

Tables: Credit cards, loans, mortgages and insurance across the Gulf

The Gulf region's first personal finance and investment magazine

MONEY *works*

www.moneyworks.ae

January 2008 Issue 110

THE NEW FRONTIER

GCC earning potential still defies convention

Platinum cards

How much credit do they really deserve?

FUNDS

Global's PE funds generate IRR of 57%

S&P to rate 35 GCC funds

ASIA

The Middle East's love affair with Asian Equities

SAUDISATION

Hiccups and progress in Saudisation

Saudi Arabia... SAR10
UAE... AED10
Qatar... QAR10
Oman... OMR10
Kuwait... KWD10
Bahrain... BHD10

MONEYworks magazine

P O Box 10656, Dubai, UAE
Telephone: +971 4 391 2160, Fax: +971 4 391 2173
Email: info@moneyworks.ae

Published by

Rasalmal Financial Publishing FZ-LLC
A Dubai Media City Company
Telephone: +971 4 391 2160, Fax: +971 4 391 2173
Email: rasalmal@getyourmoneyworking.com

Board of Directors

Saud A. Al Amri - chairman
Abdulaziz Al Mashal
Greg Hunt

General Manager

Don Taylor

Distribution

Dar Al Hikma, Dubai, UAE, Tel: +971 4 266 7384
Jashanmal, Abu Dhabi, UAE, Tel: +971 2 673 2327

Printing

Nabeel Printing Press, Ajman, UAE, Tel: +971 6 743 4445

Cover Image

Benjamin Howell

Editor

Utpal Bhattacharya

Deputy Editor

Ehab Heyassat

Staff Writer

Kara Sensoli

Saudi Correspondent

Mobin Sheikh

Regular Editorial Contributors

Peter Hensman - Newton Investment Management Ltd
James Thomas - Acuma Wealth Management

Special Editorial Contributors

Matein Khalid, Philip John, Sheikh Sultan bin Saud Al Qasimi, Wendy Jackson,
Peter Cooper, M.R. Raghu, Dr.Oliver Stöner-Venkatarama, Sammer Mourched

Operations Manager

Tim Elliott

Design & Layout

Zak Parayil
Sonia Landoulsi

Administration

Sessie Fernandes
Rolla Daniel

Sales & Marketing Manager

Mark Freeman

Sales & Marketing Executives

Zarko Ackovik
Ali Jaber
Arshad Iqbal

Advertising Enquiries:

Tel. +971 4 391 2163, Email: sales@moneyworks.ae

Advice to readers - Information carried in **MONEYworks** is checked for accuracy, but we recommend that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. Never forget investments can go down as well as up and you may get back less than you originally invested. Companies offering financial services, products or advice in the UAE must be licenced accordingly. If in doubt, check with your local Chamber of Commerce, Central Bank office or Department of Economy. All rights reserved in respect of all articles, drawings, photographs, etc. published in **MONEYworks** anywhere in the world. Reproduction or imitations of these are expressly forbidden without the written permission of the publishers.

© Rasalmal Financial Publishing FZ-LLC 2008

The **MONEYworks**™ magazine cover logo is a registered trademark.

BPA audit applied for December 2006

♻ When you're finished with **MONEYworks**, please recycle it.

It's rather pleasantly cold as I sit writing this edit. Also, there are fewer cars in the parking lot. People are holidaying and I'm looking forward to a little time off after such a hectic year slogging day in and day out, gathering information and relentlessly hammering away at an already overworked keyboard to disseminate what I know or have heard, as if there wouldn't be another day left for me to write my stories.

Just as 2007 is about to become a part of history in our records, so are our achievements and disappointments. The question is what is the New Year going to bring for us?

There are trepidations that the US is edging towards recession, which could end up slowing global growth, and thus dampen the party that was very much the theme until the sub-prime crisis hit global institutions where it hurts.

For our region, the majority of experts that I speak to aren't too worried at this point in time. They don't believe that a global slowdown will wreck the growth story in the Middle East. Of course, the price of oil gives weight to this argument - although some believe that the oil price could pull back to US\$70 in the course of the new year if global growth slows.

The question to ask is - will that make much difference to the growth story in our region? I don't think so. In fact, the region's stock markets might witness fresh flow of international liquidity in the new year as a result of S&P and MSCI launching Frontier Market indices, of which the UAE is the dominant country. In fact, the GCC in general accounts for the bulk of these indices. We are already witnessing international institutions launching investment funds that have allocations to the Middle East, and this should all help the rally that we have seen in the GCC markets most of 2007.

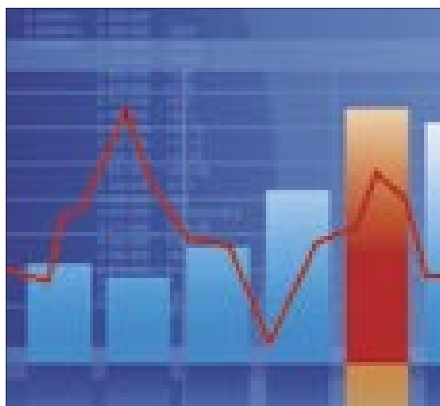
One of the biggest stories, which is kind of a leftover from 2007, is whether the region's central banks will revalue their respective currencies from the current US dollar pegs or change pegs to currency baskets. Residents of the region will be also looking closely at inflation, including rents, school fees and the price of basic amenities that affect their lives. Until the time that major decisions on currency pegs are taken, we will have to continue to bear the brunt of imported inflation as the US dollar declines. Domestically, however, a good rent control mechanism in 2008 could help soothe some pain of households and businesses. We can only hope it happens sooner rather than later.

Before I sign off, on behalf of the team of **MONEYworks** group of magazines, I wish all our readers a very happy new year.



Utpal Bhattacharya
Editor

Advert



GCC defies global weakness

The stock markets in the GCC have performed strongly in 2007, supported by robust corporate earnings. The region seems unscathed by the sub-prime crisis and the slowing down of the world's two largest economies. **Utpal Bhattacharya** looks at what is to come.

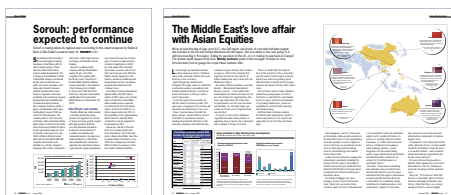
The GCC economies are merely catching up and seem hardly bothered by the sub-prime crisis or the slowing down of the US economy. According to rating agencies and other reports, the effect of this crisis is negligible in this region, with a very large majority of banks and financial institutions not having had any significant exposure to that market. However, the resulting credit crunch did have its impact as a number of debt issuers in the region as they postponed their international currency denominated offerings. The credit squeeze could also partially slow down the hectic pace of growth of the M&A industry in the region. Nevertheless these conditions, surely derived from international developments, may not be enough to dampen the enthusiasm of young and aspiring

30 | MONEYworks | January 2008

Lead Story

Corporate Earnings

The stock markets in the GCC have performed strongly in 2007, supported by robust corporate earnings. **Utpal Bhattacharya** looks at what is to come.



- 06 News**
Global's PE funds generate IRR of 57 per cent
- 08 News**
S&P targets rating 35 GCC funds
- 10 'The NIB Zone'**
The month's local, regional and international financial news in brief
- 26 Platinum cards**
Kara Sensoli explores the pros and cons of platinum cards, as well as the direction in which they are headed
- 40 Asia infrastructure**
Wendy Jackson spoke to the manager of Invesco's Asia Infrastructure Fund to gauge the scope these markets offer
- 44 US Economy**
Watch out for a US recession and put your bets in the negatively correlated GCC stock markets and real estate markets of Southeast Asia, cautions Matein Khalid

- 46 Saudisation**
The Saudi government's drive towards quickly Saudising the banking industry faces some stiff challenges. A **MONEYworks** report from Riyadh
- 48 In Focus**
Kingdom's time has come
- 50 Stock Watch**
Sorouh: performance expected to continue
- 74 Reader's Letters**
'Cut your coat according to your cloth'
- 75 From the Hip**
Resolutions for a new year. James Thomas reviews some of the basics of financial planning and looks at why it is so important
- 76 The Long and the Short of it**
Lessons are to be learnt. Sheikh Sultan bin Saud Al Qasimi questions why the DP World IPO was managed the way it was

37

Business Leader

This month **MONEYworks** features Man Investments Middle East CEO, Antoine Massad, who tells Utpal Bhattacharya that one does not need a degree to be successful in sales.



Markets

- 52 Regional:** More liquidity in the new year
- 53 Asset allocation:** KSA hits a new high
- 54 Global:** Will global woes hit EMs?
- 55 Emerging markets:** Will Thai elections help?
- 56 Currency:** A short respite for the dollar
- 57 Special:** The Loonie tunes into 2007
- 58 Commodities:** Coal emerging as crude rival

International Best Buy Tables

- 59 Offshore Savings:**
Offshore selections, offshore cheque account rates, offshore US dollar accounts, offshore euro accounts
- 61 Mortgages for UK properties**

Regional Best Buy Tables

- 62 Saudi:** Credit Cards, Personal and Car Loans
- 63 Oman:** Personal Loans and Credit Cards
- 64 Qatar:** Credit Cards, Personal Loans, Home Contents and Medical Insurance
- 65 Bahrain:** Credit Cards, Personal Loans, Home Contents and Medical Insurance
- 66 Kuwait:** Credit Cards and Personal Loans
- 67 UAE:** Medical Insurance
- 68 UAE:** Home Contents Insurance
- 69 UAE:** Credit Card best buys, by interest/profit rate and value added features
- 70 UAE:** Credit Cards, Personal Loans, Home Contents and Medical Insurance
- 72 UAE:** The UAE Mortgage table
- 74 UAE:** Independent Financial Advisers & Licensed Financial Intermediaries

Global's PE funds generate IRR of 57 per cent

Returns from private equity funds have been rather bountiful in the Middle East. Global Investment House, one of the larger players in the PE space in the region, did a track record analysis of its PE funds using a third party. A **MONEYworks** report.

Four private equity funds from Kuwait's asset management company Global Investment House (Global) have had a great run giving significant returns to investors far beyond the benchmark returns in the same asset class in developed markets. A document from Global doing rounds among its investor base show the net average internal rate of return from investing in these funds have been 57 per cent with the first investment in April 2004 in Gulf Takaful Insurance Company in Kuwait. The average gross IRR of these funds was 65 per cent.

The document on the track record of the four PE funds from Global was prepared by a leading international consulting firm. The four funds from Global analysed are

The four PE funds together invested 15 per cent of their total capital in 41 companies across the GCC and Levant. Nearly 40 per cent of the total investments from these funds were made in towards acquisition of companies in Saudi Arabia. The funds also have exposure to companies all other GCC countries as well as in Egypt, Jordan and Lebanon. Investments have been made into companies in China, India and Turkey. The sectors of investments are also as diverse as retail chains to logistics, financial services to gold mining and real estate to healthcare and oil and gas. From the nine exits (some of which have been partial), the funds have together realised US\$74.27 million. Exits from Reliance Petroleum and Zhaojin Mining have yielded IRRs of nearly 100 per cent and 40 per cent respectively. Exit from Investcom saw an IRR of 129 per cent and from Dana Gas (partially realised) 450 per cent.

Among investments which the funds are yet to exit, Dar Al Arkan and Model Restaurants are two companies which have recently witnessed successful IPOs. While the former was oversubscribed by more than four times, Model restaurants, the food chain in Jordan witnessed high investor interest and was oversubscribed more than 60 times. Other high profile investments made by the private equity team at Global includes companies like TAV Airports (the leading airport management company out of Turkey), DEPA (the largest interior decorating company in MENA) and Gulf Navigation, a shipping company which also witnessed a very successful IPO on the DFM in 2007.

Other investments which are as yet unlisted but demonstrated high value as on May 31, 2007 included Al Rayan Holding Co, which would have generated IRR of over 400 per cent as of May 31, 2007. Global's largest single investment until May 31 was in Ajlan & Brothers Company in Saudi Arabia. Total investment in this company was in excess of US\$85 million.

The Global team has recently launched its fifth fund – the Global Buyout fund, which has received commitments of over US\$ 500 million to date from both regional and international investors. The Buyout fund has made two investments until now - a 51 per cent equity stake in Al Jazeera Tube Mills Company of Oman and a 60 per cent stake in a pharmacy chain company set up with Julphar Pharmacy in the UAE with investments of US\$145 million. Al Jazeera Tube has appreciated by 50 per cent since Global's acquisition on the Omani stock market.



the Private Equity Fund, the Global Opportunistic Fund I, the Opportunistic IPO Fund (a fund which is managed/ advised by Global) and the Global Opportunistic Fund II.

The analysis of the track record of the PE funds takes into account both investments from which Global has already exited and those that are still held in various portfolios. There were a total of nine investments from which Global had already exited, while the rest were still held by these funds at the time the document was prepared. In determining the value and cash flows associated with the unrealised 32 investments in the portfolios of the four funds, estimates were based on cash that would have been generated had the investments been disposed of on May 31, 2007.

Standard and Poor's targets rating 35 GCC funds

Standard and Poor's (S&P) is aggressively working on extending its fund-management ratings service to funds based in the GCC, as part of its wider initiative to raise its presence in the region. **Ehab Heyassat** spoke to a team of officials from the rating agency.

Standard and Poor's Fund Services are targeting rating between 30 and 35 equity funds in the Gulf region in the next one year. Jan Willem Plantagie, the rating agency's managing director and regional manager for Middle East, said that the target is quite achievable.

Standard and Poor's Fund Services has already released the first rated tranche of 10 Gulf-based funds while another tranche of 10 is set to be released by the first half of 2008. Of the 10 funds rated, four are AA rated and six A rated. With most of the groups adopting a team-driven approach and being led by expatriates, the main elements to differentiate among funds are represented by the varied experience levels, the length of track record and the quality of research and investment process. EFG Hermes Funds are clearly the benchmark for the region, as they are among the few groups with a track record that spans over five years, according to the S&P team. Funds of other fund management groups rated are Gulf Investment Corporation, Mashreq, BankMuscat and Securities and Investment Company BSC.

Plantagie said about the plans: "I would like to have another tranche of ten ratings by the first quarter or at least by the first half of 2008, to target 30-35 funds in total in the following months."

Asad Malik-Saeed, associate director investment services with the agency, added that while S&P is currently focusing on equity funds, in the future, other asset classes will also be included.

"We have to consider other classes in the GCC eventually, although our initial focus is on rating equity funds," he noted.

S&P has not yet rated any Saudi equity funds, but Roberto Demartini, associate director, fund research with the agency, assured that S&P will be working with Saudi funds in the future.

"We will definitely look at Saudi Arabia, as this is just the beginning of our physical presence in the region. We should be in the Kingdom towards the second half of 2008 issuing ratings on Saudi funds," he added.

S&P also plans to rate Islamic funds in the future. "Usually investing restrictions makes it an issue for Islamic funds to assess the performance; we can

overcome that problem by analysing the processes. We are interested in doing that," Demartini said.

S&P is now all set to open a regional office next month in the Dubai International Financial Centre to cover all the GCC markets.

"We are targeting between 70 and 100 corporate ratings by 2010-2012, compared to just 10 today" Jan Willem Plantagie

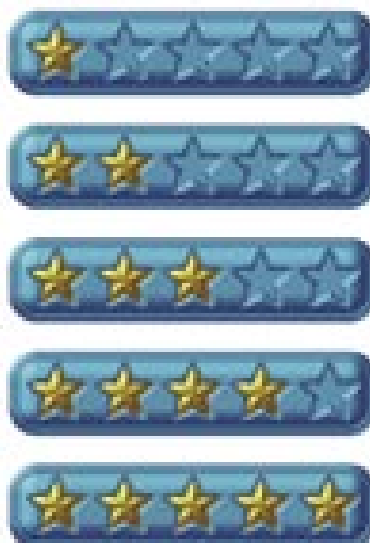
Ben Bird, head of product development, at the agency, said: "There is considerable demand from asset managers, investors and advisers in the GCC for interview-based, forward-looking fund-management ratings. "Our ratings and analyses have been long used in European markets as a tool to help selection of funds and managers. We intend to build on these foundations in the region."

Bird also said that S&P has 26 analysts in London working to provide qualitative research service helping wealth managers and banks to find funds for their clients as apposed to just relying on historical data. He said the objective is to know what these funds are all about.

"We work with large banks where we help them analyse and short-list funds for their clients. Institutions in the west are keen to learn more about this region. So, we need transparency, and we cannot only rely on historical performance. Also, some of our clients here want to position their funds and make a statement vis-à-vis their international peers. A fund in the region that is AA rated by us is equal to a fund in Europe," he explained.

Plantagie said S&P is also working on corporate ratings and sovereign credit ratings. S&P has also rated government backed companies on requests from the likes of Dubai Holding and Dubai Multi Commodities Centre.

"We are finding an increasing number of requests coming to us from different constituents, including family businesses for ratings. We are targeting between 70 and 100 corporate ratings by 2010-2012, compared to just 10 today," said the managing director.



RAKBANK comes out tops in service according to Ethos study

According to the Ethos Consultancy annual Service Quality Bank Benchmarking Study of UAE retail banks, there has been a downward trend in customer service from the majority of banks when it comes to their branch performance.

In terms of who tops the list, once again RAKBANK has outdone their competition by a distance. The report notes that, "to achieve RAKBANK's consistent level of customer service, other banks still have some way to go. RAKBANK are clearly heading the pack in this regard, and their

consistency over the past three years is a strong show of commitment towards their customers."

In second place is Dubai Islamic Bank, which "seem to have overhauled their customer service delivery and focused their strategy around their customers," according to the report. DIB's progress is rated as the most improved bank in the study. Last year they were in the bottom 10. DIB also topped both the best Islamic Bank category and best call centre category.

In third position is the National Bank of Dubai who, like Dubai Islamic Bank, have improved immensely from last year.

The best international bank and fourth overall is Lloyds TSB, which has consistently maintained high levels of customer service throughout the years.

The best website response goes to HSBC that has maintained an excellent response rate to their prospective customers, calling them back within 24 hours and at preferred customer timings.

The overall rankings for 2007

Ranking	Bank	Score
1	National Bank of Ras Al Khaimah (RAKBANK)	
2	Dubai Islamic Bank	↑
3	National Bank of Dubai	↑
4	Lloyds TSB Bank plc	↓
5	HSBC Bank	↓
6	Dubai Bank	↓
7	Emirates Bank International/meBANK	↑
8	First Gulf Bank	↑
9	Union National Bank	-
10	National Bank of Abu Dhabi	↓
11	Mashreq	↓
12	Emirates Islamic Bank	↓
13	ABN Amro	↓
14	Commercial Bank International	↑

Source: Ethos Consultancy

Ranking	Bank	Score
15	Abu Dhabi Commercial Bank	↑
16	Standard Chartered	↑
17	Arab Bank	↓
18	National Bank of Sharjah	↓
19	Citibank	↓
20	Commercial Bank of Dubai	↓
21	Abu Dhabi Islamic Bank	↓
22	Al Masraf (ARBIFT)	↓
23	Barclays	-
24	Habib Bank A.G Zurich	↑
25	United Arab Bank	↓
26	Bank of Sharjah	-
27	Bank of Baroda	-
28	United Bank Limited	↓

For more details on the report, go to www.moneyworks.ae and search keyword 'Ethos'

Moody's Investors Service has assigned

long term local and foreign currency issuer ratings of A1 to Saudi Electricity Company (SEC), the dominant vertically integrated utility in the Kingdom of Saudi Arabia. The outlook is positive. It's the first time that Moody's has assigned ratings to SEC.

Henri de Castries, AXA Group CEO, has

officially opened AXA's new Service unit at Dubai Outsourcing Zone. The service unit consolidates in one place AXA's claims handling and back-end processing. Registration of claims can now be done over the phone.

Maseratis, Ferraris and 24 carat perfume

During the three-day Emirates Millionaire Show event last month visitors witnessed the unveiling of the new US\$2.2 million Maserati MC12 Corsa 2008. There were also other quirky exhibits like a sculptured cow bejeweled in 498,000 pearls and onyx, a safe encrusted with 50,000 diamonds and prestige automobiles like the Ferrari Enzo and the Rolls Royce Phantom.

There was also clothing and accessories woven from gold, silver and palladium, fine jewellery, exclusive watches and rare fragrances. The most expensive type of Oud at US\$30,000 per kilo and Dahab Al Arabia (Gold Al Arabia), a perfume with pieces of 24 carat gold, which leaves small

flecks of gold on the skin, as well as hand-crafted, hand engraved limited edition 18 carat gold fountain pens from Enyée.

The three-day show was held in association with the United Nation's Children Fund.



Algebra Capital celebrates first year anniversary at DIFC

Specialist asset management firm, Algebra Capital, has celebrated its first year anniversary as a Category three firm in the DIFC. Algebra chairman & CEO Ziad Makkawi, said: "It has been quite a journey so far with many milestones crossed. Key amongst those this year were the signing of a strategic joint venture with Franklin Templeton, launching our flagship Alpha MENA listed equities fund and being appointed as the regional advisor to Schroders UK on their newly launched Middle East Fund."



Algebra celebrate at 'The Gate', DIFC, Dubai

Abraaj Capital has sold its stake in

Arabtec Holding PJSC (Arabtec), a UAE-based construction contracting firm, generating an IRR of 116 per cent and returning 12 times the invested capital. The acquisition of its stake in Arabtec was made by the Abraaj Real Estate Fund (AREF) in 2004. With this first exit for AREF, approximately half of the original capital of the fund has been returned with the remaining assets in the fund continuing to perform.

Dubai Gold and Commodities Exchange

(DGCX) has appointed Standard Chartered Bank as a clearing bank for the exchange, after it also obtained a broker membership of DGCX.

Natixis, fourth largest bank in France,

has now established a regional centre in the DIFC to cover the Middle East region. The branch will be fully operational in early 2008.

Tamweel sukuk oversubscribed in hours

Tamweel's US\$300 million exchangeable sukuk issue, whose order book was oversubscribed within hours of announcing the launch, has been successfully priced.

The issue also achieved an all-in sub-libor funding cost level - the first transaction in the GCC issuance market to achieve such pricing.

The sukuk proceeds will be used by Tamweel for its general funding and

expansion needs. Subscription for the sukuk opened on December 13, 2007 and was priced and fully allocated on the same day within hours of the launch.

The sukuk closes on January 23, 2008.

Application has been made to list the sukuk on the Dubai International Financial Exchange. The shares are listed and traded on the Dubai Financial Market.

For more details on this go to www.moneyworks.ae and search keywords 'Tamweel Sukuk'

AHB, AUB and IFC form alliance in Oman

Alliance Housing Bank (AHB), Ahli United Bank (AUB) and International Finance Corporation (IFC) have formalised a strategic tie up in a move aimed at establishing a promising presence for Alliance Housing Bank in Oman.

AUB now has a shareholding of 35 per cent in AHB and IFC has taken a 9.9 per cent stake in the bank.

Under the terms of the Subscription and shareholders' agreement, AUB will acquire 25.1 per cent of AHB through its full subscription of AHB's proposed new capital increase. IFC, a member of the World Bank Group, is subscribing to up to 9.9 per cent stake in AHB alongside AUB.

BankMuscat Funds receive 'AA' and 'A' ratings from Standard & Poors

Standard & Poors has assigned its 'AA' rating to the Bank's Oryx Fund and 'A' (high quality) rating to the Muscat Fund. The Oryx Fund has turned in returns of 32 per cent on its Net Asset Value (NAV) since the beginning of the

year. The NAV of the Muscat Fund appreciated by 43 per cent since the beginning of the year. The fund offers investors easy access to a diversified basket of securities listed on the Muscat Securities Market.



Emirates Bank, an Emirates NBD company, has been awarded the Banker Magazine award for "Best Bank of the Year in the UAE" for the year 2007. The award recognises Emirates Bank in particular and Emirates NBD in general, for "outstanding overall performance." Rick Pudner, CEO Emirates NBD receiving The Banker Magazine "Best Bank in the UAE for the Year 2007" Award in London.

SHUAA Partners Ltd, the private equity arm of SHUAA Capital psc, closed its "Frontier Opportunities Fund I, L.P." with total commitments of US\$100 million. The fund will make select equity investments in both existing and start-up businesses in the Levant region. The fund has already deployed capital by investing in Syriatel.

Saudi IPO summit awards Prince Al Waleed the prize of the night

The Saudi IPO Summit, an event held to address the “fundamental issues affecting IPOs, such as reasons for launching, essential management restructuring, conversion of family businesses and exit strategies”, recently concluded in Riyadh with an awards ceremony dinner.

The big award of the night went to Prince Al Waleed bin Talal, chairman of the Kingdom Holding Company - one of the world's largest and most diversified investment groups which went public earlier this year - for his outstanding contribution to the Saudi Arabian economy.

Kingdom Holdings, which started trading on the Saudi Stock Exchange (Tadawul) in July, also picked up an award for the best initial public offering of the year.

Other winners were:

Corporate Leader of the Year - Dr Abdulrahman Al Zamil, chairman, Al Zamil Group

Investor Relations Award - Samba Financial Group

Corporate Social Responsibility Award - Savola Group

Environmental Contribution Award – SABIC

Young Executive of the Year - Dr Abdulmajeed A. Alhokair, CEO of Fouaz Alhokair Co.

Best Investment Potential Award - Saudi Kayan Petrochemical Company

Corporate Governance Award - Samba Financial Group

Lead Manager of the Year Award - Samba Financial Group



Rewarded for his outstanding contribution to the Saudi Arabian economy - Prince Al Waleed bin Talal, chairman, Kingdom Holding Co.

Increasingly, Saudi Arabian companies are using public offerings as a vehicle for raising capital attracting not only local but international investors who are supplementing existing high levels of liquidity. In the second quarter of 2007, Saudi Arabia featured two of the three largest offerings in the region worth a combined total of US\$2.34 billion. Currently earning a fivefold return, the Saudi IPO market is expected to continue to grow as the kingdom's financial sector makes progress in liberalisation, regulations and standards.

www.moneyworks.ae - regular news updates, articles, features, analysis, table updates, research and more...

Emirates NBD has been granted the status of “Authorised Training Organisation” from the Institute of Chartered Accountants of England & Wales, the first bank in the Middle East to launch the initiative. It allows the bank to recruit and train employees under a three year work and training programme.

Dubai Gold and Commodities Exchange has won the ISO/IEC 27001:2005 certification, a stringent standard for the management of information security and the protection of information assets.

