



**Quarterly Monetary, Banking &
Financial Markets Developments
Report**

2025 – 4th Quarter

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1. Introduction

The Central Bank of the UAE actively fosters a stable and efficient financial system by providing effective central banking services, as part of its commitment to promote economic and financial stability and growth in the United Arab Emirates.

The *United Arab Emirates Monetary, Banking and Financial Markets Developments Report* is one of the several avenues through which the Central Bank keeps its stakeholders informed.

This report discusses the monetary and banking activities as well as developments in the UAE financial markets during the fourth quarter of 2025. The report also reviews ratios of annual change over the period from December 2024 to December 2025.

2. Monetary Developments in the UAE

Money Supply (M₁)

Money Supply **M₁**, which comprises Currency in Circulation outside Banks (Currency Issued - Cash at banks) combined with Monetary Deposits, increased by 3.8% (Q/Q) during the fourth quarter of 2025. On an annual basis, the monetary aggregate **M₁** improved by 13.2% (Y/Y), reaching AED 1,071.5 bn. at the end of December 2025.

Money Supply (M₂)

Money Supply **M₂**, which comprises **M₁** combined with Quasi Monetary Deposits (Sum of Resident Time and Savings Deposits in AE Dirham and all the Resident Deposits in Foreign Currencies), increased by 6.4% (Q/Q) at the end of the fourth quarter of 2025. The Corporate Sector had the largest contribution to growth, providing 4.4 percentage points (p.p), out of total 6.4%, primarily driven by the growth of their AED demand and saving deposits. On an annual basis, Money Supply **M₂** increased by 19.0% (Y/Y) reaching AED 2,754.7 bn. at the end of December 2025.

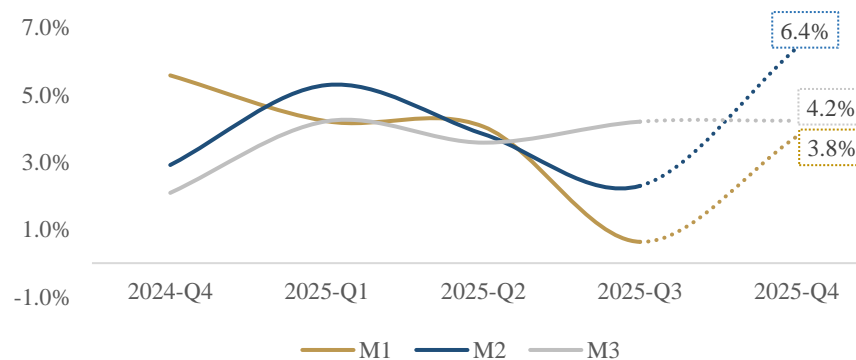
Money Supply (M₃)

Money Supply **M₃** which comprises **M₂** and Government Deposits at banks and at the Central Bank, also increased by 4.2% (Q/Q) in the fourth quarter of 2025. Money Supply **M₃** increased by 17.2% (Y/Y) reaching AED 3,255.4 bn. at the end of December 2025. The quarterly decline in Government Sector deposits by 6.2% (mostly foreign currency time deposits) moderated the growth of the overall aggregate.

	2024			2025			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4*
M1	884.1	896.3	946.3	986.2	1,026.2	1,032.7	1,071.5
Q/Q (%)	0.7%	1.4%	5.6%	4.2%	4.1%	0.6%	3.8%
Y/Y (%)	12.8%	12.7%	14.1%	12.3%	16.1%	15.2%	13.2%
M2	2,169.4	2,249.6	2,315.2	2,437.7	2,531.2	2,589.3	2,754.7
Q/Q (%)	1.6%	3.7%	2.9%	5.3%	3.8%	2.3%	6.4%
Y/Y (%)	16.9%	17.9%	14.5%	14.2%	16.7%	15.1%	19.0%
M3	2,632.0	2,719.8	2,776.6	2,893.7	2,997.6	3,123.3	3,255.4
Q/Q (%)	1.9%	3.3%	2.1%	4.2%	3.6%	4.2%	4.2%
Y/Y (%)	14.7%	15.7%	13.6%	12.0%	13.9%	14.8%	17.2%

*Preliminary, subject to revision

Chart 1: Quarterly Monetary Developments in the UAE (%)



3. Banking Sector Development

3.1. Banks operating in the UAE

At the end of the fourth quarter of 2025, the number of locally incorporated banks remained constant at 23 banks. The branches of these locally incorporated banks decreased to 447 branches at the end of December 2025. The number of electronic banking service units of banks settled at 45 units and cash offices remained constant at 21 cash offices.

