

## UAE Banking Indicators

(End of month, figures in billions of Dirhams unless otherwise indicated)

|                                                                  | 2019   |        |        |        |        |        | 2020   |        |        |        |        |        |        | % Month-on-Month | % Year-to-Date | % Year-on-Year |
|------------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------------------|----------------|----------------|
|                                                                  | Mar    | Jun    | Sep    | Dec    | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep*   |                  |                |                |
| <b>Gross Banks' Assets</b>                                       | 2894.9 | 2958.6 | 3022.7 | 3082.9 | 3080.3 | 3095.3 | 3128.0 | 3155.7 | 3165.7 | 3190.2 | 3200.5 | 3223.4 | 3252.5 | 0.9%             | 5.5%           | 7.6%           |
| <b>1.Total Banks' Reserves at the Central Bank</b>               | 283.8  | 305.3  | 301.2  | 315.2  | 312.8  | 318.9  | 309.2  | 299.2  | 298.6  | 301.5  | 292.9  | 307.7  | 305.0  | -0.9%            | -3.2%          | 1.3%           |
| Reserve Requirements **                                          | 123.1  | 124.8  | 126.2  | 129.7  | 130.8  | 130.1  | 132.6  | 70.8   | 71.0   | 73.3   | 73.3   | 70.5   | 75.1   | 6.5%             | -42.1%         | -40.5%         |
| Current Accounts & Overnight Deposits of Banks <sup>1</sup>      | 21.5   | 24.7   | 21.2   | 25.3   | 25.7   | 24.7   | 32.0   | 29.6   | 33.3   | 49.7   | 73.5   | 80.2   | 78.6   | -2.0%            | 210.7%         | 270.8%         |
| Certificates of Deposit held by Banks                            | 139.2  | 155.8  | 153.8  | 160.2  | 156.3  | 164.1  | 144.6  | 198.8  | 194.3  | 178.5  | 146.1  | 157.0  | 151.3  | -3.6%            | -5.6%          | -1.6%          |
| of which: Islamic Certificates of Deposit                        | 34.9   | 32.6   | 36.1   | 37.5   | 35.2   | 35.2   | 33.1   | 39.3   | 39.1   | 46.4   | 42.3   | 55.6   | 53.1   | -4.5%            | 41.6%          | 47.1%          |
| <b>2.Gross Credit</b>                                            | 1675.1 | 1692.7 | 1720.8 | 1758.6 | 1736.9 | 1745.5 | 1768.2 | 1776.1 | 1778.3 | 1791.0 | 1800.9 | 1801.3 | 1804.6 | 0.2%             | 2.6%           | 4.9%           |
| Domestic Credit                                                  | 1529.3 | 1542.6 | 1565.6 | 1592.6 | 1565.8 | 1571.2 | 1595.0 | 1607.1 | 1611.4 | 1626.9 | 1620.3 | 1617.8 | 1611.7 | -0.4%            | 1.2%           | 2.9%           |
| Government                                                       | 197.1  | 201.6  | 219.5  | 257.4  | 229.3  | 231.5  | 229.1  | 231.2  | 238.3  | 252.4  | 252.7  | 255.9  | 255.5  | -0.2%            | -0.7%          | 16.4%          |
| Public Sector (GREs)                                             | 171.7  | 176.3  | 178.9  | 185.3  | 183.1  | 185.0  | 201.1  | 217.5  | 216.0  | 218.1  | 216.0  | 214.7  | 217.7  | 1.4%             | 17.5%          | 21.7%          |
| Private Sector                                                   | 1140.6 | 1147.8 | 1150.1 | 1134.6 | 1137.5 | 1140.6 | 1148.9 | 1140.8 | 1139.8 | 1139.4 | 1134.5 | 1130.0 | 1121.8 | -0.7%            | -1.1%          | -2.5%          |
| Business & Industrial Sector Credit <sup>2</sup>                 | 807.1  | 815.6  | 816.5  | 802.2  | 804.8  | 807.3  | 818.7  | 814.6  | 815.7  | 814.7  | 809.2  | 803.6  | 795.1  | -1.1%            | -0.9%          | -2.6%          |
| of which: Total Funded SME Lending                               | 88.7   | 88.5   | 84.9   | 89.5   | -      | -      | 93.4   | -      | -      | 92.5   | -      | -      | 92.6   | -                | 3.5%           | 9.1%           |
| Individual                                                       | 333.5  | 332.2  | 333.6  | 332.4  | 332.7  | 333.3  | 330.2  | 326.2  | 324.1  | 324.7  | 325.3  | 326.4  | 326.7  | 0.1%             | -1.7%          | -2.1%          |
| Non-Banking Financial Institutions                               | 19.9   | 16.9   | 17.1   | 15.3   | 15.9   | 14.1   | 15.9   | 17.6   | 17.3   | 17.0   | 17.1   | 17.2   | 16.7   | -2.9%            | 9.2%           | -2.3%          |