Tokio Marine Group has joined Dubai International Financial Centre, from where it will offer technical and management services in takaful and insurance. The company is to expand across the MENA region through its new company Tokio Marine Middle East Limited.

DFSA issues hedge fund code of practice

The Dubai Financial Services Authority (DFSA) has issued its Hedge Fund Code of Practice (Code), the first of its kind to be issued by a regulator and a landmark code in the regulation of the international Hedge Fund industry.

The Code sets out best practice standards for operators of hedge funds in the Dubai International Financial Centre.

The code addresses some specific

risks that are associated with Hedge Funds and reflects the DFSA's commitment to risk-based regulation.

There are nine high-level principles in the Code, which cover areas of key operational, management and market-related risks, particularly in the areas such as valuation of assets, back office functions and exposure to market risks.

The website at www.dfsa.ae has the full DFSA Hedge Fund Code of Practice.

Qatari Diar ties up with Arcapita Bank

Qatari Diar Real Estate Investment Company (Diar) has reached an agreement with Arcapita Bank B.S.C.(c) (Arcapita) to establish a joint venture company that will specialise in the provision and operation of utilities and infrastructure services.

The joint venture company will be named Diar Infrastructure Services Company (Diar

Infra). Diar Infra will be established as a Qatari company with an exclusive mandate to develop for all Diar owned, controlled or mandated real estate projects a number of utility services. Diar Infra's initial business and immediate focus will be to develop, own and operate the substantial utility requirements of Lusail Real Estate Project.

Global and Julphar to form new regional galaxy of pharmacies

Julphar, the pharmaceutical manufacturer and Global Investment House (Global) have joined forces to form Planet Pharmacies LLC (Planet).

Planet, a holding company being established in Dubai, UAE, aims to become the largest healthcare products retailer in the MENA region through organic and inorganic growth strategies.

The company, formed with a capital of AED900 million (US\$245.03 million), begins operations with 65 pharmacies and clinics and aims to spread to the entire MENA by 2010 with more than 2000 pharmacies.



Julphar and Global officials at a press conference in Dubai to announce the Planet Pharmacies LLC joint venture

Gilles Rollet, chief executive officer of

Mirabaud (Middle East) Limited, predicts that the region's private banking industry will adopt the open architecture independent asset management (IAM) model. He made the comments whilst addressing the recent Private Banking MENA 2007 conference in Dubai.

He pointed out that Mirabaud (Middle East) Limited is introducing the IAM model into the Middle East. It gives customers, he says, "the flexibility of being able to choose the best custodian bank for their assets and not be restricted to the bank that holds their account. By being licensed as an IAM by regulatory bodies, such as the Dubai Financial Services Authority and those that exist in Europe and Asia, private banks are able to offer their clients unparalleled levels of transparency, service and performance."

Citibank NA has signed a Real Estate

Development Guarantee Account Agreement with Dubai Land Department (DLD), becoming an approved bank for opening and managing Escrow accounts for property developers registered with DLD.

Barclays Wealth report looks at luxury

Barclays Wealth has concluded its four part series of Barclays Wealth Insights, created in partnership with the Economist Intelligence Unit.

The fourth and final volume concludes the series, imparting an insight into the concept of wealth as well as current global spending behaviours and trends. 'The True Value of Wealth' reveals that the wealthy are changing the luxury industry as they seek to acquire services that enable them to save time and make their lives easier.

For more on what the wealthy really want, go to www.moneyworks.ae and search keywords 'Barclays' or 'Wealth'.

NBAD part finance Khalifa Port for ADPC

Abu Dhabi Ports Company and National Bank of Abu Dhabi have signed an AED1.1 billion financing agreement to meet the initial construction costs of the Khalifa Port.

KPIZ is a multi-purpose facility that involves the construction of a world-class container and industrial port in addition to the development of over 100

square kilometers of industrial, logistics, commercial, educational, and residential special economic and free zones. KPIZ will play a major role in Abu Dhabi's industrial and economic diversification in serving as a key hub for large scale industrial investments that will be serviced by state-of-the-art port, transport and other infrastructure facilities and services.

Al Mal Securities Saudi launches

Al Mal Securities Saudi, a controlled subsidiary of UAE-based Al Mal Capital psc, is now offering brokerage services in securities listed on the Saudi Stock Exchange (Tadawul).

The new subsidiary is the first Gulf sponsored Company to obtain a Saudi brokerage license and is the first to launch the Saudi brokerage services. It has a capital of SAR60 million and is 55 per cent owned by Al Mal Capital, a full-service

investment company with paid-up capital of AED333 million licensed and regulated by the Central Bank of the UAE.

Al Mal Securities Saudi is located in Sky Towers on King Fahed Road in Riyadh. The 45 per cent of its capital not owned by Al Mal is divided equally between five regional investors – Sheikh Mishal Bin Hethlain (chairman), Sheikh Abdul Mounem Al Rashid, Al Hokair Group, Abdel Rahman Al Mousa Group and Global Investment House (Kuwait).



Emirates Islamic Bank's recent Bank & Win campaign saw over 500 winners, the biggest winner of them all was Mohammad Alrafayah, a credit card holder, who won AED350,000. The promotion ran from September 15 and November 14, 2007. Customers purchasing EIB products or increasing deposit balances got automatic entry into the draw.

An MoU was signed last month between DGCX and Bank of Baroda enabling DGCX members to open their settlement account with the Bank of Baroda - the only Indian bank in the UAE with full fledged banking operations.

DGCX reports strong November activity

Dubai Gold and Commodities Exchange recorded strong growth in traded volumes in November, clocking a second highest number of contracts traded in a month. A total of 97,147 contracts valued at nearly US\$3.70 billion were traded for November.

The volume of gold futures traded on the exchange also saw a marked improvement of nearly 15 per cent over the previous month with 76,631 contracts valued at US\$1.99 billion being traded during the month.

For more on this story go to www.moneyworks.ae and search keyword 'DGCX'

RAKIA lists its first sukuk on the DIFX

Ras Al Khaimah Investment Authority (RAKIA) has listed a US\$325 million sukuk (Islamic bond) on the Dubai International Financial Exchange (DIFX), taking the DIFX's total listed value of sukuk to US\$14.105 billion – the largest value of any exchange in the world.

RAKIA has raised the money for its Al Marjan artificial island tourism project being built in the Gulf off Ras Al Khaimah in the northern United Arab Emirates.

Dr. Khater Massaad, chief executive officer of RAKIA, said: "Investors have shown great

interest in this first sukuk to be issued by RAKIA, as we move forward with the Marjan development including upmarket hotels, villas, a marina and a theme park. As the region's international exchange with high regulatory standards, the DIFX enhances our visibility to investors and underpins their confidence in our sukuk."

RAKIA's sukuk has been issued by RAKIA Sukuk Company Limited and matures in 2012. It is based on an Al-Wakala structure. The lead managers for the issue were Credit Suisse, HSBC and NBD Investment Bank.

Société Générale has been granted

two licences by the Dubai Financial Services Authority to open two new branches in the Dubai International Financial Centre. The two branches will form a hub for Société Générale Group's various activities in the Middle East.

The first, a branch of Société Générale (Paris), will be dedicated to investment banking and the sale of financial products. Its CEO is Eric Faivre, who will also act as the Group's chief representative for the Middle East.

The second, a branch of Société Générale Bank & Trust (Luxembourg), will be dedicated to private banking activities in the region. Its CEO is Patrick Thiriet, head of SG Private Banking for the Middle East.

Muscat Securities Market (MSM) in co-

operation with Dow Jones Indexes will host an international forum on Exchange Traded Funds (ETFs). The event, the first ETF forum in Oman, will be held in the Shangri-La Hotel in Muscat, during January 14 - 15.

Advert

Taiwan Stock Exchange forges stronger relationship with UAE

The Taiwan Stock Exchange Corporation (TSEC) concluded the visit of its official delegation to the UAE by signing a Memorandum of Cooperation with the Abu Dhabi Securities Market.

"We believe this delegation will open the way to an enduring and important relationship between key financial institutions that represent leadership in both the Middle East and Asia," said Dr. Rong-I Wu, chairman, TSEC. "We have agreed on closer ties, on enhanced co-operation and on exchange of information and resources that will set the path for increasing links between our respective countries."



TSEC chairman, Rong I Wu, and ADSM director general Tom Healy sign the agreement

Standard & Poor's Ratings Services

has raised to 'A' from 'A-' its long-term counterparty credit and insurer financial strength ratings on the main operating entities of the Royal & Sun Alliance Insurance Group PLC. The outlook on all entities is stable.

In other news, Royal & Sun Alliance has begun an expansion of their insurance capabilities for Asia & Middle East. The company has appointed a management team for Construction & Engineering, Asia & Middle East, effective from December 01, 2007.

DIG finalises stake in Bahrain's TAIB Bank

TAIB Bank B.S.C. (c) and Dubai Financial Group (DFG) has now formally announced the completion of the acquisition of 60 per cent of TAIB's shares by Dubai Financial Group, the financial holding company of Dubai Group, a member of Dubai Holding.

As part of the transaction TAIB's board of directors has been reconstituted and Soud Ba'alawy, executive chairman of Dubai Group, has been elected as chairman of the board of directors of TAIB Bank, replacing AbdulAziz Alrashed. Iqbal G. Mamdani will continue to be the vice chairman. In all, five new board members have been appointed to TAIB's board by DFG. The new board will have four other directors from TAIB's previous board.

Mohammed Al Gergawi, chairman, Dubai Holding commented on the significance of the deal: "This is yet another strategic investment for the UAE as it capitalises on the growth of the region's banking industry. This comes at the right time as the economies of both UAE and Bahrain rapidly diversify and contribute to positioning the GCC region as a global financial powerhouse."

According to Soud Ba'alawy, "As Dubai Group, we are confident not only to create new opportunities for TAIB in Bahrain and Dubai, but also to leverage TAIB's traditional focus markets of the GCC, India, Kazakhstan, Turkey and the MENA region."

Go to www.moneyworks.ae for regular news updates

Citi establishes new MENA Equity team

Citi has unveiled its investment research team for the Middle East and North Africa (MENA) region based at the Dubai International Financial Centre (DIFC).

Five members of the team will be based in Dubai, headed by Hasnain Malik. As well as coordinating equity research product, Hasnain will cover a number of MENA stocks including those in the real estate sector.

In addition, the team in Dubai will coordinate research with members of Citi research

based in London and New York with specific sector expertise: Simon Nellis, banks; Rhys Summerton, telecoms; Andrew Light and Roger Elliott, transport and logistics; Andrew Howell, equity strategy; and Mushtaq Khan and David Lubin, economics.

Citi has established offices at the DIFC which house its investment banking and equity sales and distribution businesses, global Islamic banking and global transactions services serving the MENA region.



Dubai Infinity Holdings (DIH) has launched as an "innovative investments enterprise that will focus on key non conventional growth sectors and viable investment opportunities in a drive to boost diversification of the UAE's economy." DIH will be spearheaded by chief executive officer Samira Abdulrazzak. Information Technology, education, healthcare, lifestyle, real-estate and entertainment are among the potential strategic sectors that the new company will focus on. Owned by a group of local investors, DIH's investments strategy follows a two-pronged methodology – both direct investments in start-ups as well as co-investments in existing companies.

Lloyds TSB International Private Banking is supporting the Ernst & Young Middle East Entrepreneur of the Year Awards (running in the Middle East for the first time in Dubai between 21 and 23 February 2008), honouring "the growing number of highly successful entrepreneurs across the region."

New MoE resolution regulates private shareholding companies in the UAE

The UAE ministry of economy has finalised a new ministerial resolution to regulate, standardise and enhance the management of all private shareholding companies incorporated in the UAE. The 'Governance Regulations of Private Shareholding Companies' was drafted by a special committee appointed by the ministry in view of the UAE Government's recognition of the growing role of private shareholding companies in the economic growth of the country.

The new resolution details the specific roles and functions of the members of

the Board of Directors (BOD), including the chairman, of concerned companies. It also mandates the BOD to create permanent committees for follow-up/remuneration, which handles policies regarding remuneration, privileges, motivations and salaries; and auditing, whose main duties involve auditing the company's accounts and financial systems.

Also incorporated in the resolution are the rights of shareholders and rules of occupational conduct applicable across all levels of the company.

For more on this go to www.moneyworks.ae and search keyword 'MoE'

Daman Funds move on up in November

UAE-based fund manager Daman Investments PSC has announced details for three funds for November. The Daman Second Emirates Fund closed the month of November at a NAV of AED 120.41 per unit, up of 0.22 per cent over previous month; Daman Islamic Fund closed

the month of November at a NAV of AED109.91 per unit, up 1.29 per cent over previous month; and, Daman's first risk managed fund, the Arabian Programmed Trading Fund (APTF) designed and tailored for the GCC markets, gained 2.15 per cent for November.

Bonhams to hold first Egyptian revival sale

Bonhams is holding 'The Egyptian Revival Sale' on January 23, 2008 in London - an auction of works of art inspired by Ancient Egypt, which will coincide with the Tutankhamun Exhibition at the O2 Dome.

The event will include a short talk by Lord and Lady Carnarvon. Lord Carnarvon is the great grandson of the fifth Earl who funded Howard Carter's exploration, which led to the great discovery of Tutankhamun's tomb.

The sale will include sculpture and works of art inspired by ancient Egypt; empire, regency and Egyptian revival furniture; Egyptian revival art deco jewellery, figurines, clocks and ceramics; oil paintings, watercolours and prints relating to Egypt; photograph collections of travel in Egypt; and, books and folios about Egypt.



National Bank of Abu Dhabi (NBAD) honoured 1470 years of banking experiences by hosting a ceremony to award 68 members of its veteran staff last month. Forty-five of the honoured staff-members have been in the service of NBAD for 25 years while the other 23 have completed 15 years of service - a total working period in NBAD of 1470 years. The long service awards distribution ceremony was held at the NBAD headquarters.

Halal Exchange a new e-commerce platform aimed at facilitating global Halal trade, is to make the UAE the preferred hub of the US\$2.1 trillion-a-year global Halal market.

It's a joint venture between vLinx Inc. and RAK Investment Authority. Free of charge, Halal Exchange is accessible to registered clients anywhere in the world. www.halalexchange.com has more.

Arab Financial Services Company BSC (AFS) has tied up with Bank Sohar in Oman, to provide a number of services including EMV credit and pre-paid card processing, card personalisation, fraud monitoring and loyalty management.

According to AFS CEO, Shankar Sharma, the first phase of the project has been completed. The pre-paid Visa card program is now available to the bank's customers and the EMV compliant Visa credit card is also ready to be launched.

Luxury Homes won the Silver award for best UAE Real Estate Agency at the 2007 Homes Overseas Magazine Awards in London earlier this month.

Considered by some as the Oscars of the international real estate industry the HO awards are the only global property awards where every short-listed entry is visited by judges. The agency was the only company short-listed in the category and went on to be the sole Dubai based winners.

Cisco and Standard Chartered bank launch SMB solution in UAE

Cisco Capital and Standard Chartered Bank have announced a new financing program designed to increase the deployment of world-class information technology solutions by small to medium-sized businesses (SMBs) in the UAE.

Under the programme, SMB customers can get loans, underwritten by Standard Chartered, to buy Cisco technology solutions.

By making payments on a monthly basis, SMB customers get leading-edge technologies without having to pay for them upfront.

The financing program offers loans of up to AED730,000 (US\$200,000) for all Cisco hardware, software and services, with tenors ranging from 12 to 36 months - subject to credit approval.

The SME business is a key focus for Standard Chartered in 2007 and beyond. "This collaboration introduces the market to a new era where Standard Chartered Bank partners with a global corporation to bring a complete solution to an SMB. The UAE is our pilot



Left to right: Sandeep Bose, Standard Chartered Bank's regional head of SME banking for Middle East and South Asia, Yousef Khalili, regional director of commercial business for Cisco MEA, Samer AlKharrat, managing director for Cisco Gulf & Pakistan and Nigel Jones, CEO for Standard Chartered Bank, UAE

country to launch this initiative," said Sandeep Bose, Standard Chartered Bank's regional head of SME banking for Middle East and South Asia.

ABN Amro has launched a Visa Infinite

Debit Card, the first debit card of its kind in the region and a part of the bank's "Van Gogh Preferred Banking" services. The new card offers enhanced security and safety and a 24 hour dedicated concierge service team. Cardholders can withdraw up to AED50,000 from ABN Amro ATM's.

du has signed an international roaming

agreement with AeroMobile, the provider of mobile phone services to airlines, to bring in flight connectivity to its mobile users.

UK-based AeroMobile offers passengers in-flight access to their du mobile phones and PDAs. Designed to enable mobile phones to operate at minimum power level, the system has no impact on any of the aircraft systems or subsystems. AeroMobile will enable customers to use their handsets as usual when travelling abroad. Passengers will be able to make and receive calls and send and receive text messages. du's AeroMobile services will be launched by early 2008 in the initial launch phase with multiple airlines offering the service by the end of 2008.

Etisalat is offering BlackBerrys from

AED32 per month - with no financial institution involvement - with a choice of three different monthly packages.

EIS launches two new Shari'ah products

Emirates Investment Services Limited (EIS) has announced a Shari'ah compliant long-only equity fund, the Emirates Islamic Equity Trading Fund.

The fund is the first in-house global equity fund through Emirates Funds Limited, Emirates Bank's Shari'ah compliant fund company domiciled in Jersey. EIS has been appointed as delegate investment manager to the fund. In turn, EIS has strategically tied up with Old Mutual Asset Managers (UK) Limited and appointed them as the initial-sub advisor to the fund. This fund will invest in Shari'ah compliant equities across the globe by employing a short term trading strategy.

Head of asset management at EIS, Deon Vernooy, said: "This fund will offer investors a different approach to Shari'ah compliant global equity investments. The

concept has been very successful in the conventional space."

The seventh Shari'ah compliant product scheduled to be launched in the near future is the Emirates Islamic Global Real Estate Fund which will provide investors with Shari'ah compliant access to global physical property. The fund will offer daily liquidity and Shari'ah compliant exposure to direct property assets, while focusing on European and Asian direct commercial property.

EIS also reports that it wrote more than AED1 billion of investments in the first nine months of operations from the Dubai International Financial Centre.

EIS has been appointed delegate investment manager to the Emirates Islamic Global Real Estate Fund. The fund, which is registered in Jersey, will not currently be available for sale from EIS directly.

National Bonds adds another million a month

National Bonds, the UAE's Shari'ah compliant national savings scheme, has announced the increase of the total prize money in their monthly draw by a million dirhams.

From the next draw, on January 5, 2008,

a total of AED5 million is expected to be distributed in 26,318 prizes every month among bond holders. The grand prize will remain at one million dirhams given to one winner but the total number of prizes will go up by 61 per cent.

The Gulf region's first personal finance and investment magazine is now online at www.moneyworks.ae

ABN Amro launches new “experience” Platinum card in the UAE

ABN Amro has launched its “experience” platinum credit card in the UAE, in association with MasterCard. The new card features “experience” benefits and global discounts.

Speaking at the launch Colin Macdonald, ABN Amro’s country executive in the UAE, said: “We developed the platinum card on the back of extensive research for this audience. We realise one card doesn’t fit all as customers are looking for bespoke features to meet their needs. We asked ourselves, what do you do when you have achieved many of the professional and personal goals you’ve set your sights on?

The answer that invariably came up was to provide incredible experiences and benefits that will give cardmembers memories that will last a lifetime.”

According to Burhan Khan, ABN Amro’s head of consumer segment in the UAE, the card offers “unforgettable experiences like flying lessons, race car driving, deep sea fishing to hot air balloon rides and cruising the Arabian sea in a catamaran...as well as a range of global travel, sport and wellness benefits and discounts.”

Each cardmember’s experiences start as soon as they receive their card with free benefits at two of the UAE’s golf courses



Burhan Khan, MasterCard’s Deniz Lawson and Colin Macdonald

and a five star fine dining invitation after their first purchase.

For more details on this, and other platinum card products, go to page 27.

For the latest personal finance and investment stories from the Gulf region and beyond online go to www.moneyworks.ae

Emirates Islamic Bank has added new features to its alternate banking channels. Customers can recharge their du and Salik accounts online or through its ATMs in the UAE.

Visa is celebrating 12 years of partnership with the Dubai, Shopping Festival (DSF) by offering its clients in Saudi Arabia a chance to win an all-expenses-paid family trip to the annual “shopping and entertainment extravaganza.”

Under the raffle scheme, Visa cardholders will automatically qualify for the draw once they use their Visa cards. Three entries will be picked during the grand draw, each winning a family holiday package for four to the DSF.

S&P extends fund management ratings

Standard & Poor’s Fund Services is extending its fund management ratings service to fund management companies based in the Gulf region.

As part of the launch, S&P Fund Services has rated 10 Gulf-based funds run by the

following management groups – EFG-Hermes, Gulf Investment Corporation, Mashreqbank, Bank Muscat and Securities & Investment Company BSC.

The full fund reports are available from S&P’s funds website.

Citibank launches CitiGold Global Access

Citibank has launched Citigold Global Access, a complimentary suite of services and privileges that CitiGold customers get when they visit Citigold centres around the world.

Citigold Global Access accords Citigold customers privileged banking services at over 500 CitiGold centres in 34 countries. It’s for individuals with a minimum portfolio value of US\$100,000.

Emirates NBD to launch new dedicated consumer finance unit

Emirates NBD is considering a foray into the consumer finance market and has chalked out a strategic plan to cater to the expanding consumer finance market

The company believes it has identified that demand for innovative loan products for the long, medium and short-term, amongst the fast growing resident population of the Middle East, will be the next big opportunity for its growth.

Jamal Bin Ghalaita, head of consumer banking and wealth management at Emirates Bank said “There are many customers in the Middle East region who find it difficult to avail loans through the regular banking channels. We feel there is tremendous opportunity to tap into this particular segment of the market and offer them the services they need at competitive rates.



Emirates Bank has opened another new branch in Shindagha, one of the oldest areas of Dubai. The new branch has two entrances to allow access from the Carrefour and Shindagha market sides, and has a 24-hour meBANK area with ATMs and Instant Automated Cash and cheque deposit machines.

HSBC Amanah has introduced its new 100 per cent transparent Islamic credit card, Al Wafaa. The card features possible rebates on the monthly management fee and reward points that can be redeemed and donated to charity.

Dubai Islamic Bank rebrands Johara ladies banking service

Dubai Islamic Bank (DIB) has unveiled its new brand identity for 'Johara', its ladies-only banking services.

Four new Johara branches will be opened next year as part of an expansion plan aimed at catering to increasing demand. The bank is also launching two new products for its female customers - an Islamic credit card and an auto finance offering.

DIB's first dedicated Johara branch was established in Jumeirah, Dubai, in 2003, followed by Abu Dhabi in 2004, Sharjah in 2005 and Al Ain in 2006. According to DIB approximately 65 per cent of Johara's customer base is composed of UAE national women, while 30 per cent are nationals of other Arab countries, and the remaining five per cent are of other nationalities.



L-R: Nasser Al Awadi, senior vice president, head of branches, DIB; Wasim Saifi, executive vice president, DIB; Rana Hindawi, product development manager, Johara, DIB; Mohammed Amiri, senior vice president, retail and business banking; Ali Rahim, product development, retail, DIB

New Abbey International account offers guaranteed seven per cent

Abbey International has launched a new limited edition capital protected account - The Abbey International Capital Guaranteed Dual Option Account - Issue 1 - which offers a guaranteed seven per cent (6.96 per cent AER) return after 12 months.

The rest of the growth is dependent upon the performance of the FTSE100 index over the three and half year period the

account runs. One third of the initial capital is placed on deposit to earn seven per cent (6.96 per cent AER), whilst the balance is linked to the performance of the FTSE 100 Index, on which investors will receive 25 per cent growth, providing the FTSE 100 Index has not fallen from its level when the product commences on March 14, 2008. Returns are paid gross.

American Express Middle East and

Jumeirah Group, have partnered for new global rewards for customers in their respective loyalty programmes. American Express Cardmembers from over 60 countries including the Middle East and North African region, who are enrolled in participating membership rewards programmes, will now be able to transfer their rewards points to Jumeirah's Sirius recognition and rewards programme.

Advert

SHUAA Capital International Limited

has begun custodial services for shares and other securities traded on the Dubai International Financial Exchange (DIFX), facilitating access to the exchange for institutional investors.

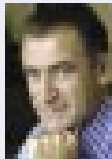
Settlement, safekeeping, and corporate actions are among the services offered by SHUAA Capital as well as handling omnibus accounts. SHUAA Capital International Limited, a wholly owned subsidiary of SHUAA Capital psc, became a trading member in February 2006.

Dow Jones Indexes has launched the

Dow Jones 2008 Summer Games Index. The new index measures the performance of the companies that are official partners, sponsors and suppliers of the Beijing 2008 Olympic Games.

Appointments - December 2007

Financial Partners (a subsidiary of Financial Partners Bank), operating in Dubai under the name FP Mondial (Dubai) LLC, has appointed **Brian Cosgrave** as regional director.



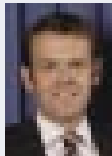
Brian Cosgrave

Abraaj Capital has appointed **Sari Maher Anabtawi** as an executive director, primarily responsible for coverage and fundraising.



Sari Maher Anabtawi

Lloyds TSB Middle East has appointed **Chris Balfour** as consumer banking director for its Dubai based operations.



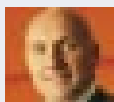
Chris Balfour

HSBC's Investment Banking Advisory team in the Middle East has hired **Sirine Tajer** as an associate director with a specific focus on the Oil and Gas sector.

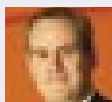


Sirine Tajer

al khiliji has recruited **Niall Coburn** as senior executive, corporate governance and **Guy Noble** as senior executive, service delivery.



Niall Coburn



Guy Noble

Regional Takaful company gets green light

Unicorn Investment Bank B.S.C. (c) (Unicorn) has received a Takaful licence from the Central Bank of Bahrain (CBB) to T'azur Company B.S.C. (c) (t'azur), a new regional Takaful company with authorised capital of US\$500 million offering family (life), medical and general Takaful business lines.

t'azur's expansion strategy will combine a sound level of



Omar Fisher, MD, Takaful, Unicorn

organic growth with a phased program of acquisitions. The company has Takaful licence applications in the pipeline for several key markets and will continue to raise capital in line with its phased growth plan and projections.

t'azur's appointed CEO is Bernhard U. Schluep, who joined from Zurich Financial Services Group in New York and Switzerland.