The number of GCC banks continue to remain steady at six banks, plus one wholesale GCC bank at the end of the fourth quarter of 2025. The branches of these banks also remained constant at six branches at the end of December 2025. The number of other foreign banks settled at 21 banks with 66 branches, while the number of electronic banking service units of the banks remained 21 units at the end of Q4 2025. The number of cash offices of banks continued to 3 cash office during the fourth quarter of 2025.

The total number of financial institutions licensed by the Central Bank decreased to 162 institutions, consisting of: 11 Wholesale Banks, 66 Representative Offices, 19 Finance Companies and 66 Money Changers. The number of ATMs of banks operating in the UAE decreased to 4,384 ATMs at the end of Q4 2025.

	2024			2025			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4*
Locally Incorporated Banks⁽¹⁾							
<i>Main Branches</i>	23	23	23	23	23	23	23
<i>Additional Branches</i>	482	481	483	479	444	449	447
<i>Electronic Banking Service Units</i>	46	46	46	46	45	45	45
<i>Cash Offices</i>	21	21	21	21	21	21	21
GCC Banks⁽²⁾							
<i>Main Branches</i>	6	6	6	6	6	6	6
<i>Additional Branches</i>	6	6	6	6	6	6	6
Other Foreign Banks							
<i>Main Branches</i>	21	21	21	21	21	21	21
<i>Additional Branches</i>	72	73	67	67	66	66	66
<i>Electronic Banking Service Units</i>	21	21	21	21	21	21	21
<i>Cash Offices</i>	1	1	1	1	3	3	3
Wholesale Banks	11	11	11	11	11	11	11
<i>of which GCC Banks</i>	1	1	1	1	1	1	1
Representative Offices	70	69	69	68	68	68	66
Finance Companies	17	18	18	18	18	18	19
Moneychangers	76	75	75	75	69	68	66
ATMs	4,659	4,672	4,789	4,813	4,831	4,831	4,384

Source: CBUAE

*Estimates, subject to revision

⁽¹⁾ Excluding investment banks

⁽²⁾ Excluding wholesale banks

3.2. Aggregate Bank Assets and Loans

Total assets of banks operating in the UAE increased by 2.7% (Q/Q) in the fourth quarter of 2025 reaching AED 5,339.9 bn. During the period between December 2024 and December 2025, the aggregate assets of banks operating in the UAE increased by 17.1% (Y/Y). Gross credit increased by 3.7% (Q/Q) reaching AED 2,570.3 bn. at the end of December 2025 and recording an annual increase of 17.9%.

3.3. Deposits

Total resident and non-resident deposits with banks operating in the UAE increased by 3.8% (Q/Q) and 16.2% (Y/Y), reaching AED 3,307.0 bn. in Q4 2025. Resident deposits increased by 4.1% (Q/Q) reaching AED 3,009.2 bn., and non-resident deposits increased by 1.1% (Q/Q) reaching AED 297.8 bn. by the end of December 2025. The Private Sector had the largest contribution to quarterly resident deposits growth, contributing 4.9 p.p., while the Government Sector had an opposite effect, decreasing the growth of resident deposits by 1.5 p.p. On a year-on-year basis, resident deposits increased by 15.7% and the non-resident deposits increased by 21.2%.

3.4. Capital and Reserves

The aggregate capital and reserves of banks operating in the UAE increased by 5.0% (Q/Q), reaching AED 598.3 bn. at the end of Q4 2025. The Capital adequacy ratio stood at 17.1%, remaining well above the minimum requirement of 13.0%, including the 2.5% Capital Conservation Buffer and the 8.5% Tier1 Ratio requirements, in compliance with the Basel III guidelines.

