



Moody's Upgrades Egypt's Sovereign Rating to **B3**

*with Positive
Outlook*



MOODY'S
RATINGS

Sovereign Rating Upgraded to B3 with Positive Outlook

Moody's Ratings upgraded Egypt's long-term issuer ratings and senior unsecured ratings to B3 from Caa1, with a positive outlook.

Caa1

Previous Rating



B3

Upgraded Rating



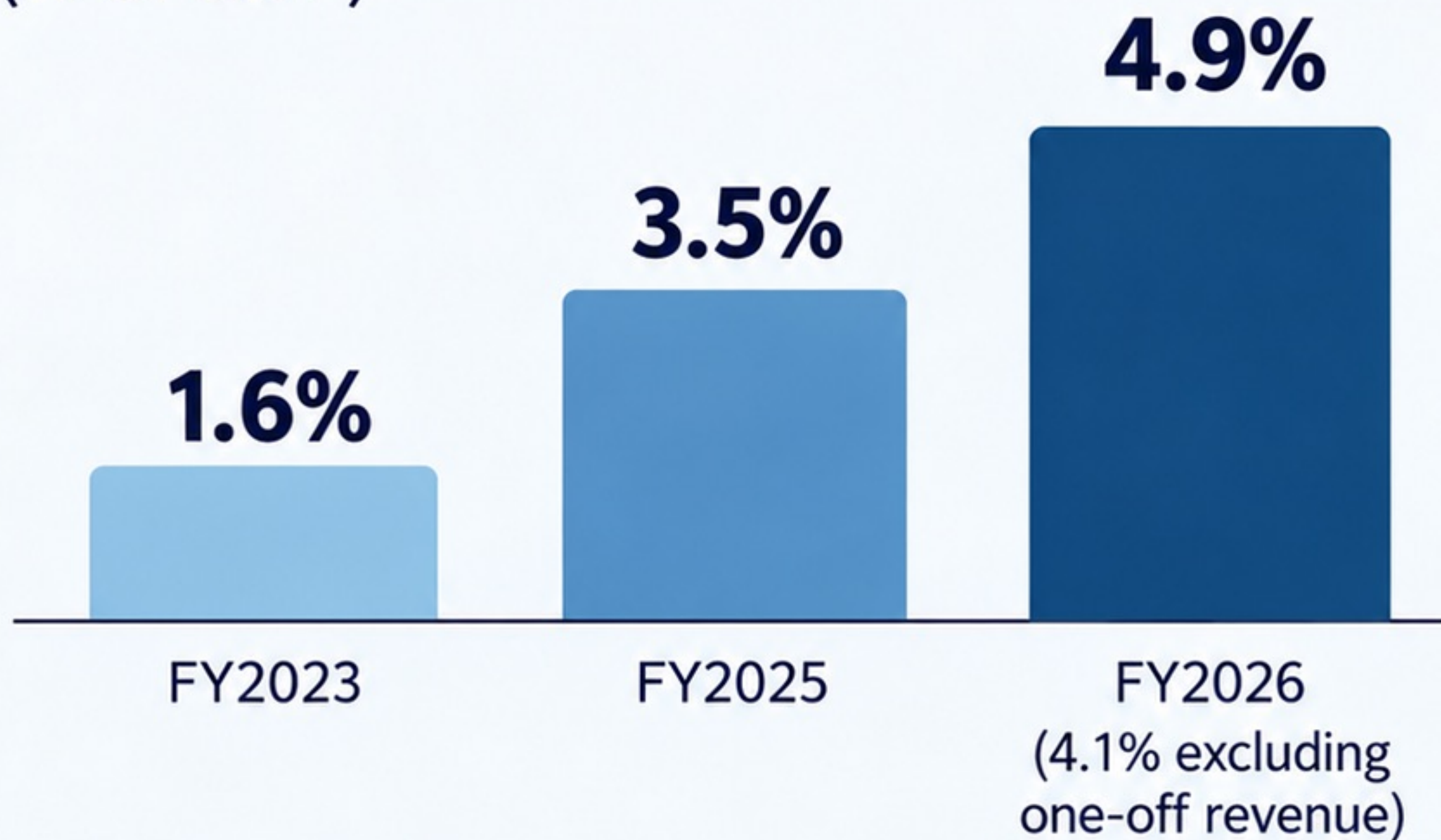
**Outlook:
Positive**

Reflects the prospect of further improvement in government debt and interest burdens through sustained reforms.

Stronger Fiscal Position

Egypt has delivered robust primary fiscal surpluses, proving resilient to external shocks.

Primary Fiscal Surplus (% of GDP)



Moody's cites a **lengthening track record** of robust primary fiscal surpluses.

Higher Revenues and Contained Spending

Improved revenue mobilization and expenditure restraint have driven the fiscal adjustment.



