debts or financial obligations towards others.
- 5- Exceeding the credit allowed for clients for more than the limits stipulated for the members licensed to exercise this activity or violation of any of the additional financial percentages or standards included into the executive regulations of the law.
- 6- Variables that might lead to the violation of any of the financial standards to be adhered to and limiting the net capital to be maintained by the member.
- 7- Any new emerging conditions that affect the member's ability to protect the rights of his clients while stating the reasons and circumstances of such conditions and the steps and procedures taken or to be taken.

### Modification or Suspension of Activity

- A member may not exercise any new activity or suspend any other activity he is exercising unless the issue is submitted to the Committee and a relevant approval is issued.
- A member may notify the membership department whenever any modifications are made on his capital.
- A member may also notify the Committee with any conditions or cases that might violate the standards and conditions used to allow him to exercise his activity.

### Risk Management

Each member shall set a Risk Management Department that will specify the risks he faces and how to manage and overcome them. It shall also determine Members capital adequacy as well as the formulas and software to determine acceptable risks and ensure that the member's minimum solvency is adhered to. A member shall also establish the systems for the department to guarantee the accurate performance of its tasks.

### Internal Control System

A member has to establish an internal control system to make sure that all tasks performed by the employees and the executors of transaction are correct and that a member shall be responsible for the efficiency of his internal control system.

### Internal Auditors' Reports

A member's internal control officer shall notify the CMA and the Stock Exchange immediately and in writing of any errors or violations to the laws, regulations, rules, procedures and systems governing dealing in the Stock Exchange in addition to any errors in execution committed by any of the member's employees whenever they are discovered.

### The Efficiency of the Member's Employees

A member has to make sufficient investigations on his employees specially the executors, internal auditors, employees in charge of supervising clients' balances and having direct contact with them and their managers and the employees of research departments. It is not allowed to appoint employees who are not licensed by the CMA as per the rules established by the CMA in this regard.

The CMA and Stock Exchange shall have the right, at any time, to request data on the member's employees.

### Employees and Board Members Trading Structures

In compliance with the controls issued by the CMA regulating trading, a member shall notify the market control department at the stock exchange with the trading data for any of the board members, managing directors, managers, executors or for the benefit of their relatives up to the second degree or the commercial partners before the beginning of the trading session where the relevant orders shall be inserted into the trading systems.

### Maintaining Confidentiality

All the member's employees shall maintain the confidentiality of the client's accounts and data and the market participants. All the employees of the member firms are prohibited from releasing client's confidential information or accounts or clients' data or market participants.

### Conflict of Interest

A member shall notify the client and receive a prior agreement from him before executing any order for his benefit in the following cases:

- 1- If the member participates in marketing or promoting the traded security.
- 2- If the member has previously participated in the placement process of the security during the last year.
- 3- If the member and the security's issuing entity are liable to one legal entity or one department or there is an affiliation between them.

### Insider Information Based Transactions

Without violation to the laws or regulations or rules of decrees regulating work at the stock exchange, a member, his employees and the market participants are not allowed to benefit from insider information by any means.

Trading a security is prohibited if the person dealing came to know, whether directly or indirectly, related material information and he knows that it is existing and unannounced information.

Members shall also comply with the procedures of disclosure of dealings of insiders within issuing companies in addition to treasury shares as per the rules and procedures of listing and delisting of securities and any rules or decrees issued concerning insider information based transactions.

### Unjustifiable Effect on Securities Prices and Illegal Agreements

A member or any of his employees are not allowed to manipulate prices. Price manipulation will occur if one or more of the following acts are committed:

- 1- Affecting the market or prices through trading or execution of transactions that do not lead to the change of the actual beneficiary.
- 2- Publish or help publish non-audited or misleading news, in addition to publishing news related to an expected change in the price of security with the purpose of having an effect on its prices or the relevant transactions.
- 3- Provide clients with inaccurate or misleading information or recommendations or giving recommendations or information to clients that lead to excessive or unjustifiable dealing to achieve a special benefit or with the purpose of receiving commissions.
- 4- Previously agreed upon transactions or effecting transactions or inserting orders into the Stock Exchange Trading System with the purpose of making a fictitious effect on the existence of trading on a security or manipulate its prices with the purpose of facilitating the sale or purchase of such a security.
- 5- Participate in any agreement or practices that lead to misleading or deceiving investors or create an effect or a fictitious control over the price of one security or some securities in the market as a whole.
- 6- Inserting orders, whether on his own or in collaboration with others, into the Stock Exchange Trading System with the purpose of creating a misleading or false image of the volume of activity or liquidity of

a certain security in the market.

- 7- Inserting orders into the Stock Exchange Trading System to create a false effect on the market or prices without a real ownership transfer.

#### Utilizing or Making Use of Front Running

A member or any of his employees may not make use of an order or a group of orders issued from a client or a group of clients if such quantities may change the price of the security or trade in the same direction of the order before executing clients' orders and thus achieve profits for himself or for others.

In addition, a member may not enter an agreement with others or issue recommendations for them to go into the same directions of these orders before executing them.

#### Compliance with Anti-money Laundering

Members shall comply with the application of Law No. 80 of year 2002 concerning anti-money laundering and its executive regulations and controls issued by the CMA to that effect.

#### Membership Expiration and Termination

The membership will expire in the following cases:

- The expiration of the member's legal entity.
- Termination of the license of practicing the activity at the Stock Exchange.
- Liquidations of the member's activity in consideration to the provisions of Article 33 of the Capital Market Law No. 95 of the year 1992.

A member may request to terminate his membership in consideration to the provisions of this article provided that he submits his application to the Stock Exchange at least three months before the date he requests the termination of his membership during which he shall pay all his dues towards third parties.

The application related decision shall be issued by the Stock Exchange Board of Directors upon a report from the Membership Committee. The request shall not be approved unless it has been verified that a member pays all of the obligations referred to.

#### Appendix (3) Summary of CASE Intra-day Trading Rules

In August 2005, the Capital Market Authority (CMA) Chairman issued Decree No. 24, which introduced the "Intra-day Trading" concept for the first time to the Egyptian market.

According to the rules, member firms wishing to carry out Intra-day Trading transactions, should first obtain a license from the CMA and should meet the following requirements:

- A Minimum deposit of LE 5 million in one of the clearing banks in order to meet the settlement of the Intra-day Trading transactions. Member firms can only trade within the limits of four times the amount deposited at the clearing bank.
- A disclosure statement from the member firm to its clients on the investment risks involved with such transactions.
- The form of the contract issued between the member firm and the client including the detailed rights and obligations of each party.

Only securities that fulfill the following requirements can be traded according to the Intra-day Trading System.

- The securities must be dematerialized.
- The securities must be listed on the Stock Exchange.
- The minimum trading days of the security should not be less than 95 percent of the total number of trading days throughout the year.
- The average number of brokerage companies executing transactions on this security should not be less than 50 companies per year.
- The security average number of transactions per day should be at least 1 percent of the total market average number of transactions throughout the year.
- The minimum free float should be 15 percent of the total listed shares.

Before the start of the trading session, CASE shall announce on the trading terminals the securities permitted to be traded according to this system.

At the investors' level, investors must conduct the intra-day trading transactions (the purchase and the sale) through one broker. Moreover, the volume of daily transactions made by one investor, according to this system, should not exceed 1/10,000 (one over ten thousand) of the company's listed securities on CASE.

The Misr for Central Clearing, Depository and Registry (MCDR) shall perform real time Gross Settlement (RTGS) for intra-day trading transactions.

Finally, in order to ensure investor protection and stability in the market, and for the benefit of the market participants, the CMA retains the right to suspend any violating member firms or modify the daily transactions value of the member firm.

**Appendix (4)**  
**Summary of Online Trading Rules**

The Online Trading System, which was introduced in June 2006, allows member firms to receive securities sale and purchase orders from their customers and execute these orders through the Internet, after obtaining an approval from the CMA.

Member firms wishing to provide online trading services, must fulfill the requirements set out in the Resolution No. 49 of 2006 issued by the Chairman of the Board of Directors of the CMA for licensing member firms, in addition to the following:

1. Provide a secure system that prevents information from being hacked through the Internet.
2. Provide an efficient electronic platform to receive, register and confirm clients' online orders in a safe and secure way, which is consistent with the member firm's business plan.
3. Submit a certificate from Misr for Central, Clearing, Depository and Registry (MCDR) stating that the brokerage firm has fulfilled the above two mentioned requirements.

The CMA approval as well as the MCDR certificate (previously mentioned) should be submitted to the Membership Committee in CASE for approval within a maximum of thirty days.

The licensed members should provide all the technical requirements such as computers, electronic link systems, licensed computer systems, maintenance contracts as well as all administrative requirements.

CASE has the right to verify that all licensed members have in place proper security & protection systems, in particular:

- 1- The security of the online trading network and the verification of data.
- 2- The security of the web server systems for receiving orders via the Internet.
- 3- The security systems for the communications between both the client and the member firm and between member firms and market participants.

CASE also verifies that all information and data are safe from any manual correction or deletion.

Finally, it is strictly forbidden for all licensed members to match their buy and sell orders through their own systems without getting through CASE trading system.

**Appendix (5)**  
**Licensed Member Firms for**  
**Online Trading**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Commercial International Brokerage Company	4	SIGMA
2	Pioneers for Securities	5	Arabia Online
3	Hermes Securities Brokerage		

Source: Cairo & Alexandria Stock Exchanges

**Appendix (6)**  
**Omnibus Accounts Rules**

An Omnibus Account<sup>\*</sup> allows trading in the name of the Asset Manager on behalf of its individual clients throughout the trading session. After the trading session ends, transactions are transferred from the Omnibus account of the Asset Manager and are allocated to individual investors' accounts.

The following explain the process:

- The Asset Manager must submit to the CMA and CASE all detailed information about all the client accounts (portfolios or funds) that it manages including (names of clients- their unified codes- clients' account numbers at the custodians) with a confirmation for custodians, provided that trading via omnibus account will be done by member brokerage firms of CASE, that is willing to use this facility and are chosen according to the asset manager.
- Registering the name of the account of the Asset Manager and its related sub-clients' accounts is effected by CASE on a separate database for Omnibus Accounts, after CASE approves the documents received from the Asset Manager regarding its clients. CASE then sends an electronic copy of this information to MCDR.
- Member firms, that are authorized to use this facility, will execute the orders of the Asset Manager by putting the orders under the name of "Omnibus Accounts" during the trading session.
- CASE will provide member firms, that are authorized to use this facility, with a separate electronic system in order to execute the orders of its clients (Asset Managers). The electronic system includes a table, which has on its first line: total aggregate traded volume, the number of transactions, the name and ISIN Code of the security, the type of transaction (sell or buy), the average price of execution during the trading session of the Omnibus Accounts and the client unified code. The next lines will include the names and the unified codes of the original clients' under the Omnibus Accounts based on the already registered and approved documents submitted by the Asset Manager and approved by the custodian.
- Before executing for Omnibus Accounts, the member broker firm must check the Code number "12" for Omnibus Accounts and also all sub-accounts for clients under this code so that the member firm could later re-allocate the shares.
- The execution of Omnibus Account (whether buy or sell transactions) will be undertaken during the trading session by using a temporary code for the custodian number "7779". Later, member firms can register the

<sup>\*</sup> An Omnibus account is when an asset manager pools together the assets of several clients in one account.

- correct code of custodians for sub-clients during the time given for the re-allocation process, which is after the trading session ends.
- The member firm that uses this system is obliged after the end of the trading session to re-allocate the total traded volume of the Omnibus accounts to the original individual clients' that are under the Omnibus Account according to the order requested by the Asset Manager. This process should be finished after the end of the trading session and up to 3:30 p.m.
  - CASE system will electronically re-allocate these transactions, after they were inputted by member firms, by reverse transactions, for all the transactions that were executed under the Omnibus Accounts during the trading session. The system provides new serial numbers for those transactions. (One transaction for each original client account).
  - Then CASE electronically sends a feed to MCDR of the reverse transactions that are conducted to re-allocate the executed traded volumes under the Omnibus Accounts to the original clients' accounts from 3:35 p.m. till 4:00 p.m.
  - MCDR provides a separate program for reservation order through which member firms can reserve the volume of securities that need to be sold for a group of original accounts through an aggregate account, provided that a provisional order is sent to the Omnibus Accounts to CASE with the normal reserve orders. In addition to that member firms will send the actual reserve orders of the original clients' accounts in a new separate electronic file to CASE, including the number of the provisional order of the aggregate accounts, mentioning the special provisional reservation order of the Omnibus Accounts.
  - CASE will announce the member firms that are eligible and authorized to use this system via its various dissemination means

**Executive procedures of Omnibus Accounts to be followed by member firms are as follows:**

**A- Buy Orders**

1. Member firms shall execute the orders of the Asset Managers, authorized to use this facility, by placing a buy order, upon the client's request, on CASE trading system under the Omnibus Accounts used during the trading session.
2. Member firms shall use the special electronic system designed by CASE - during the hours from 2:30 p.m. till 3:30 p.m. - to enter next to each original account the following:
  - the executed volumes of each original client (that will be transferred to the custodian)
  - and the code of the custodian.
 Each amount shall be deducted from the total amount that was bought under the name of the omnibus accounts.
3. CASE electronic system shall verify that the total volumes transferred to the original accounts are equal to the volume bought under the Omnibus Accounts name during the trading session.
4. Regardless of the number of transactions executed during the trading session under the Omnibus Accounts, CASE system shall automatically conduct reverse order transactions to sell the volumes from the Omnibus Accounts to the original accounts and provide the reverse transactions new serial numbers.
5. CASE electronic system shall provide a print out of the executed volumes for member firms after finishing their re-allocation process. Member firms can print their clients' invoices from the print execution report that is generated from the system.
6. From 3:30 pm. till 4:00 p.m., CASE shall electronically send to MCDR the details of the new reverse transactions (re-allocation transactions) in terms of traded volumes and serial numbers.
7. MCDR shall undertake clearing and settlement according to the reverse transactions' details provided by CASE. MCDR shall add the bought shares to the original accounts on the regular times of settlement.

