

CENTRAL BANK
OF
THE UNITED ARAB EMIRATES

ANNUAL REPORT



2002

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CENTRAL BANK OF THE UNITED ARAB EMIRATES

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PART - I

**INTERNATIONAL ECONOMIC
AND
FINANCIAL TRENDS**

PART - I

International Economic and Financial Trends

Global growth strengthened in most countries of the world, reaching 3.0% in 2002, compared to 2.3% in 2001. This was mainly due to improved trade conditions and increased industrial output.

Major industrial countries recorded a growth rate of 1.8% in 2002, against 0.9% in 2001. A rate of growth of 2.4% was recorded in the USA in 2002, against 0.3% in 2001. However, growth dropped to 0.8% in EMU countries in 2002, against 1.4% in 2001. In Japan, meanwhile, growth decreased to 0.3% in 2002, from 0.4% in 2001.

Rates of growth in Germany, France, and the United Kingdom reached 0.2%, 1.2% and 1.6% respectively in 2002, against 0.6%, 1.8% and 2.0% respectively in 2001.

The rate of growth within the group of developing countries as a whole rose to 4.6% in 2002, against 3.9% in 2001. The increase within this group mainly occurred in the group of Middle Eastern countries and Turkey where growth rate rose to 4.5% in 2002, against 1.4% in 2001. Likewise, growth increased to 6.5% in developing Asian countries in 2002, against 5.7% in 2001. Meanwhile, growth slowed to 3.4% within the group of African countries in 2002, against 3.6% in 2001. Similarly, the rate of growth slowed within the group of countries in transition, reaching 4.1% in 2002 against 5.1% in 2001.

Unemployment rose to 6.4% in advanced industrial countries in 2002, against 5.9% in 2001. Most countries of this group witnessed an increase in unemployment. In the USA, unemployment rose to 5.8% in 2002, against 4.8% in 2001 and to 5.4% in Japan against 5.0%, and to 8.2% in Germany against 7.8% and to 5.2% in Britain against 5.1%, and to 8.8% in France in 2002, against 8.6% in 2001.

Unemployment also increased in the Euro land and the European Union countries, while it remained stable within the group of newly industrialized Asian economies.

The rate of inflation, measured by consumer prices, dropped within the group of advanced economies as a whole. Within this group, inflation dropped in the European Union countries and developing countries as a whole. In the USA inflation dropped to 1.6% in 2002, against 2.8% in 2001, but rose to 2.2% in the United Kingdom against 2.1% and to 1.9%, against 1.8% in France at the same period. In Germany, inflation dropped to 1.3% in 2002, against 2.4% in 2001, and reached -0.9% in Japan in 2002, against -0.7% in 2001.

World trade data indicate that growth in trade in goods and services rose in 2002, reaching 2.9% in 2002, against 0.1% in 2001. Meanwhile, short-term interest rates fell in all industrial countries.

Growth in overall domestic demand increased within the group of major industrial countries. It increased to 3.0% in the USA in 2002, against 0.4% in 2001, while it dropped in the European Union countries as a whole and the Euro land, but increased in the group of newly industrialized Asian countries.

PART - II

**ECONOMIC, FINANCIAL
AND
BANKING TRENDS IN
THE UNITED ARAB EMIRATES**

PART - II

Economic, Financial and Banking Trends in The United Arab Emirates

1. General Economic Activity

Gross domestic product at base and at fixed prices for the year 1995 grew by 1.8% in 2002, compared to its level in 2001, reaching AED 225.7 billion. The increase in non-oil sectors reached 4.8%.

The output of the non-oil sectors formed 78.8% of gross domestic product in 2002, increasing from 76.5% in 2001. On the other hand, the contribution of output of the oil and natural gas sector dropped from 23.5% in 2001 to 21.2% in 2002.

With output growth rate increasing at a slower pace than population growth rate, GDP per capita dropped by 5.4% in 2002 to reach AED 60.1 thousand, against AED 63.6 thousand in 2001.

Preliminary estimates of the balance of payments showed a decline in the surpluses of both the trade balance and the current account in 2002. The surplus in the trade balance decreased by 8.9% and the surplus in the current account decreased by 15.1% below the levels achieved in 2001. The overall balance reflected a deficit of AED 1.5 billion in 2002 against a surplus of AED 1.8 billion in 2001.

With regard to monetary and banking developments at the end of 2002, compared to the end of 2001, money supply (M1) rose by 19.2% to reach AED 47.05 billion. As a result, and due to an increase of AED 9.58 billion (8.2%) in quasi-monetary deposits, private domestic liquidity (M2) expanded by AED 17.17 billion (11.0%) to reach AED 173.65 billion.

An analysis of the factors affecting private domestic liquidity shows that the impact of net foreign assets was expansionary, by AED 12.23 billion (10.1%).

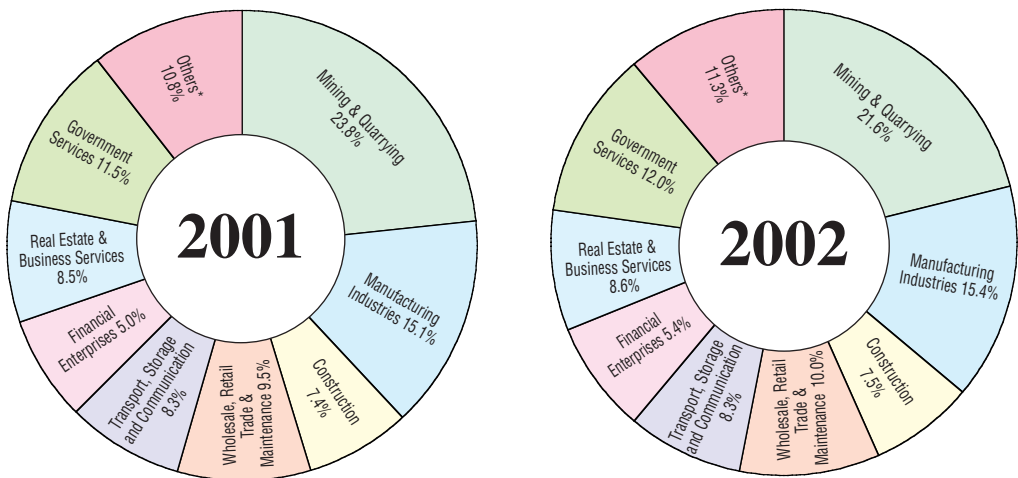
The impact of net domestic credit was also expansionary as it rose by AED 12.75 billion (11.5%). However, the impact of net other factors (capital, reserves, provisions and other items), which grew by AED 7.81 billion (10.4%), on private domestic liquidity (M2) was contractionary.

2. Gross Domestic Product

Preliminary estimates published by the Ministry of Planning indicate that gross domestic product, at base price and at constant 1995 prices, rose from AED 221.8 billion in 2001 to AED 225.7 billion in 2002 (1.8%). The rate of increase in the non-oil sectors reached 4.8% while the output of the oil and natural gas sector dropped by 8.1% in 2002, compared to 2001, despite an increase by 6.4% in oil prices bringing the weighted average price to US \$ 24.8 a barrel. Accordingly, the value added of this sector dropped from AED 52.2 billion in 2001 to AED 48.0 billion in 2002 and hence its contribution to GDP fell to 21.2% in 2002 compared to 23.5% in 2001.

Table 2-1 below shows the development achieved in various non-oil sectors during 2002, which in turn helped in partially alleviating the negative impact of the decline in the value added of the oil and natural gas sector, owing to a decrease in production, reflecting the country's adherence to its production quota. The growth achieved in non-oil sectors was mainly attributed to policies of economic diversification and development of government services.

Gross Domestic Product (By Sector)



* Including Agriculture, Live Stock & Fishing, Electricity & Water, Restaurants & Hotels, Social & Personal Services and Household Services.

Table (2 - 1)

**Gross Domestic Product at Base Price by Economic Sectors
(at constant 1995 prices)**

(In Millions of AEDs)

Sectors	2001	2002*
(1) Non-Financial Enterprises Sector	183,163	184,342
- Agriculture, Livestock Fishery	8,500	9,090
- Mining	52,853	48,653
A. Crude Oil & Natural Gas	52,181	47,956
B. Quarries	672	697
- Manufacturing	33,362	34,691
- Electricity, Gas and Water	4,748	4,970
- Construction	16,490	16,970
- Wholesale / Retail Trade and Maintenance	21,146	22,500
- Restaurants and Hotels	4,990	5,245
- Transportation, Storage and Communication	18,313	18,682
- Real Estate and Business Services	18,906	19,420
- Social and Private Services	3,855	4,121
(2) Financial Enterprises Sector	16,244	17,480
(3) Government Services Sector	25,547	27,129
- Household Services	1,862	2,120
(Less): Imputed Bank Services Charges	5,065	5,347
TOTAL	221,751	225,724
Total Non-Oil Sectors	169,570	177,768

Source : Ministry of Planning

* Preliminary Data

Table (2 - 2)**Gross Domestic Product at Base Price by Economic Sectors
(at current prices)**

(In Millions of AEDs)

Sectors	2001	2002*
(1) Non-Financial Enterprises Sector	213,614	217,184
- Agriculture, Livestock & Fishery	8,862	9,499
- Mining	75,687	72,871
A. Crude Oil & Natural Gas	74,990	72,146
B. Quarries	697	725
- Manufacturing	35,132	36,673
- Electricity, Gas and Water	4,890	5,125
- Construction	17,446	17,988
- Wholesale / Retail Trade and Maintenance	22,838	24,361
- Restaurants and Hotels	5,435	5,734
- Transportation, Storage and Communication	19,595	20,177
- Real Estate and Business Services	19,662	20,388
- Social and Private Services	4,067	4,368
(2) Financial Enterprises Sector	16,845	17,935
(3) Government Services Sector	27,029	28,756
- Household Services	1,940	2,205
(Less): Imputed Bank Services Charges	5,192	5,432
TOTAL	254,236	260,648
Total Non-Oil Sectors	179,246	188,502

Source : Ministry of Planning

* Preliminary Data

Data on growth and contribution of non-oil sectors to output increase in 2002 indicate that the financial enterprises sector achieved the highest rate of increase compared to other sectors, reaching 7.6% compared to 2001 level. The value added in this sector rose from AED 16.2 billion in 2001 to AED 17.5 billion in 2002. Classified as a major pivot in the process of development in the area of services in the country, the financial sector contribution to output increased from 7.3% to 7.7%.

Reflecting the State's firm commitment to provide higher standard public services to meet the increasing requirements of a growing population, the output of the government services sector rose by 6.2% in 2002 compared to 2001 level. The value of output of this sector reached AED 27.1 billion compared to AED 25.5 billion, while its contribution to output increased from 11.5% in 2001 to 12.0% in 2002.

With all necessary infrastructures which would ensure an effective role for the hotels and restaurants sector in the economy, the output of this sector rose by 5.1% in 2002 compared to its level in 2001, reaching AED 5.2 billion, reflecting increased focus on tourism.

The agriculture, livestock and fishery sector continued its growth with its output rising by 6.9% in 2002 compared to 2001 level, reaching AED 9.1 billion, slightly increasing its contribution to GDP above previous years levels. Products of this sector now are providing for a fair portion of domestic demand.

The output of the wholesale/retail trade and maintenance sector rose from AED 21.1 billion in 2001 to AED 22.5 billion in 2002 (6.4%). Likewise, the transportation, storage and communication sector grew by 2.0% in 2002, with the value added of this sector reaching AED 18.7 billion, albeit its contribution to GDP remained at the same level achieved in 2001. The value added of the building and construction sector increased by more than AED 0.5 billion, compared to its level in 2001, reaching AED 17.0 billion.

The output of the manufacturing industries sector (mainly liquefied gas and petroleum products) rose from AED 33.4 billion in 2001 to AED 34.7 billion in 2002 (4.0%). This was mainly due to the increase in prices of these products associated with the increase in oil prices.

On the other hand, the output of the mining sector (mainly oil and natural gas) dropped from AED 52.9 billion in 2001 to AED 48.7 billion in 2002(7.9%), due to decreased production.

With gross domestic product at base and at constant 1995 prices increasing at a slower rate (1.8%) than the increase in population (7.6%) in 2002, GDP per capita decreased by 5.4% compared to 2001, reaching AED 60.1 thousand in 2002, against AED 63.6 thousand in 2001.

Table (2 - 3)
Per Capita Gross Domestic Product

	2000	2001	2002
GDP* (AED Millions)	214,327	221,751	225,724
Population (Thousands)	3,247	3,488	3,754
GDP Per Capita (AED)	66,008	63,575	60,129

* at constant 1995 prices.

Goods production sectors contribution to total output dropped from 52.3% in 2001, to 50.7% in 2002, as a result of the drop in contribution of the oil and natural gas sector. When excluding the output of the quarrying industries (mainly oil and natural gas), the contribution of the goods production sectors shows a slight drop from 37.4% in 2001 to 37.1% in 2002. Meanwhile the services sectors continued to represent nearly 63.0% of overall output during 2002.

Table (2 - 4)
Sector Shares of Gross Domestic Product

(Percent)

Sectors	Gross Domestic Product			Non-Mining Gross Domestic Product*		
	2000	2001	2002	2000	2001	2002
A. Goods Production Sectors	53.4	52.3	50.7	38.7	37.4	37.1
Agriculture, Livestock & Fishery	4.1	3.8	4.0	5.4	5.0	5.1
Mining	24.2	23.8	21.6	-	-	-
Manufacturing	15.5	15.0	15.4	20.5	19.8	19.6
Building & Construction	7.5	7.4	7.5	10.0	9.8	9.6
Electricity, Gas & Water.	2.1	2.1	2.2	2.8	2.8	2.8
B. Services Sectors	46.6	47.7	49.3	61.3	62.6	62.9

* Percentage to GDP at factor cost after excluding mining sector.

