FAND Country Brief — Egypt

FAND Statistics · Country Briefs · 1.2.1.1 Free sample · 2026-10-23 · Balance sheet: Egypt country page v8 20261021 · Current US dollars per capita, GDP basis, 1950–2025.

Products › Off the shelf › 1.2 Country Briefs · The balance sheet equation · NUSAP-lite badges

Part 1. Egypt's Commonwealth, 1950–2025

Reading status: AI-DRAFTED; not yet vetted by a human expert.

Egypt's net worth per capita stood at 4.8 % of the American figure in 1955, slid to 3.5 % by 1975 and 2.5 % in 1990, where it stayed — with one 2000 blip — until 2005 (2.5 %). It then doubled, to 6.0 % in 2015, and has fallen since to 4.1 % on the provisional 2025 figure, with the 2024 figure already lower than 2023. Over the same 70 years Egypt's population rose from 14.3 % to 34.1 % of that in the US — a fivefold increase against a doubling.

Both lines are dollar measures, so both depend on the rate effectively applied to Egypt's cross-border transactions, which is not always the posted one. In Egypt the government is a party, and often the main party, on one side of those transactions: the Canal, the hydrocarbon enclave, the state's wheat and fuel imports, the Gulf deposits at the central bank, the Fund and the Paris Club. Its rules on who may buy foreign exchange, for what, and at what rate, shape whatever market there is.

Where the authorities hold a posted rate, as Egypt's did in most of these years, what binds is reserves. A posted rate holds while reserves, and the inflows expected behind them, can clear the transactions expected at that rate. Each of Egypt's devaluations — 1989–91, 2003, 2016, 2022–24 — came when they could not: reserves were 4 % of cross-border duties in 1988, down from 37 % to 27 % of duties between 1998 and 2001, 11 % in 2015 and 10 % in 2022. Each recovery came when expectations changed before reserves did — a write-off, a program, a deposit, a sale.

The rate is one of two things rationing does to the sheet. When the central bank rations access to foreign exchange, the transactions that cannot clear at the posted rate do not stop; they move to a parallel market, and with them a varying share of the income they carry leaves the official accounts — and comes back after each unification.

The sheet carries the official accounts as they are. In rationing years Commonwealth is understated by what left, and so is everything else read from the same accounts — the wage bill, investment, the current account; the columns after each unification carry part of what came back as recovery. Part 4 names the direction on each line; nothing is corrected.

The rate on the sheet is the World Bank's Atlas conversion factor. Where the Bank judges a posted rate outside the plausible range of the rate effectively applied to transactions — the egregious case — it substitutes an alternative conversion factor. It did so for Egypt in 1974–78 and 1982–90; it has taken the posted rate since the 1991 unification, including through the parallel markets of 2016 and 2023–24, and the factor averages three years, so the 2024 and 2025 columns are still absorbing the last devaluation (Part 4, Figure E3).

Rationing takes two forms, and Egypt has used both. Multiple exchange rates are the priced form — a multiple currency practice in the Fund's vocabulary, moving wealth from the relative prices the world market set to the ones the government preferred; Egypt ran them through the 1970s and 1980s, and the Bank's alternative factor is the trace they leave. The qualitative forms — licenses, priority lists, letters of credit, caps on deposits and transfers — price nothing, so they leave no trace in a conversion factor, only in what left the accounts.

Net worth is 96.7 % of Commonwealth in 2023: residents owe nonresidents 4.1 % of Commonwealth and are owed 0.8 %, a net position of −3.3 % — in the class of members owing more than 3 % of their wealth abroad (Figure 6 of the FAND marquee paper), where 371 million lower-middle-income people live.

Deferred maintenance is zero throughout, so FAND prices no premium on it; the market, in the same year, priced Egypt's sovereign debt at 600 to 1,000 basis points over high income. That is the distinction the marquee paper draws — the market pricing treasuries under strain, FAND pricing places where trust has slipped — and Egypt is one of the clearest cases of a member with the first problem and not the second on these numbers.

OconEco
DISCOVERING LOCAL WEALTH

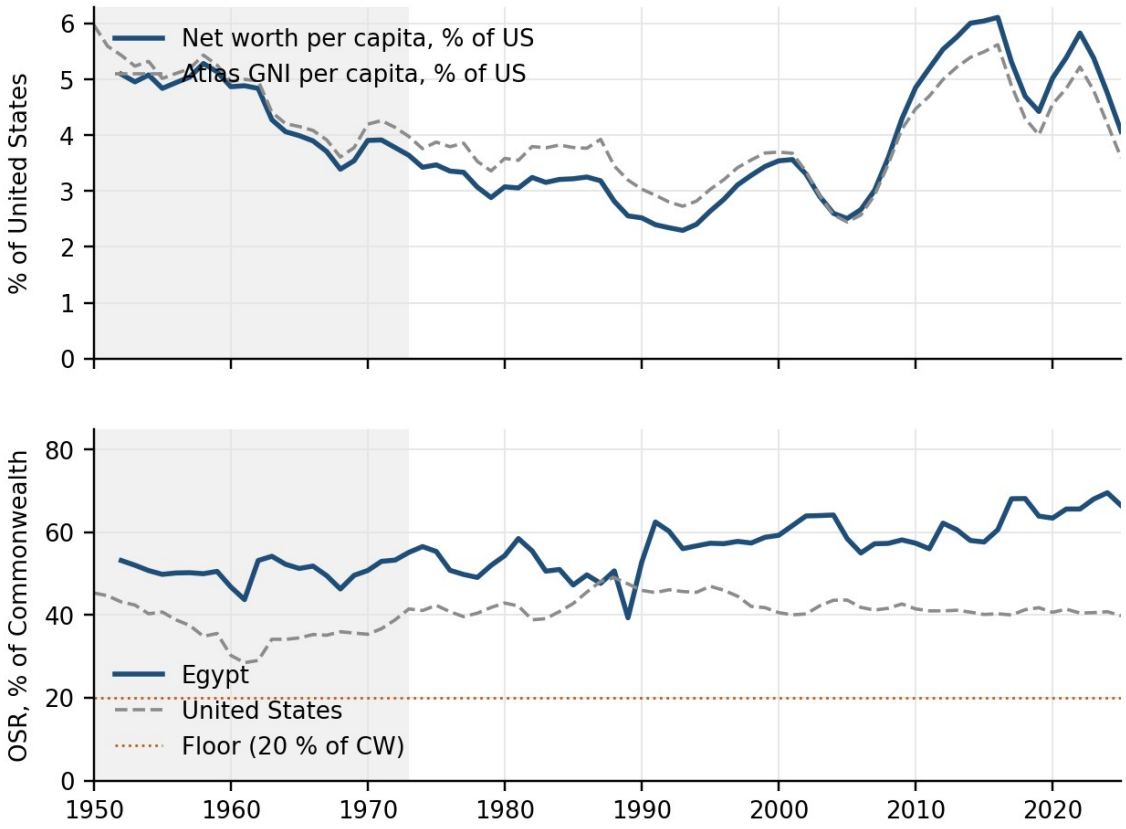


Figure 1. Egypt relative to the United States, per capita (upper panel: net worth and Atlas GNI), and other substantive rights as a share of Commonwealth, Egypt and the United States (lower panel), 1950–2025. Grey band: pre-1973 columns (pre-Bretton-Woods-collapse era flag). Sources and methods: FAND country pages for Egypt and the United States (current US dollars per capita, GDP basis); population UN WPP 2024. Commonwealth is capitalized GDP — what the territory produces; net worth is capitalized GNP — what residents own: net worth = Commonwealth + cross-border claims − duties. The two ratios in the upper panel are conceptually the same ratio; where they diverge, Part 4 says why. OSR = max(residual, 20 % of Commonwealth); deferred maintenance, and hence the risk premium, is zero for both economies throughout, so no premium panel is shown.