## B - Sell Orders

1. Authorized member firms shall block the shares to be sold, through the MCDR system designed for that purpose, upon receiving the original clients' orders. In addition to one order under the name of the Omnibus Accounts that totals all the volumes wished to be sold on behalf of the original accounts.
2. Member firms shall register the selling orders of Asset Managers, authorized to use this facility, on CASE trading system under the name of the Omnibus Accounts during the trading session upon clients' requests provided that they register the code of the custodian number "7779", taking into consideration the actual blocked shares.
3. Member firms shall use the special electronic system designed by CASE - during the hours from 2:30 p.m. till 3:30 p.m. - to enter next to each original account the following:
  - the volumes to be transferred or re-allocated to each original client;
  - and the code of the selling custodian.Each amount shall be deducted from the total amount that was sold by the name of the omnibus accounts.
4. CASE electronic system shall verify that the total volumes to be reallocated to the original accounts are equal to the sold volumes under the Omnibus Accounts name during the trading session, in addition that the re-allocated volumes are equal to or less than the previously blocked shares for the same account.
5. Regardless of the number of transactions executed during the trading session under the Omnibus Accounts, CASE system shall automatically conduct reverse order transactions buying the volumes from the Omnibus Accounts by the original accounts and providing the reverse transactions new serial numbers.
6. CASE electronic system shall provide a print out of the executed volumes for member firms after finishing their re-allocation process. Member firms can print their clients' invoices from the print execution report that is generated from the system.
7. From 3:30 p.m. till 4:00 p.m., CASE shall electronically send to MCDR the details of the new reverse transactions (re-allocation transactions) in terms of traded volumes and serial numbers.
8. MCDR shall undertake clearing and settlement according to the reverse transactions' details provided by CASE. MCDR shall debit the sold securities from the original accounts on the regular times of settlement.

### Notes:

For the purpose of these rules, Aggregate Accounts means Omnibus Accounts and Original Account means Individual Client Account.

- CASE : Cairo & Alexandria Stock Exchanges
- CMA : Capital Market Authority or Market Regulator
- MCDR : Misr for Central Clearing, Depository & Registry Company

**Appendix (7)**  
**Member Firms Eligible for**  
**Omnibus Accounts System**  
**(As of 12/02/2007)**

No.	Company Name	No.	Company Name
1	Financial Brokerage Group	9	Trust Group for Securities
2	Hermes for Securities Brokerage	10	Al Horreya Securities Brokerage
3	HSBC Securities Egypt	11	Okaz Stock Brokers & Investment Consultants
4	Delta Securities Egypt	12	Algzera for Trading
5	El Salam for Brokerage	13	Sigma Securities
6	Al Rowad Investment Holding	14	Naeem Securities
7	Commercial International Brokerage	15	Al Ahly Brokerage
8	Oplisic Securities		

Source: Cairo & Alexandria Stock Exchanges

**Appendix (8)**  
**Over The Counter Market**  
**Rules and Regulations**

**I. General Requirements**

1. Companies which have their securities traded on the OTC market, are not listed on CASE, and therefore, are not subject to listing and disclosure rules, that apply to listed companies, on the official and unofficial schedules of CASE.

As per the CMA Board of Directors Decree No. 9/2006, the shares of the capital increases that are not listed yet can be traded in the OTC market, with exception to the following cases:

- a) After two months from CMA approval on the issuance of capital increase.
  - b) After the company's fulfillments of all required documents for the fully paid capital increase shares during the two months previously mentioned.
  - c) Capital increases through stock dividends for the listed companies on CASE Schedules.
2. Member firms have an important duty for fair dealing with their customers and are required to properly inform their clients about the features of the OTC market before trading.
  3. In the OTC market, member firms are responsible for maintaining an orderly market and ensuring that all executions or transactions comply with rules and regulations through applying all procedures stipulated herewith, especially, but not limited to, the following:
    - Verifying their clients identity and their ownership of the securities and their capacity to dispose thereof.
    - Ensuring that all dealings in securities are free of fraud, swindling, misconduct and price manipulation.
  4. The Deals Market operates daily from 9:45 a.m. till 11:15 a.m., while the Orders Market operates from 2:45 p.m. till 3:15 p.m.
  5. No opening or closing prices shall be calculated for securities traded on this market. Similarly, no price limits or price indices will be applied to the market.
  6. Information included in the orders shall be the same for stocks and bonds.

The OTC market shall be divided into two main tiers:

### First: Orders Market:

The Orders Market is for the companies that the Exchange approves trading on according to their liquidity, including de-listed shares.

#### Requirements Pertaining to the Orders Market

1. Customers' orders to the brokers shall be in compliance with the forms approved by CASE. The order must include a statement clearly mentioning that the client is trading unlisted securities, on the OTC market.
2. Orders shall be executed according to priorities (price, time and special terms), similar to what is applied in the Ordinary Market.
3. Clearing and settlement of trades executed on this market shall be undertaken, similar to what is applied in the Ordinary Market.
4. The CMA Chairman Decree No. 126/2006 stated that all companies traded in the Orders Market should send their annual financial statements together with the Auditors & Board of Directors' reports before the AGM approval, within 90 days after the fiscal year end.

### Second: Deals Market

The Deals Market is the market at which CASE, shall announce all information, related to the pre-arranged deals, after their execution.

#### Requirements Pertaining to the Deals Market

1. All buy or sell trades done in the Deals Market should be published.
2. Any transaction should have a maximum limit of LE 20 million. Otherwise, it should be filed to the Market Operations department to be approved by the Trading Committee prior execution.
3. All trades in this market shall be made through CASE "Over the Counter" Department.
4. CASE must notify MCDR with the trades conducted on this market, related to dematerialized securities.

**Appendix (9)**  
**CASE 30 Index Constituents**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Egyptian for Tourism Resorts	16	Commercial International Bank (Egypt)
2	Egyptian Media Production City	17	El Watany Bank of Egypt
3	Orascom Telecom Holding (OT)	18	United Housing & Development
4	Eastern Tobacco	19	Six of October Development & Investment (SODIC)
5	Egyptian International Pharmaceuticals (EIPICO)	20	Orascom Construction Industries (OCI)
6	El Ezz Porcelain (Gemma)	21	El Ahli Investment and Development
7	Suez Cement	22	Olympic Group Financial Investments
8	El Ezz Steel Rebars	23	Raya Holding For Technology And Communications
9	ARAB POLVARA SPINNING & WEAVING CO.	24	Egyptian Financial Group-Hermes Holding Company
10	Oriental Weavers	25	Orascom Hotels And Development
11	Alexandria Mineral Oils Company	26	National Societe Generale Bank (NSGB)
12	Sidi Kerir Petrochemicals	27	El Kahera Housing
13	Egyptian Financial & Industrial	28	Medinet Nasr Housing
14	Egyptian Company for Mobile Services (MobiNil)	29	Arab Cotton Ginning
15	Telecom Egypt	30	Nile Cotton Ginning

Source: Cairo & Alexandria Stock Exchanges

**Appendix (10)**  
**Companies Allowed to be Traded**  
**with no Price Limits**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Alexandria Mineral Oils Company	23	Housing & Development Bank
2	ARAB POLVARA SPINNING & WEAVING CO	24	Medinet Nasr Housing
3	Arab Cotton Ginning	25	Middle & West Delta Flour Mills
4	Commercial International Bank (Egypt)	26	Misr Beni Suf Cement
5	Credit Agricole Egypt	27	Misr Cement (Qena)
6	El Ezz Aldekhela Steel - Alexandria	28	Misr Chemical Industries
7	East Delta Flour Mills	29	National Societe Generale Bank (NSGB)
8	Eastern Tobacco	30	Nile Cotton Ginning
9	Egyptian Company for Mobile Services (MobiNil)	31	North Cairo Mills
10	Egyptian Financial & Industrial	32	Olympic Group Financial Investments
11	Egyptian Financial Group-Hermes Holding Company	33	Orascom Construction Industries (OCI)
12	Egyptian Gulf Bank	34	Orascom Hotels And Development
13	Egyptian International Pharmaceuticals (EIPICO)	35	Orascom Telecom Holding (OT)
14	Egyptian Kuwaiti Holding	36	Oriental Weavers
15	Egyptian Media Production City	37	Paint & Chemicals Industries (Pachin)
16	El Ezz Porcelain (Gemma)	38	Raya Holding For Technology And Communications
17	El Ezz Steel Rebars	39	Sidi Kerir Petrochemicals
18	El Kahera Housing	40	Sinai Cement
19	El Shams Housing & Urbanization	41	Telecom Egypt
20	El Watany Bank of Egypt	42	United Housing & Development
21	Export Development Bank of Egypt (EDBE)	43	Upper Egypt Flour Mills
22	General Silos & Storage		

Source: Cairo & Alexandria Stock Exchanges

**Appendix (11)**  
**Primary Dealers**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Arab African International Bank	9	Credit Agricole Egypt
2	Arab Bank	10	Export Development Bank of Egypt
3	Bank of Alexandria	11	HSBC Bank-Egypt
4	Banque du Caire	12	Misr International Bank
5	Banque Misr	13	Misr Iran Development Bank
6	Barclays Bank - Egypt	14	National Bank of Egypt
7	Citibank	15	Suez Canal Bank
8	Commercial International Bank- Egypt		

Source: Cairo & Alexandria Stock Exchanges

**Appendix (12)**  
**Licensed Member Firms for**  
**Intra-day Trading**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Al Nasr Securities Brokerage Co.	9	First Stock Brokerage Co.
2	Al Shorouk Brokerage	10	HC Brokerage
3	Commercial International Brokerage Co.	11	Hermes for Securities Brokerage
4	Delta Misr for Securities	12	Nile Investments Securities (S.A.E)
5	Dynamic Securities Trading CO	13	Okaz Stockbrokers & Investment Consultants
6	El Eman Securities Brokerage (ESB)	14	Pioneers for Securities
7	El Horreya Securities Brokerage co	15	Trust Group for Securities
8	Financial Brokerage Group		

Source: Capital Market Authority

**Appendix (13)**  
**Main Steps in Trading,**  
**Clearing and Settlement**

- Trade instructions are received and executed by the brokers at the time (T).
- Matching is completed within the trading system in the Stock Exchange at T.
- All trades are recorded through the Stock Exchange.
- On T+1, the seller's broker delivers the shares to MCDR.
- On the evening of T+2, the account of the buyer's brokers with the clearing bank will be debited with the value of the trade and seller's broker will be credited.
- On T+3 settlement takes place and the buyer's broker receives the shares, whereas payments are made to the seller's broker through the clearing banks.

**Notes:**

- Settlement takes place on T+2 for the companies allowed to be traded with no price limits.
- Real Time Gross Settlement (RTGS) for Intra-day Trading transactions.

**Appendix (14)**  
**Brokerage Firms**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Agead Securities Brokers & Bookkeepers	43	El Karma Brokerage Company
2	Alamia for Brokerage	44	El Karnak Stock Brokerage & Bookkeeping
3	Alexandria Brokerage in Financial Stocks	45	El Khalegia for Stock Brokerage
4	Aliaa Stock Brokerage House	46	El Kheir for Circulating & Keeping Securities
5	Aman Securities Company	47	El Kinanah Brokerage Securities Company
6	Arab Markets Group For Brokerage & Bookkeeping	48	El Lewa Stock Exchange Brokerage
7	Arabia Company for Brokerage	49	El Madina Stock Brokers
8	Arabia On Line Company	50	El Mahrousa Exchange Stock Company
9	Bab El Molouq Securities	51	El Manar for Stock Brokerage
10	Bankers Group for Brokerage & Bookkeeping	52	El Marwa Brokerage & Bookkeeping Company
11	Baraka for Securities Brokerage	53	El Mokattam Securities Brokerage Company
12	Bloom Misr for Securities	54	El Mostakbal Brokerage Company
13	Brokers Stock Exchange	55	El Nour Securities Brokerage
14	Cairo Brokerage Company	56	El Omana El Motahedeen for Bookkeeping & Brokerag
15	Cairo International Securities Exchange	57	El Rowad Securities Brokerage
16	Cairo National for Brokerage	58	El Safa for Securities Brokerage
17	Capital Securities Brokerage	59	El Salam Company for Brokerage & Bookkeeping
18	Champollion Brokerage Company	60	El Shark El Awsat Co. for Securities Brokerage
19	City Trade Securities Brokerage	61	El Shorouk Brokerage
20	Commercial International Brokerage Company	62	El Tadamon El Arabi Brokerage & Bookkeeping
21	Continental for Securities Trading	63	El Takamol Brokerage
22	Correct Line Brokerage Securities & Stock Exchange	64	El Yasmine Brokerage
23	Council Inc.	65	Elmasa Brokerage
24	Dawleya Securities Exchange	66	Farana Securities Trading
25	Delta Misr for Securities	67	Financial Brokerage Group
26	Dynamic Securities Trading	68	First Stock Brokerage Co.
27	Egypt Brokerage Company	69	Fleming CIIC Securities
28	Egypt Trust Securities	70	Fleming El Mansour Securities Brokerage
29	Egyptian American Company for Brokerage	71	Fortune Securities Company
30	Egyptian Group for Securities	72	Global Capital Stock Brokers
31	Egyptian Kuwaiti Securities & Bookkeeping Company	73	Golden Hand for Securities Brokerage & Bookkeeping
32	El Ahram Brokerage	74	Golden Share for Handling Shares
33	El Amal Stock Brokerage Company	75	Golden Way Securities
34	El Amalqa for Brokerage	76	Guaranty For Brokerage & Bookkeeping
35	El Dawlia Company for Securities	77	Guiza Brokerage Company
36	El Etehad Brokerage Company	78	HC For Securities
37	El Fath Stock Brokers	79	Helwan Brokerage & Bookkeeping Company
38	El Fayrouz for Brokerage Company	80	Hermes Securities Brokerage
39	El Gezeira for Securities	81	Honest for Brokerage & Bookkeeping
40	El Hamd Exchange	82	Horus Company for Brokerage
41	El Horreya Securities Brokerage Co.	83	HSBC Securities
42	El Kamal Brokerage	84	International Brokerage Group