| Foreign Credit <sup>3</sup>                                      | 145.8  | 150.1  | 155.2  | 166.0  | 171.1  | 174.3  | 173.2  | 169.0  | 166.9  | 164.1  | 180.6  | 183.5  | 192.9  | 5.1%             | 16.2%          | 24.3%          |
| of which: Loans & Advances to Non-Residents in AED               | 18.7   | 19.1   | 17.1   | 16.7   | 17.0   | 16.3   | 16.5   | 16.4   | 16.3   | 17.0   | 16.8   | 16.7   | 17.0   | 1.8%             | 1.8%           | -0.6%          |
| <b>3.Total Investments by Banks</b>                              | 367.8  | 367.1  | 397.3  | 399.0  | 412.2  | 409.6  | 377.6  | 394.2  | 414.9  | 422.4  | 431.1  | 435.5  | 440.8  | 1.2%             | 10.5%          | 10.9%          |
| Debt securities                                                  | 236.3  | 235.3  | 248.6  | 246.1  | 253.7  | 252.6  | 228.2  | 241.4  | 255.0  | 263.7  | 270.5  | 276.8  | 279.0  | 0.8%             | 13.4%          | 12.2%          |
| Equities                                                         | 10.0   | 10.4   | 11.6   | 10.8   | 10.7   | 10.5   | 9.1    | 9.3    | 9.2    | 8.8    | 8.5    | 8.9    | 8.7    | -2.2%            | -19.4%         | -25.0%         |
| Held to maturity securities                                      | 89.7   | 87.8   | 94.1   | 99.1   | 99.5   | 98.3   | 90.8   | 94.1   | 101.3  | 100.6  | 102.7  | 100.4  | 103.7  | 3.3%             | 4.6%           | 10.2%          |
| Other Investments                                                | 31.8   | 33.6   | 43.0   | 43.0   | 48.3   | 48.2   | 49.5   | 49.4   | 49.4   | 49.3   | 49.4   | 49.4   | 49.4   | 0.0%             | 14.9%          | 14.9%          |
| <b>4. Other Assets</b>                                           | 568.2  | 593.5  | 603.4  | 610.1  | 618.4  | 621.3  | 673.0  | 686.2  | 673.9  | 675.3  | 675.6  | 678.9  | 702.1  | 3.4%             | 15.1%          | 16.4%          |
| Due from Head Office/Own Branches/Banking Subsidiaries           | 122.1  | 144.3  | 142.5  | 154.6  | 151.0  | 142.7  | 153.0  | 165.2  | 168.8  | 177.5  | 184.6  | 186.3  | 187.8  | 0.8%             | 21.5%          | 31.8%          |
| Due from Other Banks                                             | 226.8  | 226.6  | 219.6  | 210.6  | 214.3  | 213.3  | 229.0  | 232.2  | 221.6  | 218.4  | 206.2  | 208.5  | 229.6  | 10.1%            | 9.0%           | 4.6%           |
| Other Items <sup>4</sup>                                         | 219.3  | 222.6  | 241.3  | 244.9  | 253.1  | 265.3  | 291.0  | 288.8  | 283.5  | 279.4  | 284.8  | 284.1  | 284.7  | 0.2%             | 16.3%          | 18.0%          |
| <b>Bank Deposits</b>                                             | 1748.1 | 1774.3 | 1802.0 | 1870.2 | 1826.3 | 1828.1 | 1851.9 | 1872.2 | 1865.5 | 1866.2 | 1887.3 | 1899.0 | 1907.2 | 0.4%             | 2.0%           | 5.8%           |
| Resident Deposits                                                | 1539.9 | 1577.6 | 1612.2 | 1648.8 | 1615.9 | 1619.5 | 1635.1 | 1661.8 | 1662.6 | 1665.8 | 1690.3 | 1709.0 | 1715.9 | 0.4%             | 4.1%           | 6.4%           |
| Government Sector                                                | 273.0  | 291.4  | 316.6  | 301.3  | 258.5  | 263.9  | 255.1  | 276.8  | 292.0  | 289.0  | 283.0  | 280.5  | 333.6  | 18.9%            | 10.7%          | 5.4%           |
| GREs (Govt. ownership of more than 50%)                          | 194.7  | 217.4  | 218.0  | 245.3  | 232.1  | 238.2  | 260.1  | 257.6  | 237.9  | 240.5  | 273.8  | 279.1  | 245.5  | -12.0%           | 0.1%           | 12.6%          |
| Private Sector                                                   | 1031.0 | 1029.7 | 1034.2 | 1057.9 | 1081.9 | 1074.3 | 1076.2 | 1083.9 | 1087.8 | 1091.8 | 1091.5 | 1106.3 | 1094.7 | -1.0%            | 3.5%           | 5.8%           |
| Non-Banking Financial Institutions                               | 41.2   | 39.1   | 43.4   | 44.3   | 43.4   | 43.1   | 43.7   | 43.5   | 44.9   | 44.5   | 42.0   | 43.1   | 42.1   | -2.3%            | -5.0%          | -3.0%          |
| Non-Resident Deposits                                            | 208.2  | 196.7  | 189.8  | 221.4  | 210.4  | 208.6  | 216.8  | 210.4  | 202.9  | 200.4  | 197.0  | 190.0  | 191.3  | 0.7%             | -13.6%         | 0.8%           |