Current estimates of gross domestic product at current prices and by major expenditure categories show that it reached AED 260.6 billion in 2002, against AED 254.2 billion in 2001, a rise of 2.5%.

Table (2 - 5)
Expenditure on Gross Domestic Product
(At Current Prices)

(In Millions of AEDs)

Spending	2001	2002*
Final Consumption:	159,038	168,608
- Government Consumption	41,800	44,224
- Private Consumption	117,239	124,384
Gross Fixed Capital Formation:	60,178	61,776
- Government	13,477	13,790
- Public Sector	20,750	21,622
- Private Sector	25,951	26,364
Variation in Inventory	2,792	2,870
Exports of Goods & Services:	187,840	191,648
- Goods	179,124	182,143
- Services	8,716	9,505
Minus: Imports of Goods & Services:	154,441	162,795
- Goods	136,961	143,725
- Services	17,480	19,070
Minus: Net Indirect Tax	1,172	1,459
Gross Domestic Product at Base Prices (at current prices)	254,236	260,648

Source : Ministry of Planning

* Preliminary Data

Total final consumption (government and private) rose by 6.0% in 2002 compared to its 2001 level, reaching AED 168.6 billion, with its ratio to overall output increasing from 62.6% in 2001 to 64.7% in 2002. As a result of population increase and the rise in price levels, private final consumption increased by 6.1% in 2002 to reach AED 124.4 billion and continued to maintain a ratio of nearly 73.8% of gross consumption spending.

Gross fixed capital formation rose by 2.7% in 2002 compared to its level in 2001, reaching AED 61.8 billion, against AED 60.2 billion in 2001. The shares of the government, the public and the private sectors remained fixed in 2001 and 2002, (22%, 34% and 43%) respectively.

On the other hand, net spending on exports of goods and services dropped from AED 33.4 billion in 2001 to AED 28.9 billion in 2002 (13.6%).

3. Labour and Population

UAE population grew by 7.6% during 2002 compared to 2001 level, reaching 3,75 million. Males constituted 67.7% of the population. The shares of emirates of Abu Dhabi, Dubai and Sharjah in total UAE population reached 39.2%, 29.6% and 16% respectively in 2002.

Table (2 - 6)
Population by Gender and Emirate (2001 & 2002)*

(In Thousands)

Emirates	Males		Females		Total	
	2001	2002*	2001	2002*	2001	2002*
Abu Dhabi	966	1,047	396	423	1,362	1,470
Dubai	716	772	313	340	1,029	1,112
Sharjah	358	382	204	217	562	599
Ajman	117	128	79	87	196	215
Umm Al Qaiwain	31	35	21	24	52	59
Ras Al Khaimah	106	110	75	77	181	187
Fujairah	65	69	41	43	106	112
Grand Total	2,359	2,543	1,129	1,211	3,488	3,754

Source : Ministry of Planning

* Preliminary Estimates

Table (2-7) below, which shows distribution of population by gender and age groups, indicate that the population in the age group, less than 15 years, reached 956 thousand in 2002, compared to 892 in 2001, an increase of 64 thousand (7.1%).

The population in the age group, 15 years to less than 40 years, reached 2.05 million in 2002, compared to 1.90 million in 2001, an increase of 149 thousand (7.8%).

Meanwhile, the population in the age group, 40 years and up to less than 60 years, reached 688 thousand in 2002, compared to 638 thousand in 2001, an increase of 50 thousand (7.9%).

The population in the age group, 60 years and more, reached 61 thousand in 2002, compared to 57 thousand in 2001, an increase of 4 thousand (6.5%).

Table (2 - 7)
Population by Gender & Age Groups

Age Groups	2000*			2001*			2002*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Less than 15	434,736	400,254	834,990	465,791	426,658	892,449	499,132	456,679	955,811
15 to less than 40	1,249,373	517,315	1,766,688	1,347,571	553,467	1,901,038	1,454,816	594,729	2,049,545
40 to less than 60	474,025	117,803	591,828	511,632	125,932	637,564	552,802	135,181	687,983
60 and above	31,866	21,628	53,494	34,006	22,943	56,949	36,250	24,411	60,661
TOTAL	2,190,000	1,057,000	3,247,000	2,359,000	1,129,000	3,488,000	2,543,000	1,211,000	3,754,000

* Mid year estimates.

The total number of workers in the UAE rose during 2002 by nearly 102 thousand, reaching 2.03 million workers.

The wholesale, retail trade and maintenance services sector ranked first in terms of number of workers, which reached 393 thousand, i.e., 19.3% of the total number of workers in 2002. The construction and building sector ranked second with a share of 15.8%, (320 thousand workers). The manufacturing industries ranked third with a share of 12.9% of the total number of workers (263 thousand workers). Government services sector ranked fourth with 11.1% of total labor (225 thousand workers). The ratio of workers in other sectors ranged between 0.2% and 10.1% of the total number of workers.

Table (2 - 8)**Employees by Economic Sectors**

Sectors	2000	2001	2002*
Non-Financial Enterprises Sector	1,330,605	1,497,125	1,575,268
– Agriculture, Livestock and Fisheries	120,242	154,043	163,192
– Mining Industries	27,639	30,248	31,702
A. Crude Oil & Natural Gas	23,465	25,945	27,197
B. Quarries	4,174	4,303	4,505
– Manufacturing Industries	226,090	246,910	262,812
– Water, Gas and Electricity	29,650	31,370	32,363
– Construction and Building	287,198	305,477	320,184
– Wholesale / Retail Trade and Maintenance	336,585	370,827	392,651
– Restaurants and Hotels	72,008	84,001	89,720
– Transportation, Storage and Communication	107,788	127,243	130,923
– Real Estate and Business Services	42,260	56,495	58,654
– Social and Private Services	81,145	90,511	93,067
Financial Enterprises Sector	23,039	24,825	25,635
Government Services Sector	203,897	214,226	224,633
– Household	180,230	192,846	205,000
Total	1,737,771	1,929,022	2,030,536

Source : Ministry of Planning.

* Preliminary Data.

4. Public Finance

The Consolidated Government Finance Account

1 Revenues

As a result of the decrease, mainly, in oil and gas exports' earnings, total revenues dropped by 16.6% in 2002 to reach AED 57.2 billion, against AED 68.6 billion in 2001.

– Tax Revenues

Tax revenues (customs duties, fees and other charges) increased in 2002 by 9.7% to reach AED 6.9 billion, against AED 6.3 billion in 2001, accounting 12.0% of total revenues. The increase occurred in other tax revenues, which rose by AED 790 million (17.8%). On the other hand, customs revenues dropped by AED 183 million to reach AED 1.7 billion.

– Non-Tax Revenues

Non-tax revenues decreased by 19.3% in 2002, reaching AED 50.3 billion, against AED 62.4 billion in 2001, forming 88.1% of total revenues. This was attributed to a drop by AED 10.7 billion (20.8%) in receipts from oil and gas sales, that recorded AED 40.9 billion in 2002 against AED 51.6 billion in 2001.

2 Expenditures

Expenditures decreased in 2002 by AED 9.1 billion (9.5%), reaching AED 86.4 billion, against AED 95.5 billion in 2001.

– Current Expenditures

Current expenditures constituted 83.8% of total expenditures in 2002, reaching AED 72.4 billion, against AED 77.0 billion in 2001.

Expenditures on the salaries and wages item rose in 2002 by AED 429 million (3.1%) to reach AED 14.4 billion. Expenditures on goods and services also increased by AED 592 million to reach AED 22.1 billion. Meanwhile, expenditures on subsidies and transfers dropped by AED 3.7 billion (20.0%) to reach AED 15.0 billion. Other unclassified current expenditures decreased by AED 1.9 billion (8.5%) to reach AED 20.8 billion.

– *Development Expenditures*

Development expenditures dropped by 6.2% to reach AED 12.5 billion in 2002, against AED 13.3 billion in 2001.

– *Loans and Equity Participations*

Loans and equity participations declined by 70.1% in 2002 compared to its level in 2001, reaching AED 1.5 billion, of which 38.3% was spent locally.

3 The Deficit

The deficit widened by 8.7% to reach AED 29.2 billion in 2002, against AED 26.8 billion in 2001. This deficit was entirely financed by returns of government's investments.

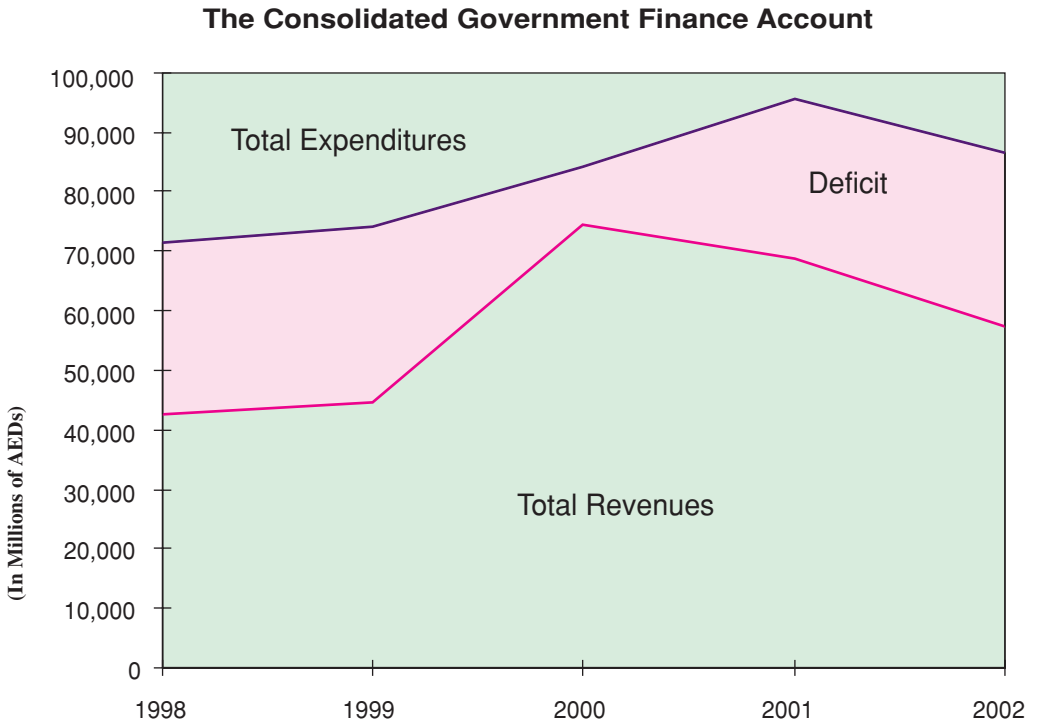


Table (2 - 9)

The Consolidated Government Finance Account

(In Millions of AEDs)

Items	2001*	2002**
Revenues	68,633	57,209
<i>Tax Revenues</i>	6,274	6,881
Customs Revenues	1,846	1,663
Other	4,428	5,218
<i>Non-Tax Revenues</i>	62,359	50,328
Oil and Gas	51,648	40,926
Joint Stock Corporations	3,385	3,357
Other	7,326	6,045
Expenditures	95,459	86,374
<i>Current Expenditures</i>	77,005	72,364
Salaries and Wages	14,019	14,448
Goods and Services	21,553	22,145
Subsidies and Transfers	18,750	15,009
Other Unclassified	22,683	20,762
<i>Development Expenditures</i>	13,283	12,466
<i>Loans and Equity Participations</i>	5,171	1,544
Local	903	592
Foreign	4,268	952
Surplus (+) or Deficit (-)	(-)26,826	(-)29,165
Financing	26,826	29,165
Changes in net Government Deposits with Banks	2,349	-4,339
Other ⁽¹⁾	24,477	33,504

Source : Ministry of Finance and Industry and Local Governments Finance Departments.

* Adjusted data.

** Preliminary data.

(1) Transfers from returns on government's investments.

5. Monetary and Credit Policy

5-1 Dirham Exchange Rate

Due to its fixed peg to the US dollar, the dirham depreciated as a result of depreciation of the US dollar against most major currencies during 2002.

During 2002, the dirham depreciated against the Euro (6.1%), the Pound Sterling (4.6%), the Japanese yen (1.0%), the Swiss franc (7.2%) and the SDR (1.7%).

The rate of exchange of the dirham remained unchanged against all GCC currencies, except for the Kuwaiti Dinar which appreciated against the dirham by 0.9% in 2002, compared to its level in 2001.

Table (2 - 10)
Dirham Exchange Rate Index
(Foreign Currency Units Per Dirhams)
(1999 = 100)

Currency	1999	2000	2001	2002
US Dollar	100.0	100.0	100.0	100.0
Japanese Yen	100.0	105.0	123.0	121.8
Euro	100.0	109.4	113.0	106.1
Pound Sterling	100.0	106.3	112.0	106.8
Swiss Franc	100.0	106.4	105.6	98.0
SDR	100.0	104.0	107.8	106.0

Table (2 - 11)

**Index Numbers of Dirham Exchange
Rate Against Kuwaiti Dinar
(1999 = 100)**

Currency	1999	2000	2001	2002
Kuwaiti Dinar	100.0	100.8	100.8	99.9

5-2 Monetary and Banking Indicators

5-2-1 Monetary Survey

The monetary and banking indicators rose during 2002, as money supply (M1) increased by AED 7.59 billion (19.2%) to reach AED 47.05 billion, compared to AED 39.46 billion at the end of 2001. Monetary deposits also rose by AED 6.19 billion (21.4%), and currency with the public by AED 1.40 billion (13.3%).