No.	Company Name	No.	Company Name
85	International for Securities	114	Profit Securities Company
86	Link Securities Inc. & Bookkeeping	115	Queen for Brokerage & Stock Exchange
87	Lipon Securities Brokerage & Bookkeepers	116	Safir International for Brokerage
88	Luxor Brokerage Company	117	Sigma for Securities
89	Maadi Company for Stock Dealing	118	Stars for Securities Trading
90	Mediterranean Company For Securities Brokerage	119	Stratigic Securities Group
91	Metro Company for Bookkeeping & Stock Dealing	120	Swiss Group
92	Midland Stockbrokers & Bookkeeping Company	121	Tadawel for Securities Brokerage Company
93	Mina	122	Tamro Securities Brokers
94	Miracle for Securities Transaction Co.	123	Team for Securities Trading
95	Misr Gulf for Securities	124	The Roots Stockbrokerage House
96	Misr International Securities	125	Three Way Company
97	Naem Securities Company	126	Tiba Brokerage
98	National Securities	127	Top for Brokerage
99	NewPrint Securities Company	128	Triple A Securities
100	Nile Investment Securities	129	Tropicana Brokerage & Bookkeeping
101	Nile One Securities Company	130	Trust Group for Securities
102	Oblisk Securities Company	131	Tycoon Brokerage Securitie Stock Exchange & Bookke
103	Okaz Stockbrokers & Investments Consultant	132	United Brokerage Corp.
104	Optima Securities Brokerage	133	United Brokerage Corporation
105	Orbit Stock	134	United Brothers Company Securities Brokerage
106	Orouba Stock Brokers	135	United Economic Group for Stocks & Bookkeeping
107	Osol for Securities	136	United Securities Stockbrokers
108	Pharaonic Brokerage Company	137	Universal Stock Exchange
109	Pharos for Brokerage & Bookkeepers	138	venex Group for Brokerage & Bookkeeping
110	Pioneers for Securities	139	Wall Street Securities
111	Premiere Brokerage Company	140	Watania Brokers
112	Prime Securities Stock Brokers	141	Wedian Securities Stock Brokerage & Bookkeeping
113	Prizma Securities Company		

Source: Cairo & Alexandria Stock Exchanges

**Appendix (15)**  
**Local Mutual Funds**  
**(As of 31/12/2006)**

No.	Fund Name	No.	Fund Name
1	Al Amman Fund	19	Export Development Bank I
2	Arab Land Direct *	20	Export Development Bank II
3	Arab Misr Insurance Group	21	Faisal Islamic Bank
4	Bank of Alexandria I	22	Misr Direct Investment Fund *
5	Bank of Alexandria II	23	Misr Iran Development Bank I
6	Banque du Caire	24	Misr Iran Development Bank II
7	Banque Misr I	25	National Bank of Egypt I
8	Banque Misr II	26	National Bank of Egypt II
9	Banque Misr III	27	National Bank of Egypt III
10	Banque Misr IV	28	National Bank of Egypt IV
11	Commercial International Bank I	29	National Societe Generale Bank
12	Commercial International Bank II	30	Orient Trust *
13	Credit Agricole Egypt I	31	Shild Fund
14	Credit Agricole Egypt II	32	Societe Arab Internationale Banque I
15	Credit Agricole Egypt III	33	Societe Arab Internationale Banque II
16	Egyptian Gulf Bank	34	Societe Arab Internationale Banque III
17	Egyptian Saudi Finance Bank	35	Suez Canal Bank
18	El Watany Bank of Egypt		

\* Closed fund

Source: Cairo & Alexandria Stock Exchanges

**Appendix (16)**  
**Offshore Funds**  
**(As of 31/12/2006)**

No.	Fund Name	No.	Fund Name
1	EFG-Hermes Telecom Fund	5	Egyptian Growth Investment Company Limited
2	EFG-Hermes Egypt Fund	6	EFG-Hermes Middle East & Developing Africa Fund
3	Egypt Investment Company Limited	7	Nile Growth Fund
4	Concord Egypt	8	Societe Generale Arab Fund

Source: Cairo & Alexandria Stock Exchanges

**Appendix (17)**  
**Fund Management Companies**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	ABN-Amro-Delta Fund Management	13	Egyptian Fund Management Group
2	AK Asset Management	14	Egyptian Investment & Finance Co.
3	Al Ahly Development & Investment	15	El Ahly Fund Management
4	Al Arabi & Financial Group Portfolio & Fund Management	16	El Rashad Portfolio & Fund Management
5	Amwal Finacial Invetment	17	Finex Asset Management - Egypt
6	Beltone Financial Portofolio & Fund Management	18	HA Financial Investment
7	Beltone Fund Management	19	HC Securities
8	C I Asset Management	20	Hermes Fund Management
9	Cairo Fund Management	21	Naeem Financial Investment
10	CIIC Fund Management	22	Phoenix Kato Fund Management
11	Concord Fund Management	23	Prime Investment Fund Management
12	Egyptian Anglo Fund Management	24	Societe Generale Asset Management (Egypt)

Source: Capital Market Authority

**Appendix (18)**  
**Portfolio Management Firms**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	ABC Misr Securities	22	El Masreya Securities
2	ABN Amro Delta For Securities-Egypt	23	El Rashad for Portfolio and Fund Management
3	AK Asset Management	24	Fin-Corp Investment Holding
4	Al Ahly Development & Investment	25	Fina Invest for Financial Investments
5	Al Ahly Financial Investments	26	Grand Investments Portfolio Management
6	Al Araby & Financial Group for Portfolio and Fund Management	27	Gulf Financial Investments
7	Alexandria Financial Investments and Development	28	HA Financial Investments
8	Alexandria National Financial Investments	29	HC Securities and Investment
9	Amwal Financial Investments	30	Jazira Portfolio Management
10	Arab World Financial Investments	31	Misr Exterior Financial Investments
11	Belton Financial Portfolio & Fund Management	32	Misr Financial Investments
12	Beltone Fund Management	33	Naeem Financial Investments
13	C I Assets Management	34	Naeem portfolio and fund Management
14	Cairo Financial Investments	35	Phoenix Kato Fund Management
15	Cairo National for Securities Investment	36	Prime Portfolio Management and Underwriting
16	Capex Corp Portfolio Management	37	Securities Investment Group
17	Capital Trust for Portfolio Management	38	Sigma Capital Holding Financial Investments
18	Commercial International Investment Company (CIIC)	39	Societe Generale Asset Management (Egypt)
19	Egyptian Group Portfolio Management	40	Swiss Egyptian Portfolio Management
20	Egyptians Abroad for Investment & Development	41	Waha Portfolio Management
21	Egyptians Abroad Portfolio Management		

Source: Capital Market Authority

**Appendix (19)**  
**Underwriters**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	A.D.I. Tourism and Real Estate Development	20	Fin-Corp Investment Holding
2	ABC Misr Securities	21	Fina Invest Financial Investments
3	Al Ahly Development & Investment	22	Fleming Mansour Underwriting
4	Al Ahly Financial Investments	23	Global Capital Underwriting
5	Al Mal Financial Investments	24	Gulf Financial Investments
6	Alexandria Financial Investments and Development	25	H.C. Securities and Investment
7	Alexandria National Financial Investments	26	HA Financial Investments
8	Amwal Financial Investments	27	Hermes Securities Investment
9	Beltone Underwriting	28	International Consultant Underwriting
10	Cairo Financial Investments	29	Investia Holding for Financial Investment
11	Cairo National Securities Investments	30	MIBC Group Securities
12	CitiGroup Financial Investments	31	Misr Exterior Financial Investments
13	Commercial International Investment Company (CIIC)	32	Misr Financial Investments
14	Delta Financial Investments	33	Naeem Financial Investments
15	EFG-Hermes for Underwriting	34	Olympic Group Investments
16	Egyptian Kuwaiti Holding	35	Pico Financial Investments
17	Egyptians Abroad for Investment and Development	36	Prime Portfolio Management and Underwriting
18	El Damir Securities Underwriting	37	Securities Investment Group
19	El Masreya Securities	38	Sigma Capital Holding Financial Investment

Source: Capital Market Authority

**Appendix (20)**  
**Venture Capital Firms**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	A.D.I. Tourism and Real Estate Development	9	Egyptians Abroad Investment & Development
2	Al Ahly Development & Investment	10	El Arabi Investment
3	Al Mal Financial Investments	11	Fin-Corp Investment Holding
4	Alexandria Financial Investments & Development	12	Gulf Financial Investments
5	Cairo National Securities Investment	13	Investia Venture Capital
6	Commercial International Investment Company (CIIC)	14	Misr Exterior Financial Investments
7	Egycap Investment	15	National Youth Investment & Development
8	Egyptian Kuwaiti Holding		

Source: Capital Market Authority

**Appendix (21)**  
**Private Equity Firms**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	AAW Holding Financial Investments	33	El Masreya Development & Financial Investments
2	Agwaa Holding Group	34	El Masreya Investment Projects
3	Al Ahly Development and Investment	35	El Watania Investment (Sonid)
4	Al Ahly Financial Investments	36	Fin-Corp Investment Holding
5	Al Ahly Holding for Communications	37	Fleming CIIC Holdings
6	Al Gawhara Holding Financial Investments	38	Freecall Investment Group
7	Al Mal Financial Investments	39	Gaz Group for Financial Investments
8	Al Noran Holding Financial Investments	40	Gazo Holding Financial Investments
9	Alcan Investment	41	GGW Holding Egypt
10	Alexandria Financial Investments and Development	42	Gulf Financial Investments
11	Alexandria National Financial Investments	43	HA Financial Investments
12	Amac Financial Investments	44	HC Securities and Investment
13	Amoun Holding Financial Investments	45	HD & KT Holding
14	Arab World Financial Investments	46	Heliopolis Financial Investments
15	Beltone Capital Holding Financial Investments	47	Hick Holding
16	Beltone Financial Holding	48	Holding Company for Financial Investments (Lakah Group)
17	Beltone Securities Holding	49	International Financial Investments
18	Cairo National for Securities Investment	50	International Holding for Investment and Development
19	Capex Corp Financial Investments	51	International Investment Holding for Water Purification
20	CI Capital Holding	52	Investia Holding Financial Investments
21	Commercial International Investment Company (CIIC)	53	Investment and Construction Holding
22	Continental Holding for Financial Investments	54	Kato for Investments
23	EFG-Hermes Holding	55	Lecico Investment
24	Egyfendy Holding	56	Lotus Investment Holding
25	Egyptian American Saudi Financial Investments	57	Luna Holding for Financial Investments
26	Egyptian Holding for Packaging and Wrapping	58	Mac Holding for Investment
27	Egyptian Kuwaiti Holding	59	Mac Holding for Tourism & Hotels
28	Egyptian Saudi Group Securities Investments	60	Mac Industrial Holding
29	Egyptians Abroad for Investment & Development	61	Maccour Securities Investment
30	El Ezz Group Holding for Industry and Investment	62	MHS for Financial Investments
31	El Fotouh Investment	63	Middle Global Holding
32	El Hesn for Development and Investment	64	Mina Holding Financial Investments

No.	Company Name	No.	Company Name
65	Misr Exterior Financial Investments	81	R.G. Investment
66	Misr Financial Investments	82	Ramsis Financial Investments
67	Misr Holding Financial Investments	83	Raya Holding for Technology & Communication
68	Naeem Financial Investments	84	Red Sea Hotels Holding for Tourist Investments
69	National Youth Investment & Development	85	Secom Holding Investment
70	Nile Holding for Investment	86	Securities Investment Group
71	Niloteka Holding Financial Investments	87	Sigma Capital Holding for Financial Investments
72	Olympic Group Investments	88	SMG Development and Economic Investments
73	Orascom Building Materials Holding	89	Solitek Holding for Financial Investments
74	Orascom Hotels Holding	90	South Sinai for Financial Investment
75	Orascom Telecom Holding	91	Techno Group Holding
76	Oriental Weavers Holding Group	92	Techno Ram Holding
77	Pharos Holding Financial Investments	93	Tiba Holding
78	Pico Financial Investments	94	Travco Holding Group
79	Prime Holding Financial Investments	95	Travco International Holding
80	Quizer Financial Holding	96	United Holding
		97	United International for Tourism

Source: Capital Market Authority

**Appendix (22)**  
**Rating Companies**  
(As of 31/12/2006)

No.	Company Name	No.	Company Name
1	Capital Intelligence Rating (Egypt)	3	MIBC Group
2	Commercial International Investment Company (CIIC)	4	Middle East Rating

Source: Capital Market Authority

**Appendix (23)**  
**Custodians**  
(As of 31/12/2006)

No.	Company Name	No.	Company Name
1	Arab African International Bank	16	EFG-Hermes Holding
2	Arab Bank	17	Egyptian Gulf Bank
3	Bank of Alexandria	18	El Watany Bank of Egypt
4	Banque du Caire	19	Export Development Bank of Egypt
5	Banque Misr	20	Faisal Islamic Egyptian Bank
6	Banque Misr/ Talaat Harb- Alexandria	21	HSBC Bank (Egypt)
7	Belton Securities Holding	22	Misr Financial Investments
8	Bloom Bank - Egypt	23	Misr International Bank (MIBank)
9	BNP Paribas - Egypt	24	Misr Iran Development Bank
10	Citibank	25	National Bank of Egypt
11	Commercial International Bank (Egypt)	26	Piraeus Bank - Egypt
12	Credit Agricole Egypte	27	Sigma Capital Holding Financial Investments
13	Credit Agricole Egypte- Alexandria	28	Societe Arab Internationale De Banque (SAIB)
14	Credit Agricole Egypte - Express	29	Suez Canal Bank
15	Delta International Bank		

Source: Misr for Central, Clearing, Depository and Registry (MCDR)

**Appendix (24)**  
**Listed Companies Eligible for**  
**Margin Trading**  
**(As of 31/12/2006)**

No.	Company Name	No.	Company Name
1	Arab Cotton Ginning	6	Oriental Weavers
2	Egyptian Financial Group Hermes Holding Company	7	Egyptian Media Production City
3	El Watany Bank of Egypt	8	Commercial International Bank (Egypt)
4	Orascom Hotels And Development	9	Orascom Construction Industries (OCI)
5	Sidi Kerir Petrochemicals	10	Orascom Telecom Holding (OT)