Part 2. The balance sheet by decade, 1955–2025

Reading status: AI-DRAFTED; not yet vetted by a human expert.

Where Egyptian wealth is relatively high — and where it is not

Other Substantive Rights are 47–66 % of Egyptian Commonwealth across the decades, rising to 68 % in 2023 and 70 % in 2024 against 35–47 % for the United States.

Human resources rose from 7 % in 1955 to 29 % in 1985 — the schooling and the Gulf-wage era together — and have fallen back to 20 % in 2023 and 19 % in 2025; the fall since 2015 is a conversion artifact — wages are marked at the year's rate while Commonwealth rides the three-year Atlas average, so in a devaluation year the components fall faster than the total — and it is why the OSR share rises in exactly the years one would expect trust to be strained (see Part 4).

Produced assets are 8–13 % of Commonwealth in every decade, a thin produced stock by any comparison.

Natural capital was a third of Commonwealth in 1955, when income per capita was 118 dollars, and has been 4–9 % since 1995: agricultural land on the Nile is nine tenths of it in 2023, and the subsoil — oil, then gas — the rest.

OconEco
DISCOVERING LOCAL WEALTH

Year	PA	NC	HR	OSR	DM	PA	NC	HR	OSR	DM	NW $ pc	NW % of US	Atlas GNI $ pc
1955	8.2	34.6	7.3	49.8	0.0	17.3	2.9	39.1	40.7	0.0	1,943	4.8	118
1965	11.8	24.2	12.8	51.3	0.0	17.9	2.7	45.0	34.5	0.0	2,372	4.0	160
1975	13.2	16.7	14.6	55.4	0.0	16.6	2.1	39.0	42.4	0.0	5,053	3.5	330
1985	12.8	10.7	29.3	47.3	0.0	15.8	1.6	39.8	42.8	0.0	10,731	3.2	660
1995	11.5	7.7	23.5	57.4	0.0	14.7	1.2	37.1	47.0	0.0	14,066	2.6	880
2005	9.2	8.5	23.8	58.5	0.0	16.7	1.0	38.7	43.6	0.0	19,773	2.5	1,130
2015	9.7	3.7	28.9	57.7	0.0	18.1	1.2	40.6	40.2	0.0	54,851	6.0	3,100
2025	8.7	5.6	19.2	66.5	0.0	19.2	1.1	39.9	39.8	0.0	54,485	4.1	3,120

Figure 2. Composition of Commonwealth, per cent, Egypt (columns 2–6) and the United States comparator (columns 7–11), decadal 1955–2025; memo columns: Egypt net worth per capita (current $), net worth per capita as % of the US figure, and Atlas GNI per capita. Sources and methods: FAND country pages. PA produced assets (perpetual inventory); NC natural capital (FAND World Tables); HR human resources (wage-priced perpetual inventory); OSR other substantive rights = max(residual, 20 % of CW); DM deferred maintenance = shortfall to that floor. The 2025 column is provisional: natural capital carried forward from 2023 in real terms and produced assets from 2024, so their shares fall although their levels do not; cross-border positions are IMF-published where published and nowcast otherwise.

What moved, and why

Reading status: AI-DRAFTED; not yet vetted by a human expert.

1955–1975. The relative decline from 4.8 to 3.5 % is the arithmetic of population growing at 2.5 % a year against an income per capita that, at the posted rate, grew little: nationalizations after 1956, the 1967 war and the war economy to 1973. To 1973 the Atlas factor is the posted rate under exchange control; from 1974 it is the Bank's alternative factor, 1.2 to 1.7 times the posted rate by 1978, so the sheet sees part of what the posted rate withheld.

1975–1990. The infitah, Gulf wages and the Suez Canal's reopening (1975) lifted income per capita from 330 to 730 dollars, and human resources per capita from 747 to 3,210: the remittance decade is visible on the human side of the sheet, not the produced side.

The 1979 merger of the official and parallel rates is the one span, 1979–81, in which the Bank's factor matched the posted rate; from 1982 the rates split again and the Bank's factor ran to 2.5 times the posted rate in 1988. Workers abroad remitted by hand rather than through the banks because of the official overvaluation, as the country studies of the period record; what cleared that way was not measured.

Oil shows in the quantities: the oil leaf goes from 55 dollars per capita in 1975 to 343 in 1985 and halves by 1995 as fields matured and the price fell. The GDP/GNI ratio applied to Commonwealth is 1.1 in 1980–85, the one period in which net primary income paid abroad — interest on the debt that the 1987 and 1991 Paris Club treatments restructured — is large enough to show.

1991–2005. The 1991 program unified the rate after the Paris Club write-off, and reserves rose from 8 % of cross-border duties in 1990 to 35 % by 1995; the 1990s peg held the ratio near 2.6 %. Reserves then stood at $14–15 billion from 2000 to 2004 while duties grew — 37 % of duties in 1998, 27 % in 2001 — and the rate held at 3.4 slid to 6.2 by 2004; the 2005 column, the lowest at 2.5 %, carries the rate that reserves could clear.

The January 2003 float was followed by a surrender requirement on export proceeds and a parallel premium, until the interbank market opened in December 2004 and the requirement was lifted; Egypt accepted the Fund's Article VIII obligations — no restrictions on current payments, no multiple currency practices without the Fund's approval — with effect from 2 January 2005, and the premium disappeared. For two years part of the transactions cleared outside the banks; the 2005 column is the rate reserves could clear, and part of what the 2005–10 columns recover is what came back.

The gas leaf is the mover: from 23 dollars per capita in 1995 to 355 in 2005 with the LNG trains at Damietta and Idku, then down to 91 by 2015 when domestic demand outran output and Egypt became an importer.

2005–2015. The doubling to 6.0 %: the 2004–10 reform years, with reserves at 36 % of duties in 2008, then a rate of 5.5–7.8 held after 2011 on reserves that fell from 37 billion dollars in 2010 to 16 billion in 2012 (13 % of duties) and, from 2013, on Gulf deposits at the central bank — themselves cross-border duties, so the rate was held by adding to the duties it had to clear.

OconEco
DISCOVERING LOCAL WEALTH

From 2013 the rate was held by rationing as well: a multiple-price auction of foreign exchange — a multiple currency practice the Fund approved only temporarily — beside caps on cash deposits and priority lists for imports, with the parallel market taking the rest. The share of employment the labor-force survey counts as informal was 55–59 % in 2009–12 and 62 % in 2016 (ILO, on file): a labor concept, not the unrecorded share, and a witness of the scale of what is paid outside the recorded wage bill rather than of the episode.

Atlas income per capita reached 3,100 dollars in 2015, a peak not passed until 2023 (3,840). Produced assets per capita tripled between 2005 and 2015, the one period in which the produced stock grew faster than population.

2016 on. The November 2016 float (8.8 to 18 pounds per dollar) came with reserves at 11 % of duties and the Fund's program; the 2022–24 devaluations (15.7 to 31 to 48) followed the 2022 exit of portfolio money, which took reserves from 40 billion dollars to 32 billion. The parallel market of 2023–24 priced the transactions the government's import and withdrawal rules kept from clearing at the posted rate — the margin, not the whole; at its widest, in early 2024, it stood at roughly twice the posted rate.

The March 2024 package — the Ras El-Hekma sale, the enlarged Fund program, the European Union's financing — closed that margin within weeks, before reserves were rebuilt: expectations moved first; reserves (45 billion dollars at the end of 2024, 12 % of duties) followed. The Bank kept the posted rate as its conversion factor throughout.