Private Domestic Liquidity (M2) expanded by AED 17.17 billion (11.0%) to reach AED 173.65 billion. This was due to the increase in money supply (M1) together with a rise of AED 9.58 billion (8.2%) in quasi-monetary deposits that reached AED 126.60 billion.

Overall Liquidity (M3) rose by AED 25.80 billion (13.2%) to reach AED 220.76 billion by the end of 2002. This increase resulted from the expansion of private domestic liquidity (M2) and the increase by AED 8.63 billion (22.4%) in government deposits that reached AED 47.11 billion.

Money Supply & Domestic Liquidity

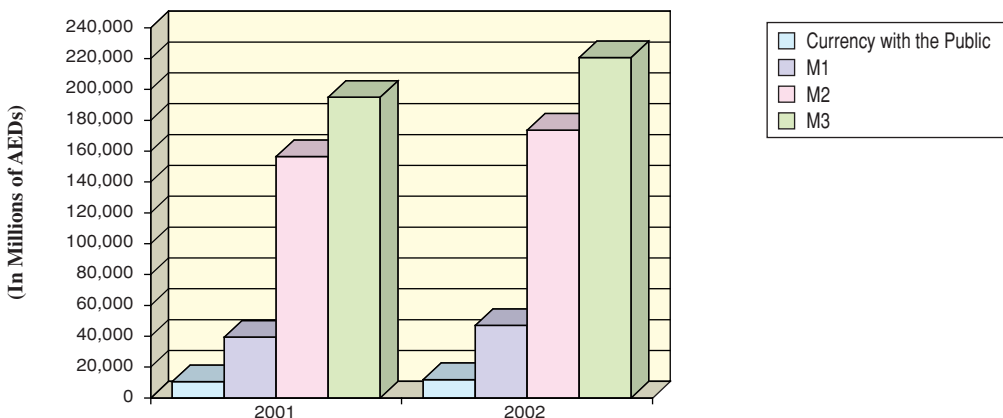


Table (2 - 12)

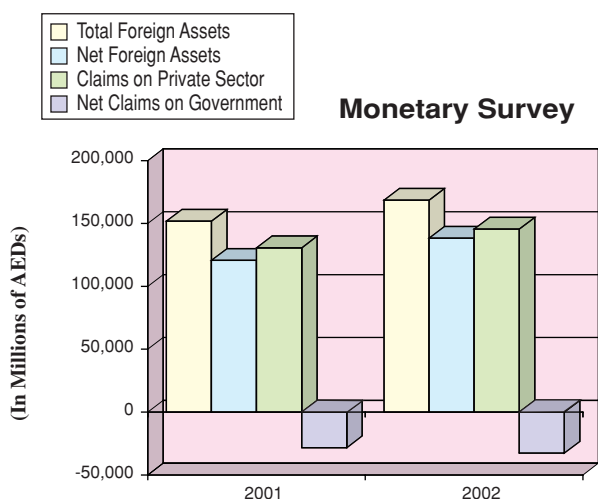
Major Monetary Indicators and Affecting Factors*

(In Millions of AEDs)

Items	2001	2002
Currency with the Public	10,537	11,938
Monetary Deposits	28,927	35,116
Money Supply (M1)	39,464	47,054
Quasi - Monetary Deposits	117,016	126,599
Private Domestic Liquidity (M2)	156,481	173,653
Government Deposits	38,481	47,111
Overall Liquidity (M3)	194,961	220,764
<i>Factors Affecting Domestic Liquidity (M2)</i>		
Net Foreign Assets	120,686	132,920
Net Domestic Credit	111,113	123,859
Net Other Factors	(-) 75,319	(-) 83,126

* Including deposits of residents with national banks' branches (including offshore units) and their subsidiaries abroad.

A review of the factors affecting private domestic liquidity shows that the effect of net foreign assets was expansionary, as it increased by AED 12.23 billion (10.1%), and the effect of net domestic credit was also expansionary, as it rose by AED 12.75 billion (11.5%). Net other factors which rose by AED 7.81 billion (10.4%) had a contracting impact on private domestic liquidity (M2).



5-2-2 Banks Operating in the Country

The aggregated balance sheet of banks operating in the country grew by AED 33.57 billion (11.2%) to reach AED 333.24 billion at the end of 2002, against AED 299.67 billion at the end of 2001.

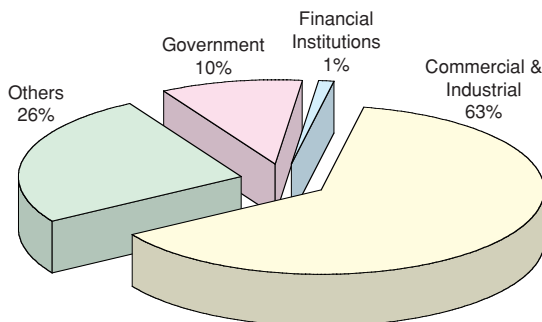
Cash and deposits with the Central Bank increased by AED 2.57 billion (9.3%) to reach AED 25.06 billion at the end of 2002.

Net foreign assets of banks reached AED 82.49 billion at the end of 2002, recording an increase of AED 13.75 billion (20.0%). This was the outcome of the increase of foreign assets by AED 13.01 billion (13.1%) to reach AED 112.42 billion, and the decline of foreign liabilities by AED 745 million (2.4%) to reach AED 29.93 billion.

Credit extended by banks operating in the country increased by AED 27.47 billion (16.8%) to record AED 190.89 billion, against an increase by AED 8.20 billion (5.3%) recorded in 2001. Growth in this item at the end of 2002 mainly occurred in credit extended to residents which rose by AED 20.41 billion (14.1%) to reach AED 165.60 billion. Meanwhile, credit extended to non-residents also rose by AED 7.06 billion (38.8%) to reach AED 25.29 billion.

Distribution of credit to residents according to type of facility shows that the increase in credit mainly occurred in loans, advances and overdrafts which rose by AED 18.25 billion (14.0%). The bulk of this increase was in the industrial and trading enterprises, as the credit extended to these institutions rose by AED 10.60 billion (12.7%) at the end of 2002, forming

**Loans, Advances and Overdrafts (total)
to Residents by Sectors**
(As at End of December 2002)



63.0% of total loans, advances and overdrafts. Credit extended under “other”, which includes, inter-alia, credit extended to individuals, also rose by AED 3.04 billion (8.7%). Credit extended to the government also rose by AED 4.66 billion (44.1%), while credit extended to financial institutions dropped by AED 49 million (2.5%).

Credit extended to residents against discounted commercial bills grew by AED 613 million (14.9%), and credit extended to residents in the form of mortgaged real estate loans rose by AED 1.55 billion (15.0%).

Table (2 - 13)

Credit (Gross) Extended by Banks *

(In Millions of AEDs)

Items	2001	2002
1) Credit to Residents:	145,194	165,603
A) Loans, Advances and Overdrafts	130,732	148,980
- Government	10,565	15,222
- Financial Institutions	1,953	1,904
- Industrial and Commercial Institutions	83,208	93,804
- Other	35,007	38,050
B) Mortgaged Real Estate Loans	10,348	11,896
C) Discounted Commercial Bills	4,114	4,727
2) Credit to Non-Residents:	18,224	25,286
A) Loans, Advances and Overdrafts	17,132	23,137
B) Real Estate Mortgaged Loans	18	73
C) Discounted Commercial Bills	1,074	2,076
Total Bank Credit	163,418	190,889

* Excluding the Restricted License Bank.

Analysis of credit to residents according to economic activity shows that most economic sectors witnessed variations in the amounts of bank credit they had received. Credit extended to the trade sector rose by AED 4.73 billion (10.7%), reaching AED 48.87 billion at the end of 2002. Likewise, credit extended to the construction sector rose by AED 3.16 billion (13.2%). Credit extended to the water and electricity sector also increased by AED 1.86 billion (137.4). Similarly, credit extended to the transportation, storage and communication sector rose by AED 640 million (14.3%) and credit extended to the mining and industry sectors increased by AED 587 million (5.1%). Likewise, credit extended to other sectors grew by AED 5.18 billion (11.3%) and credit extended to the government rose by AED 4.66 billion (44.1%). Meanwhile, credit extended to the agriculture sector dropped by AED 354 million (23.5%) and credit to other financial institutions decreased by AED 50 million (2.6%).

Table (2 - 14)**Bank Credit (Gross) to Residents by Economic Activity ***

(In Millions of AEDs)

Economic Sectors	2001	2002
- Agriculture	1,508	1,154
- Mining and Industry	11,527	12,114
- Electricity and Water	1,356	3,219
- Construction	23,907	27,063
- Trade	44,140	48,870
- Transportation, Storage and Communication	4,487	5,127
- Other Financial Institutions	1,953	1,903
- Government	10,565	15,222
- Others *	45,751	50,932
Total	145,194	165,604

* Not including the Restricted License Bank.

By the end of 2002, total deposits with banks operating in the country amounted to AED 209.65 billion, recording an increase of AED 26.75 billion (14.6%) compared to its level at the end of 2001.

Table (2 - 15)**Deposits According to Ownership***

(In Millions of AEDs)

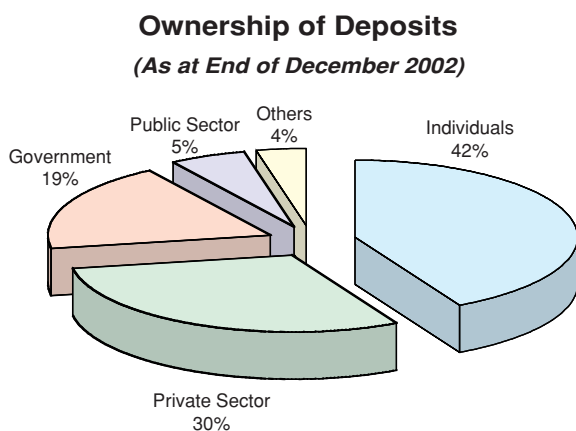
Sectors	2001	2002
Total Deposits	182,894	209,647
A) Residents Deposits	172,849	198,244
- Government	27,382	36,972
- Public Sector	9,720	10,963
- Private Sector**	46,172	59,726
- Individuals	76,442	83,546
- Other	13,133	7,037
B) Non-Residents Deposits	10,045	11,403

* Including resident deposits with branches of national banks (including offshore units) and their subsidiaries abroad, but not deposits of the RLB.

** Including Business Sector, Industry and Financial Institutions.

The increase at the end of 2002 occurred mainly in residents deposits which rose by AED 25.40 billion (14.7%), while non-resident deposits grew by AED 1.36 billion (13.5%).

Data on the distribution of resident deposits by ownership indicate that individuals' deposits grew by 9.3% to form 42.1% of total resident deposits. Deposits of the private sector, which include business, industries and financial institutions, also grew by 29.4% to constitute 30.1% of total residents' deposits. Meanwhile, government deposits constituted 18.6%, and public sector and other deposits constituted 5.5%, and 3.5% of total residents' deposits, respectively.



Excluding government deposits and commercial prepayments, total deposits classified according to type reflected an increase in current deposits by AED 8.90 billion (23.6%). Time deposits increased by AED 5.51 billion (5.3%) and savings deposits increased by AED 1.96 billion (17.1%).

Table (2 - 16)
Deposits According to Type and Currency

(In Millions of AEDs)

Items	2001	2002
A) Type:		
- Current Deposits	37,700	46,602
- Saving Deposits	11,452	13,413
- Time Deposits	104,522	110,031
Total	153,674	170,046
B) Currency:		
- Deposits in Local Currency	108,241	119,278
- Deposits in Foreign Currency	45,433	50,768
Total	153,674	170,046

- Notes : (1) Excluding Government Deposits and Commercial Prepayments.
 (2) Excluding inter-bank deposits.
 (3) Including residents' deposits with branches of national banks (including offshore units) and subsidiaries abroad.
 (4) Excluding deposits of the RLB.

Distribution of private deposits, according to type of currency as at end of 2002, shows that deposits in local currency increased by AED 11.04 billion (10.2%) while deposits in foreign currency rose by AED 5.34 billion (11.7%). Accordingly, deposits in local currency accounted for 70.1% of total private deposits.

An analysis of banks capital position at the end of 2002 shows that the total of capital and reserves accounts reached AED 41.02 billion, an increase of AED 4.21 billion (11.4%), compared to the end of 2001. Accordingly, the ratio of capital and reserves to total assets was 12.3%.

Banks' net unclassified liabilities rose by AED 2.36 billion (6.6%) to reach AED 38.32 billion at the end of 2002. This resulted from an increase of AED 2.46 billion (5.6%) in unclassified liabilities, which reached AED 46.02 billion at the end of 2002, and a rise of AED 101 million (1.3%) in unclassified assets, which reached AED 7.70 billion.

6. Consumer Price Index Numbers

Data recently published by the Ministry of Planning on consumer price index numbers indicate that the general consumer price index number (1995 base year) rose from 113.7 in 2001 to 117.0 in 2002 (2.9%).

The increment was due to price rises in all major expenditure groups. The index number for the medical care and medical services group rose from 138.8 in 2001 to 150.0 in 2002. Likewise, the index number for the housing and related housing services rose from 99.0 in 2001 to 104.3 in 2002 and that for the recreation, education and cultural services group rose from 125.0 in 2001 to 131.0 in 2002. The index numbers for the remaining groups registered only slight rises.