Source: Capital Market Authority

**Appendix (25)**  
**Listed Companies' Capital**  
**Increases in 2006**

Company Name	Currency	Type of Increase	Issue Size	Issue Value
Cairo Poultry	LE	Bonus Shares	5,040,000	10,080,000
Al Masreyah Macaroni & Starch	LE	Bonus Shares	200,000	10,000,000
Moquette Mac	LE	Bonus Shares	2,000,000	20,000,000
Quena Paper Industry	LE	Bonus Shares	500,000	50,000,000
Global Napi Pharmaceuticals - GNP	LE	Bonus Shares	800,000	8,000,000
Chemical Development Industries (CID)	LE	Bonus Shares	5,000,000	50,000,000
Amoun	LE	Bonus Shares	20,000,000	100,000,000
Ceramic & Porcelain	LE	Bonus Shares	907,950	1,815,900
South Valley Cement	LE	Bonus Shares	44,312,940	221,564,700
Lord Precision Industries	\$	Bonus Shares	500,000	4,095,000
Lord Precision Industries	\$	Bonus Shares	200,000	2,000,000
Acrow Misr	LE	Bonus Shares	750,000	7,500,000
Manufacturing of Transportation Vehicles (MCV)	LE	Bonus Shares	1,000,000	100,000,000
Damietta Containers & Cargo	LE	Bonus Shares	2,000,000	20,000,000
Nile Projects & Trading	LE	Bonus Shares	3,000,000	30,000,000
Polyserve for Fertilizers and Chemicals	LE	Bonus Shares	4,215,000	42,150,000
Arab Banking Corporation Egypt	LE	Bonus Shares	3,819,350	38,193,500
Credit Agricole Egypt	LE	Bonus Shares	26,350,343	263,503,430
Credit Agricole Egypt	LE	Bonus Shares	11,970,037	119,700,370
National Societe Generale Bank (NSGB)	LE	Bonus Shares	18,150,000	181,500,000
Commercial International Bank (Egypt)	LE	Bonus Shares	65,000,000	650,000,000
Societe Arabe Internationale De Banque (SAIB)	\$	Bonus Shares	3,125,870	31,258,700
Egyptian Gulf Bank	\$	Bonus Shares	6,479,116	6,479,116
Housing & Development Bank	LE	Bonus Shares	29,550,000	295,500,000
Faisal Islamic Bank of Egypt - In US Dollars	\$	Bonus Shares	659,530	65,953,000
Barclays Egypt Bank	LE	Bonus Shares	1,350,511	135,051,100
Alexandria Urban Projects	LE	Bonus Shares	175,000	17,500,000
Alexandria Real Estate	LE	Bonus Shares	1,076,400	53,820,000
Alexandria Real Estate	LE	Bonus Shares	341,600	17,080,000
Cairo Investment & Real Estate Development	LE	Bonus Shares	190,000	1,900,000
El Maadi Housing & Development	LE	Bonus Shares	5,000,000	25,000,000
El Arabia for Projects & Construction Development Co.	LE	Bonus Shares	396,000	39,600,000
International Company for Leasing (IncoLEASE)	LE	Bonus Shares	1,260,000	12,600,000
Misr Housing & Investment	LE	Bonus Shares	290,000	29,000,000

Company Name	Currency	Type of Increase	Issue Size	Issue Value
Misr Financial Investments	LE	Bonus Shares	999,962	9,999,620
Naemm Securities	LE	Bonus Shares	1,580,000	15,800,000
Olympic Group Financial Investments	LE	Bonus Shares	5,294,068	52,940,680
Egyptian Kuwaiti Holding	\$	Bonus Shares	52,920,000	13,230,000
Egyptian for Tourism Resorts	LE	Bonus Shares	5,250,000	52,500,000
Egyptian Investment	LE	Bonus Shares	180,000	18,000,000
Alexandria Medical Services	LE	Bonus Shares	125,000	1,250,000
Egyptian Starch & Glucose	LE	Merger	26,218,500	262,185,000
Golden Textiles & Clothes Wool	LE	Merger	10,651,775	106,517,750
Garments and Terry Towels Ind. Co (GATT)	LE	Merger	4,887,680	48,876,800
El Ezz Porcelain (Gemma)	LE	Merger	261,048	1,305,240
Egypt Aluminum Products	LE	Merger	300,000	6,000,000
The Egyptian German Company for Construction DSD Ferometalco	LE	Merger	1,250,000	25,000,000
National Navigation	\$	Merger	3,002,515	30,025,150
Olympic Stores Trade and Distribution	LE	Merger	4,027,000	4,027,000
Credit Agricole Egypt	LE	Merger	236,520,000	2,365,200,000
National Societe Generale Bank (NSGB)	LE	Merger	3,145,208	31,452,080
Lord Precision Industries	\$	Par Value Increase		1,810,000
Middle Egypt Flour Mills	LE	Rights Issue	2,152,935	21,529,350
Arab Cotton Ginning	LE	Rights Issue	92,586,980	462,934,900
Arab Polvara Spinning & Weaving Co.	LE	Rights Issue	46,843,280	234,216,400
El Nasr Clothes & Textiles (Kabo)	LE	Rights Issue	112,870,973	112,870,973
Glaxo Smith Kline	LE	Rights Issue	22,414,200	224,142,000
Lord Precision Industries	\$	Rights Issue	50,000	500,000
El Swedy Cables	LE	Rights Issue	60,000,000	600,000,000
Samad Misr -EGYFERT	LE	Rights Issue	2,400,000	12,000,000
North Africa Motors	LE	Rights Issue	432,700	4,327,000
HSBC Bank Egypt	LE	Rights Issue	6,815,477	572,500,068
Housing & Development Bank	LE	Rights Issue	10,225,000	102,250,000
Cairo Investment & Real Estate Development	LE	Rights Issue	1,050,000	10,500,000
Six of October Development & Investment (SODIC)	LE	Rights Issue	1,928,764	19,287,640
International Company for Leasing (IncoLEASE)	LE	Rights Issue	1,500,000	15,000,000
El Ahli Investment and Development	LE	Rights Issue	6,335,897	63,358,970
Orascom Hotels and Development	LE	Rights Issue	81,848,938	409,244,690
Sharm Dreams Co. for Tourism Investment	LE	Rights Issue	5,000,000	50,000,000
Sharm Dreams Co. for Tourism Investment	LE	Rights Issue	1,000,000	10,000,000
Alexandria Medical Services	LE	Rights Issue	400,000	4,000,000
Alexandria Radiology Center	LE	Rights Issue	300,000	3,000,000
El Ezz Steel Rebars	LE	Acquisition	87,979,534	439,897,670
Ismailia Misr Poultry	LE	Cash	2,789,960	11,159,840
International Agricultural Products	LE	Cash	1,000,000	10,000,000
Delta Construction & Rebuilding	LE	Cash	2,183,691	21,836,910

Company Name	Currency	Type of Increase	Issue Size	Issue Value
Nile Agricultural Industries	LE	Cash	400,000	4,000,000
Nile Agricultural Industries	LE	Cash	400,000	4,000,000
Middle Egypt Flour Mills	LE	Cash	3,220,000	32,200,000
Garments and Terry Towels Ind. Co (GATT)	LE	Cash	1,500,000	15,000,000
Pact Bond Egypt Co.	LE	Cash	750,000	15,000,000
El Sabaghon El Motahedon	LE	Cash	131,200	2,624,000
Suez Cement	LE	Cash	53,856,507	269,282,535
El Obour Metallurgical Industries (Galvametal)	LE	Cash	1,300,000	130,000,000
Direct Transport Co.	LE	Cash	853,060	3,113,669
Nile Land Transportation Company	LE	Cash	656,172	6,561,720
Marine and Petroleum Services	\$	Cash	300,000	3,000,000
Polyserve for Fertilizers and Chemicals	LE	Cash	2,000,000	20,000,000
Polyserve for Fertilizers and Chemicals	LE	Cash	500,000	5,000,000
Olympic Stores Trade and Distribution	LE	Cash	9,698,000	9,698,000
Arab Banking Corporation Egypt	LE	Cash	30,423,000	304,230,000
Credit Agricole Egypt	LE	Cash	2,293,990	22,939,900
National Societe Generale Bank (NSGB)	LE	Cash	115,500,000	1,155,000,000
Egyptian Saudi Finance Bank	LE	Cash	21,428,571	149,999,997
Societe Arabe Internationale De Banque (SAIB)	\$	Cash	2,474,130	24,741,300
El Watany Bank of Egypt	LE	Cash	25,000,000	250,000,000
PIRAEUS Bank Egypt	LE	Cash	22,460,951	350,000,000
Suez Canal Bank	LE	Cash	21,250,000	212,500,000
Barclays Egypt Bank	LE	Cash	29,489	2,948,900
United Housing & Development	LE	Cash	6,753,161	8,441,451
Development & Engineering Consultants	LE	Cash	3,291,257	46,077,598
Abu Soma Development Company	LE	Cash	1,000,000	100,000,000
International Co. for Investment and Trade	LE	Cash	250,000	2,500,000
Namaa for Development and Real Estate Investment Co.	LE	Cash	37,107,400	371,074,000
Mena Touristic & Real Estate Investment	LE	Cash	2,755,800	27,558,000
Cairo Investment & Real Estate Development	LE	Cash	210,000	2,100,000
Six of October Development & Investment (SODIC)	LE	Cash	9,000,000	90,000,000
Orascom Construction Industries (OCI)	LE	Cash	11,420,837	57,104,185
Al Yamama Managerial Housing (Yamama Centre)	LE	Cash	100,000	10,000,000
Al Arafa Investment and Consulting	\$	Cash	69,422,450	13,884,490
Al Arafa Investment and Consulting	\$	Cash	77,500,000	15,500,000
Nile City Investment	LE	Cash	1,100,000	110,000,000
Delta Securities Egypt	LE	Cash	1,000,000	10,000,000
Egyptian Financial Group-Hermes Holding Co.	LE	Cash	16,000,000	80,000,000
Egyptian Financial Group-Hermes Holding Co.	LE	Cash	194,148,020	970,740,100
Egyptian Financial Group-Hermes Holding Co.	LE	Cash	970,740,010	485,370,050
Commercial International Brokerage Co. S.A.E.	LE	Cash	100,000	5,000,000
Smouha Touristic Center (Green Plaza)	LE	Cash	175,000	17,500,000

Company Name	Currency	Type of Increase	Issue Size	Issue Value
Sinai Hotels & Diving Clubs	LE	Cash	150,000	15,000,000
Remco for Touristic Villages Construction	LE	Cash	2,070,000	20,700,000
Orascom Hotels and Development	LE	Cash	35,858,767	179,293,835
Golden Pyramids Plaza	\$	Cash	18,000,000	180,000,000
Isiss for Hotels & Touristic Real Estate	LE	Cash	246,500	24,650,000
Centra Technologies	LE	Cash	360,000	3,600,000
South Valley Cement	LE	Cash	62,584	312,920
El Ezz Steel Rebars	LE	Convertible Bonds	7,542,340	37,711,700
El Ezz Steel Rebars	LE	Convertible Bonds	790,400	3,952,000

Source: Cairo & Alexandria Stock Exchanges

**Appendix (26)**  
**De-listed Companies in 2006**

No.	Company Name	No.	Company Name
1	ABB Arab Contractors Electrical Industries	30	Canal Housing
2	Abo Sombul Trading Co.	31	Care Services
3	ACE Insurance Company - Egypt	32	Chipsy International for Food Industries
4	Aircool Air Conditioning	33	Chloride Egypt
5	Al Ahram Beverages (ABC)	34	Commercial Engineering for Marketing and Trade
6	Al Ahram Manufacturing & Bottling	35	Commercial International Brokerage Co. S.A.E.
7	Al Badar Packing	36	Cool Line Air Conditioning
8	Al Masreyah Construction & Building	37	Covertina
9	Al Yasmin International Trade & Contracting	38	Crown Food Production & Trade
10	Alaa Real Estate Development	39	D.S.M Anti Infectives Egypt
11	Alexandria Investment & Tourism Co.	40	Daico for Chemicals Industry
12	Allweiler Al Farid Pumps	41	Delta Egypt Modern Furniture
13	Alpha Metal Steel Buildings	42	Delta Real Estate Investment
14	American Furniture	43	Dina for Agriculture Investment
15	Amoun Real Estate Investments	44	East Meuble Manufacturing, Trade and Wood Products
16	Amria Bonded Warehouses Co	45	EGAT
17	Apex Pharma	46	Egyptac Box Manufacturers
18	Arab Gulf Investment	47	Egypt and Middle East Imports and Exports
19	Arab International Optronics	48	Egyptian American Bank (EAB)
20	Arab Pharmaceutical Glass	49	Egyptian Automotive and Trading
21	Arab Trade, Investment & Cotton Trading (El Dabbah & Co)	50	Egyptian Clothes
22	Arabeyah Poultry & Egg Products	51	Egyptian Company For Manufacturing of Liner Board (ELF)
23	Asek Company for Mining	52	Egyptian Electrical Power Engineering
24	Bank of Commerce & Development	53	Egyptian Engineers Entertainment Services (Geroland)
25	Bauer Egypt Geo-technical Specialists	54	Egyptian Gardanian Co. for Mineral Industries (Ejiem)
26	Cadbory Egypt Food Industries Group	55	Egyptian German Electrical Products
27	Cadbory Egypt for Trade	56	Egyptian German Metal (FerroMetalco)
28	Cairo Casting	57	Egyptian International Medical Center (EIMC)
29	Cairo for Trading and Marketing (TAKSET MISER)	58	Egyptian Match Co.

