



# Quarterly Monetary, Banking & Financial Markets Developments Report

**2024 – 4<sup>th</sup> 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 2024. The report also reviews ratios of annual change over the period from December 2023 to December 2024.

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 5.6% (Q/Q) during the fourth quarter of 2024. Annually, the monetary aggregate **M1** increased by 14.1% (Y/Y), reaching AED 946.4 bn. at the end of December 2024.

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 3.0% (Q/Q) at the end of the fourth quarter of 2024. On an annual basis, Money Supply **M2** increased by 14.6% (Y/Y), reaching AED 2,317.5 bn. at the end of December 2024.

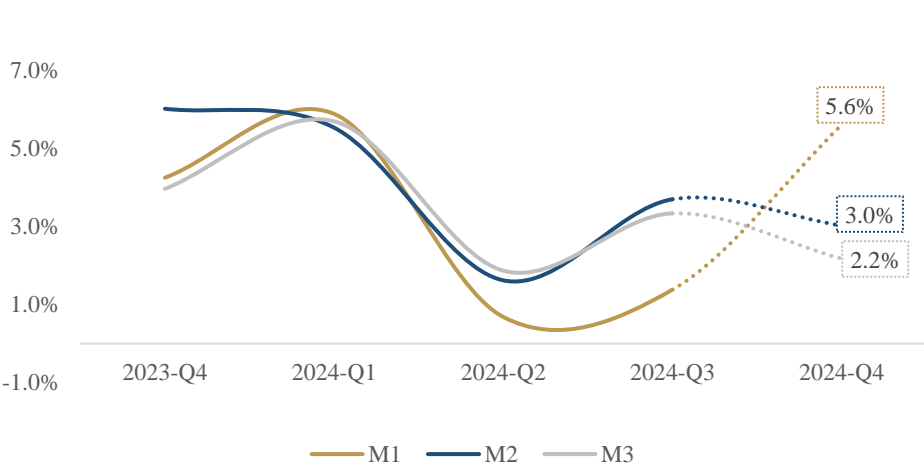
Money Supply (M3)

Money Supply **M3**, which comprises **M2** and government deposits at banks and at the Central Bank, increased by 2.2% (Q/Q) in the fourth quarter of 2024. Accordingly, Money Supply **M3** also increased by 13.7% (Y/Y), reaching AED 2,778.9 bn. at the end of December 2024.

Table 1: Monetary Developments in the UAE (AED Bn.)						
	2023		2024			
	Q3	Q4	Q1	Q2	Q3	Q4*
<b>M1</b>	<b>795.5</b>	<b>829.3</b>	<b>878.1</b>	<b>884.1</b>	<b>896.3</b>	<b>946.4</b>
<i>Q/Q(%)</i>	1.5%	4.2%	5.9%	0.7%	1.4%	5.6%
<i>Y/Y (%)</i>	10.0%	12.4%	15.6%	12.8%	12.7%	14.1%
<b>M2</b>	<b>1,908.1</b>	<b>2,022.9</b>	<b>2,134.8</b>	<b>2,169.4</b>	<b>2,249.6</b>	<b>2,317.5</b>
<i>Q/Q(%)</i>	2.8%	6.0%	5.5%	1.6%	3.7%	3.0%
<i>Y/Y (%)</i>	16.0%	18.7%	19.4%	16.9%	17.9%	14.6%
<b>M3</b>	<b>2,351.3</b>	<b>2,444.5</b>	<b>2,583.7</b>	<b>2,632.0</b>	<b>2,719.8</b>	<b>2,778.9</b>
<i>Q/Q(%)</i>	2.5%	4.0%	5.7%	1.9%	3.3%	2.2%
<i>Y/Y (%)</i>	14.5%	16.0%	17.0%	14.7%	15.7%	13.7%

\*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 2024, the number of locally incorporated banks (excluding investment banks) remained constant at 23 banks. The branches of these locally incorporated banks increased to 483 branches at the end of December 2024. The number of electronic banking service units of banks and cash offices remained constant at 46 units and 21 cash offices, respectively.