7. The Balance of Payments

Preliminary estimates of the balance of payments indicate a decline in the surpluses of both the trade balance and the current account during 2002. The surplus in the trade balance decreased from AED 42.2 billion in 2001 to AED 38.4 billion in 2002 (8.9%). Similarly, the surplus in the current account dropped from AED 36.5 billion in 2001 to AED 31.0 billion in 2002. The said decline in the surplus in the trade balance was due to the decline in value of exports of crude oil and liquefied gas on the one hand, and to the increase in value of commodity imports on the other. Such developments coincided with the increase of oil prices during 2002 compared to their levels in 2001 and the rise in values of exports of petroleum products, exports of other goods, exports of free zones and re-exports.

As a result of the State's adherence to its production quota, the value of exports of crude oil dropped during 2002 by 4.5%, compared to its level in 2001, reaching AED 62.2 billion. This was despite the fact that the weighted average price of crude oil rose from US \$ 23.3 a barrel in 2001 to US \$ 24.8 a barrel in 2002 (6.4%). The value of gas exports also declined from AED 13.1 billion in 2001 to AED 12.4 billion in 2002.

On the other hand, the value of exports of petroleum products increased from AED 9.5 billion in 2001 to AED 12.1 billion in 2002 (27.9%). Likewise, the value of other exports (including non-monetary gold and free zones' exports) rose from AED 40.1 billion in 2001 to AED 41.8 billion in 2002 (4.2%) and the value of re-exports also rose to AED 53.5 billion in 2002 against AED 51.2 billion in 2001 (4.6%).

Due to a pick up in activity in domestic non-oil sectors, an increase in the value of re-exports, particularly to neighbouring countries in the region, and stronger domestic demand owing to increases in income levels and population, the value of total imports (including estimated commodity imports of all emirates plus free zone imports and imports of non-monetary gold) rose by 4.9% in 2002, compared to its level in 2001, reaching AED 143.7 billion. As a result of the depreciation of the dirham against currencies of the country's major trade partners and the moderate increase in prices of commodities in countries of origin, the value of imports in 2002 does not fully reflect an increase in volumes compared to 2001.

Table (2 - 17)

Estimates of U.A.E. Balance of Payments

(In Billions of AEDs)

Items	2001*	2002**
• Current Account Balance	36.54	31.00
- Trade Balance	42.16	38.41
- Oil Exports	65.20	62.24
- Gas Exports	13.13	12.42
- Total Goods Exports (FOB)	49.61	53.95
- Petroleum Products	9.47	12.12
- Free Zone Exports	24.95	26.02
- Other Exports (1)	15.19	15.81
- Re-Exports	51.18	53.53
- Total Exports and Re-Exports (FOB)	179.12	182.14
- Total Imports (CIF)	-136.96	-143.73
- Free Zone Imports	-24.59	-25.73
- Other Imports (2)	-112.38	-118.0
- Income & Services (Net)	9.84	8.75
- Investment Income	18.60	18.32
- Services (3)	-8.76	-9.57
- Transfers (Net)	-15.46	-16.16
- Private	-14.36	-15.20
- Public	-1.10	-0.96
• Capital Account Balance (Net)	-34.76	-32.52
- Official Loans and Equity Participations	0.22	0.32
- Short-Term Private Capital	-3.86	-13.75
- Government Institutions, Private Capital Flow & Net Errors and Omissions	-31.12	-19.08
• Overall Surplus (+) or Deficit (-)	1.78	-1.52
• Changes in Reserves {(-) Indicates Increase}	-1.78	1.52
- Net Foreign Assets with Central Bank	-1.73	1.84
- Reserve Position with IMF	-0.05	-0.32

(1) Including estimates of the exports of petroleum products, fertilizers, lubricants, other exports from all U.A.E. and the exports of non-monetary gold.

(2) Included imports of non-monetary gold.

(3) Included travel, transport and government services.

* Revised.

** Preliminary Data.

Despite an increase in estimated net imports (minus estimated total value of re-exports and exclusive of imports of non-monetary gold) by 4.6% in 2002 compared to 2001, imports per capita continued to decline, dropping to AED 14.5 thousand in 2002, against AED 15.0 thousand in 2001. This was mainly attributed to an increase by 7.6% in population during 2002 which exceeds the increase in net estimated imports.

With regard to the structure of imports in 2002, estimates indicate that the share of consumer goods increased to 52.9% of total imports. On the other hand, the share of capital goods reached 35.1% while the share of intermediary goods remained almost unchanged at the level of 12.0% recorded in 2001.

Within the current account, the balance of investment income achieved by public and private investment institutions dropped in 2002 by AED 300 million compared to 2001 level, reaching AED 18.3 billion. Meanwhile, the debit balance of tourism, travel and government services continued to rise, reaching AED 9.6 billion in 2002, against AED 8.8 billion in 2001.

The net balance of the capital account reached AED –32.5 billion in 2002 against AED –34.8 billion in 2001. Within this account, private short-term capital recorded an outflow of AED 13.8 billion in 2002, against AED 3.9 in 2001. Capital flows under government institutions, private capital and net errors and omissions declined from AED 31.1 billion in 2001 to AED 19.1 billion in 2002.

Meanwhile, the overall position of the balance of payments in 2002 reflected a deficit of AED 1.5 billion, against a surplus of AED 1.8 billion in 2001. This was mainly due to the increase in the foreign liabilities of the Central Bank during 2002 compared to 2001 levels.

8. Financial Markets

8-1 Abu Dhabi Securities Market (ADSM)

8-1-1 ADSM Performance during 2002

ADSM recorded marked growth in all performance indicators during 2002. Trading volume increased by 150.0%, number of traded shares rose by 230.2% and number of executed deals by 96.9%, compared to 2001. The number and market capitalization of listed companies have also increased.

a) Trading Volume (Value of traded shares)

Trading volume increased by AED 800.98 million during 2002 to reach AED 1.34 billion, compared to AED 534.07 million at the end of 2001.

In terms of sectorial contribution to trading volume, the banking sector ranked first, forming 46.4% of the Market's total trading volume. The services sector ranked second with a ratio of 27.6% followed by the hotels sector (10.4%), then the insurance sector (10%) and finally the industrial sector with a ratio of 5.7% of the Markets total trading volume.

b) Number of Traded Shares

The number of traded shares rose by AED 42.7 million shares during 2002, reaching 61.58 million shares, compared to AED 18.56 million shares at the end of 2001.

With regard to distribution of traded shares by sector, the banking sector ranked first, with number of traded shares forming 64.7% of total traded shares. The insurance sector ranked second with a ratio of 14.5%, followed by the services sector (12.9%), the industrial sector (5.9%) and finally the hotels sector (2.1%).

c) Number of Deals

The number of executed deals rose by 5,536 deals to reach 11,247 deals at the end of 2002, compared to 5,711 deals at the end of 2001.

With regard to distribution of executed deals by sector, the banking sector ranked first with executed deals in this sector forming 60.7% of total number of executed deals. The services sector followed next with a ratio of 27.3%, followed by the insurance sector (7.7%) , the hotels sector (3.5%) and the industrial sector (0.8%).

d) Number of Listed Companies

The number of listed companies reached 24 at the end of 2002, compared to 15 at the end of 2001. The number of subscribed shares for these companies reached 2.6 billion shares while their total capital amounted to AED 10.8 billion.

e) Market Capitalization

The increase in the number of listed companies and prices of their shares was accompanied by an increase in market capitalization, which rose from AED 21.2 billion at the end of 2001 to AED 74.8 billion at the end of 2002. The services sector ranked first in terms of market capitalization, with companies in this sector recording a market capitalization of AED 48.5 billion and a ratio of 64.8% of total market capitalization. The banking sector ranked second, with a market capitalization of AED 19.9 billion and a ratio of 26.6%, followed by the hotels sector with a market capitalization of AED 2.6 billion and a ratio of 3.5%, then the insurance sector with a market capitalization of AED 2.1 billion and a ratio of 2.8%, and finally the industrial sector with a market capitalization of AED 1.7 billion and a ratio of 2.3%.

f) Share Prices Indicator (Index)

ADSM closing price index rose from 1267.2 points in 2001 to 1366.0 points for 2002, an increase of 7.8%.

Sectorial indices, calculated in accordance with variations in the respective share prices of companies listed in each sector, showed disparate performances. The insurance index achieved the highest increase (21.7%) followed by the banking index (17.4%), while the services index fell by 3.7% and the indices of both the hotels and industrial sectors dropped by 1.9% and 7.0% respectively.

Distribution of Trading Volume at ADSM by Sector - 2002

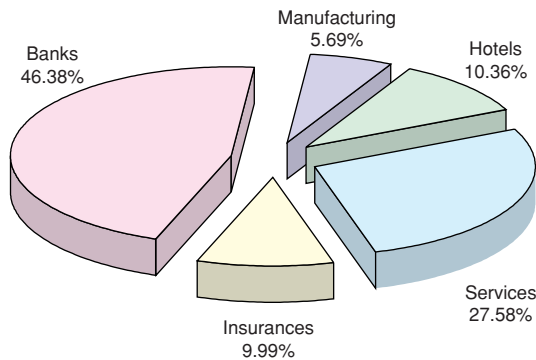


Table (2 - 18)**Abu Dhabi Securities Market**

	Number of Traded Shares		Value of Traded Shares		Number of Executed Deals	
	2001	2002	2001	2002	2001	2002
Banking Sector	6,967,024	39,630,979	227,933,284	619,222,435	3,389	6822
Insurance Sector	6,436,019	8,860,683	68,434,694	133,313,875	464	868
Services Sector	3,866,487	7,899,933	102,763,746	368,267,229	1,436	3,073
Hotels Sector	1,190,882	1,281,182	133,282,482	138,325,783	374	390
Industry Sector	96,531	3,903,443	1,658,807	75,921,141	48	94
TOTAL	18,556,943	61,576,220	534,073,012	1,335,050,463	5,711	11,247

8-2 Dubai Financial Market (DFM)**8-2-1 DFM Performance During 2002**

DFM performance indicators rose during 2002. Trading volume increased by 157.7%, traded shares by 152.5% and executed deals by 84.6%.

a) Trading Volume (Value of traded shares)

Trading volume increased by AED 1.55 billion during 2002, reaching AED 2.53 billion, compared to AED 980 million at the end of 2001.

In terms of sectorial contribution to trading volume, the services sector ranked first with a ratio of 60.3% of the Market's total trading volume by the end of 2002. The banking sector ranked second with a ratio of 36.7% followed by the investment sector (2.7%) and the insurance sector (0.3%).

b) Number of Traded Shares

The total number of traded shares increased by 89.36 million shares during 2002, reaching 147.95 million shares, compared to 58.70 million shares at the end of 2001.

With regard to distribution of traded shares by sector, the services sector ranked first, with a ratio of 74.2% of total traded shares. The banking sector ranked second with a ratio of 18.1%, followed by the investment sector (7.6%) and the insurance sector (0.1%)

c) Number of Deals

The total number of executed deals rose by 11,494 deals to reach 25,072 deals in 2002, compared to 13,623 deals at the end of 2001.

With regard to distribution of executed deals by sector, the services sector ranked first, with a ratio of 75.8% of total number of executed deals. The banking sector followed next with a ratio of 18.9%, then the investment sector with a ratio of 5.1% and the insurance sector with a ratio of 0.2%.

Distribution of Trading Volume at DFM By Sector - 2002

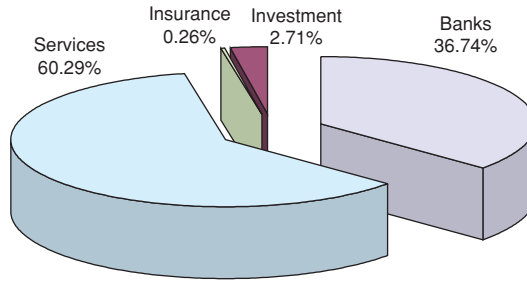


Table (2 - 19)

Dubai Financial Market

	Number of Traded Shares		Value of Traded Shares		Number of Executed Deals	
	2001	2002	2001	2002	2001	2002
Banking Sector	15,446,555	26,737,484	399,040,119	928,114,959	2,697	4,748
Insurance Sector	566,991	171,168	13,059,219	6,663,810	76	48
Services Sector	42,683,434	109,788,429	568,899,454	1,523,159,397	10,850	19,008
Investment Sector	-	11,253,556	-	68,356,929	-	1,268
TOTAL	58,696,980	147,950,637	980,998,792	2,526,295,095	13,623	25,072

PART - III
CENTRAL BANK ACHIEVEMENTS

PART - III

Central Bank Achievements

1. Central Bank Balance Sheet

The total assets/liabilities of the Central Bank rose by AED 3.44 billion (6.6%) to reach AED 55.27 billion at the end of December 2002, against AED 51.84 billion at the end of 2001.

On the assets side, the balance of held-to-maturity securities reached AED 5.51 billion at the end of 2002, against a nil balance at the end of 2001, while current and call accounts rose by AED 15 million (7.0%) to reach AED 228 million. However, deposits dropped by AED 1.93 billion (3.8%) to reach AED 48.97 billion and other assets decreased by AED 159 million (49.1%) to reach AED 165 million. Likewise, fixed assets dropped by AED 2 million (9.1%) to reach AED 20 million.

On the liabilities side, current accounts and deposits increased by AED 734 million (6.4%) to reach AED 12.20 billion. The Federal Government's permanent deposit also increased by AED 158 million (1.7%) to reach AED 9.56 billion. Similarly, currency issued grew by AED 1.48 billion (12.0%) to reach AED 13.80 billion and other liabilities rose by AED 5.35 billion to reach AED 5.67 billion.