National Bonds and Amlak join forces

National Bonds and Amlak have joined up to launch a new service that allows national bonds to be used as collateral on properties.

The service will also allow bondholders to retain their annual returns and access to National Bonds monthly prize draws during the whole finance period.

Bondholders will be able to pledge their bonds to secure 100 per cent property financing from Amlak at, "one of the lowest profit rates in the market." Bonds can be used instead of a down payment and will either be redeemed as last mortgage payment or released to the bondholder upon full payment of the financed amount.

Daily hedge fund trading with MI Trade

Man Investments has launched an on-line platform to buy and sell hedge fund investments. MI Trade allows daily trading as opposed to monthly or quarterly limits. It puts hedge fund investing with selected Man Investments' products on a similar

time scale to trading in stocks and bonds.

Investment products available through MI Trade cover a range of fund managers in the Man stable, including commodities, emerging markets, managed futures, health care, real estate and environment-based funds.

For more on this story, go to www.moneyworks.ae and search keyword 'Man'

Nexus, AMAN and FWU for new alliance

Nexus is set to provide Takaful financial products, after signing a key agreement with the Munich-based FWU Group and the Dubai Islamic Insurance and Reinsurance Company (AMAN). Based on the agreement, Nexus will be the distributor of AMAN's Unit Linked Takaful and saving plans, both for regular and lump sum contributions.

Globally, Takaful – Islamic insurance based

on the concept of collective insurance – is estimated to be a US\$2.3 billion market, with the Middle East region accounting for 46 per cent of total sales, according to the Bahrain Insurance Association.

Growth within the region – as well as developments in emerging markets like Europe and America – could push the total market size to US\$14 billion by 2015.

National Bonds Corporation has launched an instant redemption service through Emirates Islamic Bank giving bondholders the option of instantly redeeming the value of their bonds at any of EIB branches in the UAE. The new service offers the redemption of bonds up to the value of AED10,000 per account, per day.

The importance of exclusivity

As the number of highly affluent individuals in the UAE increases, financial institutions are placing more focus on platinum and exclusive credit cards that cater to this segment's needs. **Kara Sensoli** explores the pros and cons, as well as the direction in which these products are headed.

It will always be interesting to note whether consumers prefer to make their purchases with cash or a credit card. However, as credit card usage in the UAE continues to gain momentum, it may become far more interesting to look not at whether consumers are using cash or plastic, but rather at what kind of plastic they're using.

The UAE recently saw the launch of three new credit cards – the SCB Platinum MasterCard from Standard Chartered, the Royale MasterCard from Dubai First and the Platinum MasterCard from ABN Amro – all aimed at providing the ultimate lifestyle experience for highly affluent customers.

Emirates Bank has also introduced a unique luxury credit card in the past six months, while other banks have continued to offer more exclusive cards or add additional features to their existing platinum products. But why, one might ask, have banks suddenly turned their attention to the more elite customer division?

"The UAE market is growing at a rapid pace and there has been phenomenal growth in the highly affluent segment," says Owen Belman, head of consumer banking at Standard Chartered. "The high end of the market is vibrant with increased consumption, be it in relation to shopping, travel or lifestyle-related usage. This new and energetic lifestyle has made the customer demand a credit card that complements his needs."

Belman attributes recent developments to the ever-changing UAE workforce, which has welcomed growing numbers of professionals from all over the world each year. This factor, combined with growing investment opportunities and the attraction of the UAE as an international business hub, has created an increasing premium customer segment demanding more specialised products and services.

Ibrahim Al Ansari, country corporate officer of Dubai First, further points to

the fact that the recent transformation witnessed by the MENA region has made a big impact on financial institutions' perspective of the consumer finance market. This transformation, he maintains, has been driven by the notable surge in wealth creation and disposable income that has taken place over the last couple of years.

"We are now witnessing the largest amount of dollar millionaires in the region. In the UAE, the last count totaled about 68,000 individuals whose personal net worth exceeded US\$1 million. When you have this large number of high net worth individuals, you know that there is a market to be served," Al Ansari says.

Banks that have had their higher-end products in existence for some time have also seen increasing interest in their platinum or exclusive products. Mashreqbank, for example, has witnessed 30 per cent growth of its platinum cards in just the past year. The bank's platinum card product, which was launched during the first quarter of 2005, has now reached a base of 15,000 cards.

"Consumers are becoming more demanding and are looking for privileges that are appreciated and more relevant to them," says Kashif Suhoil, cards marketing manager at Mashreqbank. "With time and changes in attitude, we expect consumers to seek more

products with lifestyle defining and valued privileges."

What is a platinum lifestyle?

Most financial institutions offering platinum or exclusive cards would agree that their highly affluent customers seek three key factors in a credit card: recognition, service and value added benefits, all combined to enhance the cardholder's lifestyle and experiences. Consequently, those cards that offer the most innovative features may succeed in acquiring more of the targeted segment.

According to Al Ansari, the Royale MasterCard from Dubai First will constantly update its features and benefits in order to stay ahead of the market. At present, the card offers a lifestyle management service that provides solutions related to dining, business services, aviation charters, quick handy man services and any kind of last-minute requests a cardholder might demand.

The Royale card also includes such extras as preferential access to the Burj Al Arab, special yacht charter deals, luxury hotel and restaurant discounts and a personal relationship manager who will impart 'inside information' to cardholders and arrange invitations for them to attend exclusive events around the world.

ABN Amro is another financial institution declaring that its platinum card will provide cardholders with 'incredible experiences and benefits'. Says Burhan Khan, head of ABN Amro's consumer segment: "ABN Amro's Platinum MasterCard offers truly unforgettable experiences that cardholders have only dreamed of. From the adrenalin rush of flying lessons to race car driving, deep sea fishing to hot air balloon rides and cruising the Arabian sea in a catamaran, these are but a few of the experiences available."

While many affluent individuals may desire the ability to participate in unusual



PLATINUM CARDS COMPARISON						
Bank	Card Offered	Annual Fee (AED)	Credit Limit	Interest or Profit Rate	Qualification Requirements	Features and Benefits
ABN Amro	Platinum MasterCard	650	Info not available	2.59%	Minimum monthly salary of AED20,000	Exclusive use of a luxury yacht for a day, flying lessons in a light aircraft, driving a race car, an overnight stay at a prestigious hotel, a helicopter ride, hot air balloon flight, six months Hayya Club membership, deep sea fishing trip, discounts and offers for travel, spa and golfing around the world, 5-star dining experience as welcoming gift
Abu Dhabi Commercial Bank	Platinum Visa or MasterCard	800	50,000-100,000	2.39%	Minimum monthly salary of AED15,000	Global emergency service, concierge service, deals on luxury goods at select retail outlets, hotel and restaurant offers
Barclays Bank	Barclaycard Platinum Prestige	550	Up to six times monthly salary	2.19%	Minimum monthly salary of AED15,000	Free valet parking at all VALTRANS locations, free access to Barclays Butler Service, buy one get one free offers at spas, salons and restaurants, free travel insurance and 24/7 roadside assistance, free flight if you spend AED75,000 within 12 months
Citibank	Emirates-Citibank Ultima	3,000	200,000-250,000	2.59%	Minimum monthly salary of AED36,000	25,000 complimentary Skywards miles, free three-night stay at Marriott's Village d'Ile-de-France Resort in Paris, two Skywards miles for every US\$1 spent, international concierge service, discounts at select restaurants and retail outlets, free travel accident insurance up to US\$500,000, baggage delay insurance, flight delay cover, missed flight cover, baggage loss cover, personal accident cover, access to more than 400 airport VIP lounges worldwide
Dubai Bank	Platinum Visa	Free for life	Up to three times salary	1.5%	Minimum monthly salary of AED18,000	Free travel inconvenience and personal accident cover, 5% cash back on all travel bookings made through Dubai Bank Travel Assist, complimentary airport drop off and pick up, complimentary airport lounge access, 10-50% discounts at various restaurants and hotels, shopping malls, health care and entertainment clubs
Dubai First	Royale MasterCard	7,000	No limit	0.99%	By invitation only	Special yacht charter deals, preferential access to Burj Al Arab, lifestyle management service, personal relationship manager to book jets, arrange invitations to exclusive events around the world, offer inside information on select events, take care of last minute requests, etc.
Dubai Islamic Bank	Platinum Visa	6,000	75,000	N/A	Minimum salary of AED40,000	Free vehicle registration for two cars, unlimited roadside assistance, free off-road pull out and inter-emirate towing, free international driving license, free rent-a-car upon accident, up to 6% discount on travel bookings, free Marhaba and Golden Class Lounge access, free airport chauffeur service
Emirates Bank	Infinite Credit Card	1,500	60,000	1.75%	By invitation only	Free access to first class lounges in the Dubai and Abu Dhabi international airports, free roadside assistance, rewards program, discounts and offers on retail, dining and travel
Emirates Islamic Bank	Visa Infinite	8,400	100,000	N/A	Minimum monthly salary of AED25,000	Travel and emergency concierge services, up to 10% discount on certain airlines and destinations, access to over 500 airport VIP airport lounges in 90 countries, free 24/7 roadside assistance
First Gulf Bank	Platinum Visa or MasterCard	550	Up to four times monthly salary	2.25%	Minimum monthly salary of AED12,000	AED550 worth of gift vouchers or AED350 worth of 'talk for free' time as welcome gift, free UAE Gate Card, free money transfers worldwide, free meet and greet service and airport lounge access at Dubai and Abu Dhabi airports, discounts at golf resorts worldwide, free valet parking at all VALTRANS locations, discounts on holidays and cruises with Sharaf Travel
HSBC	Platinum Visa	600	Up to two times monthly salary	2%	Minimum monthly salary of AED15,000	One air mile for every AED1 spent, free 24/7 roadside vehicle assistance, worldwide discounts/special offers, dial-a-gift service, exclusive travel deals when tickets are purchased with Al Rostamani Travel and Holidays
Mashreqbank	Platinum Credit Card	550	100,000	2.39%	Minimum monthly salary of AED12,000	Complimentary membership at exclusive health clubs, complimentary valet parking at all VALTRANS locations, Platinum Privileges booklet with 50 buy one get one free offers, complimentary Montblanc discount vouchers worth AED2,400 and a Montblanc pen worth AED1,180 as a welcome gift, complimentary rounds of golf at the Tower Links Golf Club in Ras Al Khaimah, up to 6% discount on airline tickets purchased through Orient Travel.
National Bank of Abu Dhabi	Platinum Visa	1,000	50,000	2%	Minimum monthly salary of AED20,000	Complimentary use of Marhaba and Golden Class facilities at Abu Dhabi Airport, free travel accident insurance up to US\$500,000, free travel inconvenience insurance, 2 for 1 dining offers, complimentary luxury dinner cruise voucher with Danat Cruise, duty free shopping vouchers up to 5% of airline ticket value, emergency global services, unlimited roadside assistance, free car registration, special worldwide discounts and offers at hotels, spas, retail outlets, etc.
National Bank of Dubai	Platinum MasterCard	700	100,000	2.15%	Minimum monthly salary of AED25,000	Concierge services including restaurant referrals and reservations, luxury car rental arrangements, lost luggage assistance and medical referral, 24/7 roadside assistance, free travel inconvenience insurance
Standard Chartered	Platinum MasterCard	750	35,000	2.29%	Minimum monthly salary of AED15,000	Welcome gift voucher from either Dunhill or NikeGolf, preferential rates at international hotel chains, worldwide golf discounts, access to spas and wellness centers worldwide, exclusive access at over 500 airport lounges worldwide, redemption facility for AsiaMiles, travel insurance offering emergency medical coverage and legal liability cover up to US\$1 million
Union National Bank	Platinum Visa	1,000	Up to two times monthly salary	2%	Minimum monthly salary of AED18,000	Free 24/7 roadside assistance, free Rotana Rewards exclusive membership, free Marhaba and Golden Class services at Dubai and Abu Dhabi airports, special deals with Al Masaood Travel

activities or exclusive events at a moment's notice, it has been observed that platinum cardholders are generally busy individuals who are always on the go. As such, the majority of platinum or exclusive cards on the market are more heavily focused on those features that will benefit the frequent traveller.

"According to market research, the profile of affluent customers shows that international travel, whether for business or pleasure, is an integral part of their lifestyle," says Belman. "When travelling, they want privileges that are reflective of their stature wherever they are. They want to feel like they are special and receive preferential rates and services that are above the standard offering."

Most platinum or exclusive cards in the UAE include access to VIP airport lounges across the globe, special rates at worldwide hotels, discounts on airline tickets, airport pick up and drop off services, travel insurance packages and airline miles or reward programmes. Standard Chartered and Citibank offer accelerated rewards for their platinum or exclusive card products; moreover, Citibank awards new cardholders 25,000 complimentary Skywards miles after they sign up for an Emirates-Citibank Ultima card.

Other standards generally offered by platinum or exclusive cards are global concierge services, 24-hour roadside assistance and numerous discounts or vouchers at select restaurants, retail outlets, spas and golf clubs. Taking access to health clubs a step further, Mashreqbank has just added a new



feature to its platinum card providing cardholders with a complimentary health club membership at Le Meridien Dubai.

In addition, some cards provide free gifts to welcome new customers when they sign up. Standard Chartered offers a gift voucher from Dunhill or Nike Golf worth AED750, while First Gulf Bank gives new platinum cardholders AED550 worth of gift vouchers that can be used at retail outlets or to settle their utility bill payments at du or Etisalat. It seems that as platinum and exclusive cards in the UAE become more competitive, we will continue to see additional perks added to cards to attract new customers.

Which card to choose?

While all platinum or exclusive cards in the UAE appear to offer similar benefits and services, their annual membership fees vary greatly. For instance, Dubai Bank's Platinum Visa card is absolutely free, while Emirates Islamic Bank's Visa Infinite card carries a yearly fee of AED8,400.

It is not clear why some cards carry much higher annual fees than others that seem almost identical. Although an annual fee is not likely to worry an affluent

customer, it will still be important for potential cardholders to research their desired card ahead of time and determine whether the fee they are paying to own the card is worth the benefits they will get out of the card, especially if the fee seems unjustified.

It is also interesting to note the discrepancies, or lack thereof, between some banks' gold and platinum card products. While financial institutions are increasingly introducing unique cards to the market, some banks offer platinum cards that seem exclusive but are really not much different from the bank's standard or gold products, aside from slightly better interest rates and a few travel insurance perks.

Take, for example, the Platinum Prestige card from Barclays Bank. While this card does offer a wide variety of useful features and benefits, its less exclusive sister, the Gold Priority card, appears to offer nearly all of the same value added features. Moreover, it carries an annual membership fee that is AED250 less than the Platinum Prestige card.

Nevertheless, recent additions to the market make it clear that with increased competition, elite cards will try to distinguish themselves from what has been seen before.

"In terms of trends, I see future platinum or exclusive cards working to differentiate themselves. I personally see that they will aim to work on innovation and improving customer service," says Al Ansari.

Belman agrees that the platinum package is one that will evolve as the needs of the affluent become increasingly demanding, adding that platinum customers not only demand quality service and benefits, but also desire a platinum card that comes from a well-known brand.

As a certain segment of the market does prefer status symbols, the particular bank or financial institution offering the card may be a deciding factor in which elite card an individual chooses. Overall, though, a winning platinum card will likely be one that offers a customer convenience, time-saving benefits and privileges that actually add to his or her lifestyle.



Owen Belman, head of consumer banking, StanChart



Ibrahim Al Ansari, CCO of Dubai First



GCC defies global weakness

The stock markets in the GCC have performed strongly in 2007, supported by robust corporate earnings. The region seems unscathed by the sub-prime crisis and the slowing down of the world's two largest economies. **Utpal Bhattacharya** looks at what is to come.

The GCC economies are merrily chugging along and seem hardly bothered by the sub-prime crisis or the slowing down of the US economy. According to rating agencies and other experts, the effect of this crisis is negligible in this region, with a very large

majority of banks and financial institutions not having had any significant exposure to that market. However, the resulting credit crunch did have its impact on a number of debt issuers in the region as they postponed their international currency denominated offerings. The credit squeeze

could also partially slow down the hectic pace of growth of the M&A industry in the region.

Nevertheless these conditions, purely derived from international developments, may not be enough to dampen the enthusiasm of young and aspiring



entrepreneurs and businessmen who are in the region to make hay while the sun shines. And their biggest bet is the oil price, the rise of which to touch US\$100 a barrel last year was itself a sensational event. The price has pulled back since, and there are talks of it declining to US\$70 a barrel sometime in the future if the back of the US economy is broken due to systemic problems triggered by housing woes. In fact, there are so many ifs and buts on all the sides of these debates and speculations in the financial markets that in the near term, it all gets mired up in different scopes for different scenarios.

However, assuming the oil price falls back to US\$70, it still remains high enough for the region to continue to invest and build according to its plans and allocations.

Despite doomsayers' premonitions, one thing is for certain; the growth of investments in the Middle East, and particularly in the GCC, is for real. Even if international markets slow down dramatically in the next few months, the inertia of growth in this region will self-sustain its momentum for much longer than some might think. It is another thing that some experts raise questions on the quality of the money coming to invest

in property, one of the largest non-oil drivers of economic growth in the region in recent times. They feel that most of the real estate market, especially in Dubai, is driven by retail investors from outside the region either with the motive of flipping their investments or looking for a safer place to park their money than back home. What are not available are investments from the end-user domestic market or from international institutions that are essential for building a strong base and a hard floor if a downturn were to happen, they argue. But then, unless the story goes completely awry as regulations fall in place and benchmark indices are created as is the indication today, international investors, as in institutions, should come in good time to play the role that they do in property investments elsewhere in the developed world.

Corporate performance 07

The optimism also follows from some strong inflow of international portfolio investments into the region last year, as markets have grown in confidence over the second half of the year in most sectors, including real estate having achieved good results. On a comparative basis, sectors like industrial and banking, especially Islamic banking, have accomplished a few feats. Also, like the previous rally in 2005, the growth in 2007 has been more on the back of some strong corporate performance in terms of growth in profitability and strong economic growth. Of course, year-on-year the growth rates of markets in the GCC were far higher in 2005 over 2004 compared to 2007 over 2006, but these are two different scenarios: in 2005 the markets were peaking, while in 2007 the markets were recovering from the downturn of 2006.

Lee Yong Wei, senior fund manager with EIS Asset Management, notes that up to the first quarter of 2007, most markets were still digesting the bursting of the equity bubble in 2006. From the second half of the year, however, the appetite for risk returned, supported by good corporate earnings and interest from international institutional investors. One of the other catalysts included a lowering in interest rates, Yong Wei adds.

Markets growth					
Country	Measured by	Growth - 2004	Growth - 2005	Growth - 2006	YTD Nov-2007
Bahrain	Global Bahraini Stocks Index	32.1%	22.7%	-1.9%	19.4%
Kuwait	Global General Index	11.9%	67.6%	-9.2%	25.2%
Oman	MSM Index	23.8%	44.5%	14.5%	51.3%
Qatar	Global DSM Index	47.6%	83.5%	-37.5%	37.0%
Saudi Arabia	Tadawul Index	84.9%	103.7%	-52.5%	19.3%
UAE	NBAD Index	88.4%	102.9%	-40.3%	21.7%

Source: Global Investment House Research

Faisal Hasan, head of research at Global Investment House, says: "In our view, the fundamentals of GCC economies and particularly those of the corporates remain strong. At the current price, valuations are not expensive and we expect markets to continue their upward momentum."

There are a number of regional stocks that are quite inexpensive compared to global peers. For instance, Emaar is currently trading at a 2008E P/E of 10.3 times, according to Merrill Lynch, which also predicted the share price of the real estate major to touch AED18 by November this year. Similarly, an HSBC equity report on Abu Dhabi's property stocks is overweight on Aldar Properties and Sorouh Real Estate. HSBC has lifted the target prices of Aldar Properties and Sorouh Real Estate to AED20.3 and AED13.2 respectively from AED14.2 and AED5.9 respectively.

The year 2007 has already seen some strong performance from real estate, construction, building materials and the banking sector. In the UAE, Arabtec has risen around 100 per cent, while Union Properties was up 80 per cent, Sorouh rose 220 per cent and Aldar increased 168 per cent. DFM was another stellar performer, rising some 560 per cent since listing, while Deyaar was up 180 per

cent since its recent listing at the end of November 2007.

The Omani, Qatari and Kuwaiti markets grew over 51 per cent, 37 per cent and 25 per cent respectively during the year to November over the previous year. Markets in the three other GCC countries were also up around 20 per cent each in the same period. It needs to be noted here that unlike all other GCC markets that suffered losses in 2006, Oman was up 14.5 per cent in the same period.

Global Investment House Research estimates the average earnings for UAE companies in 2007 over 2006 to grow at a healthy trot of 24 per cent supporting the rally in most of the stocks that have done well in 2007. The average estimated earnings growth in the other GCC markets also remains quite robust at around 20 per cent for 2007. Estimated earnings for the year for Qatar and Kuwait are higher at 32 and 60 per cent respectively. Kuwait's figures do look exceptional compared to the other markets, but this growth is coming on the back of a 20 per cent decline in 2006 over 2005.

A peek into 2008

Some experts feel that 2008 could be an important year for regional stock markets, with more quality international portfolio

interest finding its way into Arab stocks. With high valuations of the emerging markets and a shaky international market facing the spectre of a US recession, the GCC stock markets could well end up attracting larger investments this year, as these seem less or even negatively correlated with the rest of the world.

To back the GCC's claim of a piece of the emerging markets (or new frontier) allocations from international investors, the region does today provide a strong investment case. With its macro economic fundamentals continuing to remain robust, rising surplus and strong real GDP growth of over five per cent in the last couple of years, the region is witnessing a fast-paced transformation of its capital markets that are also listing a variety of securities. The region is not only opening up to international investments, but also is creating various new asset classes or tradable sub-asset classes that were unheard of in the last century, like the sukuk. Additionally, corporate earnings are looking strong. Despite the slowdown in the US and Japanese markets, it now looks like these will have only limited impact in the region.

Experts say that in the immediate near term, the year 2008 looks quite positive for the region, with buy-side research providers like EIS Asset Management projecting 15 per cent earnings growth for the UAE corporates for the year, while in Saudi Arabia, Mohammed Al-Omran, president of Riyadh-based GCFC is forecasting a 30 per cent growth for the Kingdom's listed companies in the first quarter of the year. It is expected that the rest of the region will fare similarly well during the year.

Hasan says: "We expect earnings to improve in 2008. The financial sector

Corporate earnings growth				
	2004	2005	2006	2007E
Bahrain	96.7%	40.0%	28.0%	23.0%
Kuwait	18.8%	72.5%	-20.8%	60.0%
Oman	25.3%	18.0%	17.4%	27.0%
Qatar	60.2%	40.0%	26.3%	32.0%
Saudi Arabia	48.9%	43.9%	18.1%	18.0%
UAE	35.5%	155.0%	14.3%	24.0%

Source: Global Investment House Research

is awash with funds and corporates are taking advantage of the easy availability of capital to fund expansion, both regionally and internationally. We expect to see more overseas expansions by corporates this year. Factors like more stable geopolitical situation, intra-regional investments and common investment projects will also benefit them.”

Experts also add that the oil price will be the single most important factor that will influence the performance of the regional economies in 2008 and thus the listed companies, which are mostly driven by domestic factors.

Yong Wei explains: “Most listed companies in the Middle East have businesses that are driven by domestic factors. The key theme for the Middle East markets comes from rising domestic investment as a result of the strong wealth generated from high oil prices.”

In fact, the Gulf countries have also added their weight to the rising global demand for oil, which has driven the price to what it is today. A Lehman Brothers research report on fixed income notes that record-setting revenues, near frenzied local investment and subsidised energy prices are sustaining rampant energy demand in the Middle East OPEC countries. The Gulf countries rival China as a core foundation of global oil demand growth through 2008 and beyond, it says.

The report reads: “OPEC oil consumption should grow 340k b/d (4.4 per cent) in 2008, putting the producer group behind only China in terms of incremental demand growth. The GCC nations are due to comprise 195k b/d of this growth (105k b/d from Saudi Arabia), which stems from increased power generation requirements and petrochemical manufacturing.”