What left and what came back has one measured witness. Remittances through the banks were 31.9 billion dollars in fiscal 2021/22, 22.1 billion in 2022/23 and 21.9 billion in 2023/24, while the posted rate was held from March 2023 and letters of credit, priority lists and withdrawal caps rationed what the banks would sell; after the March 2024 unification they were 36.5 billion in 2024/25.

The Fund's reading is that the foreign exchange was diverted from the official market, not that Egyptians abroad sent a third less; after the 2016 float it had likewise recorded informal trade returning to formal channels. Twice, then, the unification column carries measurement as well as recovery.

On the sheet, the ten billion dollars a year that cleared outside the banks were either spent on imports — recorded at customs whatever paid for them — or kept by residents as holdings the international investment position does not record; in the balance of payments the difference lands in errors and omissions. The reading is that recorded current receipts and resident claims abroad are understated for those years.

Commonwealth is capitalized GDP, so it moves only with what the national accounts missed on the domestic side, for which the sheet has no measured witness; the informal share of employment was 67 % in 2019, 71 % in 2023 and 69 % in 2024 (ILO, on file). The direction is stated in Part 4, not corrected.

The rate runs through every dollar line. Commonwealth per capita falls from 70,074 dollars in 2023 to 57,001 in 2025 as the Atlas average catches up; human resources fall by a third between 2015 and 2025; and the cross-border duties — the external debt and the FDI stock, including the 2024 Ras El-Hekma transaction — rise from 2.6 to 5.9 % of Commonwealth. The Zohr field (discovered 2015, producing from 2017) does not lift the gas leaf on this page, which is flagged in Part 4.

OconEco
DISCOVERING LOCAL WEALTH

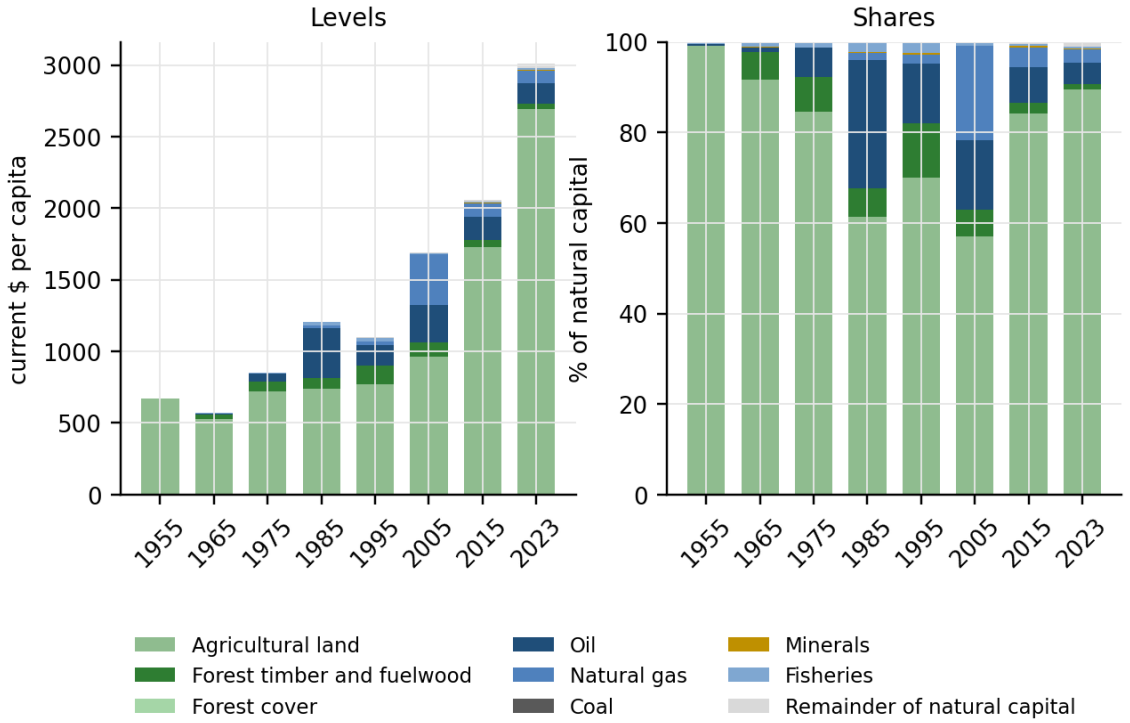


Figure 3. Composition of Egypt's natural capital per capita, levels and shares, decadal 1955–2023. Sources and methods: FAND country page for Egypt, branch detail; 2023 is the last measured year; the 2024–25 columns of the page carry the total forward and are not shown here. Agricultural land and forest cover on the FAND rent paths; timber and fuelwood FAOSTAT with the perpetuity cap; oil and gas with the rebuilt gas reserve life; minerals and fisheries as published; the remainder is the branch total less the leaves shown (unreconciled years flagged in Part 4). Details and pedigree through the What Hierarchy (see Going beyond thin descriptions).

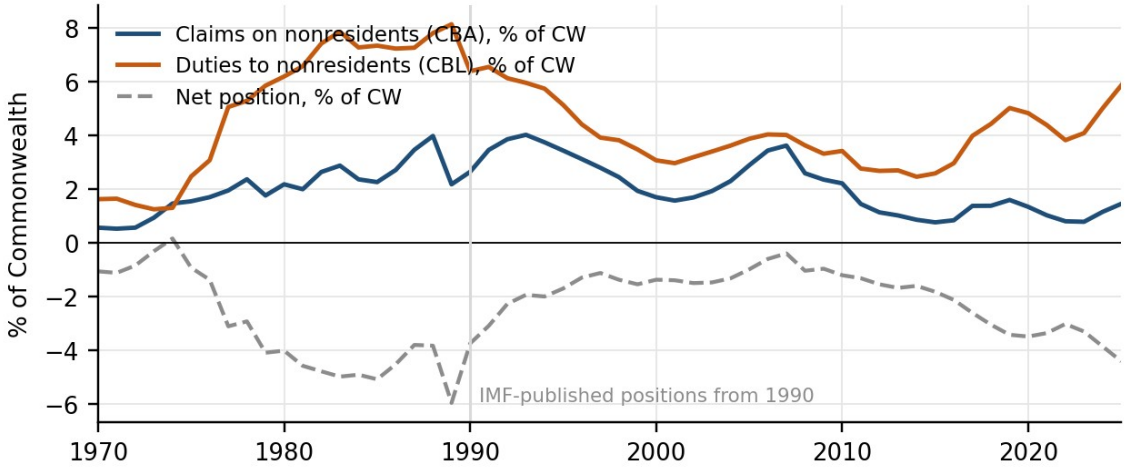


Figure 4. Egypt's cross-border claims and duties, and the net position, as a share of Commonwealth, 1970–2025. Sources and methods: FAND country page; the cross-border frame FAND's marquee exhibits draw — EWN/IIP positions, with the IFS banking-system tier before 1970 where positions were unreported, the EWN-totals overlay 1970–94, the IMF-published totals from 1990 (the vertical line) and the 2025 edge completed with the economy's income group where it had not reported; for the United States, Federal Reserve Z.1 rest-of-world positions spliced before 1970. The pedigree of every year is on the page's cross-border flag row. Net worth (capitalized GNP) = Commonwealth (capitalized GDP) + claims − duties.

Directions for further work

Reading status: AI-DRAFTED; not yet vetted by a human expert.

Due diligence in compilation: what this brief does not yet resolve, with the direction FAND proposes for each and, where the numbers exist, what would change. These are AI-drafted proposals and stand until an expert rules on them.