No.	Company Name	No.	Company Name
59	Egyptian Supply	102	Lasheen Plast
60	Egyptian Swiss Precision Industries (ESPI)	103	Lasheen Plastic Industries
61	El Ameen Technological Systems	104	M.G for Industrial & Touristic Development
62	El Araby Trade and Industrial	105	MAK
63	El Banna Contracting Company	106	Mansoureyah Poultry
64	El Delta Sweets & Food Industries	107	Manufacturing Insulating Materials
65	El Fath International Trade	108	Mapso Marine Propulsion and Supplies
66	El Goada Real State, Touristic Investment Co.	109	Marryat & Scot Egypt
67	El Gouna Distillation Industries	110	Matitio Water Treatment
68	El Hoda Islamic Educational Services	111	May National Publishing House
69	El Masreyah International Services & Engineering	112	Medical Union Investment Co.
70	El Mohandes Jotun	113	Mido International Trade
71	El Nasr Dried Agricultural Products	114	Misr Exchange
72	El Nobareyah Agricultural Engineering	115	Misr International Bank (MIBank)
73	El Nouran Diverse Trading	116	Misr Packing Materials
74	El Rizk Trading Co.	117	MM Group Industrial & International Trade (In Kind)
75	El Safwa Construction & Development	118	Modern Agriculture
76	El Shorouk Real Estate Investments	119	Modern Carpet
77	El Thagher Trading & Construction	120	Moquette Center
78	El Wadi Poultry	121	Multi M Group for Metallic & Wooden Industries
79	El Wafaa Farm	122	Nahdat Misr Real Estate & Industry Development
80	El Wafaa Transport	123	Napcotract Contracting
81	Engineering Construction (ENCON)	124	Nassco Trading Company
82	Fair Trans Marine Trading & Forwarding (S.A.E)	125	National Porcelain & China
83	Family Cosmetics	126	Nile Agricultural Development Co.
84	Future for Trading & Air Conditioning	127	Nile Company for Hotels & Nile Cruises
85	Gama Engineering and Industrial Projects	128	Nile Metallurgical Industries
86	German Auto Service	129	Orascom Building Materials Holding
87	Golden N International Trade	130	Pharma Plast
88	Golden Tex Spinning	131	Port Saied Co. for Touristic Projects (MARHABA)
89	Gulf Construction	132	Raya Distribution
90	Hourse Engineering Works	133	Reach Trade & Marketing
91	Imac Contracting	134	Rotopack Misr
92	Industrial & Engineering Projects	135	Royal International for Trading Co.
93	Interconsult Construction	136	S.I.FE
94	Intergroup Egyptian International Trading Co.	137	Sanio Misr Electronics
95	International Company for Gum & Confectionary (Incogum)	138	Sasco Albums and Stationary
96	International Educational Systems	139	Savola Sime Egypt
97	International Medical Equipment	140	Scib Chemicals
98	International Ophthalmology Specialized Center	141	Sika Egypt for Construction Chemicals
99	International Union Investment and Real Estate Development	142	Silk-wool House
100	Kabnoury 2000	143	Snohy Building Materials
101	Kiriazzi Refrigerators	144	Sonak National Trade

No.	Company Name	No.	Company Name
145	Speed Service	151	Textile Industrie Company
146	Suez Shipping	152	United Leather & Shoes Products (MASHI)
147	Sweillem Vitrified Clay Pipes Co.	153	United Trade & Supply
148	Tanta Radiology Center - TANTASCAN	154	World Trade Center Co. Cairo
149	Techno Scient	155	Worms Alexandria Handling Goods
150	Technopak		

Source: Cairo & Alexandria Stock Exchanges



No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
93	SCM.CA	EGS3C401C014	Sinai Cement	• 2,111,900,000
94	SOCC.CA	EGS3COA1C012	Sornaga Ceramics	12,167,507
95	SVCE.CA	EGS3C351C011	South Valley Cement	• 2,193,196,168
96	SICC.CA	EGS22051C014	Specialized Industries & Contracting	13,150,000
97	SUCE.CA	EGS3C181C012	Suez Cement	• 11,898,871,253
98	CSUM.CA	EGS3C491C015	The Egyptian Co. For Gypsum	10,475,924
99	GEBC.CA	EGS22221C013	The General Egyptian Co. For Buildings	10,000,000
100	TORA.CA	EGS3C311C015	Torah Cement	• 3,246,245,024
101	TRPR.CA	EGS67311C018	Tropicana Projects	11,020,000
102	UDEC.CA	EGS650B1C019	United Developing Enterprises Co.	23,549,400
103	UEGC.CA	EGS21531C016	Upper Egypt Contracting	41,820,000
104	ZMID.CA	EGS21171C011	Zahraa Maadi Investment & Development	305,500,000
<b>Total</b>				<b>138,191,905,886</b>

#### Chemicals

105	AUPC.CA	EGS38001C011	Abco United Plastics & Chemicals Inc.	27,804,088
106	AZFC.CA	EGS38011C019	Abo Zaabal Fertilizer & Chemical Co.	159,500,000
107	ABUK.CA	EGS38191C010	Abou Kir Fertilizers	* 6,479,158,268
108	ACES.CA	EGS38011C014	Advanced Chemical Engineering Systems	9,760,000
109	EATC.CA	EGS51061C017	Al Amma Trade & Chemicals	50,000,000
110	EASE.CA	EGS38152C012	Aluminium Sulphate Co. of Egypt	196,015,008
111	BAEG.CA	EGS31011C014	Bavaria Egypt	26,614,000
112	CHMB.CA	EGS3COD1C019	Chemicals For Modern Building	10,000,000
113	DCIC.CA	EGS380H1C010	Delta For Chemical Industries Company	5,000,000
114	EGCH.CA	EGS38201C017	Egyptian Chemical Industries (Kima)	382,960,000
115	EFIC.CA	EGS38381C017	Egyptian Financial & Industrial	* 942,069,060
116	ESEM.CA	EGS38451C018	El Sabaghon El Motahedon	19,200,480
	ESEMA.CA	EGS38451C034	El Sabaghon El Motahedon - has no Rights on the Coupon No(6)	2,899,520
117	EVRE.CA	EGS38141C015	Energizer Egypt	48,369,630
118	EGFR.CA	EGS380W2C019	Fertilized Egypt Co.	4,226,937,000
119	KZPC.CA	EGS38411C012	Kafir El Zayat Pesticides	159,599,429
120	MRCI.CA	EGS380K1C015	Mansoura For Resins and Chemical Industries CO.	42,000,000
121	MICH.CA	EGS38211C016	Misr Chemical Industries	* 368,320,000
122	NASE.CA	EGS38111C018	NASEDCO	8,017,200
123	NMPH.CA	EGS67291C012	Nile Matches	29,760,000
124	PBEC.CA	EGS380Q1C019	Pact Bond Egypt Co.	500,000,000
125	PACH.CA	EGS38311C014	Paint & Chemicals Industries (Pachin)	* 934,000,000
126	PSFC.CA	EGS510A1C010	Polyserve For Fertilizers And Chemicals	70,250,000
127	SMFR.CA	EGS51191C012	Samad Misr - EGYFERT	100,272,000
128	SICPC.A	EGS380J1C018	Skam International Chemicals And Plastic Co	21,658,000
129	SMPC.CA	EGS3A171C015	Speroa Misr Plastics & Chemicals	61,000,000
130	EGZN.CA	EGS3D011C010	The Egyptian Company for Zinc & its Products	9,000,000
<b>Total</b>				<b>14,890,163,683</b>

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
<b>Consumer &amp; Household Goods</b>				
131	PRCL.CA	EGS3C111C019	Ceramic & Porcelain	42,056,244
132	ELFU.CA	EGS35041C010	El Alameya Furniture	50,832,800
133	PIFW.CA	EGS3A181C014	Prima International Footwear	4,225,000
134	TAKI.CA	EGS35011C013	Taki Vita	19,000,000
135	UNBU.CA	EGS3E151C013	Universal Butogas	45,000,000

**Total 161,114,044**

#### Electrical Equipment & Engineering

136	AACO.CA	EGS3G071C011	ALASKA	18,464,093
137	ADEC.CA	EGS73171C018	Arab Architectural Design & Engineering Consultancy	9,340,000
138	ACAB.CA	EGS3G341C018	Arab Cables Company	270,288,000
139	IDEA.CA	EGS3G251C019	Delta Industries (IDEAL)	1,816,168,464
140	EEEA.CA	EGS3G131C013	Eico Egypt Electrical Appliances	6,300,000
141	ELEC.CA	EGS3G231C011	Egyptian Electrical Cables	* 252,153,000
142	EFAC.CA	EGS3D0A1C010	Egyptian Ferro Alloys Co.	100,000,000
143	EPER.CA	EGS3A251C015	Egyptian Plastic and Electricity Production	99,206,700
144	ESWE.CA	EGS3E021C018	Egyptian Swedish Welding Electrodes	23,800,000
145	ETEM.CA	EGS3F051C014	Egyptian Telephone Equipment Manufacturing	97,040,000
146	EEII.CA	EGS3G111C015	El Arabia Engineering Industries	27,989,496
147	MNAM.CA	EGS555041C015	El Mohandes National Car Maintenance	8,000,000
148	NEEA.CA	EGS3G281C016	El Nasr Company for Electronics (Niaza)	20,000,000
149	NASR.CA	EGS3G191C017	El Nasr Transformers (El Maco)	535,926,720
150	ESTR.CA	EGS3G311C011	Electrostar Engineering Industries	60,004,900
151	EAMC.CA	EGS3H0B1C010	engineering Automotive Manufacturing Co.	100,000,000
152	ENGC.CA	EGS3F021C017	Engineering Industries (ICON)	71,636,400
153	GEPC.CA	EGS49021C016	General Electrical Projects (Eject)	25,000,000
154	GEMC.CA	EGS3G021C016	General Engineering & Motor Company	6,000,000
155	DICA.CA	EGS3E231C013	Giza Cables	220,746,260
156	KEIN.CA	EGS3G0E1C019	Kiriazzy Co For Engineering Industries	70,000,000
157	LPIN.CA	EGS3E062C012	Lord precision Industries	24,453,000
158	MNTR.CA	EGS55111C016	Mantra Automobile	42,374,700
159	MCVE.CA	EGS3H041C013	Manufacturing of Transportation Vehicles (IMCV)	200,000,000
160	MRCO.CA	EGS3G061C012	Misr Conditioning (Miracol)	644,850,000
161	MEDT.CA	EGS22091C010	Misr Engineering Development	23,875,000
162	MEMPCA	EGS23091C019	Misr Mechanical Projects (KAHROMICA)	149,000,000
163	PICE.CA	EGS76021C012	PICO Engineering Services	11,500,000
164	STIN.CA	EGS3G171C019	Standard Industrial (INOVA)	7,200,000
165	TAMO.CA	EGS3F031C016	Tanta Motors	44,425,320
166	TAEC.CA	EGS50561C017	Tawakol Electrical Company	42,077,750
167	TEEI.CA	EGS3H001C017	Technopool Egypt Engineering Industries	40,000,000
168	DSDM.CA	EGS3E221C014	The Egyptian German Company for Construction DSD Ferometalco	35,000,000
169	TBEI.CA	EGS3G351C017	Three Brothers for Engineering & Electric Industries	45,151,600
170	TRNC.CA	EGS3A191C013	Transport & Engineering (Trencol)	50,000,000
<b>Total</b>				<b>5,197,971,403</b>

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
<b>Entertainment</b>				
171	ACET.CA	EGS79111C018	Abercrombie and Kent Egypt	8,979,000
172	ABOSA.CA	EGS651K1C025	ABU SOMA Development Company	350,000,000
173	ACHO.CA	EGS47032C015	Accor Hotels	81,792,568
174	EETI.CA	EGS65921C016	Afak tourestic investment	21,000,000
175	AMEL.CA	EGS70581C011	Amel Hurghada for Touristic Establishment	26,868,000
176	ACFT.CA	EGS70671C010	Arab Company For Touristic Projects	504,428,373
177	EEDT.CA	EGS70851C018	Arab Egyptian Engineers Co. For Delvelopment Of Tourism	647,320,000
178	AHTI.CA	EGS70241C012	Arab Hotels & Tourist Invesment	31,225,000
179	AWTH.CA	EGS45012C019	Arab World Egypt Travel & Tourism & Hotels	143,000,000
180	BNAR.CA	EGS58001C016	Bon Appetit Restaurants	18,226,100
181	CANC.CA	EGS70151C013	Cataract Nile Cruise	170,940,000
182	CRSH.CA	EGS707A1C013	Club Ras Soma Hotel Company(CRS)	48,000,000
183	CTPR.CA	EGS70231C013	Crocodile Tourist Projects	175,000,000
184	DFTH.CA	EGS70181C010	Delta Tourism & Hotels	45,000,000
185	DHTI.CA	EGS57001C017	Depa Hotel Interiors	7,000,000
186	EGTS.CA	EGS70431C019	Egyptian for Tourism Resorts	* 3,305,137,500
187	EITPCA	EGS70011C019	Egyptian International Tourism Projects	333,600,000
188	EGOT.CA	EGS70311C013	El Masreyah Tourism & Hotels (EGOTH)	650,000,000
189	EMHC.CA	EGS7211C012	EL Monira Holding	13,000,000
190	EMTI.CA	EGS67211C010	El Montazah Tourism & Investment	27,000,000
191	NHTO.CA	EGS70032C015	El Nile Hotels & Tourism	28,600,000
192	ESHT.CA	EGS70262C018	El Shams Hotels & Tourism	171,600,000
193	FHRC.CA	EGS70201C010	Floating Hotels & Restaurant Co	5,000,000
194	GPPL.CA	EGS70342C018	Golden Pyramids Plaza	3,324,464,000
195	GIZF.CA	EGS70062C012	Guezira Hotels & Tourism	297,200,577
196	EZIZ.CA	EGS70591C010	Isiss for Hotels & Touristic Real Estate	277,172,060
197	ISTO.CA	EGS79011C010	Ismailia Tourism	16,488,000
198	MTVH.CA	EGS70201C016	Mena Tourism Villiages and Hotels (Mena Ville)	10,464,000
199	METO.CA	EGS70141C014	Mena Tours	11,165,000
200	MHOT.CA	EGS70081C012	Misr Hotels	435,600,000
201	MITO.CA	EGS70222C012	Misr Iran Tourist & Office Building	23,795,200
202	MCSL.CA	EGS79001C011	Misr Sound & Light	30,000,000
203	MTRC.CA	EGS79031C018	Misr Travel & Tourism	62,280,000
204	NATH.CA	EGS70092C019	National Tourism & Hotels	920,891,400
205	NETI.CA	EGS70011C011	Nesco Egypt For Tourism Investments	150,000,000
206	NAST.CA	EGS70171C011	North Africa Shipping & Tourism	5,000,000
207	ORHC.CA	EGS70391C015	Orascom Hotel Holdings (OHH)	1,296,937,049
208	ORHD.CA	EGS70321C012	Orascom Hotels And Development	* 8,362,139,300
209	PHTV.CA	EGS70331C011	Pyramisa Hotels	314,050,573
210	RMTV.CA	EGS70131C015	Rowad Misr Tourism Investment	226,940,000
211	ROTO.CA	EGS70281C018	Rowad Tourism (Al Rowad)	144,265,000
212	SEHO.CA	EGS70051C015	Semiramis Hotels	80,000,000
213	SDTI.CA	EGS70571C012	Sharm Dreams Co. for Tourism Investment	686,800,000
214	SHDC.CA	EGS70121C016	Sinai Hotels & Diving Clubs	46,644,000
215	STCE.CA	EGS700G1C014	Smouha Touristic Center (Green Plaza)	213,500,000
216	SOMA.CA	EGS70AP1C019	Soma Bay Hotel Company	162,500,000
217	TABA.CA	EGS67441C013	Taba Tourism Development	250,000,000