Of course, this growth is from a small base and will not compensate the US demand for oil if it declines. Yong Wei points out that a weaker US economy will affect the global economy, causing demand for oil to drop. However, it is unlikely that oil prices will drop drastically, as the supply and demand balance remains fairly tight. Moreover, he says, the demand has been driven by urbanisation in China and India, something that could slow down but not disappear overnight. Additionally, OPEC

Continues on page 35

Earnings of select companies - Q3 2007					
Company		Actual 9M-2007	Full Year Actual 2006	Full-year forecast 2007	Growth 07 over 06
SAUDI ARABIA					
Al Rajhi Bank	SAR mn	4,874.0	7,301.9	6,619.0	-9%
Saudi Telecom	SAR bn	9.0	12.8	13.0	2%
Samba Financial Group	SAR mn	3,868.0	5,200.0	5,347.7	3%
Saudi British Bank	SAR mn	1,902.0	3,040.0	2,708.1	-11%
Saudi Fransi Bank	SAR mn	2,071.0	3,007.0	2,899.2	-4%
Riyad Bank	SAR mn	2,218.0	2,908.6	3,010.6	4%
Yammah Cement	SAR mn	604.5	498.8	771.2	55%
Saudi Hollandi Bank	SAR mn	544.8	952.8	789.0	-17%
Saudi Investment Bank	SAR mn	867.8	2,006.0	1,121.0	-44%
Arabian Cement	SAR mn	306.1	333.6	380.0	14%
Eastern Province Cement Company	SAR mn	430.0	309.0	577.0	87%
Saudi Cement	SAR mn	517.9	637.8	716.6	12%
Yanbu Cement	SAR mn	550.7	453.0	729.3	61%
Qassim Cement	SAR mn	392.2	316.0	492.7	56%
Arab National Bank	SAR mn	1,976.0	2,505.0	2,665.6	6%
KUWAIT					
National Bank of Kuwait	KWD mn	220.5	253.2	292.5	16%
Kuwait Finance House	KWD mn	176.9	162.0	247.6	53%
Agility	KWD mn	119.2	166.5	169.1	2%
Gulf Bank	KWD mn	105.1	105.9	128.0	21%
National Mobile Telecommunications	KWD mn	59.4	73.2	73.0	-0%
Investment Dar Co	KWD mn	122.01	92.01	156.00	70%
Commercial Real Estate Co	KWD mn	27.4	35.6	37.5	5%
The Sultan Center	KWD mn	18.23	22.72	24.39	7%
Aerated Concrete Industries Co.	KWD mn	6.89	13.35	9.25	-31%
Commercial Facilities Company	KWD mn	29.02	29.07	37.50	29%
Salhia Real Estate Co.	KWD mn	13.8	49.0	43.0	-12%
United Real Estate	KWD mn	6.7	13.5	9.7	-28%
Injazzat Real Estate	KWD mn	13.7	10.2	17.0	67%
Al Ahli Bank of Kuwait	KWD mn	70.0	60.0	90.0	50%
Commercial Bank of Kuwait	KWD mn	92.2	100.0	123.8	24%
Burgan Bank	KWD mn	60.6	55.7	80.6	45%
BKME	KWD mn	38.9	45.1	50.4	12%
DUBAI					
Mashreqbank	AED mn	1,351.7	1,570.6	1,913.4	22%
Arabtec	AED mn	343.3	216.9	445.9	106%
QATAR					
Qatar National Bank	QAR mn	1,853.4	2,004.6	2,244.3	12%
Qatar Telecom	QAR mn	1,471.6	1,700.4	1,967.5	16%
Qatar Commercial Bank	QAR mn	1,009.3	891.4	1,356.6	52%
Doha Bank	QAR mn	677.5	744.0	852.3	15%
ABU DHABI					
National Bank of Abu Dhabi	AED mn	1,761.0	2,105.9	2,314.6	10%
Abu Dhabi Commercial Bank	AED mn	1,512.3	2,081.6	1,921.6	-8%
First Gulf Bank	AED mn	1,386.8	1,535.9	1,779.0	16%
Union National Bank	AED mn	833.3	1,007.8	1,064.2	6%
Abu Dhabi Islamic Bank	AED mn	483.1	571.0	686.0	20%
OMAN					
Bank Muscat	OMR mn	62.6	60.4	85.0	41%
National Bank of Oman	OMR mn	28.9	30.4	40.0	32%
Oman International Bank	OMR mn	19.0	26.2	27.0	3%
Bank Dhofar	OMR mn	14.7	20.1	21.2	5%
Alliance Housing Bank	OMR mn	2.8	3.9	4.0	2%
Raysut Cement Co	OMR mn	19.7	20.7	25.5	23%
Oman Cement Co	OMR mn	13.7	20.6	19.2	-7%
BAHRAIN					
Ahli United Bank	US\$ mn	226.0	207.5	280.2	35%
Bank of Bahrain & Kuwait	BHD mn	25.7	32.8	36.8	12%
Bahrain Islamic Bank	BHD mn	17.6	5.2	23.2	343%
Bahrain Commercial Facilities	BHD'000	6.9	6.1	8.6	42%
General Trading and Food Pro. Co	BHD'000	1.5	1.2	2.1	68%
Bahrain Hotels Company	BHD'000	4.2	5.2	5.9	13%

Source: Global Investment House Research

KSA: Brightening up in 2008

With earnings growth showing strong momentum in the last two quarters, experts now project 30 per cent earnings growth of listed Saudi companies in the first quarter of 2008. A **MONEYworks** report from Riyadh.

Joint stock companies in Saudi Arabia are expected to perform better this year after bottoming out of their sluggish rate of growth last year compared to 2006, according to a study conducted by Riyadh-based Gulf Center for Financial Consultancy (GCFC).

In an exclusive interview with **MONEYworks**, Mohammed F. Al-Omran, president of GCFC, pointed out that even though the corporate earnings of the listed joint stock companies are expected to reach SAR85 billion by the end of 2007 as against SAR78.3 billion for 2006, the rate of growth works out to nine per cent, well below the almost 18 per cent growth rate recorded the year before.

Al-Omran attributes the relatively sluggish growth rate to the stock market reforms instituted by the Capital Market Authority, as a result of which the Saudi commercial banks' commissions on stock earnings were slashed. Similarly, the cement sector had to absorb the higher cost of production due to a sinking dollar. These factors negatively impacted the cumulative growth rate of the joint stock companies.

However, market projections for 2008 look upbeat. Al-Omran says that the corporate growth rate in the first quarter of 2008 is projected at almost 30 per cent, surpassing the performance of the 18 per cent growth rate registered in 2006.

His market forecast also finds support from Khalil Hanware, business editor of Arab News, who points out that as a result of CMA's reforms, stock prices that had dropped by 52 per cent in 2006 rallied in 2007 and were in fact 27.42 per cent higher than the year before, as on November 8, 2007.

Hanware anticipates a buoyant trend in the corporate sector this year, as the number of joint stock companies is expected to reach 108, with the Middle East Specialized Cables and Al Khaleej Training & Education Co. already approved for listing by the CMA.

Halwani Bros., he notes, has also unveiled its plans to convert itself into a joint stock company. "The change-over is aimed at increasing its sales from SAR600 million to

SAR2 billion in five years," Hanware quotes Saleh Ahmed Hefni, CEO of Halwani Bros., as saying.

The market capitalisation of the joint stock companies in the Kingdom now exceeds SAR1.6 trillion.

Performance in 2007

According to Al-Omran, for the year 2007 the industrial sector, led by the Saudi Basic Industries Corporation, recorded the highest increase in earnings growth by 35 per cent on average, followed by the cement sector (21 per cent +) and services (20 per cent), mainly due to the new listing of companies like Kingdom Holding Co., the biggest in the services sector in terms of market capitalisation. "However, the services sector is not one of the benchmarks that we depend on," he adds.

In terms of quarterly performance by sector, the agricultural sector recorded the highest growth rate of 98 per cent in Q3 versus Q2 this year. Al-Omran attributes this mainly to the seasonal swings in the business cycle. It is followed by the services sector (44 per cent), industrial sector (three per cent) and cement (minus five per cent).

Al-Omran attributes the negative growth rate in the cement sector to the escalating cost of production, which has also peaked in terms of capacity and sales. "A price hike is not possible now due to the parameters set by the ministry of commerce. These factors, together with the fall in the value of the dollar, have had a negative impact on the growth of the cement sector," he says.

Overall, according to Al-Omran, listed companies have been maintaining a positive trend, especially after Q2, when the turnaround began and continued through Q3 and Q4 of 2007. The uptrend seems to be on course even in the first quarter of 2008.

"In Q1 2008, we can expect a major increase in earnings growth of up to almost 30 per cent compared to 2006, when the corporate sector posted 18 per cent growth rate," says Al-Omran.

While giving an overview of the performance



Mohammed F. Al-Omran

Even though the corporate earnings of the listed joint stock companies are expected to reach SAR85 billion by the end of 2007 as against SAR78.3 billion for 2006, the rate of growth works out to nine per cent, well below the almost 18 per cent growth rate recorded the year before.

of listed companies in 2007, Al-Omran notes that corporate earnings for the third quarter of last year reached SAR23.1 billion as against SAR21.8 billion for the second quarter. This represents a five per cent increase on a quarterly basis.

"However, if we compare the cumulative Q3 corporate earnings of last year with the corresponding period of the previous year, the growth rate stands at six per cent. We can see that from the beginning of 2007 on a quarterly basis there was a steady climb, because in Q1 the total corporate earnings stood at SAR18.3 billion and in Q2 SAR21.8 billion, maintaining the upward trend to reach SAR23.1 billion in Q3," says Al-Omran.

He adds: "From this analysis, one can estimate that for the whole year (2007) corporate earnings will total almost SAR85 billion for all listed companies, compared to SAR78.3 billion in 2006. This works out to a growth rate of nine per cent for this year."

Al-Omran observes that corporate earnings hit the bottom during Q4 2006 and Q1 2007.

"So the question arises: Where does this growth rate come from? We can attribute this increase in corporate earnings mainly to Saudi Basic Industries Corporation (SABIC), which maintained an excellent growth rate in 2007. The company maintained a positive earnings growth on a quarterly basis. In fact, the growth rate on a quarterly basis for Q3 over Q2 in 2007 reached over 14 per cent."

Al-Omran says that he expects SABIC to register an annual growth rate of over 30 per cent for 2007.

Banking and telecoms

The banking and telecommunications sectors are also in the recovery mode after registering a massive drop in their corporate earnings in the beginning of the year. During Q2 and Q3, both these sectors staged a rally with positive quarterly results. However, the two sectors still lag behind in their performance for the same period in 2006. For example, the telecom sector is down by five per cent in terms of its annual performance compared to the same period in the previous year, while the banking sector is also almost 17 per cent down in the same period.

"But if we compare it with Q1 of 2007, we would see that the telecom sector has registered a drop of 18 per cent from Q1 to Q2. For the banking sector, the drop at the beginning of last year ranged between 20 and 25 per cent," says Al-Omran.

Al-Omran points out that both sectors have managed to narrow the gap. There are many reasons for the drop in corporate earnings of these two sectors, he notes. Banks' income from commission accruing from the capital market was curtailed drastically in the wake of the stock market reforms.

Similarly, the telecom sector saw a drop in its revenue due to the intensive competition between STC and Mobily. On the other hand, SABIC and the industrial sector maintained their robust growth in earnings fueled by the surge in the prices of petrochemical products worldwide.

The GCFC chief says the banking sector is now on solid ground, as it has to rely on its main operations of lending and deposits rather than the huge commissions that it used to earn from the capital market. "It means that almost 80 per cent of the revenue has to come from their main operations rather than the commissions which were the case in 2006," he notes.

Al-Omran sees one positive aspect of the result. "The non-current income that you see from time to time from the stocks has been reduced dramatically by speculative companies. As a result, we see a visible trend towards operational revenues. This marks a fundamental change that we see in the performance of speculative stocks," he says.

Continues from page 33

is now more sensitive to supply and demand imbalances and is likely to reduce supply should demand fall. These factors should limit any possible slowdown of the GCC economies even if there is a weaker global economic growth, he adds.

Attractive versus cautious

Increasing government surpluses in the region will result in increased investments in infrastructure development. This will benefit industries like construction, real estate, etc. There will also be significant growth in sectors like financial services, especially Islamic finance during 2008, according to Hasan.

While stocks in the real estate, construction, building material and banking space should remain favourites for most fund managers in the GCC during the year, these could further benefit if the regional currencies remain pegged to the US dollar or are not revalued as interest rates are cut. Yong Wei, however, cautions that there have been large re-ratings in some stocks during the recent runs in markets like the UAE. So, one should be careful while

chasing stocks with high valuations. Also, if inflation goes out of control, it could erode the profits of some of the companies, he says.

If the current peg of regional currencies to the US dollar remains unchanged and Fed rate cuts are followed in tandem by the regional currencies, then it will cause consumption demand to rise further due to lower borrowing costs and higher inflation. Real rates will become even more negative compared to now, and it should fuel further growth in demand. In the short term, this scenario should benefit stocks, especially in the banking and real estate sectors, although in the medium to long term this is unhealthy for the economy, he adds.

We will have to wait and see which way regional regulators move. Of course, if and when changes happen to local currency pegs or there is a move towards a basket of currencies, there will be ample opportunities to analyse which stocks could benefit more from such a move and which may not in the very near term. In the long run, however, everyone will have the same advantage.





A man for all seasons

Antoine Massad is an exception in today's financial services industry. Despite dropping out of school, he rose to become the chief executive officer of Man Investments Middle East by the sheer dint of hard work. Here he tells **Utpal Bhattacharya** that one does not need a degree to be successful in sales.

How did you get started in financial services?

I first came to this region in 1988 and worked as a trainee with BNP in Bahrain. At that time, BNP was doing a product with Man Investments, and so I came to know the Man people. Towards the end of 1988, I joined them. I was just 21 years old then.

At such a young age! What's your background?

I dropped out of school at the age of 16 and did all sorts of things after that.

I am a French citizen, but Lebanese by origin. I grew up in the south of France. Prior to coming to the Gulf, I spent two years in South America in Chile. We had a family business of timber and cattle trading.

How did you get into BNP?

It was a lucky break. BNP had a programme for young trainees who spoke several languages. I speak four languages fluently: English, Arabic, Spanish and French. I learnt these languages because of my background, travel and family ties.

Did you start with Man as a trainee?

I started as a sales manager with Man. But Man had just one product those days, a futures fund, and assets under management of around US\$500,000. As a comparison, we today raise double that money every year from our regional operations alone.

How much assets does Man manage today and how much of that is from the Middle East?

Today we are close to US\$70 billion assets under management. This is the work

of 19-20 years. The Middle East accounts for eight to 10 per cent of that.

How easy or difficult was it to establish Man's business in those early days?

Back then, 20 years ago, the regional capital markets were not developed. Regional investors did not have much of a choice but to look outside for investments and diversification. We were lucky to be based in Bahrain and we were in business by the time I joined Man. My mandate was to further grow the business in the region and establish a strong distribution network.

Was it a big challenge in the late 80s to tell people what a hedge fund was?

Of course, no one knew what a hedge fund was in those days. I remember one Saudi client who, after listening to my pitch about a futures fund, told me that I was trying to sell him a fish that was still in the sea.

Our initial focus was on Qatar, Saudi Arabia, Kuwait and Bahrain. In 1989 we signed Commercial Bank of Qatar and Doha Bank as our distributors. These two banks were also our first institutional investors.

At the beginning, the biggest challenge was educating our clients and creating awareness. Man was not known and there was very little regulation in the region. To add to the difficulties, this region had lots of people trying to sell all sorts of products, mostly bad ones.

I used to travel a lot those days with the objective of creating awareness. In the peak of my travel I spent in excess of 250 days in travelling. Once I spent three consecutive weeks in Saudi Arabia.

How many people did you have in the company then?

It was just the regional head, me and our secretary. In fact, when we used to get a new product, I was the one who prepared the envelopes, put brochures in those envelopes and in the evenings went around dropping them at the different clients that I was to meet.

The next morning, I usually called these clients and asked if they had received envelopes dropped by the driver. Of course, the driver was me.

"Of course, no one knew what a hedge fund was in those days. I remember one Saudi client who, after listening to my pitch about a futures fund, told me that I was trying to sell him a fish that was still in the sea."



Why did Man choose to set up in Bahrain?

I think there were three reasons. First, they identified a person (John Kelly) who had connections in the Gulf; second, it was probably the easiest place to set up shop, as there was little regulation in those days; and third, it was the liquidity available in the region.

John Kelly, who recruited me, went off to set up the global sales and marketing operations for Man globally by replicating what we did in the region. It is very important to know that Bahrain was the first international office for Man and we used that as a model for all our international offices around the world.

How did you grow Man's business in the region?

As I said, John Kelly hired me and I owe him a lot for my success. After he left, I took the business on in the Middle East and hired more people. In 1992 I was appointed as the deputy regional head. We were two people that year in the office, apart from a secretary. In 1993, we became three sales persons. In 1994 we became four people. In 1995, I was made the regional head for Man, by far the youngest regional head for Man and indeed for any regional financial institution those days.

I also used to do a lot of work for Man in South America in those days, as in summer nothing happened here. Once I even spent four consecutive months in Uruguay in 1996, in fact, recruiting the regional head, who is still there and has grown the business tremendously.

In 1997-98, Michael Fuller, the CEO of Al Ahli Bank of Bahrain, with whom we had a joint venture fund, wanted to set up an asset management business. Over dinner

I suggested converting our joint venture products into a joint venture company. In three months time, we took an investment banking licence from Bahrain's central bank to set up a 50:50 joint venture. We called it Man Ahli Investment Bank. I was seconded by Man as the joint venture's CEO and managing director. That business did very well and we raised a lot of money. We launched several products, and then I reverted back to my position as Man's regional head in 1999-2000. Around the same time, United Bank of Kuwait acquired Al Ahli Bank of Bahrain and it became Ahli United Bank. In 1999, we also decided to move to Dubai.

Why?

By that time, the UAE had become our biggest private client market. Our largest distributors were UAE-based banks like Standard Chartered and ABN AMRO Bank. We used to spend a lot of our time servicing the clients of these banks. So, we took the UAE Central Bank licence and moved to Dubai in January 1999. And this is our third year at the Dubai International Financial Centre.

You have been very successful with the joint venture concept with banks in the region. Can you tell us about the concept?

Banks have and will always remain our biggest distributors. In those early days, some of these banks saw that with our guaranteed funds we were placing portion of assets, 60 per cent, in fixed income instruments. So, some of them suggested that we put deposits with them while they issued us the guarantee and also packaged these funds for selling it to their clients. In fact, the first such joint venture fund was done by John Kelly before I joined Man in

1987 with National Bank of Bahrain. Of course, we have now done many such international and local currency funds, in excess of 50. In fact, today with Man having grown in stature, banks keep knocking at our door for similar structures all the time, unlike in the past when it was the other way round.

Do you feel that you, as in Man, did all the hard work of creating awareness in the region and that others are today benefiting from your hard work?

As far as I am concerned, I have no direct competition. When I say this, I am not being arrogant. I am being realistic. Our competition is mostly indirect; for example, from real estate or the stock market, but not the other alternatives. I think there is plenty for everybody. I don't think there are enough good providers to cater for all the clients in this region.

Are you booking assets at the DIFC now?

We are not booking assets here yet. But we are looking to grow our business. The DIFC now provides the regulatory framework to allow domiciling of funds here. I expect to see, in the next 12-24 months, a lot of domiciliation and creation of hedge funds in the DIFC. I also expect investment management units of hedge funds to be created here in the near future.

Will we see a Man hedge fund domiciled in the DIFC soon?

I wouldn't be surprised if Man Investments launches a fund domiciled in the DIFC in the next 12 to 24.

Will it also be managed here?

Initially it will just be domiciled here.

You have been very successful in the region. Will you increasingly play a global role?

I was given the responsibility for Asia as well. We made a few changes during the four years I was involved with that operation. If you trace back my career with Man, I seem to get involved whenever there is a problem that needs to be fixed. I like challenges. But to answer your question, I do sit on various

"My view is that you need to go to a university to become a lawyer or a doctor, but to be able to sell, no matter how much one learns, if one does not have proper skills and the personality to sell, he will not succeed."



boards of Man Investments in various committees.

Do plan to go back to the university to take a degree? How do you feel about not having a degree?

A lot of people ask me which university I went to. I always say that I went to the John Kelly University; the Man University, that's how it is. Today I'm 40 and I have spent half of my life in Man – it's my home and my family, too.

I do not plan to go to any university. I meet a lot of university graduates. Good luck to them. I do not like to be told that you have to study this or that. Let me give you an example from my life. When I was at school, I decided to study Spanish as a foreign language. After three weeks, I thought it was an awful language, horrendous because they wanted to teach me grammar, etc. So I quit learning it. Afterwards, I went to Chile and lived on a farm where everybody spoke Spanish. I had to speak Spanish, and so bought a few books, did not take any classes, and was on. That's how I learnt Spanish. So, this is how I know so much about all products and the industry that I am in taught by Man and my colleagues.

I am not one of those who have aspirations to go and get a degree.

But don't you feel uneasy without a degree in a world where you have all these business school graduates walking around you?

Do I look like one to feel uneasy about it? On the contrary, I feel very comfortable. If you look at those who were responsible for Man's success – some of them are still with Man and some are not – I don't think any one of them came from a financial services

background. John Kelly, for example, is a chemical engineer. And this is where Man is different.

Can somebody like you get employment in Man today?

The answer is yes. In 1998 we created a unit in Switzerland called sales support unit, which identifies young people with promise. It is like an in-house training school. It has been very successful and we have had a number of graduates from this unit. I have two of them in this office.

My view is that you need to go to a university to become a lawyer or a doctor, but to be able to sell, no matter how much one learns, if one does not have proper skills and the personality to sell, he will not succeed.

I have a sister who is brilliant academically, but in life she is below average. She is a lawyer and she has spent nine years studying law. At school she was brilliant. She has a PhD, but she is less than an average as a lawyer.

In the world of business development, the most important element is honesty and integrity. The most important thing that I really care about today is that in my entire career of 19 years, no one can say that Antoine Massad or Man has misled or mis-sold. I'm really proud of that.

Has Man treated you well?

I owe my knowledge to Man. Man has been my life and school. If you walk around this office, it is like the UN. We have colleagues here from all sorts of social background and cultures, languages. Another part of Man's success is that Man gives ownership to senior executives that have helped Man's success. Most of us, the senior executives in the company, are today shareholders of Man.

The Middle East's love affair with Asian Equities

We've all read the tale of how, post 9-11, the Gulf region saw floods of cash that had been parked and invested in the US and Europe flow back into the region. But now where is the cash going? Is it still here investing in the region, finding its way back to the US, or is it making its way back to Europe? The answer would appear to be Asia. **Wendy Jackson** spoke to the manager of Invesco's Asia Infrastructure Fund to gauge the scope these markets offer.

Look through any apartment window or drive down any street in Thailand, China, India, and even Vietnam and you'll be hit by a hive of activity.

Right through the weekend and throughout the night, teams of uniformed construction workers are working hard building apartment blocks, commercial towers and hotels. In fact you name it and it's being built.

In fact the region now accounts for half the world's economic growth. This year alone, emerging Asia's economy will expand by an impressive 8.3 per cent.

Now, if you live here in the UAE the above scenario sounds familiar, doesn't it? Hoards of construction workers building all around the Emirates as the economy, population and infrastructure

continues to grow at levels that continue to impress. And it's this similarity that might just account for the millions of dollars making their way to Asia from the Middle East region.

According to Nick Savastano, associate director – International Development Division, Invesco, "I can confirm that Asian Equities (ex Japan) accounts for 65 per cent of Invesco's regional flows. We have seen Japan drop off in flow rate, as performance over this year has been questionable. So, including Japan, we would say 70 per cent of regional flows are into Asia."

Of course it's not just the similarities in growth that makes Asian equities so appealing. Asia, it seems, has a dynamism with a number of strings to its bow.

There's no doubt that the leader in Asia at the moment is China, reportedly now the world's fourth largest economy. Imports are said to be growing faster than the whole of Europe and its foreign reserves are about to hit the US\$1 trillion mark.

Hot on China's heels is India. Industrial production growing apace. So fast in fact that it is said that this could double in just six years, driven by the demands of a growing middle class, proposed expenditure in infrastructure spending and foreign buying.

And then there's Vietnam entering the World Trade Organisation, about to brush away barriers to its exports and apparently all set to be the next 'Asian tiger.'

Favourable economic outlook Asia remains the strongest amongst major economic zones

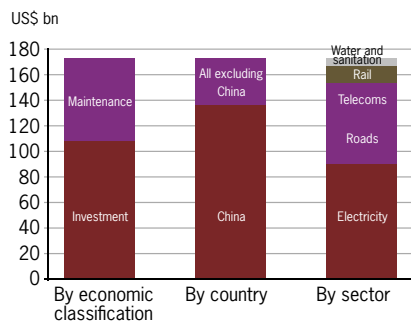
Asia	2006(%)	GDP growth 2007F (%)	GDP growth for 2008F (%)
China	10.7	10.5	10.2
India	9.4	9.0	8.5
Singapore	7.9	6.5	6.7
Hong Kong	6.8	5.5	5.0
Malaysia	5.9	6.5	6.5
Indonesia	5.5	6.3	6.5
Philippines	5.4	6.5	6.0
Thailand	5.0	3.5	4.2
South Korea	5.0	4.5	5.0
Taiwan	4.6	4.4	4.4
Australia	2.7	3.9	3.5
New Zealand	1.5	2.6	2.2
US	3.3	2.1	3.1
OECD	2.8	2.4	2.5
Japan	2.2	2.4	1.7

Source: INVECO, data to and estimates as at June 30, 2007

Huge potential in Asia infrastructure development

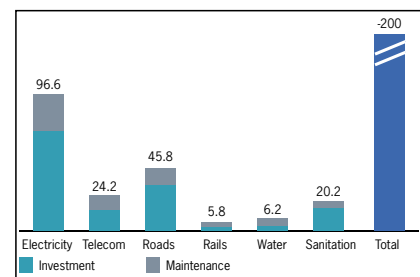
Asia needs to spend over US\$1tn in the next 5 years*

Estimated annual infrastructure need, East Asia, 2006-10

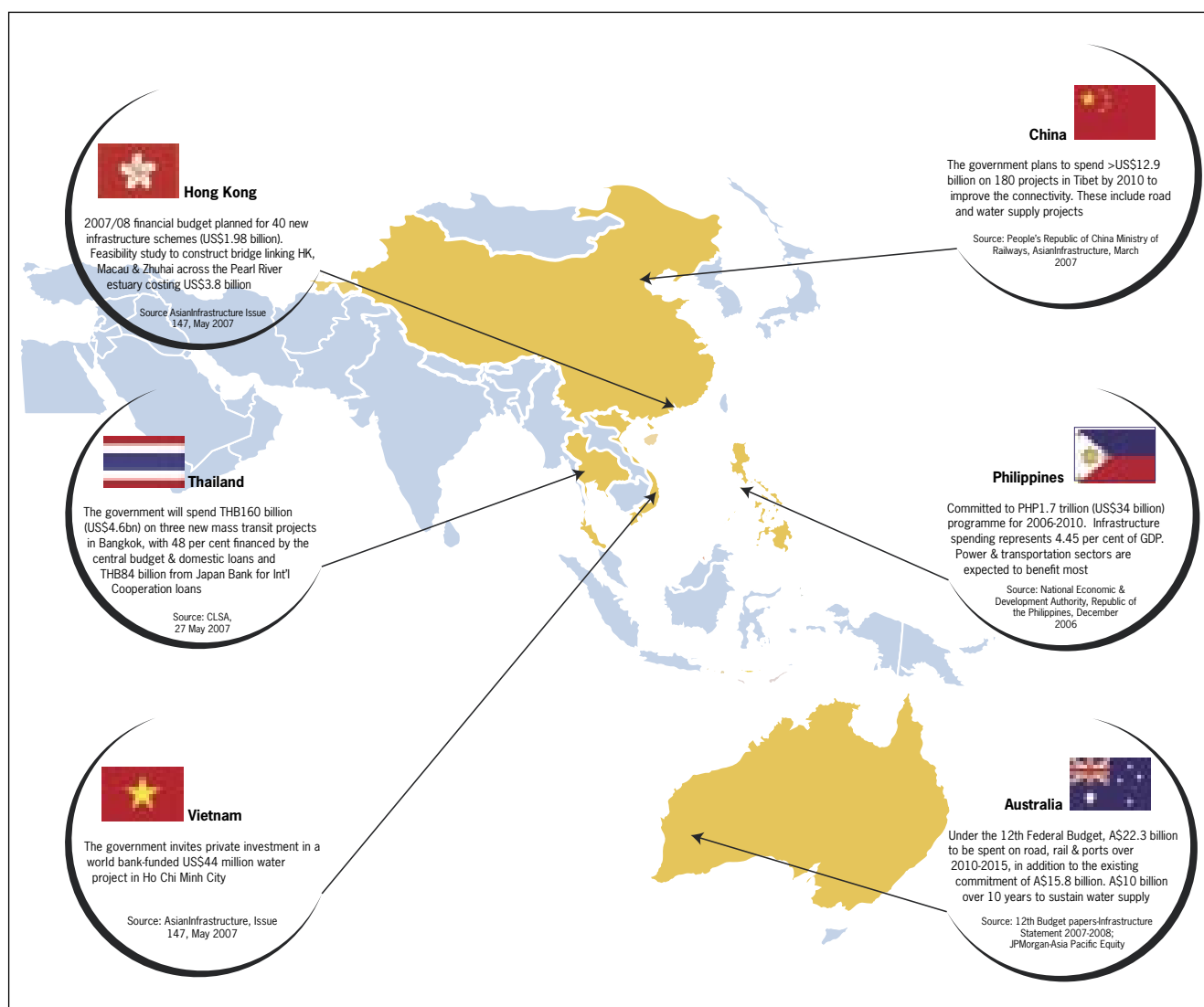


Source: Yapes 2004 (Latest available data). East Asia refers to 21 developing countries in East Asia and the Pacific region, which are members of Asian Development Bank and the World Bank, such as Cambodia, China, Fiji, Indonesia, Kiribati, the Lao PDR, Mongolia, Philippines, Thailand and Vietnam, etc.