OconEco
DISCOVERING LOCAL WEALTH

Two conversions on one sheet. Commonwealth is Atlas GNI, a three-year average rate; wages, investment and the IIP are converted at the year's rate. In a devaluation year the components fall faster than the total, so the residual — Other Substantive Rights — rises, and the floor is never approached. The direction is a memo Commonwealth at the year's rate (FAND's track switch), on which the 2017 and 2023–25 OSR shares would read lower and a reader could see whether the floor is approached on either track; the headline stays on the Atlas numeraire for comparability with every other member.

The Bank's test and FAND's. The Bank's Atlas factor replaced Egypt's posted rate in 1974–78 and 1982–90 (up to 2.5× the posted rate in 1988) and has followed it since 1991 — on Egypt's July–June fiscal year wherever the two averages differ — including 2023–24 (Figure E3). FAND applies the same test with the same ladder: the Bank's alternative factor where one exists; else a documented rate effectively applied, with its source; else carry the last plausible level and flag. The direction is a memo Commonwealth at the rate effectively applied in 2023–24, documented, so a reader sees how much of the 2024–25 columns the rate explains; the headline stays on the Bank's factor, as for every other member.

Coverage. Rationing moves transactions out of the official accounts and each unification brings part of them back, so the sheet's rationing-year columns are low and its recovery columns partly measurement. The direction is the one the Bolivian brief takes: a flag on Commonwealth for years with a documented parallel premium above 25 % — for Egypt, the spans in which the Bank replaced the rate and the parallel markets of 2016 and 2023–24 — and, where the statistical office documents its own exhaustiveness adjustment, a memo Commonwealth including the non-observed share.

Model-based estimates of the unrecorded economy are not used for that memo until they are reconciled with the official accounts. The headline stays on the official accounts, which FAND does not correct.

Gas after Zohr. The gas leaf is built on reserves walked back from production with a 50-year cap; the leaf falls after 2005 and does not rise after 2017. Either the reserve series on which it rests stops before Zohr's booking, or production and reserve are mismatched in vintage. The direction is to check the reserve input against the 2017–23 bookings before the leaf is read as a depletion story.

Human resources, 1988. The wage bill implied by the ILO wage and employment series reaches 95 % of GDP in 1988, which the D30 ladder screen excludes from world rows (shown, not blanked, on this page); whether the cash wage or the employment count is the defect is an open item in the FAND register.

The fiscal year. Egypt's national accounts run July–June; the generation-of-income account is on that year and the balance sheet on the calendar year. The direction is to state the half-year offset on the income statement rather than interpolate it.

Subnational grain. Cropland rent — nine tenths of natural capital — is a Nile Valley and Delta number, as are the governorates' human resources; the Upper Egypt governorates are where the subnational index is lowest. A national average rent is the wrong grain for the asset Egypt's sheet most depends on; this is the case for TL2 sheets, not for a national fix.

Part 3. The income statement: generation of income

Reading status: AI-DRAFTED; not yet vetted by a human expert.

The generation-of-income account is the income statement FAND carries at the national level: what a year's GDP paid to labor, what it left as the operating surplus of enterprises (the K residual), and what it paid in taxes on production net of subsidies. FAND's labor share counts compensation of employees plus all mixed income (D.1 + B.3).

Egypt's account is distinctive on two lines. Compensation of employees is only 27–29 % of GDP; mixed income — the income of unincorporated enterprises and the self-employed, where most Egyptian employment is — is 29 % in 2005 and 19 % in 2015, so FAND's labor share is 55 and 48 %.

Net taxes on production fall from 4.3 % in 2005 to −1.2 % in 2015 — negative, because energy and food subsidies exceeded taxes on production in 2012–15, the peak of the subsidy regime that the 2014–16 reforms and the IMF program then unwound.

The published series ends in 2015 (fiscal year 2014/15); the 2012 step in operating surplus (41 to 59 %) with the fall in mixed income is a change of series, flagged in Part 4.

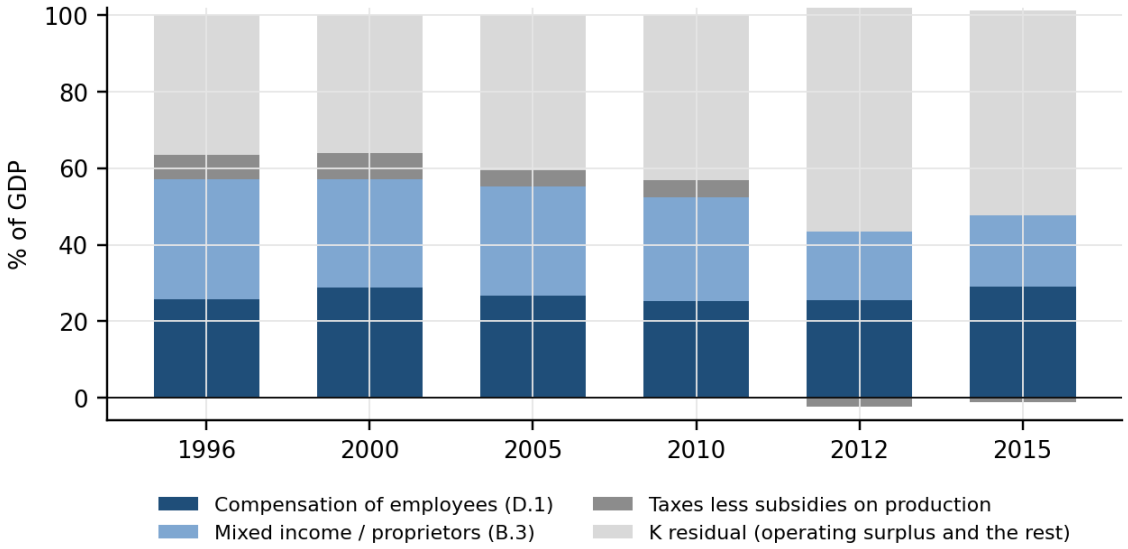


Figure 5. Generation of income, Egypt: shares of GDP, selected years. Sources and methods: UNSD National Accounts Official Country Data, Table 4.1 (generation of income account, total economy), one series per year on FAND's series ranking; FAND labor share L = D.1 + B.3; K residual = GDP − L − net taxes on production. Egypt's account is on the fiscal year ending 30 June; the series ends with FY 2014/15; the 2012 step is a series change (see Part 4).

Going beyond thin descriptions

Reading status: AI-DRAFTED; not yet vetted by a human expert.

A national balance sheet is thin because it treats nations as if they were comparable units of analysis. FAND places every economy, and every subnational unit it carries, on two benchmarks — per-capita income and population density — in population-weighted quintiles: the Q-Matrix.

Egypt sits in cell D2 × I3 of the national matrix, one of 20 economies holding 5 % of world population.

Its 22 governorate units on the same axes (Figure 6, right; the frontier governorates combined, so 22 units for 27 governorates) spread on income only from Souhag at 2.6 thousand dollars per head to Port Said at 3.5 thousand — a ratio of 1.3 to one, narrow for a country whose Valley and Delta hold 95 % of the people on 5 % of the land — and the Roots index carries a native area for 1 of the 22 units, so the density axis is uninformative at this level (hollow markers on one line) and the income figures themselves are output per head allocated to governorates, not measured there.

Both are pedigree statements, and the first direction for Egypt's subnational sheets is native areas, which exist.

The Global Data Lab's subnational human development index gives Port Said 0.795 and Assiut 0.673 against 0.728 nationally, a spread of 0.122 — wider, in proportion, than the Roots income spread, and contrary to it in ordering at the top (Cairo and Alexandria rank below the Canal cities on income per head, above them on the index): the index weights life expectancy and years of schooling, which vary more across Egypt's governorates than output per head does, and that is the difference to carry into the subnational sheets, not a reason to prefer either.