Tax Revenue (% of GDP)



- ✓ Stronger compliance
- ✓ Removal of exemptions
- ✓ Expanded digital administration
- ✓ Broader tax base without increasing the effective tax burden



Non-Interest Expenditure (% of GDP)

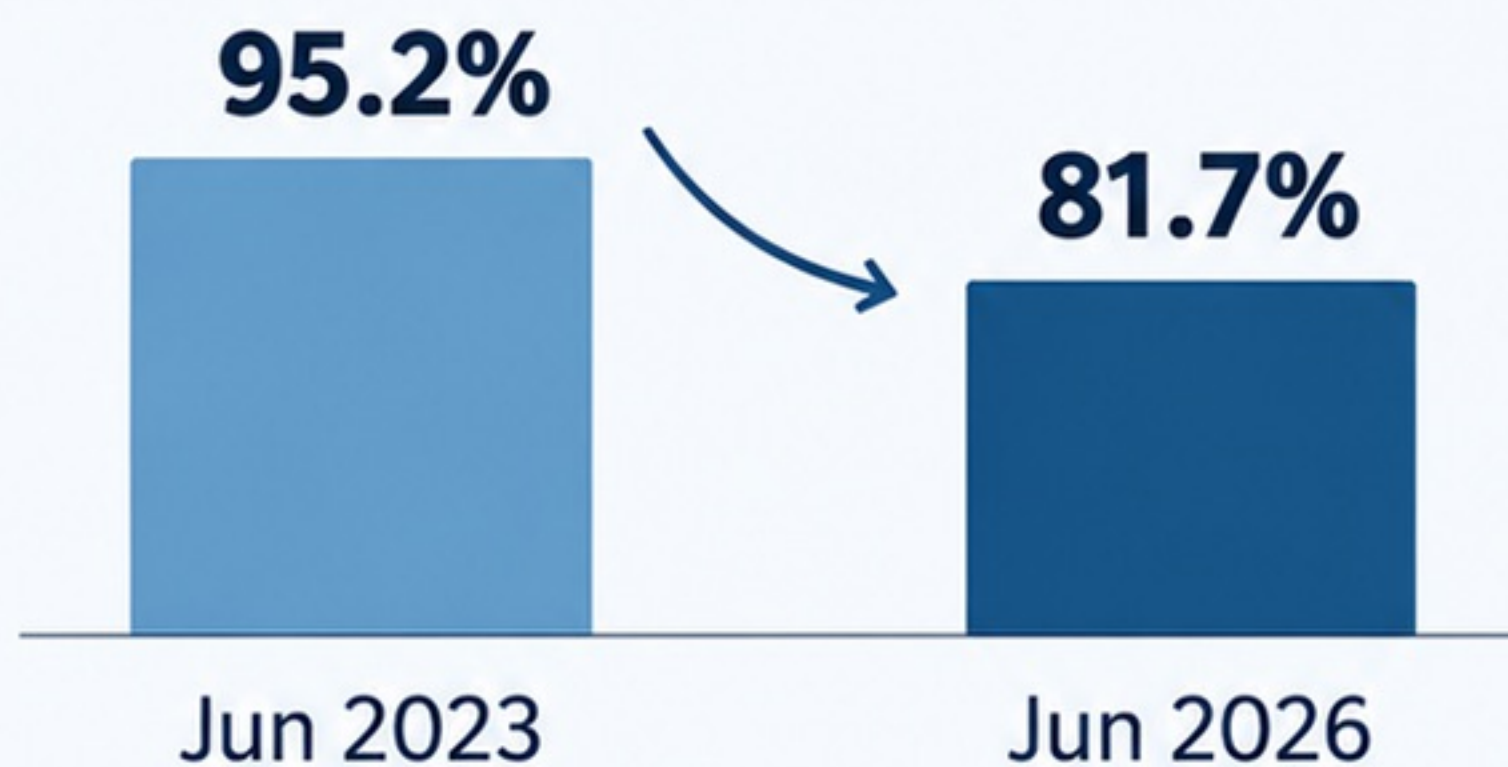


- ✓ Tighter spending controls
- ✓ Energy-price reforms that limited the impact of the oil price shock

Government Debt on a Declining Path

Sustained fiscal adjustment, strong economic growth and real appreciation of the Egyptian pound have reduced government debt.

Government Debt (% of GDP)



Moody's expects government debt to decline further to just below 70% of GDP by the end of the decade.

Interest Burden Starting to Ease

Debt affordability has begun to improve, though it remains elevated compared to similarly rated sovereigns.



General Government Interest-to-Revenue Ratio



Interest Burden (% of revenue)

just under
68%
of revenue in FY2026



Moody's expects the interest burden to decline to around **50%** of general government revenue by the end of the decade.





More Resilient to External Shocks

Monetary and exchange rate reforms since March 2024 have strengthened Egypt's ability to absorb shocks.



Net International Reserves

US\$57 bn (Sep 2026)

up from US\$52 bn at end-2025.



Remittance

\$47.3 bn (in FY 2025/2026)

Highest Level



Foreign Currency Inflows

\$14.4 bn

Tourism Revenues
in the First Nine Months
of FY 2025/2026

\$31.2 bn

Net Foreign Assets (NFA)
Highest Level in 6 Years



Stronger external buffers and improved capacity to withstand external shocks.

MOODY'S
RATINGS

EGYPT
A MORE RESILIENT
AND STRONGER ECONOMY



Path Ahead

The positive outlook reflects the potential for further improvements, driven by:



Sustained fiscal discipline
and continued structural reforms



Stronger economic growth



More effective revenue collection



A faster decline in domestic
borrowing costs as inflation eases
and investor confidence strengthens



Egypt is building a **more resilient, competitive and inclusive economy**, with stronger foundations for sustainable growth and improved living standards.