



The Egyptian Financial Company for sovereign Taskeek

Performance of Egyptian sovereign sukuk (Maturity on February 2026)



(A chart showing the performance of Egyptian sovereign sukuk until 30 August 2024)¹

The Federal Reserve's preferred inflation measure, "The personal consumption expenditures price index", rose 2.5% on an annual basis, in July 2024, according to data released Friday (30/8/2024) by the Bureau of Economic Analysis², which increases the likelihood of the Fed cutting interest rates soon.³ This was reflected in the price of Egyptian sovereign sukuk, which reached \$104.49 (30/8/2024). The price of Egyptian sovereign sukuk reached \$104.55 on Thursday (29/8/2024), which is its highest level since the issuance of Egyptian sovereign sukuk in February 2023. the yield to maturity also decreased to 7.75% (30/8/2024) from 8.45% (23/8/2023), a decrease of 8.28%.

IMF intends to conduct the fourth review of the extended loan program worth \$8 billion by the first of October at the latest. A new tranche worth \$1.3 billion is scheduled to be obtained, which supports investor confidence in the Egyptian economy⁴. this has led to a relative stability in CDS to reach 6.93% (30/8/2024) from 6.92% (23/8/2024).⁵

| US dollar interest rates | U.S 2 Years yield | Sukuk maturity Feb 2026 yield rate |
|--------------------------|-------------------|------------------------------------|
| 5.5 % | 3.91 % | 7.75 % |

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¹ - <https://rb.gy/8m3j5d>

² - <https://rb.gy/y1187d>

³ - <https://rb.gy/015xf6>

⁴ - <https://rb.gy/rjzdup>

⁵ - <https://rb.gy/656r40>