The five Upper Egypt governorates from Beni Suef to Sohag hold about a fifth of the population and the lowest values on both. FAND's subnational sheets for Egypt (TL2, 27 governorates) are owed.

OconEco
DISCOVERING LOCAL WEALTH

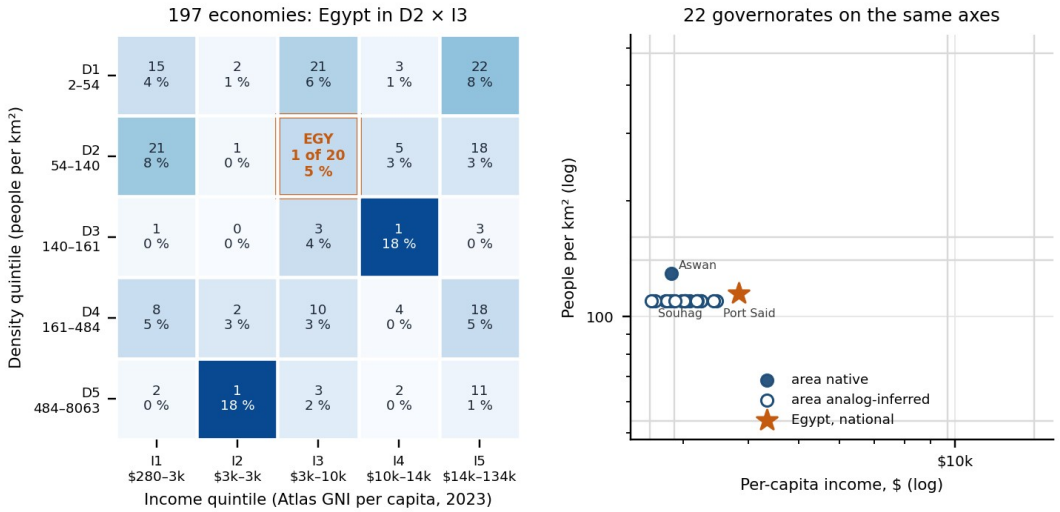


Figure 6. Egypt on FAND's two benchmarks. Left: the Q-Matrix — 197 economies in 2023 placed by Atlas GNI per capita and population density into population-weighted quintiles, so each row and each column holds a fifth of world population; cell text gives the number of economies and the share of world population; the country's cell is outlined. Right: the country's own units from FAND's Roots index on the same two axes (per-capita income = GDP or output per head, the Roots field; density = people per km²), with the matrix's quintile boundaries as gridlines and the national point as a star. Filled markers: land area native to the source; hollow: area analog-inferred, so density is not informative for that unit. Sources: OconEco FAND Q-Matrix (2023) and Roots index (Where_App_Handoff/leaves.json); national density from WPP 2024 population over World Bank land area.

The same matrix against the same income group: matched-model logic

Reading status: AI-DRAFTED; not yet vetted by a human expert.

The global matrix says where a place stands among all places. Matched-model logic asks a narrower question with the same two benchmarks: where a place stands among all FAND units of observation in the same World Bank income group — the places that face the same price of capital and the same financial preferences, and against which a reader would test a model of what happens next.

FAND's units of observation are its Roots: every country enters at the finest grain FAND carries for it, so that each person appears in exactly one unit, and the grain is chosen so that units are of comparable size — the rule is that a country's most populous unit should hold fewer than ten million people, which is why China and India are carried at prefecture and district grain. Level of government is an attribute of the unit, carried with it, not a reason to count anyone twice.

Figure 7 re-ranks Egypt's 22 units against the 1,259 Roots (1 TL1, 639 TL2, 619 TL3) in the 44 lower-middle-income economies FAND carries, population-weighted, so that each row and each column of the matrix again holds a fifth of that reference population; the boundaries move, and so can a unit's cell.

Against all lower-middle-income units — 1,259 in 44 economies, the states and districts of India, Nigeria, Pakistan and Bangladesh among them — 13 of Egypt's 22 governorate units sit in the top fifth on income per head (the fifth boundary falls at about $3 thousand) and the other nine in the fourth. The within-country spread that Figure 6 shows is, among Egypt's peers, a spread inside the upper two fifths: every governorate is well-off for a lower-middle-income place, Upper Egypt included.

That qualifies the national assessment in one direction. Egypt's distance from private capital at reasonable terms, which the market prices at 600 to 1,000 basis points, is not a distance its places share with the poorer three fifths of their income group; it is the sovereign's position — the external debt, the reserves, the subsidy regime — and the rate at which its transactions clear, not the governorates' incomes, that the market is pricing. The density axis is uninformative here (one native area).

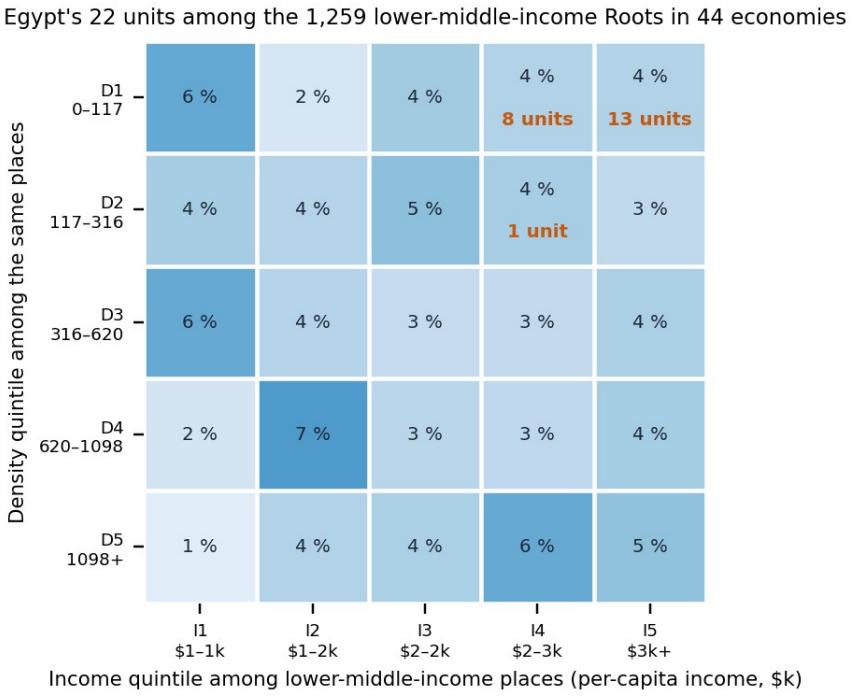


Figure 7. Egypt's units re-ranked against all FAND units of observation (Roots) in the same World Bank income group (lower-middle-income, FY27 classification): population-weighted quintiles of per-capita income and density over the 1,259 Roots in 44 economies, each person in exactly one unit (1 TL1, 639 TL2, 619 TL3 by level of government, an attribute of the unit); shading is the share of that reference population in each cell; orange counts are Egypt's units. Density cells are informative only for units with native areas. In this vintage China and India are carried at prefecture and district grain throughout, finer than the ten-million rule requires, which affects unit counts in a cell, not population shares. Sources: OconEco FAND Roots index (Global Leaves, Method §1); World Bank classification 2026-07-01.

Whether this qualifies the assessment depends on the question being asked. The global matrix places a unit among all places; the matched one among its peers, and the same unit can read as rich on one and poor on the other without either being wrong.

FAND's position is that take-off and convergence are questions at this level, not the nation's: a unit in the bottom fifth of its own income group's places is where patient capital is not arriving at reasonable terms inside a country that may itself have graduated; a unit in the top fifth of its group's places is where take-off is under way before the national average shows it.

