CBUAE Classification: Public

## *Financial Soundness Indicators ( Core FSIs ) - UAE Banking Sector **

| *Core FSIs for Deposit Takers* | | 2022Q3 | 2022Q4 | 2023Q1 | 2023Q2 | 2023Q3 | 2023Q4 | 2024Q1 | 2024Q2 | 2024Q3 | 2024Q4 | 2025Q1 | 2025Q2 | 2025Q3 | 2025Q4 | 2026Q1 | 2026Q2 | 2026Q3 ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Regulatory capital to risk-weighted assets** [1] | % | **17.5** | **17.4** | **17.8** | **18.2** | **18.5** | **17.9** | **18.0** | **18.3** | **18.6** | **17.8** | **17.6** | **17.3** | **17.4** | **17.0** | **16.8** | **17.0** | **17.0** |
| Total regulatory capital | AED Million | 448,880 | 446,355 | 464,591 | 483,432 | 503,389 | 503,860 | 519,577 | 543,253 | 577,088 | 558,993 | 579,736 | 604,165 | 629,203 | 623,996 | 646,477 | 679,189 | 701,995 |
| Risk-weighted assets | AED Million | 2,571,684 | 2,567,353 | 2,609,137 | 2,652,786 | 2,715,025 | 2,811,326 | 2,889,295 | 2,973,107 | 3,098,545 | 3,139,544 | 3,286,947 | 3,482,428 | 3,618,976 | 3,663,421 | 3,840,573 | 3,994,320 | 4,128,965 |
| **Tier 1 capital to risk-weighted assets** [1] | % | **16.3** | **16.2** | **16.6** | **17.0** | **17.4** | **16.6** | **16.7** | **17.0** | **17.2** | **16.4** | **16.2** | **16.0** | **16.2** | **15.8** | **15.7** | **15.8** | **15.8** |
| Tier 1 capital | AED Million | 419,848 | 415,565 | 433,451 | 451,911 | 471,125 | 466,821 | 481,936 | 504,778 | 531,594 | 514,458 | 533,629 | 556,748 | 585,473 | 580,329 | 601,130 | 629,496 | 651,914 |
| Risk-weighted assets | AED Million | 2,571,684 | 2,567,353 | 2,609,137 | 2,652,786 | 2,715,025 | 2,811,326 | 2,889,295 | 2,973,107 | 3,098,545 | 3,139,544 | 3,286,947 | 3,482,428 | 3,618,976 | 3,663,421 | 3,840,573 | 3,994,320 | 4,128,965 |
| **Nonperforming loans net of provisions to capital** | % | **12.3** | **11.7** | **11.0** | **10.2** | **9.9** | **9.1** | **8.6** | **8.2** | **8.1** | **7.4** | **6.4** | **6.4** | **6.1** | **6.6** | **6.3** | **5.1** | **4.7** |
| Nonperforming loans net of provisions | AED Million | 55,230 | 52,302 | 51,245 | 49,551 | 49,694 | 46,044 | 44,547 | 44,472 | 46,918 | 41,334 | 37,236 | 38,910 | 38,452 | 41,047 | 40,651 | 34,545 | 32,706 |
| Total regulatory capital | AED Million | 448,880 | 446,355 | 464,591 | 483,432 | 503,389 | 503,860 | 519,577 | 543,253 | 577,088 | 558,993 | 579,736 | 604,165 | 629,203 | 623,996 | 646,477 | 679,189 | 701,995 |
| **Common Equity Tier 1 capital to risk-weighted assets** [1] | % | **14.5** | **14.4** | **14.8** | **15.3** | **15.6** | **14.9** | **15.0** | **15.3** | **15.5** | **14.7** | **14.7** | **14.6** | **14.8** | **14.4** | **14.3** | **14.5** | **14.4** |
| Common Equity Tier 1 capital | AED Million | 374,059 | 369,776 | 387,113 | 405,573 | 424,788 | 417,729 | 432,787 | 453,768 | 479,569 | 462,887 | 484,809 | 507,920 | 535,568 | 526,772 | 548,426 | 578,975 | 596,248 |
| Risk-weighted assets | AED Million | 2,571,684 | 2,567,353 | 2,609,137 | 2,652,786 | 2,715,025 | 2,811,326 | 2,889,295 | 2,973,107 | 3,098,545 | 3,139,544 | 3,286,947 | 3,482,428 | 3,618,976 | 3,663,421 | 3,840,573 | 3,994,320 | 4,128,965 |
| **Tier 1 capital to assets** | % | **11.7** | **11.3** | **11.5** | **11.7** | **11.9** | **11.5** | **11.3** | **11.7** | **12.1** | **11.3** | **11.3** | **11.2** | **11.3** | **10.9** | **10.8** | **11.3** | **11.2** |
| Tier 1 capital | AED Million | 419,848 | 415,565 | 433,451 | 451,911 | 471,125 | 466,821 | 481,936 | 504,778 | 531,594 | 514,458 | 533,629 | 556,748 | 585,473 | 580,329 | 601,130 | 629,496 | 651,914 |
| Total assets | AED Million | 3,583,013 | 3,667,611 | 3,764,720 | 3,873,060 | 3,951,887 | 4,071,099 | 4,254,514 | 4,310,154 | 4,401,679 | 4,559,128 | 4,719,394 | 4,973,331 | 5,199,806 | 5,339,732 | 5,556,470 | 5,593,667 | 5,815,319 |