Table (3 - 1)
Central Bank Balance Sheet

(In Millions of AEDs)

Items	End of Period	December 2001	December 2002
<u>Assets</u>			
Current & Call Accounts		213	228
Deposits		50,896	48,968
Trading Securities		-	-
Held-to-Maturity Securities		-	5,509
Loans & Advances		50	50
Gold Reserves		333	333
Other Assets		324	165
Fixed Assets		22	20
Total Assets		51,838	55,273
<u>Liabilities</u>			
Current Accounts & Deposits		11,468	12,202
Certificates of Deposit		16,779	12,489
Permanent Deposit from Federal Government		9,399	9,557
Currency Issued		12,320	13,799
Other Liabilities		312	5,666
Total Liabilities		50,278	53,713
<u>Capital</u>			
Authorized Issued & Fully Paid Capital		300	300
General Reserve		1,200	1,200
Special Reserve		60	60
Total Liabilities & Capital		51,838	55,273
Memoranda Accounts		851	375

2. Central Bank Financial Results

The balance of foreign currency assets reached AED 54.7 billion at the end of 2002, compared to AED 51.3 billion in 2001, registering a percentage growth of 6.6% and accounting for 99% of the total Central Bank assets. This increase was due to the inclusion of securities purchase commitments amounting to AED 5.5 billion in 2002 which were settled in January 2003. However, in actual terms there was a decrease in total foreign currency assets due to net sale of US \$ to banks and governments in the U.A.E. The daily average balance of foreign currency assets during 2002 was AED 48.9 million, compared to AED 49.9 million in 2001.

During 2002, interest rates in the USA continued to decline amid growing concerns over the prospects of the US economy. The monthly average rate of Federal Reserve funds declined by 54.1% between 2001 and 2002.

Since the beginning of 2002, the Central Bank foreign currency assets were 100% committed to the deposit market. This situation continued throughout the year as it was thought to be the most prudent investment decision in such uncertain environment. Basically, return was sacrificed in order to reduce the level of risks.

However, during the month of June, a degree of currency diversification was introduced, and part of the total foreign currency assets were invested in the Euro. Over the next several months this position was traded and by the end of the year a profit of approximately AED 130 million was realized.

The net profit on treasury operations decreased from AED 1.33 billion in 2001 to AED 0.7 billion in 2002 due to the reasons earlier mentioned. Accordingly, the Central Bank net profit declined from AED 1.12 billion in 2001 to AED 0.5 billion in 2002.

Table (3 - 2)

Investment of the Central Bank's Foreign Assets

(In Billions of AEDs)

Items	2001	2002
Total Foreign Assets	51.3	54.7
- Central Bank's Investments in Securities, Premium Bonds & Treasury Bills	-	5.5
- Deposit Accounts with Banks Abroad	51.1	49.2
- Other Foreign Assets	0.2	-
- Profit from Foreign Assets	1.33	0.7
- Net Profit.	1.12	0.5

3. Currency Issue

Issue of currency is solely and exclusively exercised by the Central Bank of UAE. The dirham is the official currency unit of the United Arab Emirates and is divided into 100 equal units each called “Fils”.

3-1 Currency Notes

The total value of issued currency notes of various denominations reached AED 13.53 billion at the end of 2002, against AED 12.08 billion at the end of 2001, an increase of AED 1.45 billion (12.0%).

3-2 Currency Coins

The total value of issued non-gold currency coins of various denominations reached AED 263.8 million at the end of 2002, against AED 237.2 million at the end of 2001, an increase of AED 26.7 million (11.2%).

3-3 New Issues During 2002

3-3-1 Currency Notes Issues

No new currency notes were issued during 2002.

3-3-2 Commemorative Coins

In contribution to the commemoration and revival of various domestic occasions, and in response to requests by various sectors in the country, the Central Bank issued several silver commemorative coins during 2002. Table 3-3 below shows the commemorative coins issued by the Bank during 2002, including their specifications, occasions and date of issue.

Table (3 - 3)
Issue of Commemorative Coins During 2002

Date of Issue	Occasion	Denomination	Type of Coin
20/1/2002	The 30th Anniversary of Al Ain National Museum	AED 50	Silver
10/2/2002	The Silver Jubilee of UAE University	AED 50	Silver
5/8/2002	The Silver Jubilee of Emirates Telecommunications Corporation (Etisalat)	AED 50	Silver
21/10/2002	Commemoration of Sheikh Hamdan Bin Rashid Al Maktoum's Award for Medical Sciences	AED 50	Silver
28/10/2002	Commemoration of the Ahmadite School in Dubai emirate	AED 50	Silver
14/12/2002	The 20th Anniversary of the Administrative Development Institute	AED 50	Silver

4. Organization of the Banking and Financial Sector

4-1 Organization of Banking

Within a context of continued efforts to organize banking activities, the Central Bank took several measures and issued a number of important directives and circulars during 2002. The most important of these measures are summarized as follows:

- 1- *Notice No- 71/2002 dated 16/1/2002*, which stated that due to recent developments in the area of Information Technology and the Internet, new channels became available for international banks and other financial institutions to offer their services across borders. And whereas the Central Bank is keen on providing the ways and means that enable banks and other

financial institutions operating in the UAE to be at the same competitive level with international and other financial institutions, including “ Virtual Banks”, the Central Bank has, therefore, decided to publish a table containing rates of banking and financial services, but at the start this table shall be dedicated to personal loans:

- 1- A table containing a column in which the different types of loans are recorded, and horizontally the name of the bank under which the rates relating to that bank.
 - 2- Interest rates and penalty for early payment (when repayment is made before maturity date) shall be calculated based on the loan reducing balance basis.
 - 3- If interest rate for a certain loan is floating (variable interest rate), then the difference margin should be constant in relation to inter-bank interest rate.
 - 4- The table will be published in the local newspapers and on the Central Bank Website on the internet.
 - 5- These rates will be effective at the beginning of the month , but if any amendments become necessary, the Central Bank should be informed on the 25th of the month preceding the month in which the amendment is required.
 - 6- This table will be effected side-by-side with the Announcement Board required as per the Central Bank’s Circular No. 12/93 which should be placed at all banks’ branches.
 - 7- Publishing through this table is optional, but will have a marketing impact on the concerned banks and financial institutions.
- 2- *Notice No. 13/1121/2002 dated 11/6/2002* regarding the Coordinated Portfolio Investments Survey 2001 in which the UAE participated under the aegis of the International Monetary Fund, whereby the Central Bank dispatched a set of forms and a soft copy to all banks operating in the country requesting them to insert relevant data as at 31/12/2001. The

- Central Bank also requested banks to e-mail the completed forms to its e-mail address before 31/7/2002 along with a hard copy of the whole file to the Banking Supervision & Examination Department.
- 3- *Notice No. 1203/2002, dated 20/6/2002* regarding questionnaire on amendment of Circular No. 12/93 regarding personal consumer loans and banking services to individual customers. The said questionnaire was aimed at exploring views of banks and finance companies on the proposed amendments to some parts of the above mentioned circular.
 - 4- *Notice No. 1400/2002 dated 21/7/2002* regarding additional procedures to be implemented when receiving remittances from the Kingdom of Saudi Arabia. This circular was based on a request by the Saudi Arabian Monetary Agency to closely monitor the flow of remittances received from the Kingdom of Saudi Arabia to block transfer of suspicious funds from the Kingdom.
 - 5- *Notice No. 2248/2002 dated 24/10/2002*, regarding endowment accounts at banks operating in the UAE. As per request of H.E. Minister of Justice, Islamic Affairs & Endowments, the Central Bank requested banks not to open any endowment (Waqf) account in the UAE except after obtaining the written approval of the General Endowments (Awqaf) Authority.

4-2 Structure of the Banking System

The number of the locally incorporated banks operating in the country reached 21 banks during 2002, compared to 20 banks at the end of 2001, following licensing of the newly founded Dubai bank. The number of branches and cash offices of these banks also increased from 324 (287 branches and 37 cash offices) at the end of 2001, to 345 (310 branches and 35 cash offices) at the end of 2002.

On the other hand, the number of foreign banks operating in the country remained unchanged at 26 banks. Branches and cash offices of these banks, however, amounted to 86 branches (including one cash office and two customer service offices) compared to 83 branches (including one cash office) at the end of 2001.

4-3 Representative Offices

The number of licensed representative offices of foreign banks and other financial institutions in the country rose to 51 by the end of 2002, against 49 offices at the end of December 2001, following issuance of new licenses and cancellation of others by the Central Bank. The following table shows names of new representative offices licensed during 2002.

Table (3 - 4)
New Representative Offices Licensed in 2002

Serial	Representative Office	Emirate
1.	Hypo Vereinsbank A.G. (HVB Group)	Abu Dhabi
2.	Wachovia Bank National Association	Dubai
3.	West LB A.G.	Dubai
4.	Kotak Mahindra International Ltd.	Dubai
5.	HDFC Bank Ltd.	Dubai
6.	Deutsche Bank A.G.	Dubai
7.	Bank of Beirut SAL	Dubai

4-4 Moneychangers

At the end of 2002, the number of head offices of moneychangers operating in the country reached 105, with 147 branches, against 104 head offices and 127 branches at the end of 2001.

Table (3 - 5)
Number and Geographical Distribution of
Licensed Moneychangers in the U.A.E.
(As at 31-12-2002)

Emirate	Head Office	Branch	Total
Abu Dhabi	21	35	56
Dubai	64	60	124
Sharjah	10	26	36
Ras Al Khaimah	2	4	6
Fujairah	1	4	5
Ajman	2	3	5
Al Ain City	4	14	18
Khor Fakkan City	1	1	2
Total	105	147	252

4-5 Monetary and Financial Brokers

By the end of December 2002, the number of licensed monetary and financial brokers reached 35 head offices and 3 branches, against 44 head offices and 4 branches at the end of December 2001. Such was an outcome of cancellation of 9 licenses and issuance of two new licenses during 2002.

Table (3 - 6)
New Monetary & Financial Brokers Licensed During 2002

Serial	Name of Company/Establishment	Emirate
1.	Abu Dhabi Financial Services Co. (LLC)	Abu Dhabi
2.	National Financial Brokerage Co (LLC)	Dubai

4-6 Financial Investment Companies, Banking, Financial and Investment Consultation Establishments and Companies

The number of financial investment companies, banking, financial and investment consultation establishments and companies rose from 16 at the end of 2001 to 20 at the end of 2002.

Table (3 -7)

Financial Investment Companies, Banking, Financial and Investment Consultation Establishments & Companies Licensed During 2002

Serial	Name of Company/Establishment	Emirate
1.	Al Sahel Financial Advisory Est.	Abu Dhabi
2.	Continental Financial Services	Dubai
3.	Accuma	Dubai
4.	Islamic Investment Co. (Private Joint Stock Co.)	Dubai

4-7 Finance Companies

The number of licensed finance companies remained unchanged at 6 companies at the end of December 2002 compared to their number at the end of December 2001.

PART - IV

STATISTICAL SUPPLEMENT

STATISTICAL SUPPLEMENT

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Independent Auditor's Report to the Directors of The Central Bank of the United Arab Emirates

We have audited the accompanying balance sheet of the Central Bank of the United Arab Emirates ("the Bank") as of 31 December 2002 and the related statements of income and cash flows for the year then ended.

Respective Responsibilities of the Bank's Directors and Auditors

These financial statements are the responsibility of the Bank's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing as promulgated by the International Federation of Accountants. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Central Bank of the United Arab Emirates as at 31 December 2002, and the results of its operations, and its cash flows for the year then ended in accordance with International Financial Reporting Standards as promulgated by the International Accounting Standards Board.

Other Matters

We further confirm that proper financial records have been kept by the Bank and the financial statements are in agreement therewith.

K.P.M.G.
Abu Dhabi
8 February 2003

Table (4 - 1)

**Central Bank of the United Arab Emirates
Statement of Profit and Loss Account
for the Years Ended December 2002, 2001**

(In Thousands of AED's)

Item	End of Period	
	2002	2001
Interest Income	905,151	2,213,324
Interest Expenses	(331,978)	(892,081)
Net Interest Income	573,173	1,321,243
Other Income	13,168	4,016
Net Gain / (Loss) on Revaluation of Foreign Currencies	131,975	301
Administration Expenses	(190,530)	(209,771)
Provisions Recovered from BCCI	-	-
Net Profit	527,786	1,115,789

Table (4 - 2)

Central Bank of The United Arab Emirates
Balance Sheet - December 31, 2002, 2001

(In Thousands of AED's)

Assets	2002	2001	Liabilities	2002	2001
Current and Call Accounts	227,812	212,930	Current Accounts & Deposits	12,201,997	11,468,343
Placement with Banks	48,967,756	50,895,752	Certificates of Deposit	12,489,000	16,779,000
Held-to-Maturity Securities	5,508,750	-	Permanent Deposit from U.A.E. Government	9,557,000	9,398,710
Loans & Advances	50,000	50,000	Currency Issued	13,798,563	12,319,762
Gold Reserves	333,004	333,004	Other Liabilities	5,665,940	312,019
Other Assets	164,799	323,873	Total Liabilities	53,712,500	50,277,834
Fixed Assets	20,379	22,275	Capital		
			Authorised, Issued & Fully Paid Capital	300,000	300,000
			General Reserve	1,200,000	1,200,000
			Special Reserve	60,000	60,000
				1,560,000	1,560,000
Total Assets	55,272,500	51,837,834	Total Liabilities & Capital	55,272,500	51,837,834
Off Balance Sheet Commitments	375,392	850,820	Off Balance Sheet Commitments	375,392	850,820

Sultan Bin Nasser Al-Suwaidi
Governor

Table (4 - 3)
Aggregated Balance Sheet of Banks *

(In Millions of AED's)

Item	End of Period					2002												
	2001					Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Assets																		
Cash & Deposits with C.B.	27,624	26,909	26,662	25,298	27,450	25,972	28,187	26,811	26,454	26,596	25,188	25,170	25,059					
Cash in Hand (L.C.)	1,783	1,595	1,726	1,669	1,645	1,702	1,706	1,750	1,792	1,682	1,641	2,325	1,861					
Deposits with Central Bank	25,841	25,314	24,936	23,629	25,805	24,270	26,481	25,061	24,662	24,914	23,547	22,845	23,198					
Due From Resident Banks	14,640	10,624	10,415	11,491	11,277	11,465	11,944	10,186	10,847	12,379	12,158	11,803	15,995					
Money at Call & Short Notice	1,022	1,154	1,695	1,433	1,467	1,460	1,427	1,023	1,012	1,901	1,186	669	1,515					
Demand Deposits	202	374	371	415	355	392	402	491	317	465	644	419	213					
Time Deposits	13,369	9,064	8,311	9,614	9,400	9,587	10,054	8,634	9,478	9,975	10,289	10,675	14,199					
Cheques in the Course of Collection	47	32	38	29	55	26	61	38	40	38	39	40	68					
Foreign Assets	99,409	96,624	96,125	103,160	100,711	102,213	101,810	100,873	102,867	102,904	105,231	105,787	112,417					
Net Due from Head Office and / or Branches Abroad	9,478	9,316	9,727	9,242	9,840	9,243	8,781	8,601	10,227	11,059	13,760	12,364	12,648					
Due From Other Banks Abroad	49,683	46,049	44,625	50,017	45,673	46,131	45,404	43,335	42,819	41,044	38,789	39,420	45,716					
Cash in Hand (F.C.)	47	53	55	51	42	47	49	42	47	49	47	48	68					
Securities	20,404	21,077	21,514	23,080	23,601	24,382	24,277	25,100	25,319	25,299	26,788	27,980	27,178					
Credit to Non-Residents	18,379	18,688	18,842	19,335	20,100	20,971	21,899	22,383	22,943	24,017	24,397	24,479	25,313					
Other Foreign Assets	1,418	1,441	1,362	1,435	1,455	1,439	1,400	1,412	1,512	1,436	1,450	1,496	1,494					

* Including The Restricted License Bank and Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad, But Excluding Overseas Branches of National Banks.