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
218	TRTO.CA	EGS79072C012	TransOceans Tours	4,747,600
219	UVHT.CA	EGS70191C019	United Victoria Hotels Ltd.	169,009,600
220	ZTHF.CA	EGS70361C018	Zamalek Tourism & Hotels	25,192,910
<b>Total</b>				<b>24,359,962,810</b>
<b>Financial Services</b>				
221	ASSB.CA	EGS68071C017	Al Ahram Co Stock Exchange & Securities Brokers	5,000,000
222	AIVC.CA	EGS67212C014	Al Arafa Investment And Consulting	1,833,975,000
223	MART.CA	EGS60051C017	Alexandria Commercial & Maritime Bank	232,018,157
224	ANFI.CA	EGS67331C016	Alexandria National Company for Financial Investment	25,628,625
225	ABBK.CA	EGS60342C010	Arab African International Bank	377,520,000
226	AAFR.A	EGS60021C028	Arab Banking Corporation - Egypt (Less Rights)	381,808,650
	AAFR.CA	EGS60021C010	Arab Banking Corporation Egypt	234,924,000
227	ACIN.CA	EGS67081C017	Arab Contractors Investment	25,236,000
228	AGIG.CA	EGS67221C019	Arab Gathering Investment	87,797,400
229	AMIG.CA	EGS65611C013	Arab Misr Insurance Group	42,000,000
230	BALX.CA	EGS60011C012	Bank Of Alexandria	11,518,400,000
231	CBIB.CA	EGS60331C013	BARCLAYS EGYPT BANK	869,700,000
232	MRBK.CA	EGS60271C011	blom bank egypt	575,000,000
233	BCNPCA	EGS60311C023	BNP PARIBAS	500,000,000
234	CFEB.CA	EGS60252C011	Cairo Far East Bank	537,894,900
235	COMI.CA	EGS60121C018	Commercial International Bank (Egypt)	* 11,284,650,000
236	CICI.CA	EGS67321C017	Commercial International Investment Company (CICI)	529,860,848
237	CIEB.CA	EGS60041C018	Credit Agricole Egypt	* 4,653,084,800
238	DYST.CA	EGS6811C1C011	Daynamic Securities Trading	11,500,000
239	DEIN.CA	EGS63031C016	Delta Insurance	234,400,000
240	DIBK.CA	EGS60201C018	Delta International Bank	167,000,000
241	DLTS.CA	EGS680K1C012	Delta securities Egypt	73,300,000
242	EGYI.CA	EGS69091C014	EgyCap Investment	55,125,000
243	EFCC.CA	EGS68011C013	Egyptian Finance Co.	86,250,000
244	EGBE.CA	EGS60182C010	Egyptian Gulf Bank	2,202,230,187
245	EGIV.CA	EGS70461C016	Egyptian Investment	209,990,000
246	EIPC.CA	EGS67281C013	Egyptian Investment Projects	423,720,000
247	SAUD.CA	EGS60101C010	Egyptian Saudi Finance Bank	1,054,999,994
248	WORLA.CA	EGS60011C011	Egyptian Workers Bank	21,625,000
249	ABRD.CA	EGS67181C015	Egyptians Abroad for Investment & Development	28,020,882
250	AFDI.CA	EGS69021C011	El Ahli Investment and Development	* 348,000,000
251	KWIN.CA	EGS69011C012	El Kahero El Watania Investment	131,145,000
252	EWIS.CA	EGS68151C017	El Watania Investment Sonid	50,400,000
253	WATA.CA	EGS60171C013	El Watany Bank of Egypt	* 2,513,250,000
254	EXPA.CA	EGS60241C014	Export Development Bank of Egypt (EDBE)	* 1,440,000,000
255	FAIT.CA	EGS60321C014	Faisal Islamic Bank of Egypt - In EGP	289,419,331
	FAITA.CA	EGS60322C012	Faisal Islamic Bank of Egypt - In US Dollars	944,434,227
256	GRUA.CA	EGS67231C018	Green Valley Investment & Development	48,000,000
257	HRMS.CA	EGS69001C013	Hermes Corporate Finance	5,000,000
258	HDBK.CA	EGS60301C016	Housing & Development Bank	* 760,433,250
	HDBKA.CA	EGS60301C032	Housing & Development Bank - Less Rights 50 Coupon	1,988,352,250
259	HSBC.CA	EGS60031C019	HSBC Bank Egypt	1,910,965,307

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
260	ICLE.CA	EGS67001C015	International Company For Leasing (Incol.EASE)	147135,000
	ICLEA.CA	EGS67001C056	International Company For Leasing (Incol.EASE) less right	21810,600
261	IBK.CA	EGS60062C014	Islamic International Investment Bank	83,054,400
262	KAIN.CA	EGS68021C012	Kato Investment	150,000,000
263	KUEI.CA	EGS67141C019	Kuwait Egyptian Investment	142,500,000
264	MMID.CA	EGS67371C012	Mansour & Maghraby Investment & Development	290,000,000
265	MFIN.CA	EGS68051C019	Misr Financial Investments	49,520,025
266	MIDB.CA	EGS60282C018	Misr Iran Development Bank	652,656,004
267	MOIN.CA	EGS63041C015	Mohandes Insurance	95,000,000
268	NAHO.CA	EGS69182C011	Noaem Holding	2,320,032,000
269	AICO.CA	EGS69191C012	Noaem portfolio and fund Management	255,000,000
270	NITB.CA	EGS68211C019	Noaem Securities	300,000,000
271	DEVE.CA	EGS60111C019	National Development Bank	500,127,322
272	NSGB.CA	EGS60081C014	National Societe Generale Bank (NSGB)	* 9,117,672,552
273	NCIN.CA	EGS67391C010	Nile City Investment	625,000,000
274	OLGR.CA	EGS69031C010	Olympic Group Financial Investments	* 3,192,427,162
275	EBSC.CA	EGS68181C014	Osool ESB Securities Brokerage	8,400,000
276	PREG.CA	EGS60191C011	PIRAEUS Bank Egypt	685,058,987
277	PCPM.CA	EGS690Y1C014	Prime Capital Portfolio Managers	126,000,000
278	PIFM.CA	EGS690Z1C013	Prime Investments Fund Managers	43,365,000
279	PRMS.CA	EGS68231C017	Prime Securities Stock Brokers	119,280,000
280	SEIG.CA	EGS67031C012	Saudi Egyptian Investment & Finance	221,700,000
	SEIGA.CA	EGS67032C010	Saudi Egyptian Investment & Finance	27,570,400
281	SAIBA.CA	EGS60142C048	Societe Arabe Internationale de Banque (less Rights)	300,780,480
	SAIB.CA	EGS60142C014	Societe Arabe Internationale De Banque (SAIB)	333,132,800
282	PSDB.CA	EGS60091C013	SOCIETE DE BANQUE PORT SAID	100,002,000
283	CANA.CA	EGS60231C015	Suez Canal Bank	653,000,000
284	SCIS.CA	EGS63021C017	Suez Canal Insurance	122,800,000
285	NIBK.CA	EGS60262C010	The Nile Bank	240,240,000
286	UEEF.CA	EGS67521C012	UEEF Investment Company	17,850,000
287	UBEE.CA	EGS60131C017	United Bank of Egypt (UBE)	98,800,000
288	YTHA.CA	EGS67121C011	Youth National Investment & Development	50,089,446
<b>Total</b>				<b>71,105,532,985</b>

### Food & Beverage

289	MGOI.CA	EGS30211C014	AJWA for Food Industries company Egypt	6,330,000
290	ADDC.CA	EGS54081C012	Al Dawalia Dairy Co.	5,000,000
291	AMMS.CA	EGS30151C012	Al Masreyah Macaroni & Starch	104,800,000
292	ASPC.CA	EGS02011C012	Al Sharkia Poultry	3,892,500
293	WPGT.CA	EGS02001C013	Al Wataneya Poultry	8,000,000
294	AOSC.CA	EGS30001C019	Alexandria Oils & Soap	151,000,000
295	AGFT.CA	EGS67431C014	Americana Group for Food & Tourism Projects	400,000,000
296	BISM.CA	EGS30481C013	Bisco Misr	320,160,000
297	EBND.CA	EGS30531C015	British Egyptian Company for General Development (Galina)	98,100,000
298	COSG.CA	EGS30581C010	Cairo Oils & Soap	108,000,000
299	POUL.CA	EGS02051C018	Cairo Poultry	721,224,000
300	CFIN.CA	EGS30571C011	Chipsy Food Industries	431,271,141

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
301	CAGI.CA	EGS010G1C019	Cleopatra Agroindustries	50,000,000
302	DKSC.CA	EGS301N1C018	Dakhalia Sugar	250,000,000
303	SUGR.CA	EGS30201C015	Delta Sugar	* 2,730,224,035
304	EAST.CA	EGS37091C013	Eastern Tobacco	* 7750,000,000
305	EDAI.CA	EGS30111C016	Egypt Dairy & Foods	59,000,000
306	EPCO.CA	EGS02211C018	Egypt for Poultry	31,605,000
307	EFPC.CA	EGS30181C019	Egyptian Freezing & Processing	150,000,000
308	ESSC.CA	EGS300A1C014	Egyptian Salt and Soda Company	150,000,000
309	ESPC.CA	EGS02111C010	Egyptian Saudi Poultry	6,400,000
310	ESGI.CA	EGS30431C018	Egyptian Starch & Glucose	727,624,785
311	EGST.CA	EGS30521C016	Egyptian Starch, Yeast & Detergents	34,500,000
312	SIIC.CA	EGS30501C018	Egyptian Sugar & Integrated Industries	1056,018,000
313	MMIB.CA	EGS30131C014	El Mohandes Meat Industries Beefy	6,000,000
314	RMCF.CA	EGS30661C010	El Rasheedy Mezan Confectionary Factories	16,900,000
315	RASW.CA	EGS30591C019	El Rasheedy Mezan Sweet Factories Development	24,951,484
316	ZEOT.CA	EGS38251C012	Extracted Oils	260,428,000
317	FANU.CA	EGS30391C014	Family Nutrition	446,412,724
318	ISMA.CA	EGS02021C011	Ismailia Misr Poultry	22,704,000
319	INFI.CA	EGS01041C010	Ismailia National Food Industries	33,870,000
320	KAHA.CA	EGS30681C018	Kaha Company for preserved Foods	160,000,000
321	IIFC.CA	EGS30121C015	La Reine	10,000,000
322	MPCO.CA	EGS02091C014	Mansourah Poultry	16,062,500
323	MAPO.CA	EGS02151C016	Misr Arab Poultry	33,710,159
324	CAFE.CA	EGS30021C017	Misr Cafe	22,250,000
325	MOSC.CA	EGS38421C011	Misr Oils & Soap	19,998,000
326	MIPO.CA	EGS02101C011	Misr Poultry	6,860,000
327	NCMP.CA	EGS30761C026	National company for maize products	201,080,000
328	NAIC.CA	EGS30271C018	Nile Agricultural Industries	20,000,000
329	ENOD.CA	EGS38481C015	Nile Oils & Detergents	154,560,000
330	PPOL.CA	EGS02261C013	PYRAMID POULTRY Co.	14,000,000
331	REFI.CA	EGS300B1C013	Regina Food Industries (R.F.I.)	6,616,000
332	SFCO.CA	EGS02141C017	Sahari Food	6,400,000
333	SEFF.CA	EGS30611C015	Senurita food Production	10,000,000
334	SNFC.CA	EGS30291C016	Sharkia National Food	4,625,000
335	SNFL.CA	EGS30301C013	Souhag National Food Industries	21,722,400
336	TOAS.CA	EGS38531C017	Tanta Oil and Soap	75,000,000
337	ADPC.CA	EGS30221C013	The Arab Dairy Products Co. ARAB DAIRY	16,000,000
338	FARA.CA	EGS30841C018	The Egyptian Co. For Advanced Food Industries (FARAGALLAH)	70,000,000
<b>Total</b>				<b>17,153,281,729</b>

### Health & Pharmaceuticals

339	AMES.CA	EGS72081C010	Alexandria Medical Services	8,110,000
340	AXPH.CA	EGS38341C011	Alexandria Pharmaceuticals	228,460,000
341	ARAD.CA	EGS72241C010	Alexandria Radiology Center	8,660,000
342	ALPH.CA	EGS380F1C012	ALKAN PHARMA	16,020,000
343	AMUN.CA	EGS38551C015	Amoun	* 2,523,000,000
344	AMON.CA	EGS38131C016	Amoun Pharmaceutical Industries	40,000,000
345	ARPP.CA	EGS38051C016	Amreyah Pharmaceuticals Industries	702,000,000