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 2024. The branches of these banks also remained constant at six branches at the end of December 2024. The number of other foreign banks settled at 21 banks with 67 branches, while the number of electronic banking service units of the banks remained 21 units at the end of Q4 2024. The number of cash offices of banks remained consistent at one cash office during the fourth quarter of 2024.

At the end of Q4 2024, the total number of financial institutions licensed by the Central Bank stood at 174 institutions, consisting of: 11 Wholesale Banks, 69 Representative Offices, 18 Finance Companies and 75 Money Changers. The number of ATMs of banks operating in the UAE increased by 117 ATMs, reaching 4,789 ATMs at the end of Q4 2024.

	2023		2024			
	Q3	Q4	Q1	Q2	Q3	Q4*
<b>Locally Incorporated Banks<sup>(1)</sup></b>						
<i>Main Branches</i>	22	22	23	23	23	23
<i>Additional Branches</i>	492	489	484	482	481	483
<i>Electronic Banking Service Units</i>	47	46	46	46	46	46
<i>Cash Offices</i>	21	21	21	21	21	21
<b>GCC Banks<sup>(2)</sup></b>						
<i>Main Branches</i>	6	6	6	6	6	6
<i>Additional Branches</i>	6	6	6	6	6	6
<b>Other Foreign Banks</b>						
<i>Main Branches</i>	22	22	21	21	21	21
<i>Additional Branches</i>	66	66	66	72	73	67
<i>Electronic Banking Service Units</i>	21	21	21	21	21	21
<i>Cash Offices</i>	1	1	1	1	1	1
<b>Wholesale Banks</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>
<i>of which GCC Banks</i>	1	1	1	1	1	1
<b>Representative Offices</b>	<b>71</b>	<b>71</b>	<b>72</b>	<b>70</b>	<b>69</b>	<b>69</b>
<b>Finance Companies</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>18</b>
<b>Moneychangers</b>	<b>81</b>	<b>74</b>	<b>77</b>	<b>76</b>	<b>75</b>	<b>75</b>
<b>ATMs</b>	<b>4,534</b>	<b>4,654</b>	<b>4,669</b>	<b>4,659</b>	<b>4,672</b>	<b>4,789</b>

Source: CBUAE

\*Preliminary, subject to revision

<sup>(1)</sup> Excluding investment banks

<sup>(2)</sup> Excluding wholesale banks

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3.2. Aggregate Bank Assets and Loans

Total assets of banks operating in the UAE increased by 3.6% (Q/Q) in the fourth quarter of 2024, reaching AED 4,560.0 bn. During the period between December 2023 and December 2024, the aggregate assets of banks operating in the UAE increased by 12.0% (Y/Y). Gross credit increased by 0.9% (Q/Q); reaching AED 2,181.1 bn. at the end of December 2024, and recording an annual increase of 9.5%.

3.3. Customer Deposits

Total deposits of resident and non-resident customers with banks operating in the UAE increased by 3.1% (Q/Q) and 12.9% (Y/Y), reaching AED 2,847.0 bn. in Q4 2024. Resident deposits increased by 2.2% (Q/Q), reaching AED 2,603.7 bn., and non-resident deposits increased by 14.0% (Q/Q), reaching AED 243.3 bn. by the end of December 2024. While on a year-on-year basis, resident deposits increased by 12.2% and the non-resident deposits increased by 20.4%.