| **Nonperforming loans to total gross loans** | % | **6.8** | **6.6** | **6.4** | **6.2** | **5.9** | **5.3** | **5.0** | **4.8** | **4.7** | **4.1** | **3.8** | **3.4** | **3.2** | **2.9** | **2.8** | **2.5** | **2.3** |
| Nonperforming loans [2] | AED Million | 138,130 | 133,819 | 132,582 | 131,188 | 128,656 | 116,334 | 113,291 | 110,824 | 111,041 | 100,084 | 94,407 | 91,048 | 88,568 | 84,299 | 84,268 | 76,370 | 73,249 |
| Total gross loans [3] | AED Million | 2,027,240 | 2,042,056 | 2,066,900 | 2,123,953 | 2,173,269 | 2,191,563 | 2,261,336 | 2,310,093 | 2,382,802 | 2,412,154 | 2,514,681 | 2,649,975 | 2,799,932 | 2,867,528 | 3,022,775 | 3,094,691 | 3,251,752 |
| **Provisions to nonperforming loans** | % | **60.0** | **60.9** | **61.3** | **62.2** | **61.4** | **60.4** | **60.7** | **59.9** | **57.7** | **58.7** | **60.6** | **57.3** | **56.6** | **51.3** | **51.8** | **54.8** | **55.3** |
| Specific provisions [4] | AED Million | 82,900 | 81,517 | 81,337 | 81,637 | 78,961 | 70,290 | 68,744 | 66,352 | 64,122 | 58,750 | 57,172 | 52,139 | 50,117 | 43,252 | 43,617 | 41,825 | 40,542 |
| Nonperforming loans | AED Million | 138,130 | 133,819 | 132,582 | 131,188 | 128,656 | 116,334 | 113,291 | 110,824 | 111,041 | 100,084 | 94,407 | 91,048 | 88,568 | 84,299 | 84,268 | 76,370 | 73,249 |
| **Return on assets** | % | **1.4** | **1.5** | **1.6** | **1.8** | **1.9** | **2.0** | **2.0** | **2.1** | **2.1** | **2.2** | **2.2** | **2.2** | **2.2** | **2.2** | **2.1** | **2.1** | **2.0** |
| Net income before taxes[5] | AED Million | 46,823 | 48,785 | 54,970 | 63,252 | 71,023 | 76,126 | 78,216 | 84,422 | 87,927 | 91,088 | 96,314 | 97,968 | 101,164 | 104,566 | 107,908 | 111,072 | 110,342 |
| Total assets [6] | AED Million | 3,253,771 | 3,338,972 | 3,438,018 | 3,547,105 | 3,644,683 | 3,742,982 | 3,860,742 | 3,977,451 | 4,096,218 | 4,217,149 | 4,339,503 | 4,479,571 | 4,659,424 | 4,856,701 | 5,068,006 | 5,261,031 | 5,428,879 |
| **Return on equity** | % | **10.2** | **10.5** | **11.6** | **13.0** | **14.2** | **14.8** | **14.4** | **14.8** | **14.7** | **14.7** | **15.1** | **14.9** | **15.0** | **15.0** | **19.4** | **15.2** | **14.7** |
| Net income after taxes[5] | AED Million | 45,518 | 47,475 | 53,453 | 61,294 | 68,775 | 73,728 | 73,804 | 78,078 | 79,533 | 81,284 | 85,475 | 86,106 | 88,602 | 90,786 | 119,977 | 96,851 | 95,788 |
| Capital [7] | AED Million | 446,460 | 452,997 | 461,045 | 471,815 | 484,845 | 499,626 | 513,405 | 526,087 | 539,839 | 553,983 | 564,223 | 577,017 | 590,176 | 604,764 | 618,957 | 635,685 | 652,519 |
| **Interest margin to gross income** | % | **66.3** | **68.2** | **73.5** | **72.7** | **72.9** | **72.6** | **74.7** | **72.2** | **70.7** | **69.9** | **66.7** | **65.5** | **65.2** | **65.7** | **61.6** | **62.1** | **64.2** |
| Interest margin | AED Million | 47,787 | 69,284 | 23,699 | 47,261 | 71,910 | 97,771 | 26,179 | 51,996 | 77,665 | 104,441 | 26,727 | 54,147 | 81,785 | 110,332 | 28,524 | 57,298 | 86,382 |
| Gross income | AED Million | 72,129 | 101,582 | 32,240 | 64,977 | 98,697 | 134,658 | 35,064 | 72,048 | 109,911 | 149,314 | 40,046 | 82,715 | 125,514 | 167,985 | 46,290 | 92,236 | 134,588 |
| **Noninterest expenses to gross income** | % | **36.8** | **36.6** | **30.0** | **30.6** | **30.7** | **31.9** | **31.2** | **30.8** | **30.8** | **31.5** | **30.1** | **29.7** | **30.0** | **30.5** | **28.7** | **29.2** | **30.0** |
| Noninterest expenses | AED Million | 26,555 | 37,210 | 9,677 | 19,861 | 30,251 | 42,921 | 10,924 | 22,160 | 33,812 | 46,999 | 12,048 | 24,527 | 37,657 | 51,219 | 13,281 | 26,955 | 40,403 |