| <b>Average Cost on Bank Deposits<sup>5</sup></b>                 | 1.8%   | 1.8%   | 1.7%   | 1.6%   |        |        | 1.4%   |        |        |        | 1.2%   |        | 1.1%   |                  |                |                |
| <b>Average Yield on Credit<sup>6</sup></b>                       | 5.5%   | 5.4%   | 5.2%   | 5.0%   |        |        | 4.7%   |        |        |        | 4.1%   |        | 3.9%   |                  |                |                |
| <b>Capital &amp; Reserves<sup>7</sup></b>                        | 350.2  | 364.8  | 377.3  | 392.9  | 400.3  | 394.6  | 369.9  | 374.6  | 381.0  | 382.5  | 387.3  | 390.3  | 389.8  | -0.1%            | -0.8%          | 3.3%           |
| <b>Specific provisions &amp; Interest in Suspense</b>            | 92.2   | 97.3   | 100.8  | 99.3   | 100.3  | 101.2  | 103.3  | 105.6  | 106.5  | 107.2  | 108.1  | 110.0  | 111.5  | 1.4%             | 12.3%          | 10.6%          |
| <b>General provisions</b>                                        | 31.7   | 35.4   | 35.6   | 33.1   | 33.3   | 33.1   | 37.1   | 37.6   | 38.1   | 38.4   | 39.0   | 39.2   | 38.7   | -1.3%            | 16.9%          | 8.7%           |
| <b>Lending to Stable Resources Ratio<sup>8</sup></b>             | 82.7%  | 82.1%  | 82.1%  | 81.0%  | 80.8%  | 81.0%  | 82.3%  | 81.5%  | 81.7%  | 81.9%  | 80.7%  | 79.5%  | 78.6%  | -1.1%            | -3.0%          | -4.3%          |
| <b>Eligible Liquid Assets Ratio (ELAR)<sup>9</sup></b>           | 16.9%  | 17.6%  | 17.6%  | 18.1%  | 17.9%  | 18.0%  | 17.3%  | 16.8%  | 16.6%  | 16.6%  | 16.4%  | 16.7%  | 16.9%  | 1.2%             | -6.6%          | -4.0%          |
| <b>Capital Adequacy Ratio - ( Tier 1 + Tier 2 )<sup>10</sup></b> | 17.9%  | 17.9%  | 17.7%  | 17.7%  |        |        | 16.9%  |        |        |        | 17.6%  |        | 18.0%  |                  |                |                |
| of which: Tier 1 Ratio                                           | 16.6%  | 16.7%  | 16.5%  | 16.5%  |        |        | 15.8%  |        |        |        | 16.4%  |        | 16.9%  |                  |                |                |
| <b>Common Equity Tier 1(CET 1 ) Capital Ratio</b>                | 14.6%  | 14.9%  | 14.7%  | 14.7%  |        |        | 13.9%  |        |        |        | 14.7%  |        | 15.1%  |                  |                |                |
| <b>Banks Operating in the UAE</b>                                |        |        |        |        |        |        |        |        |        |        |        |        |        |                  |                |                |
| National Banks                                                   | 22     | 22     | 21     | 21     |        |        | 21     |        |        |        | 21     |        | 21     |                  |                |                |
| Foreign Banks (including wholesale banks)                        | 38     | 38     | 38     | 38     |        |        | 38     |        |        |        | 38     |        | 38     |                  |                |                |
| of which GCC banks <sup>11</sup>                                 | 6      | 6      | 6      | 6      |        |        | 6      |        |        |        | 6      |        | 6      |                  |                |                |
| <b>Share of Foreign Banks in Total Assets</b>                    | 12.5%  | 12.6%  | 12.6%  | 12.8%  |        |        | 12.8%  |        |        |        | 12.9%  |        | 12.6%  |                  |                |                |
| Conventional Banks (including wholesale banks)                   | 52     | 52     | 51     | 49     |        |        | 49     |        |        |        | 49     |        | 49     |                  |                |                |
| Islamic Banks                                                    | 8      | 8      | 8      | 10     |        |        | 10     |        |        |        | 10     |        | 10     |                  |                |                |
| <b>Share of Islamic Banks in Total Assets</b>                    | 20.0%  | 19.1%  | 18.7%  | 18.6%  |        |        | 18.4%  |        |        |        | 18.8%  |        | 19.0%  |                  |                |                |