The national balance sheet cannot see either; the matched matrix can point to them; and reading the floor and the premium where they bind — balance sheets at this level — is the empirical work FAND proposes to invest in, and invites its readers to.

This brief is a thin description by design. Details of each balance-sheet component are available through the FAND What Hierarchy, with its navigator tool here. Information on compilation sources and methods is available here, with hyperlinks to the databases FAND relies on for its inputs as well as the 'lite' version of the NUSAP approach to organizing metadata here; a replication package is here. Where the country sits among the world's subnational units: Global Roots. The United States ledger, whole, is here.

Part 4. Statements of Expectations, and the exceptions to them

FAND's Statements of Expectations are its posted sources and methods: what each component should do, given how it is built. An Exception to Expectations is a case where the series does something those methods say it should not; it is documented here, not corrected silently, and carries a status: noted (a known property of the method), open (an exception awaiting an expert's ruling), ruled (decided by the author, with the date). Results that show what they ought to are not exceptions.

Component	Statement of Expectation (posted method)	What the Egypt series show	Exception to Expectations?	Status
Commonwealth (CW)	Atlas GNI per person × GDP/GNI ratio, capitalized; Atlas factor throughout	GDP/GNI ratio observed from 1965, extrapolated back before; ratio 1.1 in 1980–85; Atlas factor = the Bank's alternative conversion factor in 1974–78 and 1982–90 (up to 2.5× the posted rate), the posted rate on the July–June fiscal year otherwise; the three-year average lags the 2016 and 2022–24 devaluations	Yes, two. Valuation: the Bank replaced the posted rate in 1974–78 and 1982–90 and not in 2003–04, 2016 or 2023–24; FAND follows the Bank (rung 1 of its ladder) and flags (Conversion row, Figure E3). Coverage: in rationing years a varying share of domestic transactions left the official accounts and part came back after each unification, so the 1988–90, 2004–05 and 2023–25 columns read low and the recoveries that follow them are partly measurement; the direction is under Directions, nothing is corrected	open
Produced assets (PA)	Perpetual inventory on own-currency investment, converted at the Atlas factor (Route 1)	Own-currency factor 0.7–0.9; carried back 1950–59 from 1960 (OWNCCY_CARRY_BACK_1960); 2025 by OCF	No on method. The inventory is on recorded investment; investment that left the accounts in rationing years is outside it — understated with Commonwealth, not against it. The 1950s carry-back is a pedigree	noted
Natural capital (NC)	Sum of published leaves; AgLand own-currency backcast before 1995; 2024–25 carried from 2023 in real terms	Cropland ~90 % of NC; gas leaf falls after 2005 and does not rise after Zohr (2017); 2024–25 OCF	Yes — gas reserve input	open
Human resources (HR)	Wage-priced two-asset PIM on ILO employment and wages	1988 excluded from world rows (D30: wage bill/GDP 0.95); 2015→2025 fall of a third in dollars on devaluation while CW is Atlas-smoothed	Yes — the two conversions (see Directions). HR is priced on the recorded wage bill (D.1 + B.3), so the labor income of what left the accounts is outside it — understated with Commonwealth in rationing years, not against it; the informal share of employment (ILO: 55–59 % in 2009–12, 67 % in 2019, 71 % in 2023) is the witness of scale — a labor concept, not the unrecorded share	open

OconEco
DISCOVERING LOCAL WEALTH

Component	Statement of Expectation (posted method)	What the Egypt series show	Exception to Expectations?	Status
Other substantive rights (OSR) and DM	OSR = CW − PA − NC − HR; floor at 20 % of CW; DM = shortfall	OSR 47–70 % of CW; rises in devaluation years; never on the floor; DM and premium zero while market spreads are 600–1,000 bp	No — the solvency/liquidity reading the marquee paper describes. Two measurement directions: the conversion artifact above raises the OSR share in devaluation years; coverage understates OSR in level with Commonwealth in rationing years — what left the accounts was production, and a residual over understated components is itself understated. Neither moves Egypt toward the floor, which it clears by 27–50 points	open
Cross-border (CBA, CBL)	The cross-border frame: EWN/IIP positions; EWN-totals overlay 1970–94; IMF-published totals from 1990; 2025 edge completed with the income group where unreported	Production 1950–69 (positions small), EWN totals 1970–94 (the debt decade: CBL 6–7 % of CW in 1980–90, before the 1991 Paris Club write-off), published totals 2007 and later, 2025 on the group's growth (Egypt had not reported); net −3.3 % of CW in 2023, −4.4 % in 2025	No on method. One reading: foreign exchange that cleared outside the banks in 2022–24 (remittances through banks 31.9 → 22.1 billion dollars, fiscal 2021/22 to 2022/23; 36.5 billion in 2024/25 after unification) was spent on imports or kept as holdings the IIP does not record — recorded current receipts and resident claims abroad understated for those years. 2025 is a group-completed edge, flagged	noted
Generation of income	UNSD SNA Table 4.1 on the fiscal year (July–June); L = D.1 + B.3	Published 1996–2015 only; mixed income falls and operating surplus jumps at 2012 (series change); net taxes negative 2012–15	Yes — series change 2012; subsidy regime is economics, not an exception	open
Conversion: the Bank's test of the posted rate	FAND converts at the World Bank's Atlas factor. The Bank substitutes an alternative conversion factor where the posted rate lies outside the plausible range of the rate effectively applied to transactions (the egregious case) — a range FAND reads as what others expect of the government, given what they expect governments to do; where a posted rate is held, what binds it is reserves against the transactions expected at it. FAND takes the Bank's factor, applies the same test where the Bank has not (ladder: Bank's factor; a documented rate effectively applied, with source; carry and flag), and flags	The Bank's factor replaced the posted rate in 1974–78 and 1982–90, up to 2.5× the posted rate in 1988; it has followed the posted rate otherwise (its factor matches the July–June fiscal-year average of the posted rate wherever the two differ, from 2003), including the years since. Reserves (gold at market value) as % of cross-border duties — 1985: 4; 1990: 8; 2000: 27; 2010: 30; 2015: 11; 2020: 14; 2024: 12 (Figure E3)	Yes — the years the Bank replaced the posted rate are the measured cases; a posted rate the Bank kept while a parallel market ran is tested by FAND on the same ladder, not re-rated	noted

OconEco
DISCOVERING LOCAL WEALTH

Component	Statement of Expectation (posted method)	What the Egypt series show	Exception to Expectations?	Status
Net worth vs Atlas income (the two lines of Figure 1)	Both measure what accrues to residents: Atlas income as a year's flow, net worth as its capitalized stock. Net worth capitalizes GDP at one place-specific, general horizon (working-age share × remaining working life) and values cross-border positions as the IIP does, class by class; the lines are expected to diverge (i) with demographic change over decades and (ii) when the IIP's composition shifts between indefinite-lived classes (direct investment at book value, worth more capitalized when it earns rents) and short-lived ones (bank positions and reserves at face)	gap (net-worth ratio over income ratio) -19 log points in 1990, +12 in 2025; crossover 2004, of which the demographic term is 85 % of the 1990–2004 move; valuation term -5 to +5 since 1990 (Figure E1)	No — both movements are what the method says; the GDP/GNI ratio is extrapolated before its first observed year (pedigree)	noted

Note on the two lines of Figure 1

Exactly: ln(net-worth ratio) − ln(income ratio) = ln(k_EGY/k_USA) + [ln((1 + NIIP/CW)·GDP/GNI) for Egypt − the same for the United States], where k = Commonwealth/GDP = working-age share × the annuity over the labor force's remaining working life. The bracket is zero when positions at IIP value equal capitalized net factor income — when every class of claim is valued as a share in what generates income in the place, at the place's horizon.