	2024 Q4	2025 Q3	2025 Q4*	Q/Q(%)	Y/Y(%)
Total Bank Deposits	2,847.0	3,186.0	3,307.0	3.8%	16.2%
Resident Deposits	2,601.3	2,891.4	3,009.2	4.1%	15.7%
Non-Resident Deposits	245.7	294.6	297.8	1.1%	21.2%

*Preliminary, subject to revision

Chart 2: Contributions to quarterly growth in Resident Deposits, by sectors (in p.p.)

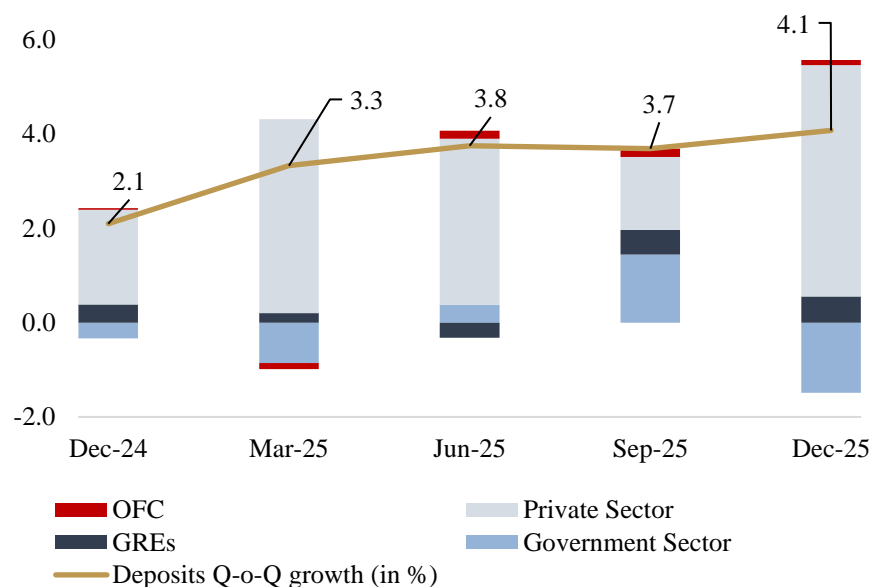


Table 4: UAE Banking Indicators (AED Bn.)

	2024		2025				
	Q4	Q/Q (%)	Q3*	Q/Q (%)	Q4*	Q/Q (%)	Y/Y (%)
Total Assets	4,559.1	3.58%	5,199.9	4.6%	5,339.9	2.7%	17.1%
Banks' Investments in Monetary Bills & Islamic Certificates of Deposit	251.5	4.4%	300.4	17.0%	289.0	-3.8%	14.9%
<i>Of which: Shariah Compliant Certificates of Deposit</i>	42.4	-4.7%	41.3	17.0%	50.1	21.3%	18.2%
Gross Credit ⁽¹⁾	2,180.8	0.9%	2,478.8	6.2%	2,570.3	3.7%	17.9%
Personal Loans to Residents	488.8	3.3%	547.7	4.1%	567.9	3.7%	16.2%
Total Deposits ⁽²⁾	2,847.0	3.1%	3,186.0	4.6%	3,307.0	3.8%	16.2%
Capital & Reserves ⁽³⁾	533.7	2.7%	569.9	4.4%	598.3	5.0%	12.1%
Capital Adequacy Ratio	17.8%	-4.4%	17.4%	0.2%	17.1%	-1.8%	-4.1%
Tier-1 Ratio	16.4%	-4.5%	16.2%	1.2%	15.9%	-1.8%	-3.0%
Common Equity Tier 1 (CET 1) Capital Ratio	14.7%	-4.7%	14.8%	1.5%	14.4%	-2.5%	-2.2%

⁽¹⁾ Includes credit to residents and non-residents: loans to non-banking financial institutions, Trade Bills Discounted and Loans and Advances to the Government and Public Sector, Private sector (corporates and individuals) in local and foreign currencies.

