



البحث الرابع

## Determinants of Egyptian Arab Inter-Investments: Gravity Model Evidence

The research uses the gravity model to assess the flows of investments between Egypt and Arab countries and identifies the most important factors influencing them by using the time series data regression. Results revealed that the growth of Egyptian FDI outflows to Arab countries is expected to be influenced by Egypt and Arab countries' GDP, Per capita GDP for Arab countries and distance. Improving indicators such as Corruption perception, Business environment, Investment attractiveness, Infrastructure and Market size in Arab countries is considered very crucial for the development of Egypt's FDI outflows to Arab countries. On the other hand, Egypt and Arab countries' GDP, distance, and Egypt's population are expected to influence Egypt's FDI inflows from Arab countries, while indicators such as Competitiveness, Corruption perception Political stability, Business environment, Investment attractiveness, and Market size are seen to be very important for Egypt to consider for attracting FDI inflows from Arab countries.

Keywords: Egyptian Arab inter-investments, Gravity Model