| Gross income | AED Million | 72,129 | 101,582 | 32,240 | 64,977 | 98,697 | 134,658 | 35,064 | 72,048 | 109,911 | 149,314 | 40,046 | 82,715 | 125,514 | 167,985 | 46,290 | 92,236 | 134,588 |
| **Liquid assets to total assets** [8] | % | **14.6** | **16.1** | **16.7** | **17.6** | **17.5** | **18.6** | **18.8** | **18.9** | **19.2** | **18.2** | **18.4** | **17.7** | **16.4** | **17.4** | **16.4** | **14.4** | **14.2** |
| Liquid assets | AED Million | 509,614 | 576,289 | 613,809 | 666,598 | 677,281 | 743,950 | 786,645 | 801,526 | 832,075 | 817,431 | 857,851 | 871,307 | 843,569 | 919,435 | 902,149 | 797,358 | 819,388 |
| Total assets | AED Million | 3,500,113 | 3,586,094 | 3,683,383 | 3,791,424 | 3,872,926 | 4,000,809 | 4,185,770 | 4,243,802 | 4,337,556 | 4,500,378 | 4,662,222 | 4,921,192 | 5,149,689 | 5,296,481 | 5,512,852 | 5,551,841 | 5,774,777 |
| **Liquid assets to short-term liabilities** | % | **33.6** | **37.7** | **39.2** | **40.8** | **40.7** | **43.6** | **44.0** | **44.0** | **45.2** | **41.9** | **41.6** | **39.5** | **37.0** | **40.1** | **39.4** | **34.5** | **35.4** |
| Liquid assets | AED Million | 509,614 | 576,289 | 613,809 | 666,598 | 677,281 | 743,950 | 786,645 | 801,526 | 832,075 | 817,431 | 857,851 | 871,307 | 843,569 | 919,435 | 902,149 | 797,358 | 819,388 |
| Short-term liabilities | AED Million | 1,515,704 | 1,527,345 | 1,565,431 | 1,633,450 | 1,663,471 | 1,708,018 | 1,787,790 | 1,819,695 | 1,839,816 | 1,950,782 | 2,063,126 | 2,208,367 | 2,277,017 | 2,293,630 | 2,289,806 | 2,309,154 | 2,314,538 |
| **Liquidity coverage ratio** | % | **154.6** | **155.9** | **154.7** | **162.5** | **150.9** | **160.9** | **157.7** | **158.3** | **153.2** | **156.2** | **144.9** | **153.2** | **149.4** | **150.4** | **138.1** | **133.7** | **134.6** |
| High-quality liquid assets | AED Million | 706,221 | 707,881 | 785,297 | 762,507 | 782,690 | 814,738 | 882,767 | 804,568 | 845,265 | 855,508 | 932,158 | 953,357 | 936,908 | 956,157 | 951,272 | 904,230 | 905,069 |
| Total net cash outflows | AED Million | 456,720 | 454,200 | 507,660 | 469,336 | 518,800 | 506,336 | 559,664 | 508,268 | 551,896 | 547,705 | 643,221 | 622,293 | 627,231 | 635,740 | 689,010 | 676,060 | 672,287 |
| **Net stable funding ratio** | % | **111.8** | **111.1** | **112.7** | **114.4** | **111.7** | **111.6** | **113.6** | **113.7** | **112.3** | **113.4** | **113.5** | **113.7** | **111.4** | **111.6** | **110.1** | **111.7** | **111.4** |
| Available amount of stable funding | AED Million | 1,652,985 | 1,677,807 | 1,736,132 | 1,783,447 | 1,807,653 | 1,851,212 | 1,939,863 | 1,963,284 | 2,023,123 | 2,074,813 | 2,146,706 | 2,273,694 | 2,355,645 | 2,435,260 | 2,551,900 | 2,653,584 | 2,763,250 |
| Required amount of stable funding | AED Million | 1,478,383 | 1,509,927 | 1,541,008 | 1,558,744 | 1,618,821 | 1,659,279 | 1,706,941 | 1,727,101 | 1,800,838 | 1,829,972 | 1,890,794 | 2,000,478 | 2,113,835 | 2,181,434 | 2,317,998 | 2,375,342 | 2,479,560 |
| **Net open position in foreign exchange to capital** | % | **33.6** | **34.6** | **38.6** | **36.4** | **39.3** | **44.1** | **43.1** | **41.9** | **34.3** | **50.0** | **61.5** | **65.3** | **64.5** | **71.9** | **78.6** | **77.5** | **65.4** |
| Net open position in foreign exchange[9] | AED Million | 150,849 | 154,415 | 179,398 | 176,162 | 197,949 | 222,123 | 223,900 | 227,569 | 197,949 | 279,259 | 356,380 | 394,551 | 405,800 | 448,504 | 508,260 | 526,197 | 459,158 |
| Total regulatory capital | AED Million | 448,880 | 446,355 | 464,591 | 483,432 | 503,389 | 503,860 | 519,577 | 543,253 | 577,088 | 558,993 | 579,736 | 604,165 | 629,203 | 623,996 | 646,477 | 679,189 | 701,995 |