Table (4 - 3 Contd.)

Aggregated Balance Sheet of Banks *

(In Millions of AED's)

Item	End of Period					2002							
	2001					2002							
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Domestic Credit & Investments	150,396	151,927	153,434	152,751	153,584	154,837	155,711	157,907	160,229	164,274	166,027	168,685	172,063
a) Credit Facilities	145,333	146,586	148,083	147,272	148,148	149,409	150,170	152,267	154,378	158,296	160,019	162,682	165,611
Claims on Government	10,565	11,174	11,680	9,783	9,483	10,643	11,173	11,454	12,182	13,260	13,644	14,108	15,222
Claims on Official Entities	4,830	5,075	5,159	5,196	5,146	5,220	5,252	5,184	5,395	6,191	6,409	6,568	6,454
Loans, Advances & Overdrafts	4,830	5,075	5,159	5,196	5,146	5,220	5,252	5,184	5,395	6,191	6,409	6,568	6,454
Claims on Private Sector	127,985	128,194	128,984	129,783	131,159	131,076	131,319	133,331	134,513	136,865	138,141	140,400	142,032
Commercial Bills	4,114	3,687	4,056	4,140	4,240	4,097	4,257	4,543	4,576	4,501	4,681	4,657	4,727
Real Estate Mortgage Loans	10,347	10,279	9,868	9,718	10,038	9,589	9,632	9,560	9,667	11,363	11,368	11,727	11,897
Loans, Advances & Overdrafts	113,524	114,228	115,060	115,925	116,881	117,390	117,430	119,228	120,270	121,001	122,092	124,016	125,408
Claims on other Financial Inst.	1,953	2,143	2,260	2,510	2,360	2,470	2,426	2,298	2,288	1,980	1,825	1,606	1,903
Loans, Advances & Overdrafts	1,953	2,143	2,260	2,510	2,360	2,470	2,426	2,298	2,288	1,980	1,825	1,606	1,903
b) Domestic Investments	5,063	5,341	5,351	5,479	5,436	5,428	5,541	5,640	5,851	5,978	6,008	6,003	6,452
Unclassified Assets	7,600	7,839	8,266	7,855	8,102	8,115	8,190	8,181	8,203	8,312	8,184	8,053	7,701
Fixed Assets	2,120	2,138	2,146	2,215	2,181	2,199	2,258	2,260	2,263	2,270	2,284	2,289	2,304
Inter-Branch Transactions	140	448	410	178	272	398	150	268	160	98	287	148	90
Other Assets	5,340	5,253	5,710	5,462	5,649	5,518	5,782	5,653	5,780	5,944	5,613	5,616	5,307
Total Assets/Liabilities	299,669	293,923	294,902	300,555	301,124	302,602	305,842	303,958	308,600	314,465	316,788	319,497	333,235

* Including The Restricted License Bank and Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad, But Excluding Overseas Branches of National Banks.

Table (4 - 3 Contd.)
Aggregated Balance Sheet of Banks *

(In Millions of AED's)

Item	End of Period												
	2001						2002						
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Liabilities													
Monetary Deposits	28,927	29,838	30,598	31,842	32,803	33,399	33,881	33,898	34,250	34,139	33,885	34,411	35,116
Demand Deposits (L.C.)	28,486	29,469	30,155	31,281	32,304	33,029	33,443	33,469	33,887	33,772	33,460	33,923	34,680
Bankers Drafts	441	369	443	561	499	370	438	429	363	367	425	488	436
Quasi-Monetary Deposits	117,016	116,565	116,880	117,790	118,697	119,044	118,556	119,466	121,182	122,661	129,526	126,379	126,599
Time Deposits (L.C.)	68,551	68,424	69,160	68,721	67,834	68,803	68,135	68,625	68,237	68,924	69,500	70,431	71,613
Savings Deposits (L.C.)	9,866	10,177	10,246	10,477	10,993	11,370	11,383	11,271	11,172	11,221	11,213	11,239	11,470
Commercial Prepayments (L.C.)	1,406	1,391	1,422	1,476	1,450	1,540	1,601	1,622	1,666	1,757	1,977	1,866	1,953
Other Deposits (F.C.)	37,193	36,573	36,052	37,116	38,420	37,331	37,437	37,948	40,107	40,759	46,836	42,843	41,563
Foreign Liabilities	30,677	28,531	28,881	29,307	28,648	28,564	28,310	28,212	28,133	28,208	28,547	28,538	29,932
Net Due to Head Office and / or Branches Abroad	3,222	2,711	2,164	2,128	2,168	1,902	2,464	1,669	1,477	1,766	1,704	1,540	1,540
Due to Other Banks Abroad	15,755	13,906	14,363	14,457	13,897	13,652	12,653	13,165	13,626	13,737	14,471	14,407	15,106
Other Deposits (L.C. + F.C.)	10,078	10,298	10,736	11,113	10,916	11,410	11,600	11,786	11,444	11,149	10,848	10,993	11,403
Other Foreign Liabilities	1,622	1,616	1,618	1,609	1,667	1,600	1,593	1,592	1,586	1,556	1,524	1,598	1,883
Government Deposits (L.C. + F.C.)	27,382	25,902	25,021	28,516	27,905	28,333	29,635	28,269	29,357	30,788	25,734	30,473	36,972
Government Lending Funds ⁽¹⁾	37	37	36	31	31	31	31	31	31	31	28	28	28

* Including The Restricted License Bank and Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad, But Excluding Overseas Branches of National Banks.
1) Refinancing for Construction Through the Government of Abu Dhabi

Table (4 - 3 Contd.)

Aggregated Balance Sheet of Banks *

(In Millions of AED's)

Item	End of Period					2002												
	2001					Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Due to Central Bank	52	196	938	56	533	161	402	127	173	743	218	576	116					
Capital & Reserves	36,817	36,858	37,185	37,053	37,325	37,691	38,345	38,526	39,214	39,900	40,042	40,073	41,023					
Due to Resident Banks	15,196	11,321	10,919	12,089	11,818	11,841	12,711	10,757	11,808	13,074	13,297	12,721	17,427					
Money at Call & Short Notice	862	756	1,013	1,296	1,082	1,183	576	950	1,507	1,279	870	321	1,199					
Demand Deposits	281	429	499	507	408	699	621	527	663	552	786	519	297					
Time Deposits	14,053	10,136	9,407	10,286	10,328	9,959	11,514	9,280	9,638	11,243	11,641	11,881	15,931					
Unclassified Liabilities	43,565	44,675	44,444	43,871	43,364	43,538	43,971	44,672	44,452	44,921	45,512	46,299	46,022					
Inter-Branch Transactions	36	53	27	80	119	142	143	111	57	71	18	127	23					
Other Liabilities	43,529	44,622	44,417	43,791	43,245	43,396	43,828	44,561	44,395	44,850	45,494	46,172	45,999					
Memoranda Accounts	274,486	279,149	282,919	287,808	300,146	310,535	315,306	329,932	326,483	327,721	344,984	341,384	334,635					
Letters of Credit	51,025	52,016	51,843	52,012	51,095	53,400	50,767	50,946	50,361	50,133	50,602	49,840	48,280					
Guarantees & Other Endorsements	71,935	72,762	75,387	74,013	74,907	75,965	76,072	76,072	75,586	75,657	77,578	82,626	78,952					
Acceptances	5,062	5,257	5,066	5,472	5,806	5,584	5,821	5,728	6,421	6,171	6,291	6,324	6,539					
Forward Exchange Contracts	60,946	62,572	66,238	65,853	75,620	80,687	86,737	97,657	98,636	93,444	107,492	99,176	98,227					
Other Memoranda Accounts	85,518	86,542	84,385	90,458	92,718	94,899	95,251	99,529	95,479	102,355	103,021	103,418	102,657					

* Including The Restricted License Bank and Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad, But Excluding Overseas Branches of National Banks.

Table (4 - 4)
Monetary Survey *

(In Millions of AED's)

Item	End of Period												
	2001						2002						
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Net Foreign Assets	120,686	119,275	117,247	123,087	123,303	123,959	125,779	123,388	125,482	125,240	126,970	127,835	132,920
Foreign Assets	151,879	148,335	146,463	152,725	152,344	152,913	154,481	151,801	153,838	153,684	155,781	162,152	168,645
Foreign Liabilities	-31,193	-29,060	-29,216	-29,638	-29,041	-28,954	-28,702	-28,413	-28,356	-28,444	-28,811	-34,317	-35,725
Net Domestic Assets	35,794	37,711	41,335	37,460	39,122	39,650	37,920	40,939	40,753	42,467	47,949	45,293	40,733
Net Claims on Government	-28,276	-26,033	-23,970	-29,223	-28,929	-28,107	-28,558	-27,074	-27,699	-27,935	-22,493	-26,748	-32,615
Claims on Official Entities	5,258	5,595	5,798	5,834	5,726	5,800	5,866	5,813	6,027	6,879	7,082	7,198	7,122
Claims on Private Sector	130,716	131,081	131,835	132,748	134,110	134,009	134,375	136,479	137,640	140,016	141,323	143,626	145,660
Claims on Nonbank Financial Institutions	3,415	3,645	3,688	3,955	3,833	3,920	3,867	3,758	3,991	3,719	3,579	3,365	3,692
Capital and Reserves	-38,377	-38,418	-38,745	-38,613	-38,885	-39,251	-39,905	-40,086	-40,774	-41,460	-41,602	-41,633	-42,583
Other Items (net)	-36,942	-38,159	-37,271	-37,241	-36,733	-36,721	-37,725	-37,951	-38,432	-38,752	-39,940	-40,515	-40,543
Domestic Liquidity	156,480	156,986	158,582	160,547	162,425	163,609	163,699	164,327	166,235	167,707	174,919	173,128	173,653
Money	39,464	40,421	41,702	42,757	43,728	44,565	45,143	44,861	45,053	45,046	45,393	46,749	47,054
Currency Outside Banks	10,537	10,583	11,104	10,915	10,925	11,166	11,262	10,963	10,803	10,907	11,508	12,338	11,938
Monetary Deposits	28,927	29,838	30,598	31,842	32,803	33,399	33,881	33,898	34,250	34,139	33,885	34,411	35,116
Quasi - Money	117,016	116,565	116,880	117,790	118,697	119,044	118,556	119,466	121,182	122,661	129,526	126,379	126,599
Foreign Currency Deposits	37,193	36,573	36,052	37,116	38,420	37,331	37,437	37,948	40,107	40,759	46,836	42,843	41,563
Dihnam Deposits	79,823	79,992	80,828	80,674	80,277	81,713	81,119	81,518	81,075	81,902	82,690	83,536	85,036

* Including Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad.

Table (4 - 5)

Money Supply and Domestic Liquidity *

(In Millions of AED's)

Year	Month	Money Supply (M1)			Private Domestic Liquidity 2 (M2)	Overall Domestic Liquidity 3 (M3)		
		Currency		Monetary Deposits 1 (M1)				
		Issued	With Banks				With Public	
2001	December	12,320	1,783	10,537	28,927	39,464	156,480	194,961
2002	January	12,178	1,595	10,582	29,838	40,420	156,986	193,839
	February	12,829	1,726	11,102	30,599	41,701	158,582	193,685
	March	12,583	1,669	10,914	31,842	42,756	160,547	199,006
	April	12,570	1,645	10,925	32,804	43,728	162,426	200,330
	May	12,867	1,702	11,165	33,399	44,565	163,609	201,868
	June	12,967	1,706	11,261	33,882	45,143	163,699	203,315
	July	12,713	1,750	10,963	33,899	44,862	164,327	202,296
	August	12,595	1,792	10,803	34,250	45,053	166,234	205,337
	September	12,589	1,682	10,907	34,139	45,046	167,707	208,153
	October	13,149	1,641	11,508	33,885	45,393	174,918	210,327
	November	14,663	2,325	12,338	34,411	46,749	173,128	213,246
	December	13,799	1,861	11,938	35,116	47,054	173,653	220,764

* Including Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad.