Expected infrastructure spend of US\$200bn p.a. over 5 years



*Source: "Connecting East Asia: A new framework of Infrastructure (March 16, 2005)" a study jointly by Asian Development Bank, Japan Bank of International Cooperation, the World Bank, SSKI India Research & Morgan Stanley Research as at April 17, 2007 (latest available data)



Even Singapore, seen for some years as the steady, stable growth economy to be emulated in Asia, is now experiencing economic growth at a rate of eight per cent as the focus on specialised sectors such as Swiss-type private banking services, biotechnology and medical tourism takes hold.

In short Asia has become a magnet for international investment, including the money from this region. According to official sources last year Southeast Asia attracted US\$38 billion of foreign direct investment into factories and business operations alone.

According to Maggie Lee, fund manager, Invesco Asia Infrastructure Fund, "what sets successful Asian countries apart in terms of development

is its investment in physical and human capital, and its greater efficiency. Its success in securing efficient modern companies, its stable macroeconomic policies, including fiscal prudence, stable banking systems, a rapid integration into the world trading system, large infrastructure investments and effective public institutions all account for its attractiveness as investment choice."

She adds, "I have been researching and eventually came up with the Asia Infrastructure Fund for past few years and believe that the region's phenomenal economic growth has been driven by a combination of a continuing strong commitment to traditional values such as hard work, support for education

and a desire to secure the very best infrastructure components to improve people's lives.

"Compared to most other parts of the world, where the focus is on how wealth should be distributed, in Asia the focus is on wealth creation – with a dynamic partnership between government and private sector business."

Of course the next big question is whether Asian equities are at risk from the problems in the US, including an economic slowdown and the subprime issue.

Says Lee, "To be honest I think that the risk is overstated. With its modern factories and highly productive work forces, I think that Asia is in a strong enough position to survive tougher

An outlook by Maggie Lee

Asian markets outperformed other global stockmarkets on expectations that lower US interest rates will underpin global economic growth and sustain demand for commodities. The surprise decision by the US Federal Reserve (Fed) to cut its benchmark interest rate by 50 basis points (bps), rather than the much-expected 25bps, helped Asian markets to soar.

The main infrastructure facilities and services include the following: roads, railways, urban mass transit, ports, airports, water supplies, sanitation and electricity transmission. The fund has significant weightings in China, India, Singapore and Australia, the key markets for the fund at the moment. In terms of allocation within the infrastructure sector, the fund is focused on the capital goods, transportation, telecommunications and utilities areas. Among the top 10 holdings, it is noticeable that the fund's holdings all generate very strong earnings growth and have very strong business models.

They also gain by having a significant market share in the industry in which they operate.

The Invesco Asia Infrastructure Fund

Infrastructure, Asia and the word 'SUCCESS'

The Invesco Asia Infrastructure Fund was launched 18 months ago and it is already boasting a remarkable growth rate of 117 per cent in its first year.

"There is huge potential in Asia infrastructure development," explains Maggie Lee, associate director, Invesco Asia Infrastructure Fund. "And with the governments of Asia looking to US\$200 billion per annum over the next five years in infrastructure development, the fund is poised to do well."

The Invesco Asia Infrastructure Fund aims to achieve long-term capital growth from investments in a diversified portfolio of Asian securities of issuers, which are predominantly engaged in infrastructure activities. At least 70 per cent of the total assets of the fund will be invested in equity and debt securities denominated in any convertible currency issued by Asian companies predominantly active in the infrastructure sector.

"Asian companies" means companies listed on an Asian stock market and having their registered office in an Asian country or established in other countries but carrying out their business activities predominantly in Asia or holding companies investing predominantly in equity of companies having their registered office in an Asian country.

international markets. In fact, the more difficult the conditions become we could see businesses more motivated than ever to seek cheaper goods and services from Asian sources."

In addition, she explains, "China – leading the Asian boom at the

moment – has its priorities set out. The need to create millions of extra jobs every year, spreading the wealth from the cities to deprived rural areas, and to use the 2008 Olympics as a showcase to the world, for me make it certain that the government just

won't risk an economic slowdown. It also has the resources to do just that. "


Future dreams

We already have dominant labour-intensive, lower-value sectors in Asia, but what isn't readily available in the press are stories about how Asia is starting to diversify into areas where Japan has long held the power. "What about China's invention of a magnetic levitation wind-power generator that runs at half the cost of current wind turbines," says Maggie Lee. "Which is just one of many things planned over the next five years in the Chinese government's five-year plan."

Lee also explains that investing in Asian companies is attractive because they've become enormously profitable and because they carry little debt - which provides them with great resilience against business downturn.

The World Bank estimates that the annual return on equity of private-sector business in China, for example, rose from 7.4 to 16 per cent over the 1998-2005 period. Almost three-quarters of enterprise investment in China is now financed out of retained earnings, which rose from five per cent of GDP in 2000 to 20 per cent in 2005.

Lee adds that, "Other stories emerging from Asia, adding to its appeal, include the growth in trade. And, as the demand from an emerging middle class for homes, cars, and luxury items gathers pace, it will provide the region with a welcome counterbalance to export demand."

As for Lee's predictions for the future, "My expectation is that Asian stocks will benefit the most when global equity markets begin to rebound. The simplest way to benefit from this is to invest in a really good emerging Asia fund." 

US recession on the cards

Watch out for a US recession and put your bets in the negatively correlated GCC stock markets and real estate markets of Southeast Asia, cautions **Matein Khalid**.



It is no longer possible to believe the US Treasury Secretary (Strong dollar, Mr. Sub-prime will be contained!) that the US will be able to avoid recession despite the deepening credit trauma on Wall Street. With three-month LIBOR a full two percentage points above US Treasury bills, Citigroup forced to pay an 11 per cent coupon on hybrid capital from Abu Dhabi, a depositor run on Northern Bank and the virtual collapse of the credit derivatives and mortgage backed securities markets, it is now obvious that the credit creation binge that powered the liquidity tsunami in the world financial markets is now history. The savings and loans crisis, the Silicon Valley TMT bubble collapse and Latin America's sovereign loan debacle gutted the balance sheets of Wall Street's money centre colossi and led to credit crunches that forced the Federal Reserve

Board to slash interest rates to zero in 1991- 1992 and 2001- 2003. This is exactly the macroeconomic scenario I anticipate in 2008.

The Bernanke Fed knows that the US housing market is in free fall and that the international inter-bank market has triggered a de facto monetary tightening with its excessive bank credit risk premium (the fabled TED or Treasury-Eurodollar spread, a proxy for stress in bank credit risk). It is quite conceivable that single family home construction will plunge by 50 per cent next year even as inventories of unsold homes have bloated to levels not witnessed since the Great Depression. American property prices, starved of the oxygen of credit, could well fall by a third till 2010. This means a Fed Funds rate below three per cent, a protracted credit crisis and an end to the global bull market in equities

and real estate. The US consumer, 20 per cent of global GDP, will be the first victim of US\$90 crude oil and the distress in the financial markets.

It is important for investors to note that international banks have only announced US\$50 billion in sub-prime and CDO write downs, a fraction of the losses that are inevitable. It is now inevitable that the banks will have to take losses in credit card, auto and commercial property or face wholesale rating downgrades. The yield on the two-year US Treasury note, the security most sensitive to Wall Street's expectations of future Fed policy, has now fallen below three per cent. This makes additional FOMC rate cuts inevitable and is a classic recession SOS. Bank credit growth will slow and the commercial paper market has been hit by a financial neutron bomb. This is a formula for a protracted credit

crunch, a fall in asset prices and a global economic slowdown at a time when the US can no longer act as the world's importer of the last resort.

The year 2007 was an "annus horribilis" for investors in international banks and Wall Street securities houses shares. Citigroup dropped from 57 last December to 29 before Abu Dhabi Investment Authority's US\$7.5 billion mandatory convertible securities restored (at least for now) investor confidence in Citibank shares, the Dow Jones and the dollar. But with US\$80 billion in off-balance sheet assets that can no longer be funded in commercial paper markets, a traumatic downsizing that could see 50,000 job losses and the flotation of Salomon Smith Barney and a dangerously low Basle Tier One capital base, Citigroup is a bank in crisis. As in 1991, the Fed will have to jettison its inflation management role and revert to the lender of the last resort to a banking system in systemic distress. The ADIA deal, Bernanke rate cuts and the US Treasury plans on teaser mortgage resets and bank SIV are all significant because they encourage bank credit growth, a key prerequisite for US economic growth.

Rate slashes

The housing malaise is not confined to the US Britain's High Street credit binge and shoddy lending practices created Europe's most inflated property market. The Bank of England knows that it must slash the base rate to manage the inevitable fall in UK property prices, ease distress in the banking system (sterling LIBOR has also surged above the base rate, a classic indicator of UK banking distress) and economic growth. I believe the pound sterling is the most overvalued currency in the world, particularly against the euro, the Swiss franc, the Singapore dollar and the UAE dirham. Even cable (sterling-dollar) could well fall to 1.90 from its current 2.06 as the housing recession hits the sceptred isle and the Old Lady of Threadneedle Street follows the Fed and cuts short-term sterling interest rates to bail out its bankers.

Have we hit bottom in financial shares or the major global equities indices? I doubt it. In 1991, when Saudi prince Waleed bin Talal acted as Citi's white knight, the economy was in recession, a war raged in Kuwait, corporate profits had plunged and the survival of Citigroup, not its dividend, was at stake as ruinous losses mounted on Latin American Sovereign loans, commercial real estate and busted Wall Street LBOs. But even though Citi rose 10 per cent and Merrill Lynch rose 20 per cent in the recent past, I do not believe that the capital markets are in "capitulation phase" yet. The fall in Wall Street indices after the December 11 FOMC rate cut was not capitulation, only profit taking. What next?

One, the economic downturn has only just begun. Two, banks will need years, not months, to build their regulatory capital. Three, the credit crisis will spread to auto loans, credit cards and international property. Four, funding markets (inter-bank Eurocurrency, commercial paper) charge punitive rates for bank intermediation. It is ominous that three months LIBOR rose from 4.8 per cent to 5.22 per cent, exactly as we saw in Y2K. The Bernanke Fed will respond exactly as the Greenspan Fed did in the final months of the millennium. Flood the banking system with liquidity. Despite the euphoria in the stock markets in late November, I envisage a credit crunch that has barely begun, whose global implications are still not understood, whose endgame will be a US recession from which the world financial markets will not be immune. Decoupling is wishful thinking and a dangerous delusion. It is critical for perma bulls (a psychological affliction that afflicts most retail investors in a bull market) to note that the Chicago Volatility Index (VIX) has risen consistently in 2007, meaning fear has now replaced greed as the dominant emotion in the stock market.

Since economic growth will plunge most in the US and Europe, I would avoid all emerging markets dependent on exports to the US consumer. This means South Korean auto makers, Taiwanese consumer electronics firms and Indian IT services could well be at risk. Indian IT services

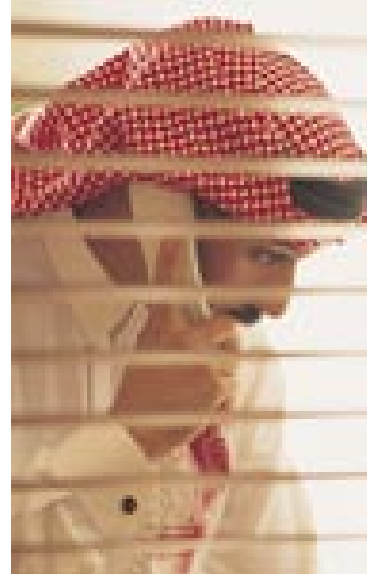
firms are directly exposed to the distress in the US and European banking and financial sector. Moreover, commodities markets are also at great risk if the US economic recession deepens. So I expect gold to fall below US\$700, copper and nickel to lose half their value and crude oil to fall back to US\$70, if geopolitics does not interfere. It is significant that crude oil did not rally even though the OPEC meeting in Abu Dhabi did not raise production quotas. Moreover, the dovish US intelligence estimate on Iran's nuclear enrichment program and a potential peace deal between the Nigerian government and rebels in the Niger Delta will take the huge current geopolitical risk premium out of crude oil. A US economic recession is the kiss of death for commodities markets, even if interest rates fall. This is particularly true at a time when China is tightening its monetary policy to combat inflation ahead of the Beijing Summer Olympics. After all, the Politburo in the Middle Kingdom learnt the lessons of Tiananmen Square, the linkage between inflation/social protest/regime survival all too well.

The obvious macro trade for next year is to buy the Chinese yuan (and its proxy the Singapore dollar) against the sterling and euro. Moreover, as the Fed cuts interest rates, the Hong Kong dollar peg and the GCC currency pegs mean a surge in money supply and credit growth. This could attract international fund managers to GCC shares, which are the world's last bastion of negative correlation on Wall Street. This relationship was vindicated with a vengeance in November 2007, when MSCI Arabia rose while the global indices swooned in unison from the sub-prime shock waves emanating from Wall Street. Just as the 1999 Fed rate cuts triggered a bubble on NASDAQ, the 2008 rate cuts could be high octane fuels for bull markets in the GCC and selected Asian real estate markets. It is now time to invest once again in Singapore, Hong Kong and Malaysia REIT's.

Opinions expressed in this article are those of the author and do not necessarily represent those of the MONEYworks group of magazines. This article should not be misconstrued as financial advice. Don't forget that investments can go down as well as up and you may not get back the amount originally invested.

Hiccups and progress in Saudisation

The Saudi government's drive towards quickly Saudising the banking industry faces some stiff challenges. Despite considerable progress and efforts from training institutes besides the SAMA Institute of Banking, there is some ground to be covered before goals can be met. A **MONEYworks** report from Riyadh.



The issue of Saudisation has assumed greater importance in the aftermath of the labour and social affairs ministry's recent direction to the 20 banks in the Kingdom, including the local ones to Saudise 9,771 jobs currently held by expatriates.

The deputy minister of labour Ahmad Al-Mansour has directed that banks should complete the process of Saudisation as soon as possible. However, he clarified that expatriates with high professional skills holding technical jobs could be exempted from the regulation for the time being.

Currently, a total of 19,219 Saudis work in the banking sector, accounting for 66 per cent of its work force. The rate of Saudisation ranges from 58 per cent to 75 per cent in banks. The National Commercial Bank leads with Saudis accounting for 75 per cent of its work force, followed by Riyadh Bank (70 per cent), the Arab National Bank and Saudi American Bank (69 per cent each), the Saudi British Bank (68 per cent), Saudi Hollandi Bank (65 per cent) and Bank Al-Jazeera (62 per cent). Al Rajhi Bank and the Saudi Investment Bank have 60 per cent Saudi staff each.

According to a senior banking executive, one of the factors responsible for the relatively low rate of Saudisation stems from the fact that the remittance services banks provide to expatriates demand employment of Indian, Pakistani and Filipino expatriates to interact with these communities.

Interestingly, in many cases large numbers of expatriates providing remittance services at banks are not part of these banks' work force. These employees have separate arrangements with their respective recruitment agencies

which ensure that they are not part of the bank despite working and drawing their salaries for providing remittance services at the banks. This arrangement also sees to it that the ratio of expatriate employees remains low.

SAMA Institute's role

While it is one thing to expect that banks will Saudise quickly, the difficult part will be to find local talents to suitably replace the expatriate work force. And that's where the role of institutions like SAMA Institute becomes extremely important. SAMA Institute, for example, introduces special banking courses targeting Saudi employees of banks. Though there are not many such institutes in the Kingdom, the SAMA Institute to its distinction seems to be doing a good job, including introducing short-term courses in English and specialised courses dealing with credit card fraud and ATM card transactions.

It is important to note, however, that in addition to the institute's various programmes, many banks also have their own training schemes and initiatives in the Kingdom for Saudi national employees.

In fact, short-term courses on various aspects of payments attain special significance, as major developments have taken place in the Kingdom since the launch of SAMA's Saudi Payments Network (SPAN) in 1990. Today SAMA's enhanced payment network has the capacity to support the widespread deployment of electronic banking services across the Kingdom, while creating a secure and reliable infrastructure for the anticipated growth in card transaction volumes. The new network is projected to handle up to

1,000 banking transactions per second and support thousands of ATM and point-of-sale terminals throughout the Kingdom.

Part of SAMA's strategy in deploying the state-of-the-art payments network was also to support new types of transactions, such as those via mobile phones and the internet, in a secure and high-performance environment. The SAMA Institute has supported major conferences on payments in the Kingdom with the one objective of upgrading the skills of employees of Saudi banks that are increasingly introducing sophisticated payment products.

Preparing Saudi trainees

In its push for Saudisation of the work force in the banking sector, the SAMA (Saudi Arabian Monetary Agency) Institute of Banking is beginning to pay more and more attention to improving the English language skills of Saudi bank employees. Javed Iqbal, a lecturer in English at the SAMA Institute, says that around 400 Saudis from different banks undergo training in different aspects of banking operations at the institute. An element of this training program is also developing communication skills in English.

The main thrust of the English course taught at the institute is to take a trainee through the basics of the language taught over a period of 18 months. At the end of the course, it is expected that an employee will learn enough English to understand the language, develop communication skills, both oral and written, and be able to follow newspaper articles or English TV programmes. A trainee also learns grammar, especially simple tenses, and the different types of nouns and verbs. The



focus is to hone a trainee's communication skills in the language, as well as his faculty of critical thinking. Once this module is completed, says Iqbal, a trainee is able to articulate his feelings, understand phone calls and draft letters. He also learns new words and can distinguish between the different parts of speech.

At the technical level, the trainee learns basics of banking like opening and closing accounts and information on foreign currency, travellers' cheques, direct debits or standing order, applying for a bank loan, credit cards transactions, money transfer, savings and current account, etc. This is followed by other chapters on an advanced introduction to banking.

Besides the benefit of learning from highly qualified teachers, the institute is equipped with language laboratories where trainees can improve their pronunciation and other linguistic skills. There are some rigid codes of conduct also put in place, including a minimum of 90 per cent attendance; anything short of this is not condoned. "A trainee has to explain the reasons for his absence. As for the pass marks, the minimum is 60 per cent," notes Iqbal.

He also adds that each student has to prepare his own notes. Since only those who are career-oriented take these courses at the institute, the level of motivation is generally high. Trainees graduating from the course are well grounded in both banking operations and the English language, he points out.

Mixed results

The lecturer also admits that despite the efforts to maintain a high standard of training in the institute, the presence

of Arab instructors dilutes some of the benchmarks. "Though they can communicate in English fluently, they still remain weak when it comes down to writing," he says.

According to Iqbal, while teachers from certain Maghreb countries are well equipped, those from the Arab world tend to be weak. It is a problem that the Saudi authorities have recognised but have been unable to solve as yet due to the shortage of qualified English teachers among the Saudis, he says.

Besides, although the comprehensive training programmes have paid dividends, it has not been always that satisfactory. Results have been patchy at times in terms of the performance and productivity of these trainees when it comes to delivering at their work places. Sometimes the result also depends on the bank itself and how it enforces the code of discipline among its employees.

Explains Iqbal: "For example, some banks disallow phone calls by their employees in certain branches during the working hours. They are required to deposit their cell phones - and can only ask to use them for legitimate purposes. This obviously helps productivity vis-à-vis those banks that are lax with these rules."

Work ethic

Banking customers in the Kingdom also often complain that Saudi employees continue to lack a strong work ethic. The SAMA Institute, like all other government organisations running training programmes, has failed to realise that there is really very little linkage between training and productivity. A trained employee isn't always a productive employee, since productivity basically stems from mindset and attitude towards work.

Barring a few banks known for the quality of their customer service, this aspect leaves much to be desired in the case of many. This correspondent himself has been a witness to bank employees taking mobile phone calls while on duty, unmindful of long waiting queues. Absenteeism is another problem that leaves two or three counters unmanned at any given time. Part of the

blame should also be laid at the door of the management for its failure to inject discipline into its workforce by rewarding productive employees and penalising non-performers.

Since retail banking in the Kingdom is still off-limits for overseas banks, those working in the retail banking sector enjoy the protective umbrella of Saudi commercial banks awash with liquidity from the oil wealth. The focus of their attention is the high net worth individual segment, leaving the ordinary customer high and dry.

Having said that, there are individual initiatives that need to be mentioned, such as Arab National Bank's (ANB) own programme to select and develop more than 220 talented Saudi employees across all departments in the bank under a banner called 'Truffles'. The use of the word 'Truffles' to characterise the training program is apt, since these black or light brown species of fungus growing in the Arabian desert only during the winter showers are prized by Saudis as a rich source of protein. The connotation is self-explanatory. Saudi employees trained under the scheme are intended to be equally fancied in terms of their calibre.

To this end, ANB has signed up internationally renowned HR Consulting Group, McLagan Partners UK, to strengthen its compensation and benefits package with emphasis on the bank's productive employees under its retention scheme.

But these initiatives are far and few in between. And banks in the Kingdom today need more than just setting up training schemes. Also, strangely enough, the Kingdom today does not have an organisation equivalent of the National Productivity Council, which exists in all countries except in this part of the world. The Saudi government tends to believe that training programmes are the panacea for productivity. This is far from true, and Saudi trainees receiving stipends from expatriate managers while sitting at home prove the point. Unless remedial measures are taken in this direction, Saudisation will continue to move at a snail's pace.

Kingdom's time has come

Kingdom Hotel Investments (KHI) has languished as an underperformer on the Dubai International Financial Exchange (DIFX). **Peter Cooper** feels that with the listing of DP World, investors will take notice of KHI and the benefits of investing in it.

The success of the US\$5 billion DP World initial public offering is likely to mark the start of the rise of the Dubai International Financial Exchange (DIFX) as a serious regional stock market. Many more IPOs are now expected to follow on the DIFX, including the giant Dubai airline Emirates and the real estate group Nakheel, and perhaps, in due course, the Dubai aluminum company Dubal and Dubai Electricity and Water.

This is also very good news for the DIFX's first IPO candidate, Kingdom Hotel Investments (KHI), whose lonely life as the sole prime listing since March 2006 is now over. Somebody had to be first. But back then DIFX officials were promising a dozen IPOs in as many months. That just did not happen. And KHI was left alone and trapped in an illiquid stock market as the only share for sale.

The price paid for illiquidity has been high. While the MSCI Emerging Markets Index has soared up to 72 per cent since March 2006, the value of KHI has languished below the IPO issue price. However, now that the recent US\$5 billion DP World IPO has managed to attract more than twice the GDP of Dubai in subscriptions, the future of the DIFX looks assured and this must surely reflect well on its first-ever stock. Actually, KHI is well overdue for some attention from investors.

It is not as though KHI is a dog of a company; far from it. The chairman and a major shareholder is none other than Prince Alwaleed bin Talal, the Saudi Arabian equivalent of Warren Buffett. KHI owns substantial stakes in 35 hotels and hotel projects - all but the George V in Paris strategically positioned in emerging markets. And KHI is managed like an

aggressive specialist private equity fund focused on owning hotels.

The business model is to acquire, enhance value through an injection of management expertise and investment, and realise capital gain for shareholders within four to five years.

Sarmad Zok is an impressive and dynamic young CEO who has assembled this remarkable hotel portfolio from a start-up in 2001. He has invested the proceeds of the IPO in a sharp and diligent fashion with an appropriate level of gearing, and the kind of commitment to sweating asset value that used to be the preserve of private equity.

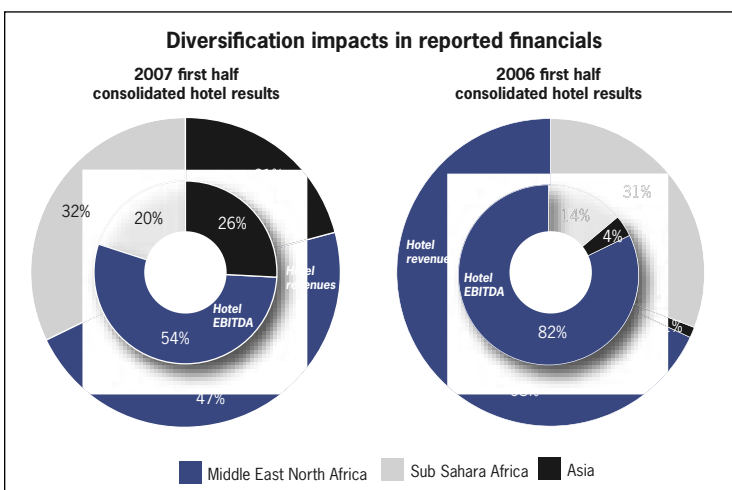
This sort of share should not be languishing at a huge discount to the MSCI Emerging Markets Index. It should be trading at a premium. Hotel values in the emerging markets have shot up in recent years compressing yields. KHI has such plums as being the only five-star hotel in Damascus and the Cairo Four Seasons, and is nicely positioned in Africa to benefit from what may be the last emerging market to emerge.