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
346	ACM.CA	EGS72141C012	Arab Contractors Medical Center	39,375,000
347	ADCI.CA	EGS38321C013	Arab Pharmaceuticals	133,836,000
348	MEDC.CA	EGS72041C014	Cairo Medical Center	21,403,200
349	AIAB.CA	EGS72061C012	Cairo Medical Tower Laboratory (Alborg Laboratory)	262,500,000
350	CPCI.CA	EGS38391C016	Cairo Pharmaceuticals	297,643,200
351	RADI.CA	EGS72021C016	Cairo Radiology Center	24,780,000
352	CCTS.CA	EGS720E1C012	cardiac catheterization & surgery	5,000,000
353	SIDC.CA	EGS38361C019	Chemical Development Industries (CID)	120,000,000
354	PHAR.CA	EGS38081C013	Egyptian International Pharmaceuticals (EIPICO) *	1,893,976,240
355	EVME.CA	EGS38511C019	Every Medical	11,000,000
356	BIOC.CA	EGS38171C012	Glaxo Smith Kline	1,696,173,402
357	GNPH.CA	EGS380E1C013	Global Napi Pharmaceuticals - GNP	16,074,000
358	MAOP.CA	EGS59011C014	Magrabi Optical	30,000,000
359	MAMS.CA	EGS72131C013	Mebret El Asafor Medical Services	7,280,000
360	MEDU.CA	EGS38281C019	Medical Union Pharmaceuticals	762,155,871
361	MUVP.CA	EGS38071C014	Medical Union Veterinary Products Co.	6,070,000
362	MPCI.CA	EGS38351C010	Memphis Pharmaceuticals	211,425,000
363	MIPH.CA	EGS380G1C011	Minopharm Pharmaceuticals	83,359,530
364	MPFC.CA	EGS38641C014	Multipharma for pharmaceuticals and chemicals Company	50,000,000
365	NIPH.CA	EGS38331C012	Nile Pharmaceuticals	315,000,000
366	NINH.CA	EGS72011C017	Nozha International Hospital	17,592,000
367	OCPH.CA	EGS380R1C018	October Pharma	60,000,000
368	PHPC.CA	EGS38011C010	Pharco Pharmaceuticals	2,745,000,000
369	SEDI.CA	EGS38591C011	South Egypt Drug Industries Co. (SEDICO)	174,539,040
370	AGPC.CA	EGS38301C015	The Arab Company for Gelatine Pharmaceutical Products	35,000,000
371	ESME.CA	EGS31011C015	The Egyptian Saudi Co. for Medical Manufacturing (MASCO)	13,300,000
372	UNPH.CA	EGS51181C013	United Pharmacists	209,800,000
<b>Total</b>				<b>12,768,532,483</b>

#### Holding Companies

373	IFCO.CA	EGS67482C017	Arab International Investment Co. (LAFICO)	1,430,000,000
374	HRHO.CA	EGS69101C011	Egyptian Financial Group-Hermes Holding Company	* 15,630,919,200
375	EKHO.CA	EGS69082C013	Egyptian Kuwaiti Holding	7,858,154,304
376	SWDY.CA	EGS3G0Z1C014	ELSWEDY CABLES	5,199,600,000
377	TNO.CA	EGS69161C015	Techno Group Holding Co.	22,000,000

**Total 30,140,673,504**

#### Housing & Real Estate

378	ARED.CA	EGS65821C018	Al Ahly Real Estate Development	52,320,000
379	AMAR.CA	EGS52091C013	Al Ammar	7,125,000
380	AGHC.CA	EGS21001C010	Al Gonthoreya General Housing & Contracting	80,000,000
381	MMHC.CA	EGS651F1C014	Al Moamoura Housing & Construction	75,000,000
382	EYMH.CA	EGS65931C015	Al Yamama Managerial Housing (Yamama Centre)	60,000,000
383	AREI.CA	EGS65451C014	Alexandria Real Estate	576,164,000
384	AUPR.CA	EGS65001C016	Alexandria Urban Projects	131,003,550
385	HREI.CA	EGS21011C015	Alhalawani For Real Estate Investment	100,757,900
386	AREC.CA	EGS652H1C011	Almazra For Real-Estate And Development Company	162,259,600

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
387	ANGO.CA	EGS65761C016	Amigo Real Estate Investment	31,000,000
388	AIUR.CA	EGS65112C012	Arab Investment Urbanization	134,980,560
389	RREI.CA	EGS65011C016	Arab Real Estate Investment (ALCO)	58,168,000
390	ARSY.CA	EGS21661C011	Arab Real-Estate For Youth Housing Co.	40,000,000
391	CIRFA.CA	EGS70021C018	Cairo Development and Investment	9,076,413
392	CIRA.CA	EGS65541C012	Cairo Investment & Real Estate Development	31,175,000
393	DRED.CA	EGS65211C010	Daloh For Real-Estate Investment Co.	60,728,200
394	DCRC.CA	EGS21451C017	Delta Construction & Rebuilding	808,595,916
395	ERTC.CA	EGS650V1C015	Ebad El Rahman Trade & Contracting	12,000,000
396	EKRE.CA	EGS65151C010	Egypt Kuwait Real Estate Development	17,344,000
397	ERECC.CA	EGS65051C012	Egyptian Real Estate	28,650,000
398	AREHA.CA	EGS65211B907	Egyptian Real Estate Group	16,441,941
	AREH.CA	EGS65211C012	Egyptian Real Estate Group	242,316,279
399	EHDR.CA	EGS65341C017	Egyptians Housing Development & Reconstruction	31,627,575
400	ADRI.CA	EGS652M1C014	El Asher for Development & Real Estate Investment	61,920,000
401	ROOG.CA	EGS650Y1C012	El Beroog Construction	16,250,000
402	EIKA.CA	EGS65071C010	El Kahera Housing	* 165,900,000
403	EMHD.CA	EGS65581C018	El Maadi Housing & Development	75,000,000
404	ENHD.CA	EGS65621C012	El Nasr Housing & Reconstruction	45,000,000
405	OBRIC.CA	EGS65551C011	El Obour Real Estate Investment	10,000,000
406	ERDC.CA	EGS65011C019	El Riyadh Development & Construction	7,500,000
407	SARH.CA	EGS650Q1C012	El Sarh Real Estate Development	5,000,000
408	ELSH.CA	EGS65091C018	El Shams Housing & Urbanization	* 354,560,000
409	DWEK.CA	EGS651P1C012	El Yamin Dwellings	25,000,000
410	FCCO.AA	EGS21251C029	Fadco for investment Projects	33,684,820
	FCCO.CA	EGS21251C011	Fadco for investment Projects	17,000,000
411	GIHD.CA	EGS65461C013	Gharbia Islamic Housing Development	5,250,000
412	CCRS.CA	EGS651B1C018	Gulf Canadian Real Estate Investment Co.	67,290,000
413	HELL.CA	EGS65591C017	Helopolis Housing	* 1,949,669,420
414	ICID.CA	EGS67191C014	International Co For Investment & Development	6,074,400
415	INRE.CA	EGS65261C017	Ismailia National Real Estate	2,525,000
416	LOCO.CA	EGS65841C016	Lotus Contracting	17,550,000
417	MNHD.CA	EGS65571C019	Medinet Nasr Housing	* 176,160,000
418	MENA.CA	EGS65441C015	Mena Touristic & Real Estate Investment	286,548,084
419	MERC.CA	EGS65371C014	MERCO Real Estate & Commerce	8,104,000
420	MCAI.CA	EGS651A1C019	Misr Construction and Trading Co.	9,000,000
421	EHIN.CA	EGS67351C014	Misr Housing & Investment	121,992,900
422	MNRD.CA	EGS65561C010	Misr National Real Estate Development (Watania)	8,000,000
423	MREI.CA	EGS65291C014	Misr Real Estate & Tourist Investment	77,249,207
424	NDRPCA	EGS652L1C015	Namaa for Development and Real Estate Investment Co.	479,074,000
425	NHPS.CA	EGS65131C012	National Housing for Professional Syndicates	239,040,000
426	NIRE.CA	EGS65101C015	National Investment & Reconstruction	60,765,000
427	NRPD.CA	EGS65511C015	National Real Estate Bank for Development	8,130,375
428	PHDC.CA	EGS655L1C012	Palm Hills Development Company	121,500,000
429	PICO.CA	EGS65311C010	PICO Housing & Real Estate Investment	9,770,000
430	OCDCI.CA	EGS65851C015	Six of October Development & Investment (SODIC)	* 3,871,222,881
431	SCDA.CA	EGS67531C011	Suez Canal For Development and Arab Real Estate Investment	4,743,600
432	TOUR.CA	EGS65021C015	Tourism Urbanization	120,522,200
433	UARE.CA	EGS65121C013	United Arab Real Estate	165,500,000

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
434 UNIT.CA	EGS65061C011	United Housing & Development	*	368,452,464
435 UHTR.CA	EGS651D1C016	Urbanization Horizon for Touristic & Real estate Investment		43,558,000
<b>Total</b>				<b>13,395,240,285</b>

#### Information Technology

436 EGET.CA	EGS3G0R1C014	Egyptian Electronics Technology Company		432,200,584
437 MEGA.CA	EGS3G321C010	Multimedia Mega Stores		19,000,000
438 OTEC.CA	EGS74091C017	Orascom Technological Systems		50,000,000
439 RAYA.CA	EGS3690C1C010	Raya Holding For Technology And Communications	*	666,721,692
440 SCTS.CA	EGS740C1C010	Suez Canal Company For Technology Settling		1,057,167,000
441 TLCM.CA	EGS74201C014	Telco Media		4,990,000
<b>Total</b>				<b>2,230,079,276</b>

#### Mills & Storage

442 AFMC.CA	EGS30471C014	Alexandria Flour Mills		63,560,000
443 EDFM.CA	EGS30351C018	East Delta Flour Mills		154,080,000
444 EGWA.CA	EGS42091C016	Egyptian General Warehouses		10,000,000
445 GSSC.CA	EGS30441C017	General Silos & Storage		256,200,000
446 WODF.CA	EGS30421C019	Middle & West Delta Flour Mills		191,850,000
447 CEFM.CA	EGS30401C011	Middle Egypt Flour Mills		210,832,429
448 MILS.CA	EGS30361C017	North Cairo Mills		248,133,000
449 SCFM.CA	EGS30411C010	South Cairo & Giza Mills & Bakeries		48,510,000
450 UNGR.CA	EGS54031C017	Unigrain		23,740,000
451 UFM.CA	EGS300K1C012	United Flour Mills Co.		51,500,000
452 UEFM.CA	EGS30451C016	Upper Egypt Flour Mills		179,760,000
<b>Total</b>				<b>1,438,165,429</b>

#### Mining & Gas

453 AMOC.CA	EGS380P1C010	Alexandria Mineral Oils Company	*	6,735,603,000
454 DGAS.CA	EGS38DB1C016	Air Liquid Alexandria For Medical & Industrial Gases		750,000,000
455 ASCM.CA	EGS10001C013	Asek Company for Mining		83,956,600
456 EIGT.CA	EGS490S1C013	Egyptian International Gas Technology Company (E.I.G.T.E.C.)		740,025,000
457 EPCC.CA	EGS39022C016	Engineering Petroleum & Chemicals (ENPPI)		40,040,000
458 MOBL.CA	EGS13021C018	Exxon Mobil (Egypt)		953,581,985
459 GMIC.CA	EGS460S1C016	GMC FOR INDUSTRIAL COMMERCIAL & FINANCIAL INVESTMENTS		5,000,000
460 INGA.CA	EGS31021C013	Industrial Gases		52,340,000
461 MAPS.CA	EGS44012C010	Marine and Petroleum Services		56,900,270
462 MIDR.CA	EGS390S2C013	MIDOR		6,302,092,368
463 NATG.CA	EGS490A1C014	National Gas Company (NATGAS)		699,800,000
464 EGAS.CA	EGS39011C019	Natural Gas & Mining Project (Egypt Gas)		1,080,000,000
465 SKPC.CA	EGS380S1C017	Sidi Kerir Petrochemicals	*	11,955,300,000
<b>Total</b>				<b>28,625,719,173</b>

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
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#### Miscellaneous Services

466 TRDE.CA	EGS72291C015	10th of Ramadan for Development & Educational services		14,000,000
467 AECS.CA	EGS42001C015	Americana Egypt Cooling Stores		12,000,000
468 ACSM.CA	EGS23101C016	Arab Contractors Service & Maintenance		7,101,000
469 DARY.CA	EGS520A1C018	Building and Decoration Center (Dary)		20,000,000
470 CAED.CA	EGS72201C014	Cairo Educational Services		12,000,000
471 DAF.CA	EGS73201C013	Delta Academy For Science		35,851,640
472 EEGE.CA	EGS72301C012	Eldawia Integrated Housing & Touristic, Real Estate Investm		9,889,000
473 MICON.CA	EGS50101C012	MICON		4,925,000
474 MRSE.CA	EGS73151C010	Misr Services		5,255,000
475 PSES.CA	EGS730B1C013	Petroleum Safety and Environmental Services Co (Petrosafe)		3,745,000
476 PICI.CA	EGS67461C011	Pico Investment		20,000,000
477 SCAR.CA	EGS75001C015	Suez Canal Automotive Repair And Maintenance		5,226,000
478 CSCH.CA	EGS720C1C014	The Continental School		6,537,600
<b>Total</b>				<b>156,530,240</b>