It is not zero because the IIP values each class on its own terms. Debt at face agrees with capitalized interest when the horizon matches the term; direct investment at book understates capitalized income wherever the investment earns rents; bank positions and reserves at face overstate it wherever they earn less than the place's return. The valuation term is therefore a composition effect (Figure E2).

Egypt: gap (net-worth ratio over income ratio) -19 log points in 1990, +12 in 2025; crossover 2004, of which the demographic term is 85 % of the 1990–2004 move; valuation term -5 to +5 since 1990 (Figure E1); k 15.7 vs 19.0 years' GDP in 1985, 17.5 vs 16.3 in 2025.

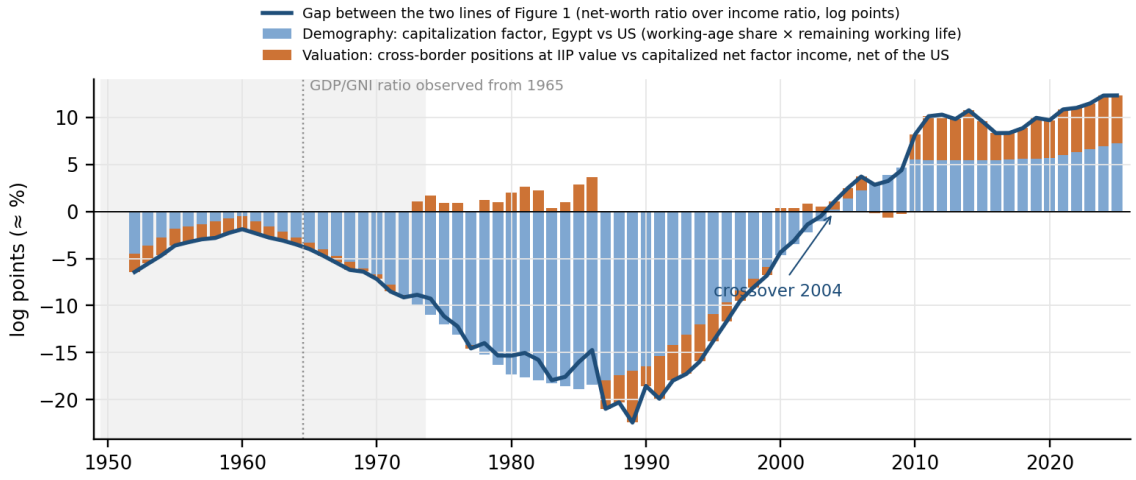


Figure E1. The gap between the two lines of Figure 1 (Egypt relative to the United States), decomposed exactly into the demographic term (ratio of the two capitalization factors) and the valuation term (cross-border positions at IIP value against capitalized net factor income, each economy's less the comparator's). Bars: the two terms; line: their sum; positive = net-worth ratio above income ratio. Grey band: pre-1973 columns. Sources and methods: FAND country pages for Egypt and the United States; GDP/GNI ratio extrapolated back before the first observed year (page flag ratio_flag). Data: charts/EGY_fig1a_decomposition.json.

OconEco
DISCOVERING LOCAL WEALTH

Year	Direct investment, % of liabilities	Portfolio equity, % of liabilities	Portfolio debt, % of liabilities	Loans and other, % of liabilities	Reserves (excl. gold), % of assets	Direct investment, % of assets	Net IIP incl. gold, % of GDP
1980	11	0	—	89	17	1	-59
1990	26	0	—	74	15	1	-27
2000	40	2	0	58	47	2	-21
2005	46	4	5	45	45	2	-17
2008	63	2	3	32	48	6	-15
2014	67	1	3	29	28	16	-27
2018	52	1	11	36	57	11	-60
2023	48	0	10	42	45	18	-67

Figure E2. Composition of Egypt's international investment position by class, selected years. Source: Lane and Milesi-Ferretti, External Wealth of Nations, year-end 2024 release (on file, registered 2026-03-19); the classes as EWN reports them, before FAND's tier patches, so the net position here is EWN's own, not the page's. Direct investment is the indefinite-lived class valued at book; bank positions, loans and reserves the short-lived classes valued at face.

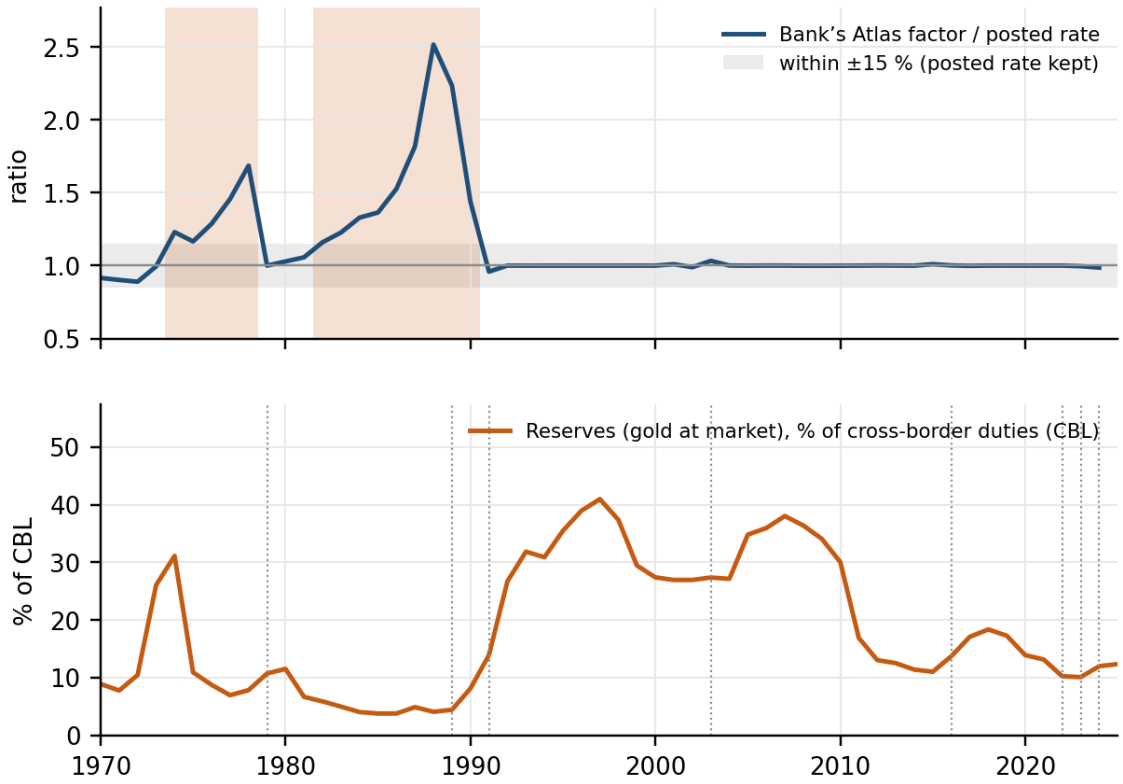


Figure E3. Top: the World Bank's Atlas conversion factor for Egypt relative to the posted rate (IMF IFS period average), 1970–2024; orange where the Bank substituted its alternative conversion factor (ratio beyond ±15 %), grey band = posted rate kept; from 2003 the Bank's factor matches the July–June fiscal-year average of the posted rate wherever the two differ, and the ratio is taken against that average. Bottom: total reserves (gold at market value) as a share of cross-border duties (CBL on the page); dotted lines mark the devaluations named in Part 2. Sources: World Bank WDI, DEC alternative conversion factor (PA.NUS.ATLS) and its metadata; IMF IFS exchange rates and international liquidity; all on file (A_Background/Data_Extracts); FAND country page for CBL. Data: charts/EGY_figE3_bank_test.json.