At the MEED Capital Markets

2007 conference, Zok gave his presentation with characteristic flair, highlighting the competitive advantages of KHI with high barriers to entry in most markets, first mover advantage and high internal rates of return on its investments. It was a shame that this conference in Dubai was poorly attended and that potential investors in KHI were thin on the ground. Once again, the curse of a Dubai listing had followed Zok, who understandably expressed some frustration with his experience to date.

"Liquidity is very important when you list your shares," he said. "Perhaps we should have waited. Things did not take off on the DIFX as we hoped and now we find our options for raising further capital are more limited and this is restricting our expansion; 95 per cent of our share trading is through our London GDR."

Zok announced that KHI plans to raise US\$500 million in project finance to pay down debt and free up cash for acquisitions. But the US\$2 billion in IPO funds and leverage is now spent and further acquisitions



such as hotels in China will require new loans, he said.

Clearly if KHI shares now commanded the sort of price that might have been expected at the time of the IPO, then the company would have been able to return to the market to finance its further expansion. On the other hand, capping portfolio growth at this point in the cycle – and Zok admitted that yields have become compressed as hotel prices have gone up – might not be such a bad thing in the long run. Over-expansion is always a risk for a dynamic, young hotel group.

However, for investors in emerging market shares, this leaves KHI as something of that unusual anomaly: an excellent asset-backed share that is under-valued through no fault of its own. Poor Zok exudes management competence from every pore and seems to have his investment portfolio nicely lined up to benefit to the fullest from the growth of emerging markets. His energy and enthusiasm is outstanding, and it looks as though Prince Alwaleed has spotted a first-rate talent and a man who could impress any potential international investor given half a chance.

The KHI report and accounts are transparent, detailed and world-class. The record of profit growth is superb, with the three years of ascending profits needed to attract maximum valuations in the world of private equity. For 2006, profits grew 248 per cent to US\$42.5 million, the third consecutive year of rising profits, and yet the share price hardly moved! Indeed, the only wrong move that the KHI management appears to have made is to list its shares on the DIFX and suffer undervaluation through market illiquidity.

What is the downside for KHI stock? The present holders obviously do not trade their positions, so there are few sellers in the market. All it needs is for a handful of new shareholders to buy and this will create a powerful uplift for these shares, as the supply

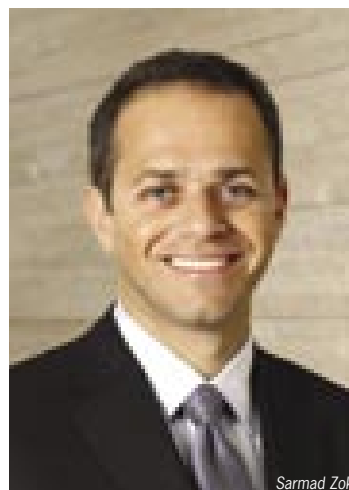
available to meet new demand is very limited. Then it could be that KHI will undertake some kind of a capital raising exercise; however, given its recent experience, that is unlikely to be a sudden move.

Of course, it might be that the emerging markets bubble collapses. The valuation of the Chinese and Indian bourses together is now higher than Japan, the second largest economy in the world, and that is absurd and unsustainable. In fact, emerging market stocks are now valued at the same level as those of the major industrialised economies, completely ignoring the long history of huge boom-to-bust swings in emerging markets. It could be different this time, but history has a habit of repeating itself with a vengeance in equity markets.

But given that KHI stock is already bombed out in terms of valuation, this is one emerging market share that is unlikely to fall much lower in a market crash. Once you are down, you do not have much further to fall. At worst, this would present an opportunity to average down the cost of a shareholding by buying more stock. Then again, the potential upside would still be there and shareholders would just have to be patient a little longer before the fundamentals started to boost the stock.

All the same, the most immediate prospect is that KHI is about to benefit from the emergence of the Nasdaq-DIFX as a regional stock market, and this may be a global investment theme for 2008. International buyers attracted by the success of the DP World IPO and those seeking to participate in the succession of IPOs scheduled for 2008 on the DIFX will surely also spot KHI and investigate this unique emerging market hotels group.

Now the most important thing to note about the DP World IPO is the very high valuation achieved for this flotation. On projected 2008 earnings, the price/earnings multiple



Sarmad Zok

is 38, and more than 50 for the current year. Thus, the DIFX has achieved a valuation level that is on par with the most elevated global emerging market levels.

What does that mean for a DIFX stock like KHI, whose price has barely moved in 21 months? In very rough terms, we can see that KHI raised US\$500 million at the time of the IPO for around a quarter of its stock, valuing the business at US\$2 billion. If the company makes a modest increase in profit to US\$60 million in 2007 and is then valued on the same P/E as DP World, the group is worth US\$3 billion. If KHI repeated its 2006 growth rate, then a profit of US\$110 million would put the company at a market value of US\$5.5 billion.

In fact, what investors could well experience in KHI is a triple re-rating of the stock: one re-rating to reflect the successful expansion of this dynamic group, a second re-valuation to reflect the new liquidity of the DIFX and a third re-valuation due to the high valuation of DP World in its recent IPO.

Popular investor Jim Rogers points out in his books that spotting a major reform in a stock market and finding a mechanism to profit from it – usually just a matter of buying the best shares – is a great way to make a fortune. And perhaps buying KHI is a clever way to lever the emergence of the DIFX in 2008.

Sorouh: performance expected to continue

Sorouh is trading below its regional peers according to this report prepared by National Bank of Abu Dhabi's research team for **MONEYworks**.

Sorouh Real Estate (Sorouh) is the second largest property developer in Abu Dhabi, with 24 million square metres of land and more than US\$25 billion projects under development. The company was established in 2005 in Abu Dhabi through a ministerial decree and incorporated as a public joint stock company in the same year. Sorouh's business portfolio includes three major business segments: land sales, residential and commercial property development and residential and commercial property leasing. The company's business model is highly concentrated on plot sales, contributing to nearly 70-80 per cent of its total revenues. The company aims to sell most of its residential, office and hotel portfolio while it plans to hold on to its entire retail and leisure portfolio for future income generation purposes. One of Sorouh's major projects is the US\$13.9 billion Al Reem Island, which will accommodate 280,000 residents and includes such amenities as schools, hospitals, shopping malls, hotels, restaurants

and resorts. Other major projects are Saraya, Golf Gardens and Al Ghadeer.

Sorouh is a publicly listed company with two shareholders owning 29 per cent of the company's total capital, while the 55 per cent is free float on the Abu Dhabi Securities Market. Foreign ownership is also allowed in the company, but is limited to 20 per cent. After the IPO in 2005, the company's total market capitalisation has increased to AED16 billion (as of November 28, 2007).

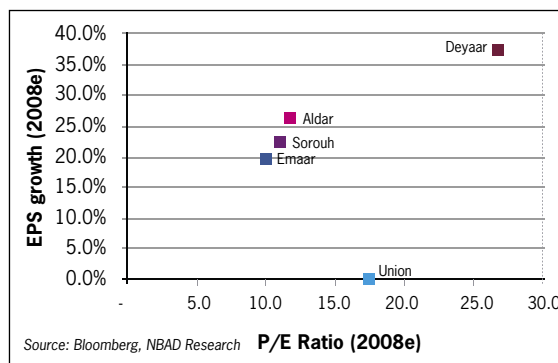
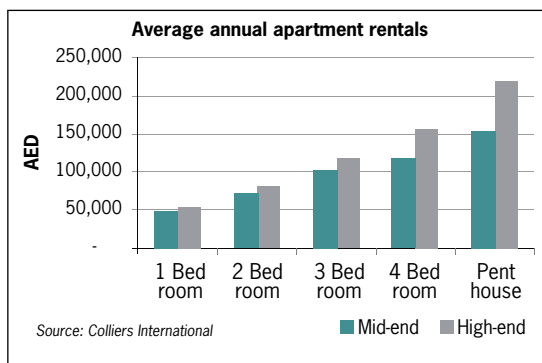
Abu Dhabi real estate

The Abu Dhabi real estate market is currently witnessing strong growth in all segments as a result of strong economic growth coupled with huge growth in both the local and expatriate population. Despite the announcement of a number of residential and commercial projects by major real estate developers in Abu Dhabi, both residential and commercial segments are expected to witness a gap between supply and demand

over at least the next two to three years. Current occupancy level in all kinds of apartments is 95-97 per cent, while office and retail space have a vacancy rate of less than one to two per cent. With Abu Dhabi's current expansion in the tourism, education, healthcare and transportation sectors, we believe property and rental prices will continue to rise.

According to Colliers International, approximately 415,000 square metres of office space are currently under construction in Abu Dhabi, while leasable area is expected to increase from 526,700 square metres at the end of 2006 to 1.4 million square metres by 2010. In the hospitality sector, approximately 8,500 units are currently under construction and are projected to be delivered by 2010.

Sorouh has sold all of the land plots on its Saraya project and more than 80 per cent of the land plots in Shams Abu Dhabi. Since the commencement of business in July 2005, the company has recorded AED2.12 billion in revenues. In the nine months ending September



2007, the company's sales of land, villas and apartments amounted to AED3.7 billion. Sorouh currently has more than US\$25 billion in projects under development, the majority of which will be completed over the next five to six years.

Margins

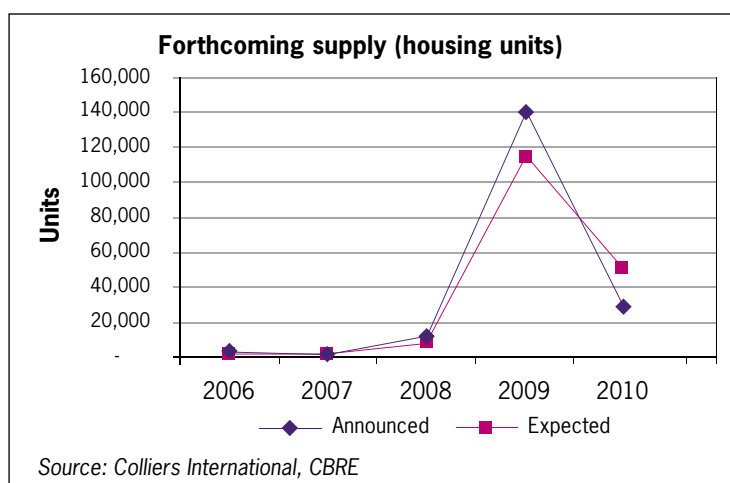
Sorouh has a higher margin on land sales compared to its peers because a majority of the company's land bank is situated in central locations of Abu Dhabi. Additionally, the company has a lower development cost compared to its peers, enhancing overall margins.

Result overview

Over the nine months ending FY2007, Sorouh recorded a revenue of AED1.4 billion with a net profit of AED775 million. Net profit margin and ROE stood at 52.2 per cent and 19.5 per cent respectively.

Valuation

Sorouh is expected to witness strong growth in revenues and margins over the next few years as a result of strong demand for both residential and commercial properties in Abu Dhabi. A majority of the company's projects are expected to be completed over the next two to three years (see the table) and this will increase revenue and profitability going forward. In addition, Sorouh is currently waiting for the approval of the Lulu Island project, which we believe will further add value to the company once it is approved. On peer comparison, Sorouh is trading at a 2008 P/E multiple of 11.29x, which is below the regional peer group average.



Project	Land area (m ²)	Estimated project value (AED)	End date
Shams Abu Dhabi	1,743,711	10 bn	Dec - 12
Saraya	131,610	1.6 bn	Dec - 12
A.D Aviation	112,500	225 mn	1Q - 08
Sas Al Nakheel Village	412,000	310 mn	3Q - 08
Golf Gardens 1	341,716	1.4 bn	2008
Golf Gardens 2	123,505	2 bn	2009
Tala Tower	N/A	450 mn	Dec - 08
Danat Abu Dhabi	4,398	823 mn	Dec - 09
Naqfa Mall	23,500	500-800 mn	Dec - 09
Naqfa Hotel	N/A	245-400 mn	Dec - 09
Sky Tower 1	18,093	2.5 bn	Dec - 09
Sky Tower 2	23,591	1.09 bn	Dec - 09
Gate District	112,257	3.6 bn	Dec - 11
Al Mashtal	135,490	2.19 bn	Dec - 14

Source: Company data

Key Performance Indicators			
AED in millions	2006A	2007E	2008E
Revenues	630.2	2,402.3	3,058.6
Growth %	N/A	281.2%	27.3%
Net income	975.5	1,181.0	1,425.8
Net margin	154.8%	49.2%	46.6%
Eps	0.39	0.47	0.57
Growth %	N/A	21.1%	20.7%
Return on equity	28%	30%	29%
Price to earning ratio (x)	5.84	13.63	11.29
Price to book value (x)	1.64	3.55	3.6

Source: Company data, NBAD Research

Disclaimer: This report has been prepared and issued by the Research Department at National Bank of Abu Dhabi (NBAD) on the basis of publicly available information and other sources considered reliable. This report is not to be construed as an offer to buy or sell securities. While utmost care has been taken to ensure that the information provided is accurate and correct, neither NBA, nor any of its employees shall, in any way, be responsible for the contents.

More liquidity in the new year

The year 2007 ended on a strong note with all market indices on the up. In 2008 liquidity is expected to continue to rise, while activity in the primary market is also likely to increase. A **MONEYworks** report.

Stock markets across the region had a good run in the month of December led by Saudi Arabia, as the Tadawul All Shares Index was up almost 2,000 points over the previous month at the time of this report going to print. Overall 2007 was a good year in terms of both corporate earnings and capital gains for most investors. It is expected that 2008 will also continue to be a strong year as there is tremendous interest in the regional markets from international investors

Liquidity will continue to increase into 2008 and two important sources will contribute to that. Fahd Iqbal, vice president at EFG-Hermes Research, says that western institutions will continue to increase their exposure in this region even as many international funds managers are beginning to launch Middle East/ GCC-centric funds. In addition, S&P and MSCI have both launched Frontier Market indices, of which the UAE is the dominant country. In fact, the GCC in general accounts for the bulk of these indices. This is helping to continue to create awareness of the UAE and the region in general.

Iqbal also says that he expects the Saudi market to recover in 2008. And thus, there's strong potential for Saudi retail investors to re-enter the UAE when that happens. Saudi retail investors are well known for their capacity to invest in the regional markets. At the peak of the market in 2005 these retail investors accounted for as much as one-third (by EFG-Hermes estimates) of total trading volumes.

One of the important themes of 2007 has been strong growth in corporate earnings across all the GCC markets as the effects of stock market investments have effectively 'washed out' over the year.

"If you look at a chart of reported versus underlying earnings growth, you will see earnings growth exceed underlying in

2005 (due to the stock market rally), then fall substantially below underlying growth in 2006 (due to the market crash). In 2007 we have moved in line with each other, which is an important change. We reckon earnings growth will remain strong into next year, but more so in the non-financials space. The banks sector is seeing slower growth than the rest of the market due to increasing competition and higher loan penetration," Iqbal says.

On the back of strong corporate earnings, good growth and buoyant sentiments across GCC's stock markets, 2008 is also likely to see a number of new IPOs. Those IPOs that listed in 2007 have done well, commanding high liquidity and were oversubscribed. So, those companies that chose to postpone their IPOs earlier last year would have now realised that they were overly cautious and it is expected that there will be a lot more confidence this year towards listing. The other catalyst that is likely to boost primary market activity is the change in family business regulations (reducing the minimum required level of equity to be floated from 55 per cent to 30 per cent). The new regulations mean that families will not lose majority control anymore once they IPO their business in the UAE, so it's a more attractive option.

One of the other important developments last year was the DP World listing which is also an indication that other part-privatisations issues are on their way. The not-so-great performance of DP world post-listing on the DIFX was somewhat expected as the pricing of the share was considered high by the market, especially at a time when the US was moving towards recession and regulators in the GCC were talking of revaluing their local currencies and any investment in USD carried currency risk.

www



Saudi Arabia hits a new high

GCC funds performed strongly on the back of some strong performance of the Saudi and Omani markets. A Markaz report.

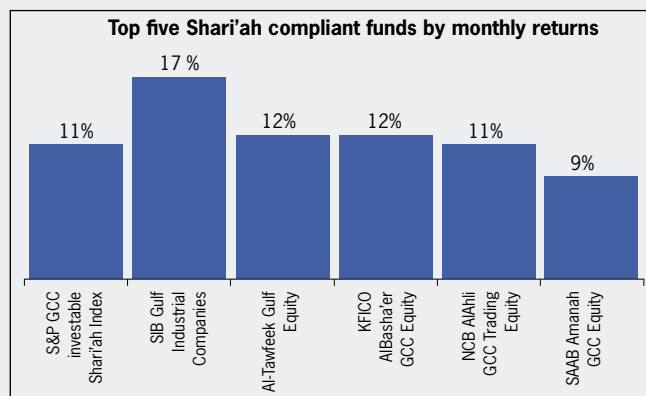
Positive performance of the GCC markets continued well into November as they together delivered nearly five per cent on top of the nearly 10 per cent return during October. The returns were primarily helped by Saudi Arabia (9.78 per cent) and Oman (5.26 per cent). Kuwait and the UAE led the negative performance, respectively declining 5.6 per cent and 5.05 per cent, followed by Bahrain (-1.98 per cent).

Our asset allocation model rose 4.84 per cent and outperformed the benchmark by 146 basis points (bps). This was mainly due to the model's overweight position in Saudi Arabia, the month's top performing market, and underweight position in Kuwait. On the flipside, the model had an overweight position of almost 18 per cent on the UAE market, which lost 6.98 per cent during the month. On a year-to-date basis, the TAA model outperformed the benchmark by 194 bps.

Performance (October)

GCC funds performed outstandingly in October 2007. All 24 funds tracked by Markaz delivered stupendous returns, with six posting monthly returns of over 10 per cent. On a positive note, eight funds posted their highest ever returns during the month. The best performing funds had higher allocation to the Saudi and UAE markets, which posted returns of 10.06 per cent and 20.21 per cent, respectively, in October 2007.

Five of the eight Shari'ah-compliant funds tracked by Markaz outperformed the S&P GCC Investible Shari'ah Compliant Index during the month of October. Amongst Shari'ah-compliant funds, Gulf Industrial Companies Fund, managed by Saudi Investment Bank, topped the performance charts with monthly returns of 16.8 per cent. It is followed by Al-Tawfeek Gulf Equity Fund managed by Al Tawfeek Company for Investment Funds. This fund managed to post returns of about 12.1 per cent, primarily due to its huge exposure to the UAE and Saudi markets and low exposure to the Kuwaiti market. However, it should be noted



that both these funds have a smaller asset size. Al Basha'er GCC Equity Fund, which recorded almost 12 per cent MTD, also benefited from its exposure to the Saudi market. Al Ahli GCC Trading Fund profited from its 22.6 per cent exposure to SABIC shares, which rose nearly 18 per cent during the month. Industries Qatar, the next best top holding, also appreciated almost 29 per cent during the month.

With monthly returns of 15.3 per cent, Arab Gateway Fund, managed by Shuaa Asset Management Co., led conventional funds during the month. The fund benefited from its overweight position in the UAE and Saudi markets. Like Al Ahli GCC Trading Fund, SABIC and Industries Qatar were the fund's top holdings. Its assets aggregated US\$352 million. The second position was occupied by GCC Equity Fund, managed by Saudi Investment Bank. The fund delivered over 10.3 per cent returns during the month. Markaz GCC Fund, which is third in our table, gained 9.3 per cent during the month. Interestingly, Aafaq Investment Fund, managed by National Bank of Dubai, benefited by lowering its exposure to all GCC markets barring Oman and Bahrain. Oman was one of the best performing GCC markets in October, with MTD returns of 14.8 per cent.

NEW

Performance of select GCC equity funds - Top Ten October 2007 returns

Oct 2007		AUM (US\$ mn)	Performance (%)				Geographic equity asset allocation						
Fund name	Inception		Oct-07	YTD	2006	LTM Risk	Saudi Arabia	Kuwait	UAE	Qatar	Oman	Bahrain	Other MENA
1 Shuaa Capital Arab Gateway Fund	Dec-99	352	15.3%	34%	-20%	20%	26%	5%	40%	14%	10%	0%	4%
2 Saudi Investment Bank GCC Equity Fund	Jul-04	124	10.3%	26%	-39%	19%	57%	11%	11%	14%	1%	5%	1%
3 Kuwait Financial Centre Markaz GCC Fund	Jan-06	24	9.3%	40%	-19%	16%	11%	35%	20%	12%	9%	4%	10%
4 National Bank of Dubai Aafaq Investment Funds	Oct-04	51	8.1%	29%	-10%	14%	25%	13%	37%	10%	12%	4%	0%
5 Gulf Investment Corporation Gulf Premier Fund	Apr-03	195	8.0%	32%	-38%	NA	30%	33%	20%	9%	6%	2%	0%
6 Saudi Investment Bank Gulf Industrial Companies Fund	Apr-05	5	16.8%	44%	-52%	32%	74%	4%	3%	16%	2%	1%	0%
7 Al Tawfeek Company for Investment Funds Gulf Equity Fund	Aug-05	7	12.1%	35%	12%	18%	24%	6%	43%	14%	11%	0%	2%
8 KFICO AlBasha'er GCC Equity Fund	Jan-06	265	12.0%	34%	-10%	13%	27%	23%	23%	23%	0%	4%	0%
9 The National Commercial Bank AIAHli GCC Trading Equity Fund	Oct-05	242	11.2%	32%	-37%	23%	49%	22%	16%	9%	2%	4%	0%
10 Saudi British Bank Amanah GCC Equity Fund	Apr-06	29	8.5%	44%	-29%	25%	32%	20%	31%	9%	6%	2%	NA

Source: Markaz Research. **Note:** Ex-Saudi funds have not been included in the analysis; % figures are rounded off.

This is an excerpt from the research published by Kuwait Financial Centre (Markaz). Please visit www.markaz.com in order to access this and other reports. Queries can be addressed to M.R. Raghu, head of research at rmandagolathur@markaz.com

Will global woes hit EMs?

Peter Hensman argues that with valuations no longer as compelling, emerging markets could be affected by deterioration of developed markets.

Few expected the performance of bonds and equities to be close in 2007, as investors contemplated how high central bankers would be forced to raise interest rates. Yet, as of the close of December 7, based on the MSCI world index, equities have produced a total return of 12 per cent in US dollar terms against 11 per cent on the JP Morgan global government bond index*. This is despite continued concerns about inflation, as the oil price has risen by nearly 50 per cent since the start of the year. The closeness of these year-to-date returns disguises two very different periods. While fears of continued monetary tightening dominated the first half, this has given way to expectations of interest rate reductions as the broadening impact of the liquidity/credit crunch that has emanated from the US sub-prime mortgage industry started to dominate thinking in the second half.

The year 2008 is likely to prove to be a very different year. The housing market woes that have been so prominent in 2007 will likely become a sideshow. This is not to suggest that the problems have been resolved, but with the pace of US new homebuilding already running at a 1.2m rate versus a peak of 2.2m in 2006 and a trough of c900k in the last three major downturns, much of the adjustment is likely to have taken place. For financial markets, it is likely to be more important whether business and consumer activity more broadly will see an increasing drag from tighter financial market conditions.

What seems certain is that the full impact of some of the adjustments in financial markets that have occurred over the summer will take some time to filter through. Not least, the damage

to confidence in securitisation will take some time to heal. Given the sharp deterioration in market sentiment that has occurred without a significant economic downturn (the falls in US housing prices have preceded any notable weakening of the employment market), it seems likely that further interest rate cuts will be required to help contain the drag from the financial woes. That inter-bank interest rates barely flickered in response to the early December cuts in official interest rates in Canada and the UK perhaps best demonstrates how fragile current market conditions remain and gives indication of how central banks will likely be required to ease interest rates to ensure further damage is not caused by illiquid markets. Arguably, this is less about the creation of moral hazard and more about the prevention of the spread of financial contagion that could damage otherwise healthy sectors of the economy.

Given the deterioration in bank balance sheets that has been seen and the uncertainty created about future economic prospects, the reduction in the availability of debt is unlikely to be restricted to low quality borrowers in the US housing market. As has been reflected in surveys such as the Senior Loan Officer survey from the Federal Reserve that assesses the risk appetite of commercial banks in the US, stricter lending criteria are not just being applied to home owners; credit conditions are also being tightened for corporates. This reduction in the willingness of banks to lend and likely ongoing decrease in risk appetite amongst investors is likely to contribute to markets that will increasingly place

a premium on companies that generate strong internal cash flows and therefore not need recourse to debt markets to fund expansion plans. As those reliant on external funding to help pay for growth find it more difficult to access the necessary capital, this is likely to contribute to a rotation in sector leadership within equity markets towards well financed businesses. Many of these will be amongst the more traditional "stable growth" areas of the market that have typically lagged in recent years, while the "hunt for yield" has made access to financing very easy. While banks will benefit from a steepening yield curve environment, the structural shift in their ability to generate revenues and return on capital inherent in a more constrained environment is likely to continue to hamper performance.

Weaker growth in the developed world beyond the US is likely to increase the challenge to the hypothesis that emerging economies/markets can decouple from the US-led cycle. That lower income economies have continued to produce strong growth despite the US slowdown has been a key factor in equity market performance in 2007. Although the outperformance by the emerging market indices has been remarkable in 2007, as yet there is insufficient evidence to suggest that these economies/markets are responding to factors immune to slower growth in the developed world. With valuations no longer as compelling as they have been in the past, the risk is that emerging market plays simply continue to offer high beta exposure to global trends. If so, further deterioration in the developed world could have a spill-over into these markets.



Source: *Newton/Datastream as of 12/12/07. All information and figures source Newton unless otherwise stated as of September 30, 2007. This article is issued by BNY Mellon Asset Management International Limited to members of the financial press and media. This article is the view of Newton Investment Management Limited and does not necessarily represent the views of the BNY Mellon Asset Management International Limited umbrella organisation. The value of shares and the income from them can fall as well as rise and investors may not get back the full amount originally invested. This article should not be construed as investment advice. **Registered Office:** BNY Mellon Asset Management International Limited, Bank of New York Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA. Registered in England No. 1118580. Newton Investment Management Ltd & BNY Mellon Asset Management International Limited are wholly owned subsidiaries of The Bank of New York Mellon Financial Corporation. Both are authorised and regulated by the Financial Services Authority. www.bnymellonam.com

Will the Thai elections help?

Political stability will be one of the key factors that could make a major difference in investing in Thailand in 2008. **Dr. Oliver Stönner-Venkatarama** analyses what's in store.

Following the recent turbulences in the global stock markets, investors aim to identify markets that provide some upward potential without being strongly correlated with the global markets. Thailand may provide such an investment opportunity, if parliamentary elections (scheduled for December 23) lead to a stabilisation of the political environment.