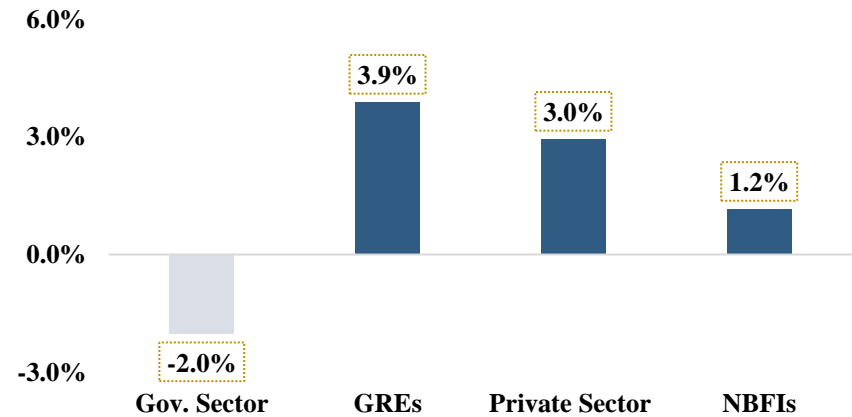
Table 3: Resident and Non-resident Deposits (AED Bn.)					
	2023 Q4	2024 Q3	2024 Q4*	Q/Q(%)	Y/Y(%)
Total Deposits	2,521.9	2,761.4	2,847.0	3.1%	12.9%
Resident Deposits	2,319.9	2,547.9	2,603.7	2.2%	12.2%
Non-Resident Deposits	202.0	213.5	243.3	14.0%	20.4%

\*Preliminary, subject to revision

3.4. Capital and Reserves

The aggregate capital and reserves of banks operating in the UAE increased by 2.9% (Q/Q), reaching AED 534.7 bn. at the end of Q4 2024. The Capital adequacy ratio stood at 17.8%, 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.

Chart 2: Breakdown of Resident Deposits (%)



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Table 4: UAE Banking Indicators (AED Bn.)											
	2023		2024								
	Q4	Q/Q (%)	Q1	Q/Q (%)	Q2	Q/Q (%)	Q3	Q/Q (%)	Q4*	Q/Q (%)	Y/Y (%)
<b>Total Assets</b>	<b>4,071.1</b>	<b>3.0%</b>	<b>4,254.5</b>	<b>4.5%</b>	<b>4,310.2</b>	<b>1.3%</b>	<b>4,401.7</b>	<b>2.1%</b>	<b>4,560.0</b>	<b>3.6%</b>	<b>12.0%</b>
Banks' Investments in Monetary Bills & Islamic Certificates of Deposit	213.6	6.5%	264.1	23.6%	226.9	-14.1%	240.9	6.2%	251.5	4.4%	17.7%
<i>Of which: Shariah Compliant Certificates of Deposit</i>	44.9	-7.6%	53.1	18.3%	43.9	-17.3%	44.5	1.4%	42.4	-4.7%	-5.6%
Gross Credit <sup>(1)</sup>	1,991.3	0.5%	2,047.0	2.8%	2,100.9	2.6%	2,161.9	2.9%	2,181.1	0.9%	9.5%
Personal Loans to Residents	417.8	2.4%	430.6	3.1%	450.7	4.7%	473.3	5.0%	488.8	3.3%	17.0%
Total Deposits <sup>(2)</sup>	2,521.9	4.2%	2,657.1	5.4%	2,692.5	1.3%	2,761.4	2.6%	2,847.0	3.1%	12.9%
Capital & Reserves <sup>(3)</sup>	489.3	5.3%	476.6	-2.6%	495.2	3.9%	519.5	4.9%	534.7	2.9%	9.3%
Capital Adequacy Ratio <sup>(4)</sup>	17.9%	-3.0%	18.0%	0.3%	18.3%	1.7%	18.6%	1.6%	17.8%	-4.3%	-0.8%
Tier-1 Ratio	16.6%	-4.5%	16.7%	0.5%	17.0%	1.8%	17.2%	1.2%	16.4%	-4.7%	-1.3%
Common Equity Tier 1 (CET 1) Capital Ratio	14.9%	-4.7%	15.0%	0.8%	15.3%	2.0%	15.5%	1.3%	14.8%	-4.5%	-0.5%

<sup>(1)</sup> 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.