1) Including Private Demand Deposits of Residents in AED and Bankers Drafts.

2) Equal M1 plus Quasi-Monetary Deposits.

3) Equal M2 plus Government Deposits in AED and Foreign Currencies.

Table (4 - 6)

Currency Notes Issued by Denomination *

(In Thousands of AED's)

Year	Month	Five Dirham		Ten Dirham		Twenty Dirham		Fifty Dirham		One Hundred Dirham		Two Hundred Dirham		Five Hundred Dirham		One Thousand Dirham		
		Total	Dirham	Total	Dirham	Total	Dirham	Total	Dirham	Total	Dirham	Total	Dirham	Total	Dirham	Total	Dirham	Total
2001	December	12,082,575	126,562	309,105	46,873	285,867	1,372,324	809,818	6,736,629	2,395,397								
	January	11,942,356	118,060	290,441	44,318	266,972	1,308,074	790,344	6,707,834	2,416,313								
	February	12,590,677	134,312	316,031	50,476	292,488	1,438,066	839,430	6,943,694	2,576,180								
	March	12,344,814	124,982	297,668	46,930	273,103	1,336,946	811,667	6,822,146	2,631,372								
	April	12,331,796	119,961	289,975	45,152	266,628	1,315,566	807,707	6,796,546	2,690,261								
	May	12,629,101	115,169	286,073	43,355	266,730	1,333,671	825,486	6,994,619	2,763,998								
	June	12,729,085	111,420	283,997	42,650	263,686	1,330,753	824,729	7,022,922	2,848,928								
	July	12,475,278	106,805	278,661	42,051	260,481	1,306,941	804,280	6,791,672	2,884,387								
	August	12,353,237	105,969	277,393	41,603	256,111	1,285,040	789,531	6,725,674	2,871,916								
	September	12,342,248	107,478	282,241	41,896	259,679	1,269,321	771,433	6,616,715	2,993,485								
	October	12,895,445	110,497	291,816	42,618	272,162	1,348,556	803,993	6,953,812	3,071,991								
	November	14,400,934	137,563	339,547	55,259	337,970	1,518,246	917,483	7,913,641	3,181,225								
December	13,534,720	131,905	320,667	52,616	315,331	1,391,559	870,773	7,339,200	3,112,669									

* Excluding Mutilated Notes.

Table (4 - 7)

Currency Coins Issued by Denomination *

(In Thousands of AED's)

Year	Month	Total	Twenty-																																																																																																																							
			One Fils	Five Fils	Ten Fils	Twenty- five Fils	Fifty Fils	One Dirham	Five Dirham	Twenty- Five Dirham Silver Coins	Fifty Dirham Silver Coins																																																																																																															
2001	December	237,187	25	1,239	2,586	16,048	33,499	179,812	1,141	200	2,637																																																																																																															
												2002	January	234,182	25	1,242	2,594	16,071	33,556	177,656	1,141	200	1,697																																																																																																			
																								February	238,029	25	1,245	2,606	16,175	33,724	180,140	1,140	200	2,774																																																																																								
																																			March	238,397	25	1,248	2,619	16,245	33,892	180,200	1,142	200	2,826																																																																													
																																														April	237,818	26	1,259	2,635	16,247	33,983	179,491	1,141	200	2,836																																																																		
																																																									May	238,099	26	1,263	2,651	16,332	34,182	179,457	1,141	200	2,847																																																							
																																																																				June	238,376	26	1,268	2,667	16,476	34,492	179,256	1,142	200	2,849																																												
																																																																															July	237,794	26	1,272	2,682	16,576	34,645	178,400	1,142	200	2,851																																	
																																																																																										August	241,383	26	1,276	2,693	16,613	34,803	181,654	1,142	200	2,975																						
																																																																																																					September	246,990	26	1,279	2,705	16,753	35,243	186,662	1,142	200	2,980											
																																																																																																																October	253,466	26	1,284	2,720	16,920	35,727	192,358	1,142	200	3,089
December	263,843	27	1,296	2,749	17,284	36,563	201,409	1,141	200	3,174																																																																																																																

* Excluding Gold Coins Issued.

Table (4 - 8)
DMB's Foreign Assets and Liabilities *

(In Millions of AED's)

Item	End of Period												
	2001						2002						
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Foreign Assets	98,506	95,562	95,138	102,092	99,870	101,675	101,266	100,503	102,649	102,698	105,044	105,677	112,360
Notes and Coins	47	53	55	51	42	47	49	42	47	49	47	48	68
Due From H.O. & Branches	9,478	9,316	9,727	9,242	9,840	9,236	8,713	8,565	10,152	11,059	13,760	12,364	12,648
Money at Call & Short Notice	1,803	3,517	2,034	1,750	2,181	1,942	2,172	3,706	1,067	2,924	2,677	2,270	5,872
Deposits with Banks 1	47,127	41,623	41,758	47,353	42,803	43,792	42,889	39,433	41,747	38,067	36,075	37,063	39,797
Securities	20,404	21,077	21,514	23,080	23,601	24,382	24,277	25,100	25,319	25,299	26,788	27,980	27,178
Loans and Advances 2	18,223	18,532	18,687	19,178	19,943	20,825	21,753	22,243	22,802	23,859	24,239	24,451	25,286
Other Foreign Assets 3	1,424	1,444	1,363	1,438	1,460	1,451	1,413	1,414	1,515	1,441	1,458	1,501	1,511
Foreign Liabilities	29,883	27,652	28,154	28,425	28,042	28,271	27,999	28,005	27,944	28,111	28,405	28,531	29,882
Due To H.O. & Branches	2,869	2,256	1,644	1,486	1,837	1,902	2,464	1,669	1,458	1,743	1,665	1,536	1,510
Due To Banks	1,506	1,374	1,577	1,711	1,466	1,371	1,048	1,099	1,133	1,498	1,566	1,409	1,100
Deposits of Banks	13,844	12,178	12,597	12,573	12,182	12,013	11,308	11,880	12,344	12,182	12,805	12,997	14,005
Other Deposits	9,817	10,008	10,473	10,835	10,670	11,189	11,402	11,582	11,271	10,977	10,680	10,829	11,292
Other Foreign Liabilities 4	1,847	1,836	1,863	1,820	1,887	1,796	1,777	1,775	1,738	1,711	1,689	1,760	1,975

* Excluding the Restricted Licence Bank, But Including Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad.

1) Demand and Time Deposits.

2) Including Purchased or Discounted Commercial Bills.

3) Including Fixed Assets, Cheques in the Course of Collection on Non-resident Banks and Other Assets.

4) Including Commercial Pre-payments.

Table (4 - 9)

Bank Credit (Gross) to Residents and Non-Residents *

(In Millions of AED's)

Year	Month	Total Bank Credit to Residents and Non- Residents	Residents			Non-Residents		
			Loans, Advances and Overdrafts	Real Estate Mortgage Loans	Commercial Bills	Loans, Advances and Overdrafts	Real Estate Mortgage Loans	Commercial Bills
2001	December	163,418	130,732	10,348	4,114	17,132	18	1,074
2002	January	164,973	132,475	10,279	3,687	17,452	18	1,062
	February	166,626	134,016	9,868	4,055	17,537	18	1,132
	March	166,308	133,271	9,718	4,141	18,003	17	1,158
	April	167,977	133,755	10,038	4,241	18,734	17	1,192
	May	170,121	135,609	9,589	4,098	19,488	17	1,320
	June	171,807	136,165	9,632	4,257	20,387	16	1,350
	July	174,393	138,048	9,560	4,542	20,765	15	1,463
	August	177,079	140,033	9,667	4,576	21,376	9	1,418
	September	182,090	142,367	11,363	4,502	22,169	94	1,595
	October	184,200	143,912	11,368	4,681	22,645	44	1,550
	November	187,120	146,285	11,727	4,657	22,608	49	1,794
	December	190,889	148,980	11,897	4,727	23,136	73	2,076

* Excluding Inter-Bank Lending and Restricted Licence Bank.

Table (4 - 10)

Bank Credit (Gross) to Residents by Economic Activity ^{1*}

(In Millions of AED's)

Economic Activity	End of Period				
	2001		2002		
	Dec.	Mar.	June	Sep.	Dec.
1) Agriculture	1,508	1,457	1,411	1,169	1,154
2) Mining & Quarrying	2,549	2,386	2,185	2,278	2,213
3) Manufacturing	8,978	9,304	9,374	9,936	9,901
3.1 Food, Beverages & Tobacco	1,276	1,213	1,204	1,195	1,290
3.2 Textiles & Leather Products	957	949	1,010	1,022	1,061
3.3 Furniture & Other Wood Products	457	468	432	457	466
3.4 Paper & Paper Products	431	437	435	496	525
3.5 Chemicals & Chemicals Products, Petroleum & Petro-Chemicals	1,402	1,485	1,536	1,784	1,624
3.6 Basic Metal Prod. (incl Aluminium)	925	1,000	1,047	1,136	1,189
3.7 Fabricated Metal Products, Machinery and Equipment	757	657	634	667	696
3.8 Other Manufacturing	2,773	3,095	3,076	3,179	3,050
4) Electricity, Gas and Water	1,356	1,354	1,438	2,111	3,219
5) Construction	23,907	23,757	24,088	27,224	27,063
6) Trade	44,140	43,784	44,323	47,388	48,870
6.1 Wholesale	32,963	32,771	33,018	34,568	35,467
6.2 Retail	11,177	11,013	11,305	12,820	13,403
7) Transport, Storage & Communication	4,487	5,026	4,679	5,132	5,127
8) Financial Institutions (Excl. Banks)	1,953	2,510	2,426	1,980	1,903
9) Government	10,565	9,783	11,173	13,260	15,222
10) Personal Loans for Business purposes	20,660	21,436	21,979	20,269	20,716
11) Personal Loans for Consumption purposes	15,546	15,769	16,151	16,790	17,704
12) All Others ²	9,545	10,564	10,827	10,695	12,512
Total	145,194	147,130	150,054	158,232	165,604

1) Amount outstanding Excluding Inter-Bank Lending.

2) Including Loans to Services and Non-Profit Institutions.

* Excluding the Restricted Licence Bank.

Table (4 - 11)

Loans, Advances and Overdrafts (Gross) to Residents by Sectors ¹

(In Millions of AED's)

Year	Month	Government	Financial Institutions ²	Business & Industrial Enterprises ²	Other Sectors ³	Total
2001	December	10,565	1,952	83,208	35,007	130,732
	January	11,174	2,144	84,215	34,942	132,475
	February	11,680	2,260	84,582	35,494	134,016
	March	9,783	2,510	84,893	36,085	133,271
	April	9,483	2,360	85,506	36,406	133,755
	May	10,643	2,470	85,809	36,687	135,609
	June	11,173	2,426	85,657	36,909	136,165
	July	11,454	2,298	86,698	37,598	138,048
	August	12,182	2,288	87,479	38,084	140,033
	September	13,260	1,980	89,946	37,181	142,367
	October	13,644	1,825	91,932	36,511	143,912
	November	14,108	1,606	92,161	38,410	146,285
December	15,222	1,904	93,804	38,050	148,980	

¹) Excluding Inter-Bank Lending.

²) Including Public and Private Sectors.

³) Including Personal Loans for Business and Consumption Purposes.

Table (4 - 12)
Deposits by Ownership *

(In Millions of AED's)

Item	End of Period	2002				
		Dec.	Mar.	June	Sep.	Dec.
1) Residents		172,849	177,554	181,596	187,187	198,244
1.1 Government		27,382	28,516	29,635	30,788	36,972
1.2 Public Sector		9,720	10,584	9,852	10,453	10,963
1.2.1 Financial Institutions		1,349	746	1,299	1,225	1,513
1.2.2 Business & Industrial Inst.		8,371	9,838	8,553	9,228	9,450
1.3 Private Sector		46,172	46,585	49,098	52,629	59,726
1.3.1 Financial Institutions		3,028	2,710	2,847	2,641	3,124
1.3.2 Business & Industrial Inst.		43,144	43,875	46,251	49,988	56,602
1.4 Individuals		76,442	78,751	80,694	80,802	83,546
1.5 Others		13,133	13,118	12,317	12,515	7,037
2) Non-Residents		10,045	11,045	11,586	11,132	11,403
2.1 Government & Diplomatic Missions		686	1,080	901	872	906
2.2 Financial Institutions		1,485	1,553	2,603	1,806	1,598
2.3 Business & Industrial Inst.		2,503	3,373	2,930	3,087	3,525
2.4 Individuals & Others		5,371	5,039	5,152	5,367	5,374
Total Deposits		182,894	188,599	193,182	198,319	209,647

* Excluding Inter-Bank Deposits and Bank Drafts as well as the Restricted Licence Bank, But Including Commercial Prepayments, and Deposits of UAE Residents Booked in Overseas Branches (Including off-shore) and Subsidiaries of National Banks abroad.