Since last year's coup, political uncertainty weighs on the investment and consumption climate. Neither increased public expenditures nor a significant monetary loosening has triggered a cyclical improvement so far. Only recently have there been some tentative signs that domestic demand seems to have bottomed out. More on the positive side, impressive export growth has stabilised the economy.

Furthermore, the positive export performance emphasises the high level of competitiveness and global integration of Thailand's export industry, on the backdrop of a significant strengthening of the currency since the beginning of the year. Nevertheless, the outlook for Thailand's exports appears less promising. The economic momentum in Thailand's major export markets, the US and Japan, has already started to slow down. Therefore, the export stimulus from China and the other Asian countries depends on the domestic strength of the economies.

Most likely, Asia's domestic momentum will dampen the negative effect of a weakening US economy, but overall, the region may also feel the pinch.

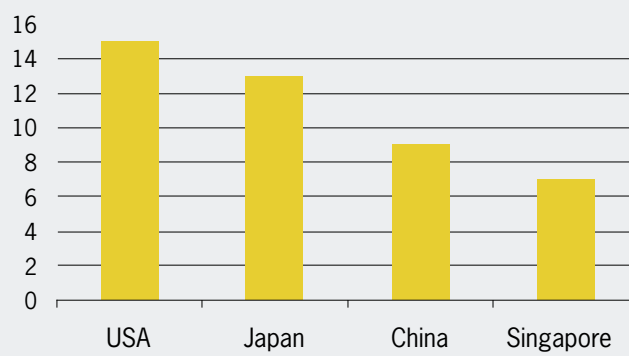
This economic projection brings us back to politics, which could make a difference for Thailand in 2008. However, elections are probably just the first step in Thailand's way towards stabilised political conditions. The major parties taking part in the elections are the People's Power Party (PPP), effectively the successor of the Thai Rak Thai (TRT) party that was founded by the ousted Prime Minister Thaksin Shinawatra, and the Democratic Party (DP). Both these parties reflect the contrast between the rural areas, the stronghold of the PPP and the urban middle class, which mainly supports the DP.

Due to these differences, smaller parties may play the decisive role in forging a new government coalition following the elections. This is probably the outcome preferred by the military, which might aim to limit the role of former TRT party leaders. But such an outcome must not necessarily lead to ongoing political jostling among political parties. In fact, bridging the gap between different political factions seems inevitable in order to forge a government coalition. Otherwise, there would be the risk of another general

election in 2008 or 2009, which could further undermine public confidence in all political parties. In other words, there is some pressure on the different political parties to cooperate beyond political differences.

Thailand's major export destinations 2006

% of total exports



From the current perspective, the formation of a rather stable government coalition would be a positive surprise for global financial investors, which have so far shown a low willingness to place a bet on this scenario. Therefore, Thailand's financial markets may become fairly attractive, if the outlined benign political scenario evolves. The impact on the domestic economy could be even more important, since the slowdown of investment and private consumption growth during 2006/07 indicates a substantial recovery potential. This implies that the risk for the current projection of GDP growth 2008/09 in the range of 4.0-4.9 per cent per year is probably on the upside. To put it differently, Thailand is likely to play a bigger role in investment decisions next year. The current caution may lead to an even bigger interest during 2008/09. On the back of Thailand's solid economic fundamentals, it seems too pessimistic to extrapolate recent political and economic trends too far into the future.

All in all, Thailand highlights the fact that Asia is well diversified, which implies further investment opportunities, even though the major markets such as China and India have reached higher valuation levels. The shift of investments away from these major markets towards smaller investment targets might be particularly beneficial for markets like Thailand. With Asia still the fastest growing region, it remains the most attractive investment target for 2008.

HW

Dr. Oliver Stönner-Venkatarama is the emerging markets investment strategist at Cominvest.

Disclaimer: This report is for information purposes only and may not be published by third parties. It is not intended to be and should not be construed as an offer or solicitation to acquire or dispose of any of the securities or issues mentioned in this report. Should you require advice, please contact your financial advisor. Any information in this report is based on data obtained from sources considered to be reliable, but no representations or guarantees are made by COMINVEST Asset Management GmbH with regard to the accuracy of the data. The opinions and estimates contained herein constitute our best judgement at this date and time and are subject to change without notice. No rights accrue from the information. COMINVEST Asset Management GmbH accepts no responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part to this report.

A short respite for the dollar

The recent strength seen in the US dollar is just a brief respite before further weakness. **Philip John** expects US interest rates to drop further in 2008.

The US dollar had a bad year in 2007 with the broad Dollar Index, which tracks the greenback's performance against a basket of currencies, falling seven per cent - to date. The greenback has recently got a breather from the selling that drove it to a record low against most major currencies. The index, in fact, touched a two-month high at the time of writing this column. Does it look like the dollar has bottomed out or is this just a temporary breather as some investors are getting tired of shorting the dollar?

The dollar's rise towards the two-month high against major currencies has been underpinned by expectations that the threat of rising inflation could prevent the Federal Reserve from cutting interest rates aggressively. Market participants feeling that the Fed will have to stay vigilant on inflation risks came after data showed a rise in US consumer and producer prices. Year-end transactions were also behind the dollar's advance as investors cover short positions in the currency ahead of year-end book closings. Position squaring and profit-taking following a year in which the dollar was under a lot of pressure appears to be a main driver, as this has turned into a powerful short-covering squeeze and has prompted technical and momentum traders to play the dollar from the long side. The perception that some real money accounts have joined speculators by reducing short-dollar hedges has also provided support. The greenback is also drawing strength from the fact that even if the Fed were to ease rates slightly, it would not significantly erode the dollar's yield advantage, since global growth worries are likely to prompt other major central banks to cut rates or hold them steady.

The Fed is expected to lower rates further in 2008, after cutting them by a total of a full percentage point since September to 4.25 per cent, to shield the economy from problems in the subprime

mortgage market as well as broad weakness in the housing market. But some analysts now think lurking price pressures could force officials to adopt a slower pace of monetary policy easing by keeping rates unchanged when they meet on Jan. 30. Rising food and agricultural prices, as well as high energy costs have been the biggest drivers of inflation.

The dollar index - steadily down in 2007



Interest rate futures are presently pricing in about an 80 per cent implied chance of a quarter-percentage-point interest rate cut in January, down from around 100 per cent previously. Earlier on, the implied chances of a rate cut had even slipped to around 70 per cent.

In the short term, it looks like investors are reducing their bets on further dollar weakness against the euro and the pound, though many continue to think that going forward, the dollar will be weak especially relative to emerging market currencies.

It has been an interesting and exciting but a volatile time for the GCC currencies that are pegged to the dollar, as the recent depreciation in the greenback had driven up expectations of a revaluation and even de-pegging. With many key figures upping the ante on the possibility of a revaluation to contain local inflation, many international and local institutions had turned into active speculators on the GCC currencies.

The hype of revaluation was so high that local and international market participants pushed the UAE Dirham to a 17-year high and the Saudi Riyal to 21-year high, while the one year dirham forwards priced in

a 3.6 per cent revaluation and one year riyal forwards a three per cent revaluation. The hype was on the widespread feeling that the Gulf countries required a new FX regime and that the current dollar pegs are forcing GCC central banks to track US monetary policy when their booming economies are out of step with the US and that lowering interest rates in the GCC would be like adding fuel to the already burning inflation fire.

However, the revaluation prospects were abruptly halted at the GCC summit, where officials clarified that neither de-pegging nor revaluation were on the cards and that

the GCC countries had decided to continue its peg to the dollar. The effect on the GCC currencies was immediate with many falling back to near official levels.

Though the recent rally in the dollar might have eased the call for revaluation a bit, the economic case for revaluation is compelling. The markets continue to bet on a revaluation: the one-year UAE dirham forwards are still pricing in a 3.40 per cent revaluation while Saudi forwards are pricing in 1.74 per cent. It will only be a matter of time before fresh speculation of a revaluation hits the spot market too.

The Loonie tunes into 2007

The Canadian dollar was a spectacular performer in 2007. **Sammer Mourched** analyses what made the Loonie such a winner last year.

The year 2007 was a golden year for the Loonie (Canadian dollar), as it reached record highs against many majors in the market. It managed to appreciate by 24 per cent against the dollar, while the euro only managed 15 per cent against the dollar and the sterling a 10 per cent appreciation.

The question is: what was the reason behind these substantial appreciations?

The truth is that this was just a reflection of the performance of the Canadian economy which had an overall positive year across all its economic indicators. The country's GDP growth figures were registered at 2.6 per cent, CPI at 2.4 per cent as well as a growth of 5.6 per cent in their trade balance against 2006 figures. However, two reasons behind the strength in their currency is due to conditions outside of Canadian borders. The first being the continuous increase in the price of oil throughout 2007 registering record highs, directly impacting export earnings of the country (oil accounts for 50 per cent of Canada's total exports). The second reason was the consistent depreciation in the US dollar.

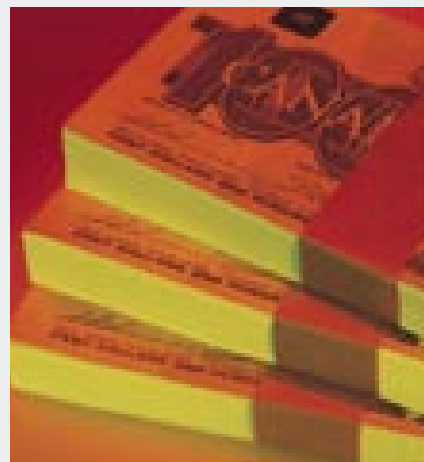
The Loonie began 2007 with a slight dip against the US dollar, a dip from 1.1660 to reach as low as 1.1883 by the middle of the first quarter, it maintained tight fluctuations

until the end of February in line with the oil price fluctuations around the US\$60 mark. This was followed by a sharp increase in the third month of the year supported by the positive data announcements for the first quarter as well as oil price appreciations from US\$60 to US\$70 per barrel.

The reaction of the Canadian Central bank to the inflationary pressures caused from the positive data of the first and second quarter was an increase in their interest rates, which were set at 4.50 at the end of July. The Loonie maintained its powerful push to record historic figures of 0.9050 against the US dollar; this was in line with oil price movements which reached historic figures of US\$99.29 per barrel.

This was maintained until the drop in oil prices in the third quarter, due to some statements released by a number of OPEC representatives, related to the increase of oil production due to increasing world demand. This was met with a dip in the Loonie which began rectifying its substantial appreciation until the end of the year; this was followed by the central bank cut in interest rates to 4.25 per cent, equal to the rates of the Fed. This helped to slow down the price rectifications the Loonie was witnessing.

The rate cut was set in order to tackle the



initial footprints of recessionary behaviour taking place in the Canadian economy as had been observed with the US economy. These signs were developing despite employment figures reaching record highs, with unemployment registering a low of 5.7 per cent.

On reflection, this shows the flexibility that the Canadian Central Bank is able to enjoy in rectification of their interest rates due to their strong economy and positive outlook for the coming years. The Loonie then ended 2007 with a slight appreciation from the dip it had witnessed that started from 1.0250.

NEW

Canada currently produces 3.23 million barrels of oil a day, and exports up to 70 per cent of their production to the US - 18 per cent of US oil imports. The US is considered as sole importer of Canadian oil. By way of comparison the GCC constitutes just 12 per cent of US oil imports. The US constitutes only 14 per cent of GCC exports in comparison to 34 per cent of their exports to Asia (predominantly China and Japan). Europe imports 26 per cent.

Despite the large proportion of oil trade between Canada and the US, Canada has not fixed its currency

against the US dollar. Which is why it has the capability of being flexible with its monetary policies and adapting them as the economy deems necessary. In turn, the currency has been able to reflect a healthy economy and a strong outlook, while GCC currencies have been in a weaker position with the reflection of their currency. Instead of the bright and strong outlook, they have to look for alternative policies to discourage speculators manage hyper-inflation.

The peg of the GCC currencies to the US dollar and having to follow through

with the same monetary policies is causing greater difficulties - the US economy and GCC economies are in separate economic conditions. This adds strain on the economies in the region and impedes growth to their full capabilities. In the long run, as conditions are further differentiated the economies will confront more pressure and less control on the manipulation of their currencies.

We ask the question once again: Is a pegged currency the right path to follow for the future of the GCC's currencies?

Coal emerging as crude rival

With crude oil hitting new highs, new themes are being investigated by large users of energy in the emerging markets. One of the substitutes gaining strength is coal. A report from MF Global.

The impact of the collapse of the sub-prime mortgage market on the world's leading economies remains hard to assess. This mixed view has set up the turbulence in energy and base metals from an economic growth perspective and in precious metals from a safe haven investment perspective.

In the precious metals complex, gold's flight towards US\$850 per ounce has been constantly faltering around the US\$825 level in recent weeks. This has partly to do with choppy crude oil prices and a somewhat marginal resilience shown by the US dollar against its major rival, the euro. The rise of crude oil prices increases the allure of gold or related investment instruments as an inflation hedge. Gold (COMEX front month futures), at the time of writing this article, was trading at US\$814 per ounce, up one per cent on month.

The weakening dollar is considered positive news for gold, which is the next preferred investment choice, compared to US treasuries. The US dollar has bounced back marginally in the past month after weakening to an all time low against the euro at US\$1.4859. It was trading at US\$1.4578 at the time of writing this article.

An increasingly clouded view on growth prospects of the US economy has cast

doubt on consumption of base metals.

Aluminum and copper have had the largest percentage declines. Aluminum has declined by over five per cent to US\$2,437 per tonne (LME three-month forward), while copper has witnessed an equal fall in percentage terms to US\$6,630 per tonne.

As 2007 draws to a close, we attempt to look at themes that could dominate in the commodities market in 2008 and beyond. One such theme is the substitution of crude oil with other cheaper alternatives. This is not just to combat high crude prices, but to be prepared to meet the ever present threats to the energy security of leading and emerging nations from those regions where the crude oil stockpiles are concentrated. Another 'C' has emerged over the past one year to rival crude oil, 'COAL', in this quest. Major coal exporting countries in the world are under pressure to meet the surging demand from China and India. And this scene is unlikely to change in the near future as these countries (India and China) struggle to meet the growing steel demand from their economies. Since its launch in 2006, ICE front-month coal futures have gained over 110 per cent to reach a high of US\$132/tonne in May 2007. It was trading at US\$126 per tonne, up by one per cent on month at the time of writing this report.

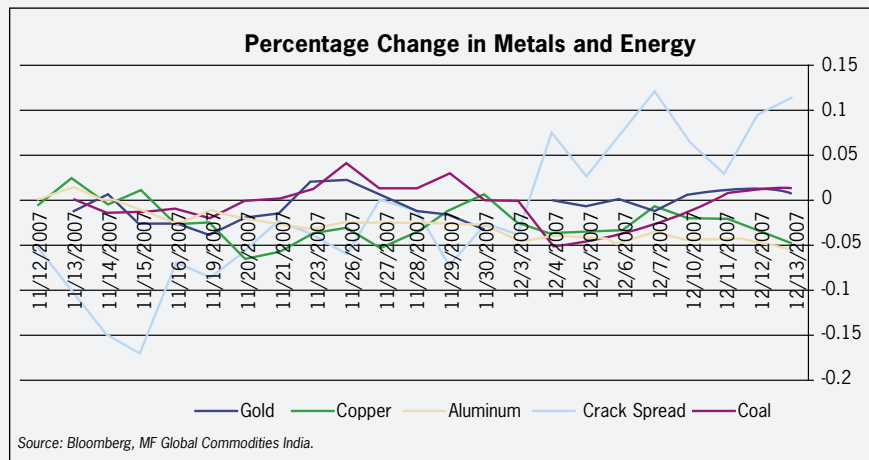
Shipping bottlenecks due to inadequate transportation and loading facilities in Australia (largest coal exporter) and South Africa have put further pressure on supplies, sending prices northwards.

And now for the crude angle. In order to sustain the growth momentum and find a way to face crude oil shortages, China has been pushing for the use of coal-to-chemicals and coal-to-liquid technologies. Coal-to-liquid technology focuses on conversion of coal into fuel, which can be used for transportation, refining crude oil and in basic industries. Coal-to-chemicals technology focuses on conversion of coal to methanol to produce ethylene and propylene, used as basic components of many plastics and chemicals. A US\$2 billion plant has now been commissioned and will utilise coal reserves for conversion to transportation fuels.

China, the world's largest miner and consumer of coal, has somewhat had a balance in its coal exports and imports in 2007. Its imports over the January-November 07 period have risen 38.50 per cent to 46.68 million tonnes. Exports have dropped to 47.44 million tonnes, down 38.50 per cent on year during the same period.

India, also faced with the burgeoning oil bill, has been exploring opportunities in this area. Coal India's subsidiary, Mahanadi Coalfields, plans to set up an INR30 billion plant along with South Africa's CTL giant Sasol. This project is expected to convert around 20 million tonnes of coal into petroleum annually.

Efforts are gathering pace in the US as well to build plants using CTL technologies. At present, 75 per cent of US crude oil imports come from the Middle East. According to US Department of Energy data, the US has nearly 27 per cent of the world coal reserves, the highest in the world. The momentum to shift towards coal-derived-fuels, precious and industrial metals complex could continue to remain turbulent as they slowly begin to decouple from crude oil.



Disclaimer: The information in this column is provided by MF Global. For further details, write to: contactdubai@mfglobal.ae or call +971 4 3325 052. **Source:** MF Global Commodities India Pvt Ltd, Bloomberg.

OFFSHORE SAVERS SELECTION

Provider	Telephone Number	Account	Notice/Term	Deposit	% Gross	Interest Paid
No Notice US Dollar Accounts						
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore Access	None (I)	\$20,000	5.25%	Yly
Alliance & Leicester Int Ltd	01624 663566	US Dollar Savings	None	\$100,000	5.20%	Yly
Anglo Irish Bank Isle of Man	01624 698000	Privilege Access	None	\$5,000	5.00%	fily
Nationwide International Ltd	01624 696000	Tracker Premium	None	\$50,000	4.85%	Yly
Clydesdale Bank International	01481 711102	Instant Savings	None	\$10,000	4.75%	Yly
No Notice Euro Accounts						
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore Access	None (I)	€15,000	4.50%	Yly
Nationwide International Ltd	01624 696000	Tracker Premium	None	€50,000	4.35%	Yly
Northern Rock (Guernsey)	01481 728555	Euro Direct Saver	None	€5,000	4.30%	Yly
Bank of Scotland International Ltd.	01534 613500	Halifax Gteed Saver	None	€35,000	4.25%	Yly
Anglo Irish Bank Isle of Man	01624 698000	Privilege Access	None	€5,000	4.00%	fily
No Notice Accounts						
Irish Nationwide (IOM)	01624 673373	Instant Quarterly	None	£25,000	6.60%	Yly
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore Access	None (I)	£10,000	6.55%	Yly
Alliance & Leicester Int Ltd	www.alil.co.im	eSaver Offshore 1	None (W)	£1,000	6.51%	Yly
Nationwide International Ltd	01624 696000	Tracker Premium	None	£25,000	6.50%	Yly
Bradford & Bingley International	01624 695000	Future Planning Tracker	None	£25,000	6.40%	Yly
Notice Accounts						
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore 32	32 Day (I)	£25,000	6.70%	Yly
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore 60	60 Day (I)	£25,000	6.650%	Yly
Anglo Irish Bank Isle of Man	01624 698000	Privilege 90	90 Day	£5,000	6.60%	Yly
Scarborough Channel Islands	01481 712004	Offshore Flexi-60 Direct	60 Day (B)	£5,000	6.55%	Yly
Investec Bank (CI)	01481 723506	Investec Horizon	90 Day	£25,000	6.50%	Qly
Monthly Interest						
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Base Rate Tracker 180	None (I)	£10,000	6.35%	Mly
Nationwide International Ltd	01624 696000	Tracker Premium	None	£25,000	6.30%	Mly
Scarborough Channel Islands	01481 712004	Offshore Flexi-60 Direct	60 Day (B)	£5,000	6.30%	Mly
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Base Rate Tracker 180	180 Day (I)	£25,000	6.20%	Mly
Scarborough Channel Islands	01481 712004	Offshore Reserve	None	£25,000	6.15%	Mly
Fixed Rates						
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Fixed Term Bond	1 Yr Bond	£10,000	6.81% F	OM
Anglo Irish Bank Isle of Man	01624 698000	Privilege Fixed Interest	1 Yr Bond	£5,000	6.80% F	OM
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Fixed Term Bond	2 Yr Bond	£10,000	6.61% F	Yly
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Fixed Term Bond	3 Yr Bond	£10,000	6.52% F	Yly
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Fixed Term Bond	4 Yr Bond	£10,000	6.35% F	Yly
Current Accounts						
Clydesdale Bank International	01481 711102	Current	None	£2,500	4.55%	Mly
Royal Bank of Canada (CI)	01534 283000	Executive Plus	None	£50,000	3.925%	Mly
Abbey International	01534 885100	Offshore Gold	None	£50,000	3.75%	Qly
Bank of Scotland International Ltd	01534 613500	Flexible Plus Current	None	£5,000	3.50%	Mly
Standard Bank	01534 881188	Optimum	None	£50,000	3.06%	Qly
Accounts for Non UK Residents						
Bradford & Bingley Int. Ltd.	www.bbi.co.im	eSaver	None (W)	£1	6.50%	Yly
Bradford & Bingley Int. Ltd.	www.bbi.co.im	eAccess	None (W)	£1,000	6.35%*	Yly
Bradford & Bingley Int. Ltd.	www.bbi.co.im	elncome	None (W)	£1,000	6.05%	Mly
Standard Bank	01534 881188	Expatriate Savings	90 Day	£10,000	5.90%	Yly
Abbey International	01534 885000	Tracker Term 7	04-09-08	£10,000	5.80%*	OM

All rates are shown gross. * = Introductory variable rate for limited period. B = Operated by Post or Telephone. F = Fixed Rate. I = Operated by Internet, Post or Telephone OM = On Maturity. P = Operated by Post
 All rates and terms subject to change without notice and should be checked before finalising any arrangement. No liability can be accepted for any direct or consequential loss arising from the use of, or reliance upon, this information. Readers who are not financial professionals should seek expert advice. Figures compiled on: December 20, 2007 Source: Moneyfacts

OFFSHORE CHEQUE ACCOUNT RATES

	Telephone	Account Name	£5K	£10K	£25K	£50K	£100K	£250K	£500K	£1m	Int paid	Cash card
Abbey International	01534 885100	Offshore Gold	2.50	3.00	3.50w	4.00	4.75	4.80	4.80	5.00	Qly	Yes
Bank of Scotland International Ltd	01534 613500	Flexible Plus Current	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	Mly	Yes
Barclays	01534 880550	International Cheque	0.10i	2.50	2.50	2.50	2.50	2.50	2.50	2.50	Qly	Yes
	01481 723176	International Premier Chq	0.10	2.50	2.50	2.50	2.50	2.50	2.50	2.50	Qly	Yes
Fairbairn Private Bank	01624 645000	Accumulation	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	On Closure	Yes
		High Interest Accumulation	-	-	-	4.75	5.00	5.25	5.40	5.50	On Closure	No
		Reserve	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	Qly	Yes
HSBC International	01534 616000	Offshore Bank	0.12	0.62	1.42	2.12	2.37	2.37	2.37	2.37	Mly	Yes
		Premier Offshore Banl	0.37	0.87	1.67	2.37	2.62	2.62	2.62	2.62	Mly	Yes
Investec Bank (CI) Ltd	01481 723506	Private Interest Current	-	-	0.05	0.10	1.25	1.75	1.75	1.75	Qly	No
Isle Of Man Bank	01624 63700	Gold Account	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	Mly	Yes
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Money Market Currency	2.75	2.75	2.75	3.125	3.50	3.562	3.562	3.562	Qly	Yes
Lloyds TSB Offshore Banking	01624 638000	Overseas Club Sterling	1.55	2.60	3.05	3.80	4.75	4.90	4.90	4.90	Mly	Yes
NatWest	01534282828	Advantage Cheque	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	Mly	Yes
Royal Bank of Canada (Channel Islands) Ltd	01534 283000	Executive Plus	-	-	-	3.925	4.175	4.925	4.925	4.925	Mly	Yes
Royal Bank of Scotland Intl. Ltd	01534724356	Royalties Cheque	1.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	Mly	Yes
Schroders (CI) Ltd	01481 703700	High Interest Call	-	-	4.75	4.75	5.00	5.25	5.50	5.50	Mly	Yes
Standard Bank	01534 881188 / 01624 643643	Optimum	2.31k	2.31	3.06	3.31	3.56	3.81	3.81	3.81	Qly	Yes

e = i = Rate applies from £1. i = Rate applies from £2K. k = Rate applies from £3K. t = Rate applies from £100. w = Rate applies from £20K. All rates are shown gross. All rates and terms subject to change without notice and should be checked before finalising any arrangement. No liability can be accepted for any direct or consequential loss arising from the use of, or reliance upon, this information. Readers who are not financial professionals should seek expert advice. Figures compiled on: December 6, 2007 Source: Moneyfacts

MONEYworks

It's your window into a very large world

The earlier you start getting to grips with your finances, the better.

