

Update 20: Egypt - Current Account Deficit Widens to US\$11.2 B for 2019-20 Amid COVID-19 Pandemic

- Egypt's current account deficit for the entire financial year to June 2020 increased to US\$11.2 B, from US\$10.9 B in 2018-19
- Egypt's current account deficit increased in the April-June quarter to US\$3.83 B from US\$1.09 B a year earlier
- Tourism revenue plummeted to US\$305 M during the April-June quarter from US\$3.18 B in April-June 2019, as the COVID-19 pandemic impacted the economy
- Egypt stopped most international airline flights in mid-March 2020 as the pandemic gripped the world, before gradually reopening them in June 2020
- Exports dropped to US\$5.42 B from US\$7.58 B while imports fell to US\$13.83 B from US\$15.87 B, causing the trade deficit to widen to US\$8.41 B from US\$8.29 B
- Suez Canal revenue, hurt by a fall in world trade since the pandemic, dipped to US\$1.34 B from US\$1.46 B, while remittances from Egyptians working abroad fell to US\$6.21 B from US\$6.94 B
- Net foreign direct investment (FDI) dropped to US\$1.52 B from US\$1.71 B, while net portfolio investment plunged to US\$636.8 M from US\$3.18 B as investors pulled money out of emerging markets
- The economy had been boosted in the last three years by an upswing in tourism, strong remittances from Egyptian workers abroad and recently discovered natural gas fields coming on stream
- As of now, Egypt has reported 115,911 confirmed COVID-19 cases with 6,650 deaths (5.7% of total reported cases) and 102,718 recoveries (88.6% of total reported cases)
- Supply Wisdom is continuously monitoring the COVID-19 situation and will alert you to any relevant developments
- Please consult Ministry of Health (<http://www.mohp.gov.eg/>) for the latest information on COVID-19 in Egypt

Source(s)

<https://www.nasdaq.com/articles/egypts-current-account-deficit-widens-to-%2411.2-bln-in-2019-20-2020-11-30>
<http://english.ahram.org.eg/NewsContent/3/12/395896/Business/Economy/Egyptys-current-account-deficit-widens-to--billion-.aspx>
<https://uk.reuters.com/article/egypt-economy/update-2-egypts-current-account-deficit-shoots-up-in-april-june-idUKL8N2IG5H2>
<https://egyptindependent.com/egypt-confirms-358-new-coronavirus-cases-total-now-115541/>
<https://www.worldometers.info/coronavirus/country/egypt/>

Targets Affected:

Egypt

Category(s):

Macro-Economic Risk - Geo-Political Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- Consider implementing suggested actions related 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts**Nov. 24, 2020****High**

Update 19: Egypt - Authorities Confirm
Second Wave of COVID-19 Pandemic

Nov. 3, 2020**Medium**

Update 18: Egypt - Allows Four Day
Opening of Rafah Border Crossing with
Gaza Amid COVID-19 Pandemic

Oct. 19, 2020**Medium**

Update 17: Egypt - Reopens Schools
Amid ~1,057 Active COVID-19 Cases

Sept. 5, 2020**Medium**

Update 16: Egypt - Reports 157 New
COVID-19 Cases in Last 24 Hours,
Raising National Total to 99,582

July 25, 2020**High**

Update 15: Egypt - Announces
Precautionary Measures for Religious
Holiday Starting July 26, 2020 Amid
COVID-19 Pandemic

July 12, 2020**Medium**

Update 14: Egypt - Reports 923 New
COVID-19 Cases in Last 24 Hours,
Raising National Total to 81,158

June 27, 2020**Low**

Update 13: Egypt - IMF Approves Fund
to Aid Economy Amid COVID-19
Pandemic - ~US\$5.2 B

June 25, 2020**Medium**

Update 12: Egypt - Plans to Lift
COVID-19 Restrictions and Implement
New Precautionary Measures Starting
June 27, 2020

June 20, 2020

Low

Update 11: Egypt - Includes Small and Medium-Sized Enterprises to ~US\$6.2 B Financing Initiative Support Amid COVID-19 Pandemic

June 15, 2020

Medium

Update 10: Egypt - Plans to Resume International Flights and Reopen All Airports Starting July 1, 2020 Amid COVID-19 Pandemic

June 12, 2020

Medium

Update 9: Egypt - Further Eases COVID-19 Restrictions to Aid Economy

May 20, 2020

Immediate

Update 8: Egypt - Extends Ban on International Travel Indefinitely

May 18, 2020

Immediate

Update 7: Egypt - Tightens COVID-19 Restrictions During Festival Holidays to Contain COVID-19 Pandemic

May 15, 2020

High

Update 6: Egypt - Announces Three-Stage 'Coexistence Plan' Amid COVID-19 Pandemic

April 30, 2020

Immediate

Update 5: Egypt - Extends State of Emergency for Three Months to Fight COVID-19 Pandemic

April 29, 2020

Immediate

Update 4: Egypt - Reports Highest Daily Increase of 260 in COVID-19 Cases, Totaling 5,042

April 24, 2020

High

Update 3: Egypt - Extends Partial COVID-19 Lockdown During Festival Month with Few Relaxations in Place

April 17, 2020

High

Update 2: Egypt - Plans to Extend
Night-Time Curfew Next Week to Curb
COVID-19 Pandemic Amid Festival
Celebrations

April 9, 2020

Immediate

Update 1: Egypt - Extends Lockdown
Until April 21, 2020 to Contain COVID-
19 Pandemic

April 7, 2020

Immediate

Egypt - Reports Highest Daily Increase
of 149 in COVID-19 Cases

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.