Table (4-13)

List of National Banks & Their Branches
(As at 31/12/2002)

	NATIONAL BANKS					Ras-Al Khaimah	Ajman	Umm-Al Qaiwain	Al- Fujairah	Total	Cash Offices	Total
	Abu Dhabi	Dubai	Sharjah									
1	National Bank of Abu Dhabi (P.L.C.)	29	5	5	2	1	1	1	2	45	12	57
2	Abu Dhabi Commercial Bank (P.L.C.)	23	6	2	1	1	-	-	2	35	3	38
3	Arab Bank For Investment & Foreign Trade	3	1	-	-	-	-	-	-	4	-	4
4	Union National Bank (P.L.C.)	13	10	1	1	1	1	-	1	27	2	29
5	The National Bank of Dubai (P.L.C.)	2	20	-	1	1	1	1	-	25	5	30
6	Commercial Bank of Dubai (P.S.C.)	2	10	1	1	1	-	-	-	15	5	20
7	Dubai Islamic Bank (P.L.C.)	5	6	2	1	1	-	-	1	16	-	16
8	Emirates Bank International (P.L.C.)	1	17	2	-	-	-	-	-	20	6	26
9	Middle East Bank (P.L.C.)	3	6	1	1	-	-	1	1	13	-	13
10	Mashreq Bank (P.L.C.)	9	12	5	2	1	1	1	2	32	-	32
11	National Bank of Sharjah (P.L.C.)	1	1	7	-	-	-	-	-	9	1	10
12	Bank of Sharjah (P.L.C.)	1	1	1	-	-	-	-	-	3	-	3
13	United Arab Bank (P.L.C.)	2	3	2	1	1	-	-	-	9	-	9
14	Invest Bank (P.L.C.)	2	1	2	-	-	-	-	-	5	-	5
15	The National Bank of Ras-Al Khaimah (P.S.C.)	2	4	1	5	-	-	-	-	12	1	13
16	Commercial Bank International (P.L.C.)	2	2	1	2	-	-	-	-	7	-	7
17	National Bank of Fujairah (P.S.C.)	1	2	1	-	-	-	-	2	6	-	6
18	National Bank of Umm-Al Qaiwain (P.L.C.)	2	2	1	-	2	-	2	1	10	-	10
19	First Gulf Bank (P.L.C.)	3	1	-	-	1	-	-	-	5	-	5
20	Abu Dhabi Islamic Bank (P.L.C.)	7	1	1	1	-	-	-	1	11	-	11
21	Dubai Bank	-	1	-	-	-	-	-	-	1	-	1
TOTAL	113	112	36	19	11	6	13	310	35	345		

Table (4-14)
List of Foreign Banks & Their Branches
(As at 31/12/2002)

	FOREIGN BANKS	Abu Dhabi	Dubai	Sharjah	Ras-Al Khaimah	Ajman	Umm-Al Qaiwain	Al-Fujairah	Customer Serv. Lice	Total
1	National Bank of Bahrain (BSC)	1	-	-	-	-	-	-	-	1
2	Rafidain Bank	1	-	-	-	-	-	-	-	1
3	Arab Bank (PLC)	2	2	1	1	1	-	1	-	8
4	Banque Du Caire	2	1	1	1	-	-	-	-	5
5	El Nililen Bank	1	-	-	-	-	-	-	-	1
6	National Bank of Oman Limited (S.A.O.G.)	1	-	-	-	-	-	-	-	1
7	Credit Agricole Indosuez	1	1	-	-	-	-	-	-	2
8	Bank of Baroda	2	2	1	1	-	-	-	-	6
9	BNP Paribas	1	1	-	-	-	-	-	-	2
10	Janata Bank	2	1	1	-	-	-	-	-	4
11	HSBC Bank Middle East	2	3	1	1	-	-	1	2	10
12	Arab African International Bank	1	1	-	-	-	-	-	-	2
13	Banque Libanaise Pour Le Commerce (France) S.A.	1	1	1	1	-	-	-	-	4
14	Al Ahli Bank of Kuwait (K.S.C.)	-	1	-	-	-	-	-	-	1
15	Barclays Bank (PLC)	1	1	-	-	-	-	-	-	2
16	Habib Bank Limited	3	3	2	-	-	-	-	-	8
17	Habib Bank AG Zurich	2	5	1	-	-	-	-	-	8
18	Standard Chartered Bank	2	4	1	-	-	-	-	-	7
19	Citibank N.A.	2	2	1	-	-	-	-	-	5
20	Bank Saderat Iran	2	3	1	-	1	-	1	-	8
21	Bank Mellat Iran	2	3*	1	1	-	-	1	-	8
22	Standard Chartered Grindlays Bank Limited	2	1	1	-	-	-	-	-	4
23	Banque Banorabe	-	1	1	-	-	-	-	-	2
24	Lloyds TSB Bank PLC	-	1	1	-	-	-	-	-	1
25	ABN Amro Bank N.V.	1	1	1	-	-	-	-	-	3
26	United Bank Limited	4	3	1	-	-	-	-	-	8
	TOTAL	39	42	17	6	2	-	4	2	112

* Including one cash office in Dubai.

Table (4-15)

**List of Restricted License Bank, Specialized Investment Banks, Investment Institutions, Finance Companies and Representative Offices
(As at 31/12/2002)**

Restricted License Banks		Representative Offices	
1. Inesa BCI - SPA	5. Emirates Finance Company - L.L.C.	1. BNP Paribas	(Abu Dhabi)
	6. Maf Orix Finance - PJSC	2. Credit Lyonnais	(Abu Dhabi)
		3. Credit Suisse Bank	(Abu Dhabi)
Investment Banks	Development Institutions	4. The Bank of Tokyo - Mitsubishi Ltd.	(Abu Dhabi)
1. Arab Emirates Investment Bank Ltd. - P.J.S.C.	1. Abu Dhabi Fund for Development	5. Gulf International Bank (B.S.C.)	(Abu Dhabi)
2. HSBC Financial Services (Middle East) Ltd.	2. U.A.E. Development Bank	6. U.B.S. AG	(Abu Dhabi)
		7. Arab Banking Corporation (B.S.C.)	(Abu Dhabi)
Specialized Banks	Investment Institutions	8. The Bank of New York	(Abu Dhabi)
1. Emirates Industrial Bank	1. Abu Dhabi Investment Authority	9. Deutsche Bank AG	(Abu Dhabi)
2. Real estate Bank	2. Abu Dhabi Investment Company	10. Housing Bank for Trade & Finance	(Abu Dhabi)
		11. Templeton Worldwide Inc.	(Abu Dhabi)
Finance Companies		12. Hypovereinsbank AG.	(Abu Dhabi)
1. Osool - A Finance Company L.L.C.		13. American Express Bank Ltd.	(Dubai)
2. Gulf Finance Corporation		14. Bank Brussels Lambert	(Dubai)
3. HSBC Finance Co. (P.J.S.C.)		15. Credit Suisse Bank	(Dubai)
4. Amlak for Finance - J.S.C.		16. U.B.S. A.G.	(Dubai)
		17. Dresdner Bank AG.	(Dubai)

Table (4-15 Contd.)
List of Specialized Banks, Investment Institutions, Finance Companies and Representative Offices
(As at 31/12/2002)

18. Merrill Lynch Bank (Suisse) S.A.	(Dubai)	35. ED & F Man Investment Products Ltd.	(Dubai)
19. Philippine National Bank	(Dubai)	36. Coutts & Co.	(Dubai)
20. Clear Stream Banking S.A.	(Dubai)	37. Towry Law Asia HK (Ltd)	(Dubai)
21. Bank of America -National Association	(Dubai)	38. Royal Bank of Canada	(Dubai)
22. Bank of Bahrain and Kuwait (B.S.C.)	(Dubai)	39. Scottish Widows International Ltd.	(Dubai)
23. Union de Banques Arabes et Françaises	(Dubai)	40. Kuwait Interest for Financial Investment	(Dubai)
24. Bank Muscat (S.A.O.G.)	(Dubai)	41. HSBC Bank International Ltd.	(Dubai)
25. Nationwide International (Ltd.)	(Dubai)	42. Aberdeen Asset Managers Ltd.	(Dubai)
26. Société Générale Bank	(Dubai)	43. Fidelity Investments International	(Dubai)
27. Standard Bank London (Ltd.)	(Dubai)	44. Salomon Smith Barney Inc.	(Dubai)
28. The United Bank of Kuwait (P.L.C.)	(Dubai)	45. AIG Asset Management International	(Dubai)
29. State Street Bank & Trust Company	(Dubai)	46. Wachovia Bank National Association	(Dubai)
30. Abbey National (P.L.C.)	(Dubai)	47. West LB A.G.	(Dubai)
31. Unit Trust of India	(Dubai)	48. Kotak Mahindra International Ltd.	(Dubai)
32. Prudential Bache International (Ltd.)	(Dubai)	49. HDFC Bank Ltd.	(Dubai)
33. Natexis Banque - BFCE	(Dubai)	50. Deutsche Bank AG.	(Dubai)
34. Union Bancaire Privee (CBI-TDB)	(Dubai)	51. Bank of Beirut SAL	(Dubai)

Table (4-16)
List of Licensed Financial and Monetary Intermediaries
(As at 31/12/2002)

Brokers in the Sale and Purchase of Domestic Shares					
Name of Brokers	Emirate	Branch	Name of Brokers	Emirate	Branch
1. Al Madinah Enterprises for Shares	Abu Dhabi	-	10. Al Taleea for Shares and Bonds	Dubai	-
2. Emirates Commercial Centre for Shares and Bonds (L.L.C.)	Abu Dhabi	-	11. United International Shares	Dubai	-
3. Al Wathba Shares and Bonds Center	Abu Dhabi	-	12. Damac Al Baraka Securities Co. (L.L.C.)	Dubai	-
4. International Market Company for Financial Business (L.L.C.)	Abu Dhabi	-	13. Shareco Securities Co. (L.L.C.)	Dubai	-
5. Al Nakhda For Shares and Bond Establishment	Abu Dhabi	-	14. Al Waseet Securities (L.L.C.)	Dubai	-
6. Abu Dhabi Securities Establishment	Abu Dhabi	-	15. Al Damman Securities Establishment	Sharjah	-
7. Al Hamoor Shares and Bonds Centre	Abu Dhabi	-	16. Al Sharhan Office For Shares and Bonds (L.L.C.)	Sharjah	-
8. Al Ramz Shares and Bonds Centre	Abu Dhabi	-	17. Sharjah Shares and Bonds Center	Sharjah	-
9. Shuroog for Shares and Bonds	Dubai	-	18. International Shares and Bonds Center	Al-Ain	-

Table (4–16 Contd.)
List of Licensed Financial and Monetary Intermediaries
(As at 31/12/2002)

Brokers in the Sale and Purchase of Domestic & Foreign Shares and Bonds	
Name of Brokers	Emirate Branch
1. Emirates Brokers Company (L.L.C.)	Abu Dhabi –
2. Dubai International Securities Company (L.L.C.)	Dubai –
3. Al Sahel Shares Centre	Sharjah –
4. Bajjel for Shares and Bonds (L.L.C.)	Sharjah –
Brokers in the Sale and Purchase of Currencies, Commodities and Intermediaries in Money Market Operations	
1. Royal Index (L.L.C.)	Abu Dhabi –
2. Leader Middle East (L.L.C.)	Dubai Abu Dhabi
3. Century Financial Brokers (L.L.C.)	Dubai Abu Dhabi
4. Sterling Financial Brokers	Dubai –
5. Orient Financial Brokers	Dubai –
6. Eastern Trust (L.L.C.)	Dubai –
Brokers in Dealing in Local Shares, Currencies and Commodities as well as in Money Market Operations	
1. Forex International (L.L.C.)	Abu Dhabi Dubai
Brokers in Dealing in all Financial and Monetary Operations	
1. National Financial Brokerage Company (L.L.C.)	Abu Dhabi –
2. Abu Dhabi Financial Services Co. (L.L.C.)	Abu Dhabi –
3. Wifco Financial Brokerage (L.L.C.)	Dubai –
4. Blue Ship Empire (L.L.C.)	Dubai –
5. National Financial Services (L.L.C.)	Dubai –

Table (4-17)

**List of Licensed Moneychangers, Financial Investment Companies & Banking, Financial and Investment Consultation Establishment and Companies
(As at 31/12/2002)**

Moneychangers			
EMIRATES	Head Office	Branches	Total
Abu Dhabi	21	35	56
Dubai	64	60	124
Sharjah	10	26	36
Ras Al-Khaimah	2	4	6
Fujairah	1	4	5
Ajman	2	3	5
Al Ain City	4	14	18
Khorfakkan City	1	1	2
Total	105	147	253

Financial Investment Companies	
Commercial Name	Head Office
1. Oman & Emirates Investment Holding Company (S.A.O.G.)	Abu Dhabi
2. Merrill Lynch International & Co. C.V. (Netherlands Antille Islands)	Abu Dhabi
3. The National Investor (P.J.S.C.)	Abu Dhabi
4. Merrill Lynch International & Co. C.V. (Netherlands Antille Islands)	Dubai
5. Emirates Financial Services (P.J.S.C.)	Dubai
6. Shuaa Capital - PSC	Dubai
7. Islamic Investment Company (P.J.S.C.)	Dubai
8. HSBC Financial Services (Middle East) Limited	Dubai

Banking, Financial and Investment Consultation Establishment and Companies	
Commercial Name	Head Office
1. I.C.B. Snyergy (L.L.C.)	Abu Dhabi
2. Elfina Financial Investment Consultancy	Dubai
3. Landmark International Consulting Services	Dubai
4. Professional Investment Consultants Co. (L.L.C.)	Dubai
5. Regent Investment Consultants (L.L.C.)	Dubai
6. Financial Consultancy Services Company - Partnership	Dubai
7. Network Corporate Services (L.L.C.)	Dubai
8. Mondial (Dubai) L.L.C.	Dubai
9. Inter Capital (L.L.C.)	Dubai
10. Al Sahel Financial Advisory Est.	Dubai
11. Continental Financial Services	Dubai
12. Acuma	Dubai



CENTRAL BANK OF THE UNITED ARAB EMIRATES