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

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

<sup>(4)</sup> Total Capital Ratio, Tier 1 Ratio and CET 1 Ratio for the period starting from Dec 2017 are calculated according to the Basel III Guidelines issued by CBUAE vide Circular 52/2017. Whereas CAR for period prior to Dec 2017 are according to Basel II Guidelines.

\*Preliminary, subject to revision

## 4. Foreign Assets of the Central Bank

The Central Bank's foreign assets increased by 5.1% (Q/Q), reaching AED 860.5 bn. in Q4 2024. The increase was driven by the quarterly expansions in foreign investments by 18.2% Q/Q (a quarterly increase of AED 33.8 bn.) and in other foreign assets by 18.2% Q/Q (a quarterly increase of AED 9.2 bn.), overriding the 0.2% quarterly decrease in current account balances & deposits with

banks abroad (a quarterly decline of AED 1.0 bn.). On a year-on-year basis, the central bank foreign assets increased by 26.3% at the end of December 2024.

## 5. Abu Dhabi and Dubai Financial Markets Values

**5.1. Abu Dhabi Financial Market** - Abu Dhabi's quarterly average Financial Market Index declined by 0.2% (Q/Q) during Q4 2024. On the other hand, the quarterly average market capitalization of



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companies listed at the Abu Dhabi Securities Exchange (ADX) increased by AED 106.9 bn. reaching AED 2,966.6 bn. at the end of December 2024. Meanwhile, the quarterly traded value of these companies decreased by 13.0% (Q/Q) during Q4 2024, settling at AED 67.3 bn. On an annual basis, the Abu Dhabi Financial Market Index decreased by 4.0%.

**5.2. Dubai Financial Market -** Dubai's quarterly average Financial Market Index grew by 11.5% (Q/Q) during Q4 2024.

The quarterly average market capitalization of companies listed on Dubai Financial Market (DFM) increased by AED 88.2 bn., reaching AED 821.1 bn. during the fourth quarter of 2024. The quarterly traded value also increased by 36.9% (Q/Q) reaching AED 33.3 bn. at the end of December 2024. On an annual basis, the Dubai Financial Market Index increased by 16.1%.

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

	2023		2024			
	Q3	Q4	Q1	Q2	Q3	Q4*
<b>Number of listed Companies</b>	93	96	96	98	99	100
<b>General Share Price Index**</b>	9,794.2	9,493.8	9,330.4	8,996.9	9,349.8	9,327.2
<i>Quarterly Variation (%)</i>	2.2%	-3.1%	-1.7%	-3.6%	3.9%	-0.2%
<i>Annual Variation Y/Y (%) ***</i>	5.6%	-2.2%	-4.1%	-4.6%	-5.8%	-4.0%
<b>Market Capitalization (Bn. AED)**</b>	2,841.7	2,883.1	2,865.0	2,754.1	2,859.7	2,966.6
<b>Quarterly Traded Values (Bn. AED)</b>	70.9	65.8	67.0	60.2	77.4	67.3

*Source: Abu Dhabi Securities Exchange (ADX)*

*\*Preliminary, subject to revision*

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

	2023		2024			
	Q3	Q4	Q1	Q2	Q3	Q4*
<b>Number of listed Companies*</b>	62	62	63	64	64	66
<b>General Share Price Index**</b>	4,101.9	3,976.4	4,241.4	4,054.6	4,365.7	4,865.7
<i>Quarterly Variation (%)</i>	12.8%	-3.1%	6.7%	-4.4%	7.7%	11.5%
<i>Annual Variation Y/Y (%) ***</i>	9.4%	11.9%	18.1%	19.3%	15.1%	16.1%
<b>Market Capitalization (Bn. AED) **</b>	689.6	671.9	723.1	686.1	732.9	821.1
<b>Quarterly Traded Values (Bn. AED)</b>	30.9	22	24.3	21.6	24.3	33.3

*Source: Dubai Financial Markets (DFM)*

*\* 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 are measured as the yearly averages of monthly observations.*