\* Preliminary data subject to revision

\*\* The amount of Reserve Requirements declined due to the reduction in the rate of required reserves from 14% to 7% on Demand Deposits per the Targeted Economic Support Scheme (TESS) offered to Banks by the CBUAE in April 2020. Banks' liquidity increased as a result of the reduction in the required reserves ratio

<sup>1</sup> Starting July 2020, includes Overnight Deposit Facility (ODF) offered to conventional banks by the CBUAE.<sup>2</sup> Includes lending to (Resident): Trade Bills Discounted, Insurance Companies and SMEs.<sup>3</sup> Includes lending to (Non Resident): Loans to Non Banking Financial Institutions, Trade Bills Discounted and Loans & Advances (Government & Public Sector, Private Sector (corporate and Individuals) ) in Local and Foreign Currency<sup>4</sup> Includes Cash in Hand, Fixed Assets, Inter-Branch Position, Positive Fair Value of Derivatives and Other Accounts Receivables<sup>5</sup> Weighted average of costs on Demand, Savings & Time Deposits at varying maturities.<sup>6</sup> Weighted average of yield on all types of outstanding credit.<sup>7</sup> Excluding subordinated borrowings/deposits, but including current year profit.<sup>8</sup> The Ratio of the Total Advances (Net Lending + Net Financial Guarantees & Stand -by LC + Interbank Placements more than 3 months) to the sum of ( Net Free Capital Funds + Total Other Stable Resources)<sup>9</sup> ELAR = The Ratio of Total Banks' Eligible Liquid Assets (Consist of Cash in Hand, Liquid Assets at the Central Bank and Eligible Bonds/Sukuks as prescribed by regulation 33/2015 & Basel Principles but excludes interbank positions) to Total Liabilities\*\*\*

\*\*\* Total Liabilities = Balance Sheet Total Assets - (Capital &amp; Reserves + All Provisions &amp; Interest in Suspense except Staff Benefit Provisions + Refinancing + Subordinated Borrowing/Deposits)

<sup>10</sup> Capital Adequacy Ratio , Tier 1 Ratio and CET 1 Ratio for the period starting from Dec 2017 are calculated according to Basel III Guidelines issued by CBUAE vide Circular 52/2017 .Whereas for the period prior to Dec 2017 are following Basel II Guidelines.<sup>11</sup> Representing one branch each from KSA, Bahrain, Oman & Qatar and two branches from Kuwait.