#### Paper & Packaging & Plastics

479 BARD.CA	EGS36001C013	Al Bardi Paper Mill		60,000,000
480 AMPC.CA	EGS3A051C019	Arab Medical Packing		23,838,108
	AMPCA:CAEGS3A051C068	Arab Medical Packing		3,664,634
481 CARM.CA	EGS36011C012	Carmen Paper Products		21,650,000
482 EPPK.CA	EGS360A1C011	El Ahram Co. For Printing And Packaging		30,000,000
483 EKMP.CA	EGS3A281C012	El Ekhlas Modern Plastics		6,000,000
484 EEPK.CA	EGS37071C015	El Eslamyah Packing & printing		28,000,000
485 ETPL.CA	EGS3A011C013	El Tawfikia Plastic Industries		5,000,000
486 PPPM.CA	EGS360B2C018	FLORA - Pyramids Paper Mills		67,295,800
487 IPRS.CA	EGS3A231C017	International Plastics and Refrigerator Supplies		26,588,814
488 IPCO.CA	EGS3A341C014	International Plastics Co.		9,793,395
	IPCOA:CAEGS3A341C022	International Plastics Co.		2,547,490
489 KEPP.CA	EGS3A042C018	Kuwaiti Egyptian Plastic Pipes Products		31,002,400
490 SMPK.CA	EGS3A0A1C016	Modern Shorouk Printing & Packaging		70,274,700
491 NAPA.CA	EGS36101C011	National Paper		135,000,000
492 NDPC.CA	EGS3A351C013	New Delta Plastic Co.		11,022,336
493 SIMO.CA	EGS36091C014	Paper Middle East (Simo)		11,790,000
494 PPSI.CA	EGS3A151C017	Pens & Plastic Industries (Sicep)		15,150,000
495 QPIC.CA	EGS360Q1C013	Quena Paper Industry		500,005,000
496 RAKT.CA	EGS36021C011	Rakta Paper Manufacturing		204,207,089
497 RUBX.CA	EGS3A221C018	Rubex Plastics		81,536,000
498 SEPA.CA	EGS3A111C011	Seliopak		4,152,000
499 SBAG.CA	EGS36041C019	Suez Bags		126,900,000
<b>Total</b>				<b>1,475,417,766</b>

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
<b>Retailers</b>				
500	DWLI.CA EGS73321CO19	El Dwlia For Trading Markets		10,000,000
501	GTPC.CA EGS51121CO19	El Gounhoria Trade Pharmaceuticals & Chemicals		80,000,000
502	EMTP.CA EGS51151CO16	El Mareyah Trade Pharmaceuticals		120,000,000
503	MFSC.CA EGS53051CO16	Misr Duty Free Shops		174,300,000
504	MOCL.CA EGS50291CO11	Modern Clothes		7,000,000
505	OSTD.CA EGS52051CO17	Olympic Stores Trade and Distribution		33,725,000
506	OMFE.CA EGS53041CO17	Omar Effindi		655,010,000
507	NAWY.CA EGS53101CO19	The Clothing & Products Consumerism Co.		6,500,000

**Total** 1,086,535,000

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
<b>Textiles &amp; Clothing</b>				
508	SPIN.CA EGS32041CO13	Alexandria Spinning & Weaving (SPINALEX)		1,691,342,534
509	ACGC.CA EGS32221CO11	Arab Cotton Ginning	*	2,005,433,987
510	APSW.CA EGS32331CO18	ARAB POLVARA SPINNING & WEAVING CO.	*	569,614,285
511	BSHR.CA EGS33171CO17	Bishara		162,631,840
	BSHR.CA EGS33171CO25	Bishara		1,877,760
512	CCRC.CA EGS33141CO10	Cairo Cotton Center		11,500,000
513	DCGC.CA EGS32261CO17	Delta Cotton Ginnings		27,205,000
514	EGFI.CA EGS32091CO18	Egyptian Fibres		141,240,000
515	AATI.CA EGS32271CO16	El Alameya for Textiles (Nunu Brothers)		63,000,000
516	EHDPCA EGS38491CO14	El Hesn Dyeing & Preparation		59,764,379
517	MTEX.CA EGS32191CO16	El Masria Textiles & Clothes		28,005,300
518	KABO.CA EGS33061CO10	El Nasr Clothes & Textiles (Kabo)	*	1,222,392,634
519	WCGC.CA EGS32251CO18	El Wady Trade & Cotton Ginning		14,600,000
520	GATT.CA EGS33291CO13	Garments and Terry Towels Ind. Co (GATT)		68,876,800
521	GTX.CA EGS32291CO14	Giza Textiles		94,900,000
522	GTWL.CA EGS32161CO19	Golden Textiles & Clothes Wool		129,848,750
523	KBCL.CA EGS33121CO12	KB Readymade Clothes		5,000,000
524	MTWM.CA EGS331M1CO13	May for Textiles manufacturing and marketing (maytex) co		71,010,000
525	MIDT.CA EGS33001CO16	Middle East Textiles Industries (Metex)		28,520,000
526	MRCL.CA EGS33021CO14	Misr Clothing		17,650,000
527	MCGC.CA EGS32211CO12	Misr Cotton Ginning		22,831,000
528	MITX.CA EGS32081CO19	Misr Iran Textile (Miratex)		55,400,100
529	SKSW.CA EGS32231CO10	Misr Shebin El Kom Spinning & Weaving		100,000,000
530	MOBA.CA EGS33281CO14	MOBACO for Industries & Trade		70,000,000
531	MACH.CA EGS33091CO17	Moquette mac		1,351,200,000
532	NICL.CA EGS33031CO13	Nile Clothing		41,850,000
533	NGCC.CA EGS32131CO12	Nile Cotton Ginning	*	280,860,250
534	ORIE.CA EGS32051CO12	Oriental Linen & Cotton		5,520,000
535	ORWE.CA EGS33041CO12	Oriental Weavers	*	3,218,000,000
536	RTEX.CA EGS33101CO14	Rosetex Textile Co.		20,000,000
537	TRSI.CA EGS32151CO10	Tenth of Ramadan Spinning Industries		20,000,000

**Total** 11,600,074,618

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
<b>Trade</b>				
538	KATE.CA EGS50341CO14	Al Gafelah Trade & Construction		5,000,000
539	ALTR.CA EGS51141CO17	Alexandria Trade		5,000,000
540	AXGR.CA EGS53071CO14	Almazloum Trade & Agencies		31,500,000
541	AITG.CA EGS50091CO15	Assiut Islamic Trading		60,301,050
542	CATS.CA EGS50081CO16	Cairo Trading		4,500,000
543	CTEC.CA EGS740D1CO19	Centra Technologies		14,033,390
544	COTR.CA EGS50541CO19	Contoga Trade		6,340,700
545	DRSC.CA EGS500F1CO17	DELTA R S CO		10,000,000
546	EETC.CA EGS65671CO17	Egyptian Engineering Trading Centers		42,000,000
547	EGTR.CA EGS50421CO14	Egyptian Traders		10,000,000
548	ELAT.CA EGS52061CO16	El Ammr Trading and Contracting		6,650,000
549	CHEV.CA EGS55121CO15	El Mansour Automobiles (Mansour Chevrolet)		272,187,000
	CHEV.CA EGS55121CO31	El Mansour Automobiles (Mansour Chevrolet)		14,204,000
550	HTEC.CA EGS50591CO14	High Tech for Projects and Trading		6,500,000
551	ICIT.CA EGS65211CO19	International Co. For Investment And Trade		13,480,000
552	IICM.CA EGS67361CO13	International Trade & Manufacturing Investment		48,000,000
553	KNUT.CA EGS50151CO17	Khodeir Misr International Industry & Trade		7379,400
554	MTAC.CA EGS50581CO15	Mantrac		260,000,000
555	MRDT.CA EGS3E111CO17	Miraco Development & Trading		5,002,500
556	MCEX.CA EGS51131CO18	Misr Cotton Export		5,000,000
557	MEID.CA EGS54041CO16	Misr Express Trade & Distribution		5,050,000
558	NATC.CA EGS55031CO16	National Cars (NATCO)		90,000,000
559	NPTG.CA EGS51011CO12	Nile Projects & Trading		60,000,000
560	NAMO.CA EGS55081CO11	North Africa Motors		19,700,500
561	NOUH.CA EGS59021CO13	Scientific & Medical Equipment Co. Al Nauh		6,000,000
562	TRDC.CA EGS3A241CO16	TRADECO		130,000,000
563	UATR.CA EGS55061CO13	United Automotive Trading		4,050,000
564	MOTD.CA EGS55091CO10	United Trade & Distribution		6,000,000

**Total** 1,147,878,540

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
<b>Utilities</b>				
565	ASTS.CA EGS44101CO11	Abou Simbel & Tiba Shipping Agencies		30,000,000
566	ALCN.CA EGS42111CO12	Alexandria Containers and goods		1,074,774,000
567	CSAG.CA EGS44031CO10	Canal Shipping Agencies	*	2,154,000,000
568	DCCC.CA EGS42121CO11	Damietta Containers & Cargo		84,800,000
569	DSMS.CA EGS44081CO15	Damietta Shipping & Marine Services		2,320,832
570	DTRN.CA EGS42081CO18	Direct Transport Co.		22,123,449
571	EMSY.CA EGS47061CO14	Egyptian Marine Supply		17,429,381
572	ENAV.CA EGS440K1CO13	Egyptian Navigation Company		360,700,000
573	ESTT.CA EGS44091CO14	Egyptian Shipping Transport		243,220,000
574	ETRS.CA EGS42051CO10	Egyptian Transport (EGYTRANS)		78,487,500
575	GLBE.CA EGS490F1CO19	Global Energy		16,000,000
576	AVIS.CA EGS41011CO15	Intercar Tours (AVIS)		12,000,000
577	IACC.CA EGS42041CO11	International Associated Cargo Carriers		35,000,000
578	NANA.CA EGS44062CO15	National Navigation		2,443,582,175
579	NCGT.CA EGS41051CO11	NILE Co. For Goods Transport		25,283,785

No Reuters Code	ISIN Number	Company Name	Notes	Market Cap LE 31/12/06
580	NITC.CA EGS42151CO18	Nile Land Transportation Company		35,221,720
581	NACO.CA EGS44051CO18	NOSCO		11,500,000
582	PASV.CA EGS47052CO13	Petroleum Air Services		183,029,704
583	POCO.CA EGS42101CO13	Port Said Containers		76,585,649
584	REGW.CA EGS74061CO10	REGWA		3,687,340
585	STTC.CA EGS41021CO14	Super Touristic Transport		5,000,000
586	TWOC.CA EGS44131CO18	Transport Works Company		12,651,601
587	UASG.CA EGS47021CO18	United Arab Shipping		163,236,379
<b>Total</b>				<b>7,090,633,515</b>
<b>Media</b>				
588	AHIN.CA EGS37051CO17	Al Ahram Investment		50,000,300
589	MPRC.CA EGS78021CO10	Egyptian Media Production City	*	1,950,480,000
590	EGSA.CA EGS48022CO15	Egyptian Satellites (NileSat)		735,134,400
591	UVFM.CA EGS78011CO11	Union Video & Film Makers		35,000,000
<b>Total</b>				<b>2,770,614,700</b>
<b>Telecommunication</b>				
592	EMOB.CA EGS48011CO18	Egyptian Company for Mobile Services (MobiNil)	*	18,139,000,000
593	ORTE.CA EGS74081CO18	Orascom Telecom Holding (OT)	*	83,017,000,000
594	ETEL.CA EGS48031CO16	Telecom Egypt	*	24,274,558,152
595	VODE.CA EGS48001CO19	Vodafone Egypt Telecommunications	*	22,723,200,000
<b>Total</b>				<b>148,153,758,152</b>
<b>Total</b>				<b>533,892,861,846</b>

Exchange rate used 5.72 LE/US\$ is the weighted average of the buying and selling rates quoted by banks on 31 December 2006.

\*Refers to the 50 most active companies

Source: Cairo & Alexandria Stock Exchanges

# Departments

## C A I R O

### 4A, El Sherifein St., Postal Code 11513, P.O. Box 358 Mohamed Farid, Down Town

Administration	Tel: (202) 3955266 / 3955477	Fax: (202) 3955799
Information Technology	Tel: (202) 3910682 / 3911184	Fax: (202) 3911280
Legal Affairs	Tel: (202) 3924687	
Market Surveillance	Tel: (202) 3925430 / 3959344	Fax: (202) 3951982
Market Control	Tel: (202) 3925430 / 3959344	Fax: (202) 3951982

### 10, Elwy St., Down Town

Coding	Tel: (202) 3928698 / 3921402 / 3921447	
Complaints	Tel: (202) 3928698 / 3921402 / 3921447	Fax Ext: 510
Contracts	Tel: (202) 3928698 / 3921402 / 3921447	
Human Resources	Tel: (202) 3928698 / 3921402 / 3921447	Fax Ext: 890
Internal Audit	Tel: (202) 3970491	Ext: 891
Investigations	Tel: (202) 3928698 / 3921402 / 3921447	Fax: (202) 3924214
Listing	Tel: (202) 3928698 / 3921402 / 3921447	Ext: 521
Personnel Affairs	Tel: (202) 3928698 / 3921402 / 3921447	Fax Ext: 511
Purchasing & Warehousing	Tel: (202) 3928698 / 3921402 / 3921447	Fax Ext: 523
Trafficking	Tel: (202) 3928698 / 3921402 / 3921447	Fax: (202) 3924214
Transfer of Documents of Title	Tel: (202) 3928698 / 3921402 / 3921447	Ext: 519

### 5, Sherif El Saghir St., Down Town

Board Affairs	Tel: (202) 3927645	Fax: (202) 3912435
Disclosure	Tel: (202) 3924214 / 3927225	Fax: (010) 5454780
Finance	Tel: (202) 3959311	Fax: (202) 3961502
Public Relations & Communications	Tel: (202) 3931462 / 3926865	Fax: (202) 3961502
Marketing	Tel: (202) 3931462 / 3926865	Fax: (202) 3961502
Market Operations	Tel: (202) 3959355	Fax: (202) 3961502
Training Center	Tel: (202) 3930799	Fax: (202) 3961504

### 2 El Kady El Fadel - El Mahrany St., Off Sabri Abu Alam

Membership	Tel: (202) 3928698 / 3921402 / 3921447	
Research & Markets Development	Tel: (202) 3928698 / 3921402 / 3921447	
Strategic Planning	Tel: (202) 3928698 / 3921402 / 3921447	
Information Technology Services	Tel: (202) 3928698 / 3921402 / 3921447	

## A L E X A N D R I A

### 11, Talaat Harb St., Postal Code 21111, P.O. Box 873

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Market Control	Tel: (203) 4843600 / 1 / 2 / 3	Fax: (203) 4843604
Marketing & Communications	Tel: (203) 4843600 / 1 / 2 / 3	Fax: (203) 4843604
Research & Markets Development	Tel: (203) 4843600 / 1 / 2 / 3	Fax: (203) 4843604

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