Metadata

Sources, methods and vintages for every component of this page are documented once, in the FAND sources and methods, reached from each cell of the Egypt country page through the What Hierarchy.

In brief: Commonwealth is capitalized GDP — Atlas GNI per capita times the GDP/GNI ratio, capitalized over the remaining working life — and net worth is capitalized GNP — Commonwealth plus cross-border claims less duties; produced assets are a perpetual inventory on own-currency investment; natural capital comes from the FAND World Tables (agricultural land, forest cover, timber and fuelwood, subsoil assets, fisheries); human resources are a wage-priced perpetual inventory; cross-border positions follow the IIP tier ladder; the income statement is the UNSD generation-of-income account. Conversion is the Atlas factor throughout.

OconEco
DISCOVERING LOCAL WEALTH

Pedigree runs on this page (year from which each applies): era flag — 1950– PRE_BW73. NC basis — 1950– MEASURED; 2024– OCF_NOWCAST(2023). HR pedigree (price | quantity | conversion) — 1950– | MYS_COHORT_WPP_COLLAGE_CLIPPED | ; 1952– IDENTITY_BACKCAST | MYS_COHORT_WPP_COLLAGE_CLIPPED | CW_IMPLIED_EGREGIOUS_MER_MA3_PROXY; 1960– IDENTITY_BACKCAST | MYS_COHORT_WPP_COLLAGE_CLIPPED | ATLAS; 1969– ILO_SPLICED_IDENTITY | MYS_COHORT_WPP_COLLAGE_CLIPPED | ATLAS; 1977– ILO_SPLICED_IDENTITY | MYS_COHORT_WPP_COLLAGE | ATLAS; 1979– IDENTITY_INTERP | MYS_COHORT_WPP_COLLAGE | ATLAS; 1982– ILO_SPLICED_IDENTITY | MYS_COHORT_WPP_COLLAGE | ATLAS; 1983– IDENTITY_INTERP | MYS_COHORT_WPP_COLLAGE | ATLAS; 1985– ILO_SPLICED_IDENTITY | MYS_COHORT_WPP_COLLAGE | ATLAS; 2008– ILO_MEASURED | MYS_COHORT_WPP_COLLAGE | ATLAS; 2014– IDENTITY_INTERP | MYS_COHORT_WPP_COLLAGE | ATLAS; 2015– ILO_MEASURED | MYS_COHORT_WPP_COLLAGE | ATLAS; 2024– ILO_MEASURED | MYS_COLLAGE_PROXY | ATLAS; 2025– IDENTITY_FWD | MYS_COLLAGE_PROXY | ATLAS. Conversion pedigree — 1952– CW_IMPLIED_EGREGIOUS_MER_MA3_PROXY; 1960– ATLAS. HR world-row exclusion — 1988– D30/HRPIM-DENOM.

Every cell carries FAND's NUSAP-lite pedigree — numeral, unit, spread where a second construction exists, assessment as the flag vocabulary, pedigree as source tier and conversion and ratio pedigrees. Checks run on this page: bind, jump, composition, ratio, regime and identity tests, all passed or attributed above. Open items in the FAND register for this economy: V(.1+.2) / GDP > 0.85 (1988-1988): whether the cash wage or the employment count is the defect in these years; NC branches ending before 2024 (2024-2025): the TL1 roll-up fix (missing-with-flag), ported from TL3.

Generated by build_country_brief.py (S427) from EGY_Country_Page_v8_20261021.xlsx on 2026-10-23; readings from brief_text.py (text revision 6, 2026-10-23), vetting status per section as printed. Reversal: delete the brief; the page is untouched.

Side of the numbers (SPMF-SIDE-1): stated series by series in the Addendum, printed from the page's README row SIDE.

Part 5. Near-term prospects over the WEO horizon

OconEco's evaluation of near-term prospects over the WEO horizon — what the balance sheet, read with the Fund's five-year projections, the exchange rates effectively applied and the market spreads, says about the next few years — is provided to subscribers for every country with a vetted Country Brief. This brief is not yet vetted, so the section is empty by design.

Addendum. How this brief was made, and how far it has been checked

Every number in this brief is from the FAND country page named above, built from the sources listed in Part 4. Which side of FAND built each series — the author's workbench or fand-etl, the production system FAND's GitHub team runs — is stated series by series under Side of the numbers, below.

Every sentence of the reading was drafted by an AI (Claude) from those numbers and from the public record, and each section carries its vetting status. VETTED means a named expert has checked the section against the page and the record; AI-DRAFTED means no one has yet. The Egypt brief is a wholly unvetted sample: the balance sheet carries the Experimental badge and no expert has yet read the page or this text against the record.

Where the data do what FAND's posted methods say they should not, the case is listed in Part 4 as an Exception to Expectations, with its status. The limiting factor in producing briefs like this one is not the pipeline, which produces the page in minutes, nor the draft, which takes an hour; it is the expert hour that turns AI-DRAFTED into VETTED.

Exchange rates on this sheet

FAND converts every line at the World Bank's Atlas conversion factor. What a dollar sheet needs is the rate effectively applied: the rate at which a country's cross-border transactions, current and expected, clear. Governments are a party, and often the main party, on one side of those transactions, and their restrictions on what may be bought and sold, and at what rate, shape whatever market there is.

Where the authorities hold a posted rate, what binds it is reserves, against the transactions expected at that rate. A change in the rate is therefore an effect of the forces the balance sheet measures, and of policy, never a cause of them; and because governments can change what is expected of them — by a program, a write-off, a deposit, a sale — a posted rate can hold, or recover, before reserves do.

The Bank substitutes an alternative conversion factor where a posted rate lies outside the plausible range of the rate effectively applied to transactions (the egregious case); FAND reads that range as what others expect of the government, given what they expect governments to do. FAND takes the Bank's factor, applies the same test where the Bank has not, and lists every case in Part 4 (the Conversion row) and, where a remedy exists, under Directions for Further Work.

Side of the numbers: what fand-etl has and has not reproduced (SPMF-SIDE-1)

The page behind this brief was built on FAND's workbench — the author's research chain — and not by fand-etl, the production system FAND's GitHub team runs. No series on it has yet been reproduced there; whether fand-etl's own tables reproduce any cell is

not checked by the page, which says only which side each series is on. The table is printed from the page's README row SIDE, series by series, with the fand-etl issue (or the custody decision) that would move each series to the production system.

Series	Built on (the author's side)	What moves it to fand-etl
GNI, population, GDP/GNI ratio and CW	tl1_basis_panel_P1 (ship_p1_gdp_rebasis.py 09-12e, oconeco_tl1_global.db)	D33 copy-with-manifest (custody, not a series ticket)
PA	P1 tiers x the Route 1 own-currency factor applied on this page (D33, Sean's build owed)	D33 copy-with-manifest (custody, not a series ticket)
NC	P1 roll-up with the AgLand leaf re-priced on the Route 1 rent path on this page (fand-etl #1640)	#1640
HR	Exhibits/HR_PIM_TL1_20260910 (fand-etl #934)	#934
OSR, DM and the premium	residual and D1 floor, computed on this page	D33 copy-with-manifest (custody, not a series ticket)
CBA/CBL	P1 EWN/IIP tier + the 10-09 (2025 edge), 10-10 (published IIP totals; fand-etl #1288, adopted) and 10-21 (exhibit frame: IFS banking tier 1950-89, EWN totals 1970-94, Z.1 1950-69; fand-etl #1391 open, #933 closed) patches	#1288, adopted; #1391 open; #933 closed

Every series on this page is on the author's side; none is read from fand-etl. The row is printed from the page's README (row SIDE).