



بنك الإمارات دبي الوطني
Emirates NBD

Economics
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Egypt PMI improves in November

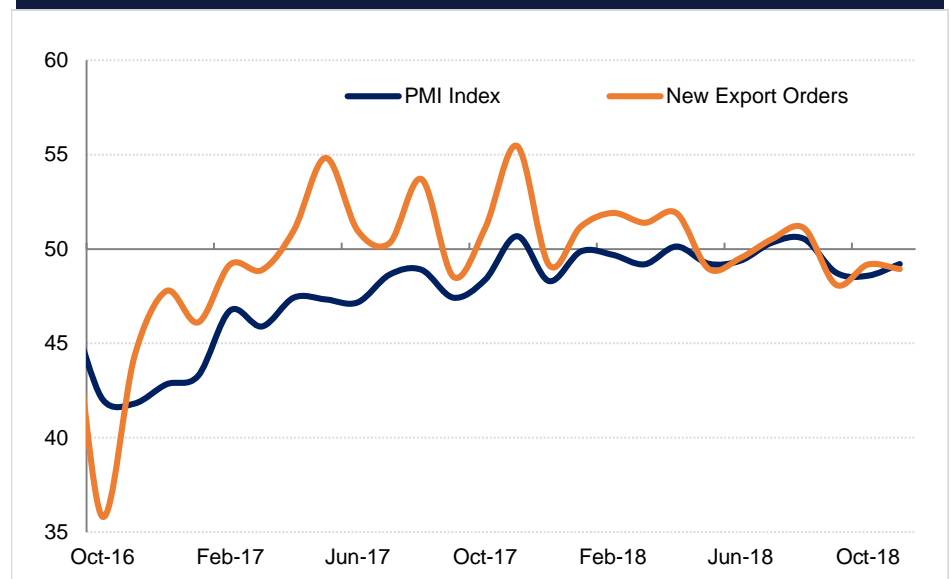
The Emirates NBD Purchasing Managers' Index (PMI) for Egypt rose to 49.2 in November from 48.6 in October. While the reading is the highest in three months, it is still in contraction territory. The main components of the index – output, new work – declined less than in the prior two months.

New export orders also remained in contraction territory for the third month in a row. The EGP has firmed against the euro (a major trading partner) since April, which may be contributing to the recent softness in export demand. Firms surveyed cited 'challenging economic conditions' which continued to weigh on demand as a reason for the decline in new orders last month.

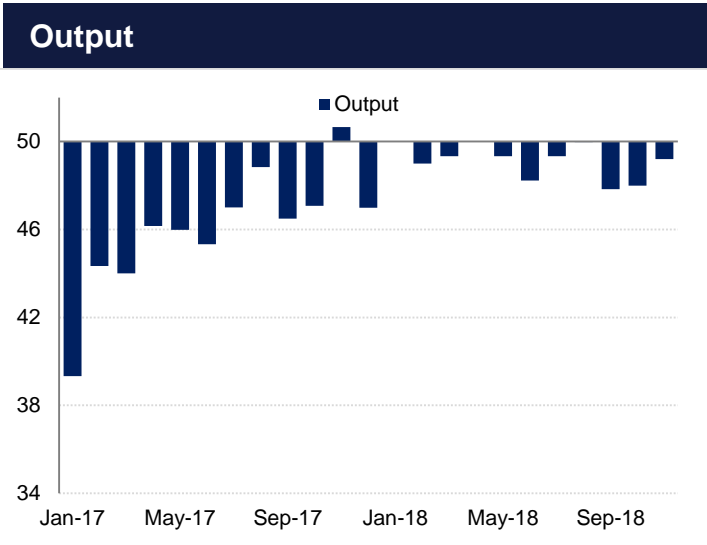
Unsurprisingly against this backdrop, employment declined for the second month in a row in November, with this component of the PMI falling to the lowest level since March. However, staff costs increased at a similar rate to the previous three months, as firms responded to higher living costs.

On a more positive (for consumers) note, output prices were stable on average last month, with the output price index at the lowest level since November 2015. While firms absorbed higher input costs, the rate of increase in producer prices was the weakest since the series began in April 2011. Inflationary pressures do appear to have eased in recent months, after spiking on subsidy cuts over the summer.