** Financial Soundness Indicator data variables are calculated in compliance with the latest Financial Soundness Indicators Compilation Guide (2019 FSI Guide) issued by the IMF.*

*** Preliminary data subject to revision*

[1] *Regulatory Capital Ratio, Tier 1 Capital Ratio, and CET 1 Capital Ratio for the period starting from Dec 2017 are calculated according to the Basel III Capital Guidelines issued by Central Bank of the UAE.Whereas for the period prior to Dec 2017 are following Basel II Capital Guidelines.*

[2] *NPLs are net off Interest In Suspense.*

[3] *Gross loans includes loans to Other Depository Corporations (Banks).*

[4] *Specific Provisions against impaired loans & advances excludes Interest In Suspense.*

[5] *Net Income is for the trailing 12 months using monthly figures.*

[6] *Total Assets is calculated based on the average assets net of provisions for the trailing 12 months using monthly figures.*

[7] *Capital is calculated based on the average capital for the trailing 12 months using monthly figures.*

[8] *Liquid Assets Consist of Eligible Liquid Assets - Cash in Hand, Banks' Liquid Assets at the Central Bank ( Reserve Account, Current Account and Monetary Bills & Certificate of Deposits )and Eligible Bonds/Sukuks as prescribed by Central Bank of the UAE regulation 33/2015. Total Assets are net of provisions.*

[9] *The U.S. Dollar, which the U.A.E. Dirham is pegged for, is included in the foreign currencies accounted for in the calculation of the net open position.*