⁽²⁾ Net of inter-bank deposits and bank drafts, including commercial prepayments.

⁽³⁾ Excluding subordinated borrowings/deposits, but including current year profit.

*Estimates, subject to revision

4. Foreign Assets of the Central Bank

The Central Bank's foreign assets increased by 8.3% (Q/Q), reaching AED 1,058.0 bn. in Q4 2025. The increase was driven by 5.1. the quarterly increases in foreign investments by 13.6% Q/Q (a quarterly increase of AED 79.1 bn.), and in other foreign assets by 18.2% Q/Q (a quarterly increase of AED 9.5 bn.), overriding the 2.2% quarterly decrease in current account balances & deposits with banks abroad (a quarterly decline of AED 7.5 bn.). On a year-on-year basis, the central bank foreign assets increased by 23.0% at the end of December 2025.

5. Abu Dhabi Securities Exchange and Dubai Financial Markets Values

5.1. Abu Dhabi Securities Exchange - Abu Dhabi's quarterly average Securities Exchange Index decreased by 2.1% (Q/Q) during Q4 2025, and on an annual basis, the Abu Dhabi Securities Exchange Index increased by 6.3%. The quarterly average market capitalization of companies listed at the Abu Dhabi Securities Exchange (ADX) decreased by AED 23.6 bn. settling at AED 3,104.0 bn. The quarterly traded value of these companies increased by 56.5% (Q/Q) during Q4 2025 reaching AED 125.7 bn.

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5.2. Dubai Financial Market - Dubai's quarterly average Financial Market Index decreased by 0.7% (Q/Q) during Q4 2025 and on an annual basis, the Dubai Financial Market Index increased by 29.5%. The quarterly average market capitalization of companies listed on Dubai Financial Market (DFM) decreased by AED 33.6 bn., settling at AED 980.0 bn. during the fourth quarter of 2025.

The quarterly traded value decreased by 13.0% (Q/Q) settling at AED 37.3 bn. at the end of December 2025.

Table 5: Abu Dhabi Financial Market (ADX) Indicators (AED Bn.)

	2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4*
Number of listed Companies	96	98	99	100	101	101	104	104
General Share Price Index**	9,330.4	8,996.9	9,349.8	9,327.2	9,506.5	9,725.7	10,160.0	9,946.6
<i>Quarterly Variation (%)</i>	-1.7%	-3.6%	3.9%	-0.2%	1.9%	2.3%	4.5%	-2.1%
<i>Annual Variation Y/Y (%)***</i>	-4.1%	-4.6%	-5.8%	-4.0%	-2.7%	0.8%	4.2%	6.3%
Market Capitalization (Bn. AED)**	2,865.0	2,754.1	2,859.7	2,931.3	2,959.0	3,006.9	3,127.6	3,104.0
Quarterly Traded Values (Bn. AED)	67.0	60.2	77.4	74.9	83.0	96.1	80.3	125.7

Source: Abu Dhabi Securities Exchange (ADX)

Table 6: Dubai Financial Market (DFM) Indicators (AED Bn.)

	2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4*
Number of listed Companies*	63	64	64	66	65	65	65	65
General Share Price Index**	4,241.4	4,054.6	4,365.7	4,865.7	5,198.1	5,497.8	6,020.8	5,981.1
<i>Quarterly Variation (%)</i>	6.7%	-4.4%	7.7%	11.5%	6.8%	5.8%	9.5%	-0.7%
<i>Annual Variation Y/Y (%)***</i>	18.1%	19.3%	15.1%	16.1%	15.8%	21.7%	28.7%	29.5%
Market Capitalization (Bn. AED)**	723.1	686.1	732.9	821.1	912.1	953.2	1013.6	980.0
Quarterly Traded Values (Bn. AED)	24.3	21.6	24.3	33.3	40	43.1	42.8	37.3

* Includes foreign companies

** The Quarterly Share Price Index and the Quarterly Market Capitalization are measured as the quarterly average of monthly observations.

*** The annual variation of the Share Price Indices is measured as the yearly averages of monthly observations.