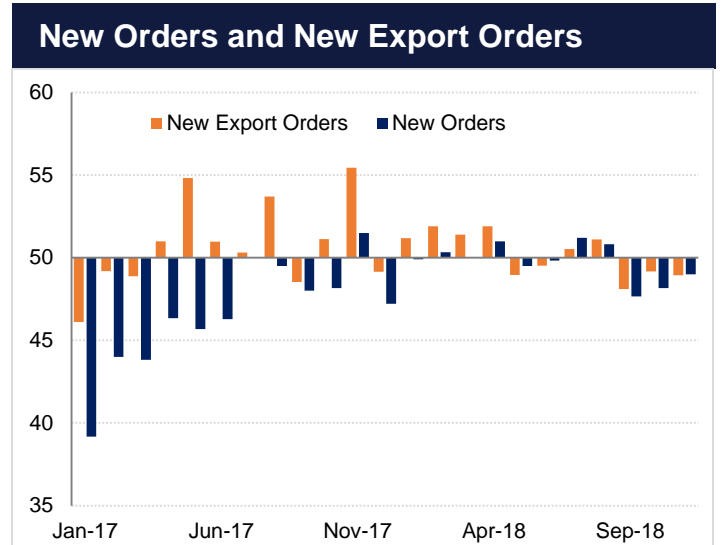
Emirates NBD Egypt PMI



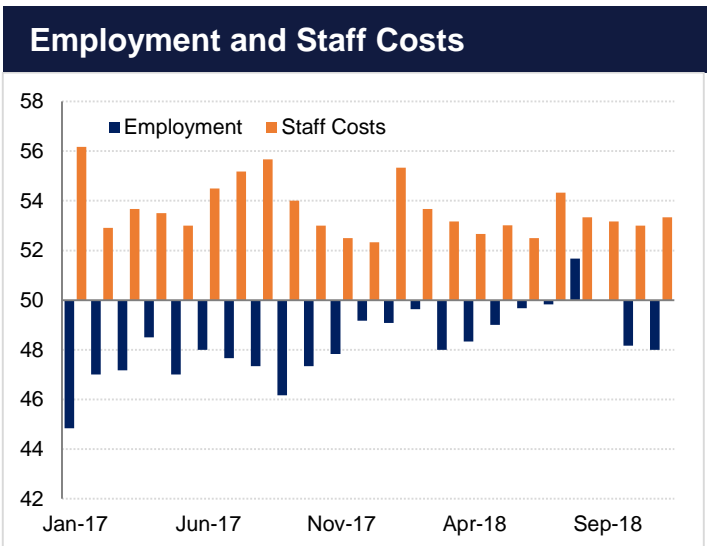
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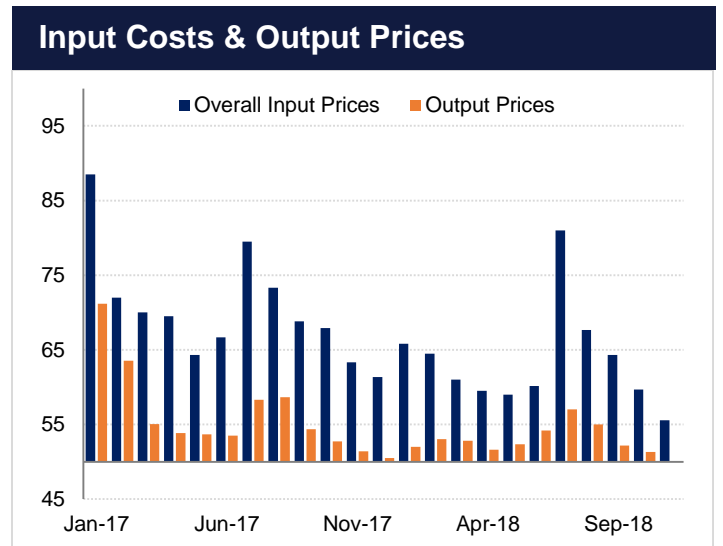
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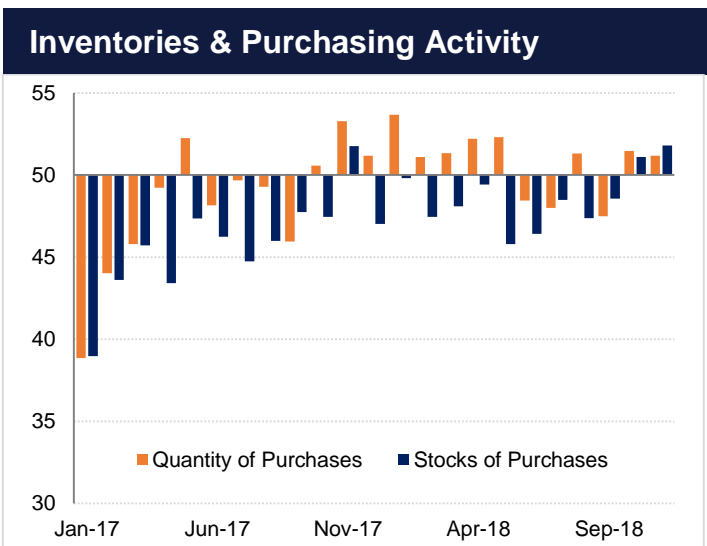
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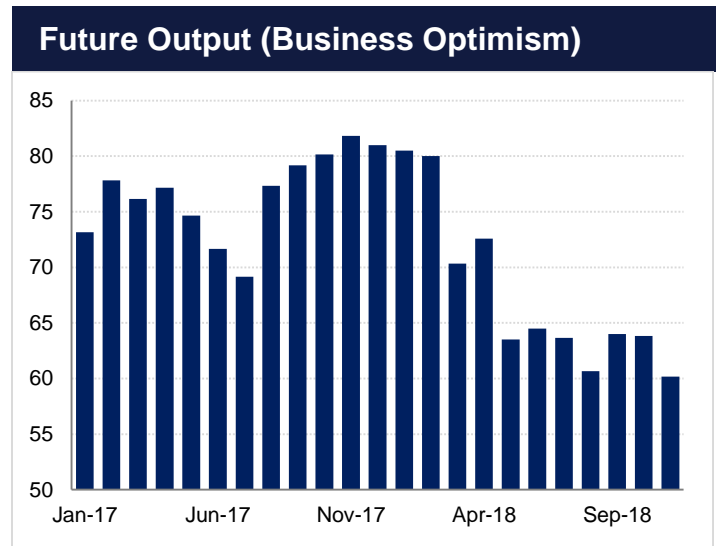
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