Read the Gulf region's first personal finance and investment magazine **MONEYworks** every month to learn more about the importance of taking care of your money.

www.moneyworks.ae

Best Buy Tables - OFFSHORE

EURO ACCOUNTS - NO NOTICE OFFSHORE ACCOUNTS

	Telephone	Account Name	€5K	€10K	€25K	€50K	€100K	€250K	Int paid	Chq. Book
Abbey National	01534 885100	Offshore Euro Call	0.85	1.35w	2.00	2.00	2.25a	2.50	Yly	No
		Offshore Gold	-	0.50	1.00j	1.00	1.00	1.50	Yly	No
Alliance & Leicester Intl. Ltd	01624 663566	Euro Savings	3.86	3.86	3.86	3.86	3.86	3.86	Yly	No
Anglo Irish Bank Isle of Man	01624 698000	Privilege Access	4.00	4.00	4.00	4.00	4.00	4.00	Half Yly	No
Bank of Scotland International Ltd	01534 613500	Halifax Int G'teed Reserve	-	-	-	4.25h	4.25	4.25	Yly	No
		International Savings	1.75	1.85	1.95	2.20	2.40	2.40	Yly	No
Barclays	01534 880550	International Cheque	0.10	0.10	1.40e	1.40	1.40	1.40b	Qly	No
		International Tracker	-	-	2.45e	2.45	2.75a	3.25b	Qly	No
Bristol & West International Ltd	01624 644333	Euro Savings	-	2.65	2.75	2.85	3.00	3.30	Yly	No
Clydesdale Bank International	01481 711102	Instant Savings	-	3.90	3.90	3.90	3.90	3.90	Yly	No
		Current	2.86	2.86	2.86	2.86	2.86	2.86	Mly	No
		Instant Savings	-	3.83	3.83	3.83	3.83	3.83	Mly	No
Fairbairn Private Bank		Accumulation	-	1.50	1.50	1.50	1.50	1.50	On closure	Yes
	01624 645000	High Interest Accumulation	-	-	-	-	3.00a	3.25b	On closure	Yes
		Reserve	-	1.50	1.50	1.50	1.50	1.50	Qly	Yes
HSBC International	01534 616000	Offshore Bank	0.00	0.20	0.20	0.47	0.47	0.94	Mly	No
		Online Saver	-	-	3.54j	3.54	3.54	3.54	Mly	No
		Premier Offshore Bank	-	0.45	0.45	0.72	0.72	1.19	Mly	No
		Premier Online Saver	-	-	3.83j	3.83	3.83	3.83	Mly	No
		Premier Serious Saver	-	2.365	2.365	3.015	3.015	3.415	Mly	No
		Serious Saver	-	2.115	2.115	2.765	2.765	3.165	Mly	No
Investec Bank (CI) Ltd	01481 723506	Private Interest Current	-	-	-	0.05	0.10a	0.25b	Qly	No
Irish Permanent International	01624 641641	Instant Access	3.40v	3.40	3.40	3.40	3.75	3.75	Yly	No
		Instant Access	3.35v	3.35	3.35	3.35	3.69	3.69	Mly	No
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore Access	-	-	4.50e	4.50	4.50	4.50	Yly	No
		Call	0.937r	0.937	0.937	1.062u	1.125m	1.687n	Qly	No
Lloyds TSB Offshore Banking	01624 638000	Euro Intl. Account (Expires only)	0.45	1.30	1.60	1.85	2.20	2.70	Half Yly	No
Nationwide International Ltd	01624 696000	Euro Savings	2.50t	2.50	2.55	2.55	2.55	2.60	Yly	No
		Euro Tracker Premium	4.05	4.05	4.05	4.35	4.35	4.35	Yly	No
NatWest	01534 282300	Advantage International	2.20	2.30	2.40	2.60	2.85	3.00	Qly	No
Northern Rock (Guernsey) Ltd	01481 714600	Offshore Euro Direct Saver	4.30	4.30	4.30	4.30	4.30	4.30	Yly	No
		Offshore Euro Direct Saver	4.05	4.05	4.05	4.05	4.05	4.05	Mly	No
Royal Bank of Canada (Channel Islands) Ltd	01534 283000	Executive Plus	-	-	-	-	2.26	2.31c	Mly	No
Royal Bank of Scotland Intl. Ltd	01534 286850	Royalties International	2.20	2.30	2.40	2.60	2.85	3.00	Qly	No
Schroders (CI) Ltd	01481 703700	High Interest Call	-	-	-	2.968u	2.968	3.218b	Mly	Yes
Standard Bank	01624 643643	Offshore Reserve	1.87	1.87	1.87	2.37	2.62	2.74	Half Yly	No
	01534 881188	Optimum	0.50	0.50	1.25	1.25	1.50	2.00	Qly	No
		Offshore Moneymarket Call	-	-	-	3.50	3.60	3.60	Mly	No
Woolwich Guernsey	01481 715735	Euro International Gross	-	-	1.84j	2.08	2.33	2.82	Qly	No
Zurich International Ltd	01624 671666	Call	2.75	2.75	2.75	2.75	2.75	2.75	Qly	No

j = Rate applies from €20K. k = Rate applies from €30K. l = Rate applies from €50K. m = Rate applies from €75K. n = Rate applies from €100K. o = Rate applies from €150K. p = Rate applies from €200K. q = Rate applies from €250K. r = Rate applies from €300K. s = Rate applies from €350K. t = Rate applies from €400K. u = Rate applies from €450K. v = Rate applies from €500K. w = Rate applies from €550K. x = Rate applies from €600K. y = Rate applies from €650K. z = Rate applies from €700K. All rates are shown gross. All rates and terms subject to change without notice and should be checked before finalising any arrangement. No liability can be accepted for any direct or consequential loss arising from the use of, or reliance upon, this information. Readers who are not financial professionals should seek expert advice. Figures compiled on: December 6, 2007 Source: Moneyfacts

US\$ ACCOUNTS - NO NOTICE OFFSHORE ACCOUNTS

	Telephone	Account Name	\$5K	\$10K	\$25K	\$50K	\$100K	\$250K	Int paid	Chq. Book
Abbey National	01534 885100	Offshore US\$ Call	1.70	2.95	2.95	3.20	3.45	3.75	Yly	No
		Offshore Gold	-	1.20	1.45u	1.95	2.45	2.75	Yly	No
Alliance & Leicester International Ltd	01624 663566	US\$ Savings	5.00	5.00	5.00	5.00	5.20	5.20	Yly	No
Anglo Irish Bank Isle of Man	01624 698000	Privilege Access	5.00	5.00	5.00	5.00	5.00	5.00	f Yly	No
Bank of Scotland International Ltd	01534 613500	Halifax Int G'teed Saver	-	-	-	4.75	4.75	4.75	Yly	No
		International Savings	1.00	1.00	1.50	3.00	3.40	3.60	Yly	No
Barclays	01534 880550	International Cheque	0.10	0.10	1.50u	1.50	1.50	1.50	Qly	No
		International Tracker	-	-	2.80u	2.80	3.80	4.00x	Qly	No
Bristol & West International Ltd	01624 644333	Easy Access	2.75	2.75	2.75	3.00	3.25	3.25	Yly	No
Clydesdale Bank International	01481 711102	Instant Savings	-	4.75	4.75	4.75	4.75	4.75	Yly	Yes
		Current	3.69	3.69	3.69	3.69	3.69	3.69	Mly	Yes
		Instant Savings	-	4.65	4.65	4.65	4.65	4.65	Mly	Yes
Fairbairn Private Bank	01624 645000	Accumulation	-	2.00	2.00	2.00	2.00	2.00	On Closure	Yes
		High Interest Accumulation	-	-	-	-	3.50v	3.75x	On Closure	Yes
		Reserve	-	2.00	2.00	2.00	2.00	2.00	Qly	Yes
HSBC International	01534 616000	Offshore Bank	-	0.73	1.15	1.70	2.21	2.32	Mly	No
		Online Saver	-	-	4.12u	4.12	4.12	4.12	Mly	No
		Premier Offshore Bank	-	0.98	1.40	1.95	2.46	2.57	Mly	No
		Premier Online Saver	-	-	4.36u	4.36	4.36	4.36	Mly	No
		Premier Serious Saver	-	1.475	2.045	2.955	3.745	3.865	Mly	No
		Serious Saver	-	1.225	1.795	2.705	3.495	3.615	Mly	No
Investec Bank (CI) Ltd	01481 723506	Private Interest Current	-	-	-	0.10	0.25v	0.75m	Qly	No
Irish Permanent International	01624 641641	Instant Access	3.75	4.26	4.25	4.45	4.50	4.50	Yly	No
		Instant Access	3.69	4.17	4.17	4.36	4.41	4.41	Mly	No
Kaupthing Singer & Friedlander (IOM) Ltd	01624 699222	Platinum Offshore Access	-	-	5.25u	5.25	5.25	5.25	Yly	No
		Call	2.062k	2.062	2.312t	2.312	2.375v	2.375	Qly	No
Lloyds TSB Offshore Banking	01624 638000	US International Acc. (Expires only)	0.10	0.85	1.35	1.60	1.90	2.05	f Yly	No
Nationwide International Ltd	01624 696000	US Dollar Savings	3.55h	3.55	3.60	3.70	4.15	4.15	Yly	No
		US Dollar Tracker Premium	4.55	4.55	4.55	4.85	4.85	4.85	Yly	No
NatWest	01534 282300	Advantage International	2.70	2.80	2.90	3.10	3.35	3.50	Qly	No
Royal Bank of Canada (Channel Islands) Ltd	01534 283000	Executive Plus	-	-	-	-	3.225	3.475x	Mly	No
Royal Bank of Scotland Intl. Ltd	01534 286850	Royalties International	2.70	2.80	2.90	3.10	3.35	3.50	Qly	No
Schroders (CI) Ltd	01481 703700	High Interest Call	-	-	-	3.562	3.562	3.812r	Mly	Yes
Standard Bank	01534 881188	Offshore Reserve	2.37	2.37	2.37	2.62	2.99	3.24	Half Yly	No
	01624 643643	Optimum	1.25	1.25	1.25	1.75	2.25	2.50	Qly	No
		Offshore Moneymarket Call	-	-	-	4.00	4.10	4.10	Mly	No
Woolwich Guernsey	01481 715735	US\$ International Gross	-	-	2.48u	2.53	2.77	3.02	Qly	No
Zurich Bank International Ltd	01624 671666	Call	2.00	2.50	3.00	3.50	3.75	4.00	Qly	No

h = Rate applies from \$1K. k = Rate applies from \$3K. l = Rate applies from \$50K. m = Rate applies from \$150K. n = Rate applies from \$15K. o = Rate applies from \$20K. p = Rate applies from \$25K. q = Rate applies from \$30K. r = Rate applies from \$35K. s = Rate applies from \$40K. t = Rate applies from \$45K. u = Rate applies from \$50K. v = Rate applies from \$55K. w = Rate applies from \$60K. x = Rate applies from \$65K. y = Rate applies from \$70K. z = Rate applies from \$75K. All rates are shown gross. All rates and terms subject to change without notice and should be checked before finalising any arrangement. No liability can be accepted for any direct or consequential loss arising from the use of, or reliance upon, this information. Readers who are not financial professionals should seek expert advice. Figures compiled on: December 6, 2007 Source: Moneyfacts

For more information visit



EXPATRIATE MORTGAGE TERMS - JANUARY 2008

LENDER	INTEREST RATE%	MAX.% ADVANCE	ARRANGEMENT FEE	SPECIAL FEATURES
Bank of Scotland	Libor+/-1%	85	0.25%	Special schemes GBP70,000 minimum.
BM Solutions	5.64% 2 year tracker 5.99% 2 year fix		2.5% 2.5%	Applicant must work for Govt Agency or Multi National Company.
Cheltenham & Gloucester	5.68% 2 year Fix 5.83% 2 year Fix 5.83% 5 year fix 5.86% full term tracker bank base plus 0.36%	85	GBP995 Nil	Every case has to be agreed with an underwriter before submission. Unlikely to lend to Self employed expat applicants. Employed applicants need to work for large companies.
Dresdner Kleinwort Benson	Cost of funds +1-1.5%	80	0.5%	Currency switching. Minimum loan GBP100,000. Life assurance required. Minimum earned income GBP75,000.
Fortis Bank Group	Sterling mortgage LIBOR + 1.25% Foreign currency mortgage Cost of funds +1.5-2.0%	75 70	GBP500 GBP500	Min. loan GBP150,000, 80% owner/family occupation. Loans to offshore companies and trusts. Multi-currency mortgages available.
Halifax PLC	6.69% 3 year fix	75	GBP499	Very restrictive terms. No capital raising allowed. Must be returning to UK in a short period. 6 months bank statements required. Redemption penalties. Fixed rate 2% in first 3 years.
Heritable Bank	6.79% 2 year fix	85	0.5%	IMP Clients receive a special discount. 6% redemption penalty over the first two years.
HSBC	7.5%	80%-90% Repayment basis only 75% Interest only	Varies	Life insurance must be assigned to HSBC bank. Applicants need to be in salaried employment or professional occupations such as Dr's, Dentists, Solicitors or Accountants. 130% rent to interest ratio difficult to match.
Ipswich Building Society	6.59% via discount to 01/03/2010	80%	GBP295	Maximum of five properties to GBP1 million borrowing. Flexible mortgage.
Irish Permanent (Isle of Man)	Base +0.65% - 1.25%	85	1%	Same rate second asset loans Also 2-10 year FIXES with repayment penalties. Loans to offshore companies and trusts.
Royal Bank of Scotland International	Base +1-1.5%	80	0.5%	Terms can vary via different Royal Bank operations areas.
Saffron Building Society	6.24% Bank of England base + 0.74%	UK Expats 85% Foreign Nationals 75%	Loans to £350,000 £595 Loans to £500,000 £795	Maximum holding £1.5 million. Up to five buy to let properties.
Stroud & Swindon	Under review	75	£695	No repayment penalties at any time. Up to four buy to let properties. Totally flexible overpayments/underpayments.
TMW	5.68% 6.34% 6.19%	80 80 80	2 year fix 1.5% 0.5% 0.5%	5% during fix rate. 2 year tracker 5% in fixed period. 5 year fix 5% in fixed period.

This table is for information purposes only and is not to be viewed as a recommendation.

Notes: Some Lenders have onerous redemption penalties for fixed and discounted terms.

A usual penalty is 6 months interest in the first 5 years. Loans are, however, portable, but proportionate penalties would apply unless similar amount loans were taken. There are also proportionate penalties on partial repayments. BANK OF SCOTLAND, FORTIS, KLEINWORT BENSON and ROYAL BANK OF SCOTLAND all offer loans via offshore trusts and offshore companies. Arrangement fees can be as much as 1per cent of the loan. Some lenders make life assurance cover obligatory. Others insist on their "in-house" buildings and contents insurance as a loan condition. **Arrangement Fees** - All fees quoted are payable to the lender and are usually added to the loan, although some require payment with the application. IMP will charge an arrangement fee of .25 per cent subject to a minimum of £250 and a maximum of £500 but this can be waived where associated financial products, such as mortgage protection, are effected through the company's agencies. Most lenders have now settled on a base variable rate of circa 7%-7.25%. Bank rate @ 16/12/07 - 5.5% 3 month LIBOR 6.65%. IMP are authorised and regulated by the Financial Services Authority (302775) for mortgage advice and hold Consumer Credit Licence No: 592583.

www.international-mortgage-plans.com

Issue 11 out now

PROPERTY
works

An impartial
guide to property
purchase in the UAE



People who want property look in

PROPERTY*works*

Properties that want people are
found in **PROPERTY***works*

For further information and to get your
complimentary copy, please contact us
directly on

pworke@getyourmoneyworking.com

making the subject field '**PROPERTY***works*'
with your address and we'll send you the
latest issue, free of charge.

Please address all advertising enquiries to

pworke@getyourmoneyworking.com

Issue 12, March 2008

Credit Cards						SAUDI ARABIA
PROVIDER	CARDS OFFERED	ANNUAL FEE (SAR)	INTEREST/PROFIT RATE	INTEREST FREE CREDIT	VALUE ADDED	CONTACT
Al Rajhi Bank	Visa (Silver, Gold, Business, Electron) Mini Visa	Silver – 220 Gold - 420	N/A for purchases, SAR36 for cash withdrawals	45 days	Shari'ah compliant, photo-sign card, customer privilege booklet, Al Rajhi rewards programme, supplementary cards for dependents.	800 124 1222 www.alrajhibank.com.sa
AMEX	Blue/Gold/Platinum	Blue – 200, Gold – 400, Platinum – 900	2.25% on purchases, 3.5% or SAR40 on cash withdrawals	25 days	Free supplementary cards, 1% cash back on purchases, worldwide emergency assistance, travel accident insurance, security chip	800 124 2229 www.americanexpress.com.sa
Arab National Bank	Visa/MasterCard (Al Mubarak Silver, Al Mubarak Gold, Alarabi Silver, Alarabi Gold, Internet Card)	Al Mubarak Silver – 75 or 130, Al Mubarak Gold – 180, Alarabi Silver – 200, Alarabi Gold - 350	Al Mubarak cards: N/A on purchases and cash withdrawals Alarabi cards: 1.97% on purchases, 3.45% or SAR45 on cash withdrawals	51 days	Cash on demand, ongoing merchant discounts, free supplementary cards. Al Mubarak cards are Shari'ah compliant.	800 124 4040 www.anb.com.sa
Bank Aljazira	Visa Islamic Gold Card	N/A	N/A on purchases, SAR30 for cash withdrawals	45 days	Free supplementary cards, cash advances available.	www.baj.com.sa
Banque Saudi Fransi	Visa/MasterCard (Silver, Gold) MasterCard Platinum	Silver – 150 Gold – 300 Platinum – Invitation only	1.99% on purchases, 3% on cash withdrawals	25 days	Free emergency medical and legal referral services, purchase protection, lost luggage insurance, 1% cash back.	800 124 0006 www.alfransi.com.sa
National Commercial Bank	Tayseer AlAhli (Classic, Gold), Tayseer AlAhli Titanium, AlFursan Credit Card, Internet Card	Free for the first year	SAR30-50 per transaction	50 days	Purchase protection, travel protection, credit shield, exclusive offers and discounts. 2% cash back on purchases with AlAhli Titanium. Earn Saudi Airlines miles with AlFursan card.	800 244 1005 www.ncb.com.sa
Riyad Bank	Visa/MasterCard (Silver, Gold) MasterCard Platinum Islamic Card	Classic – 115, Gold – 225, Platinum – 700, Islamic - 900	Silver, Gold and Platinum cards: 1.75% on purchases, 3.5% on cash withdrawals Islamic card: N/A on purchases, SAR75 for cash withdrawals	45 days	Signature card, emergency card replacement. For Platinum cardholders, airport lounge access, concierge services, travel services, emergency medical and legal referrals.	800 124 2020 www.riyadbank.com
SABB	Visa/MasterCard (Silver, Gold), SABB Amanah Credit Card, Internet Card	Silver – 225, Gold – 350, Amanah - 350	Silver and Gold cards: 1.97% on purchases, SAR75 on cash withdrawals Amanah card: N/A on purchases and cash withdrawals	25 days	Free supplementary cards, cash advances (up to 60% for silver card, up to 75% for gold card), purchase protection, travel insurance, SABB rewards programme.	800 124 8888 www.sabb.com.sa
SAMBA	Visa (Silver, Gold), MasterCard (Silver, Gold, Platinum, Titanium), Samba Co-branded Credit Card (Silver, Gold), Samba Al Khair Credit Card (Silver, Gold)	Silver cards – 150 Gold cards - 300	Al Khair card: N/A on purchases and cash withdrawals Other cards: 1.95% on purchases, SAR45 for cash withdrawals	21 days	Up to four free supplementary cards, credit shield, credit limit increase, emergency card replacement, Bonanza programme for exclusive deals and services, special hotel and car rental rates for gold members. Al Khair card is Shari'ah compliant.	800 124 1010 www.samba.com.sa
Saudi Hollandi Bank	SHB Smart Credit Card (Classic, Gold)	Free for life	Classic: N/A on purchases, 4.5% on cash withdrawals Gold: N/A on purchases, 3.5% on cash withdrawals	21 days	Daily draws to win free trip to Dubai, airline discounts (up to 18% on Emirates Airlines tickets), up to 100% cash advance limit, Smart Reward Points Programme.	800 124 2525 www.shb.com.sa

Personal Loans						SAUDI ARABIA
PROVIDER	PRODUCT	MAX. LOAN AMOUNT (SAR)	MIN. SALARY	PAYMENT TERMS	VALUE ADDED	CONTACT
Arab National Bank	Personal Finance Al Arabi Mubarak Finance Al Tawaruq Finance	1,000,000	Govt. sector: 3,000 Private Sector: 4,000	Up to 60 months	Personal Finance: Free credit card for one year, top-up option, cash assist credit facility available. No penalty on early pay-offs. Al Arabi Mubarak and Al Tawaruq schemes are Shari'ah compliant.	800 124 4040 www.anb.com.sa
Banque Saudi Fransi	Personal Loan Murabaha or Tawarruq	1,200,000	3,500	Up to 60 months	Murabaha and Tawarruq schemes are Shari'ah compliant.	800 124 0006 www.alfransi.com.sa
National Commercial Bank	Tayseer Al Ahli (Cash) Murhaba Al Ahli (Goods)	1,500,000	3,000 for nationals, 4,000 for expatriates	Up to 60 months	Both schemes are Shari'ah approved. Possible top-up finance. Supplier price discounts for goods.	800 244 1005 www.ncb.com.sa
Riyad Bank	Personal Loan Murabaha or Tawaruq	1,500,000	2,500	Up to 60 months	Murabaha and Tawaruq schemes are Shari'ah compliant. Remaining installments waived in case of death.	800 124 2020 www.riyadbank.com
SABB	MAL (Islamic Personal Finance)	1,500,000 with salary transfer, 50,000 without salary transfer	3,000	Up to 60 months	Shari'ah compliant (based on Tawarruq concept). No guarantor required. Outstanding loan waived in case of death.	800 124 5557 www.sabb.com.sa
SAMBA	Personal Finance Al Khair Personal Finance	Up to 15 times monthly salary	2,500	Up to 60 months	Al Khair scheme is Shari'ah compliant. No guarantor required. Outstanding loan waived in case of death.	800 124 1010 www.samba.com.sa
Saudi Hollandi Bank	Loanlink Morabaha Installment Sales	1,000,000	Govt. sector: 3,000 Private sector: 4,000	Up to 60 months	No guarantor required. New finance after 25% repayment of existing finance. Outstanding loan waived in case of death.	800 124 2525 www.shb.com.sa

Car Loans						SAUDI ARABIA
PROVIDER	PRODUCT	INTEREST RATE	LOAN TENOR	DOWN PAYMENT	CONDITIONS/RESTRICTIONS	CONTACT
Al Rajhi	Car Financing	6% yearly	Up to 60 months	None	Approved companies only. Must have been with current employer for six months. Minimum salary SAR2500.	800 124 1222 www.alrajhibank.com.sa
Arab National Bank	Al Mubarak Finance	4.4% yearly	Up to 60 months	None	Government employees must have min. salary of SAR3000 and must have been with current employer for three months. Private company employees must have min. salary of SAR4000 and must have been with current employer for one year.	800 124 4141 www.anb.com.sa
Banque Saudi Fransi	Murabaha	Starts at 3.5% yearly	Up to 60 months	None	Minimum salary: 3,500. Must have been with current employer for six months.	800 124 0006 www.alfransi.com.sa
National Commercial Bank	Auto Lease	Starts at 5%	Up to 60 months	None	Minimum salary: 3,000. Three months service with current employer.	800 244 1005 www.ncb.com.sa
Riyad Bank	Murabaha Finance	Starts at 4.95% yearly	Up to 60 months	None	Minimum salary: 2,500 At least three months with current employer	800 124 2020 www.riyadbank.com
Saudi Hollandi Bank	Sayarat Al Yusr	Starts at 3.99%	Up to 60 months	None	Must be 21 years old. Minimum salary: SAR3000 Minimum of three months with current employer	800 124 3000 www.shb.com.sa

Personal Loans						OMAN
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (OMR)	PAYMENT TERMS	MIN. SALARY (OMR)	CONTACT
Bank Dhofar	Consumer Loan	8.75 – 9%	Up to 42 times salary for nationals, 75% of end of service benefits for expats	Up to 108 months for nationals, up to 60 months for expats	120	800 766 66 www.bdof.org
Bank Muscat	Consumer Loan	9%	Up to 51 times salary for nationals, up to six times salary for expats	Up to 132 months for nationals, up to 24 months for expats	Nationals – 150 Expats - 250	800 795 555 www.bankmuscat.com
HSBC	Personal Loan	9%	Depends on salary	Up to 96 months for nationals, up to 72 months for expats	300	800 7 4722 www.oman.hsbc.com
National Bank of Oman	Personal Loan	9%	Up to 51 times salary	Up to 132 months for nationals	250	800 77077 www.nbo.co.om
Oman Arab Bank	Personal Loan	9%	Up to 32 times salary for nationals, depends on end of service benefits for expats	Up to 108 months for nationals, up to 36 months for expats	150	247 06 265 www.omanab.com
Oman International Bank	Basma Personal Loan Scheme	9%	Up to 25 times salary for nationals, up to 8 times salary for expats	Up to 72 months	150	246 85252 (Head office) www.oiboman.com

Credit Cards						OMAN
PROVIDER	CARDS OFFERED	ANNUAL FEE (OMR)	MIN. SALARY (OMR)	INTEREST RATE	INTEREST FREE CREDIT	CONTACT
Bank Dhofar	Visa (Classic, Gold) MasterCard (Standard, Gold, Platinum) Al Noor Interest Free Credit Card Ecomcard	Free for the first year	Classic/Standard: 250, Gold: 800, Platinum: 2,000	1.5% on purchases, 3% on cash withdrawals	52 days	800 766 66 www.bdof.org
Bank Muscat	Visa/MasterCard (Classic, Gold, Platinum) Sultan Qaboos University (SQU) Card	Classic: 30 Gold: 50 SQU Card: 10	Classic: 200 Gold: 500 Platinum: Invitation only	1.5% on purchases, 3% on cash withdrawals	52 days	2479 5555 www.bankmuscat.com
HSBC	Visa/MasterCard (Classic, Gold) In-Site Virtual Card	Classic: 30 Gold: 50 In-Site: 10	Classic: 400 Gold: 700	1.5% on purchases, 3% on cash withdrawals	56 days	800 7 4722 www.oman.hsbc.com
National Bank of Oman	NBO Visa/MasterCard (Silver, Gold); Al Amiyal MasterCard (Silver, Gold); NBO-Oman Air Card (Silver, Gold); NBO Webshopper Card	NBO Visa/MasterCard (Silver: 30, Gold: 50) Al Amiyal (Silver: 35, Gold: 55) NBO-Oman Air card (Silver: 15, Gold: 30) NBO Webshopper card: 10	Silver cards: 200 Gold cards: 350 for nationals, 500 for expats	1.5% on purchases, 3% on cash withdrawals	52 days	800 77077 www.nbo.co.om
Oman Arab Bank	Visa (Classic, Gold, Platinum)	Classic: 30, Gold and Platinum: 50	Classic: 200, Gold: 700, Platinum: 1,500	1.5% on purchases, 3% on cash withdrawals	40 days	797 432 www.omanab.com
Oman International Bank	MasterCard (Classic, Gold) Visa (Classic, Gold, Platinum, Business Card, Cyber Card)	Classic: 30 Gold: 50 Platinum: 70 (By invitation only) Business: 25 Cyber: 10	Classic/Cyber cards: 300 Gold cards: 700 Platinum: 1,400	1.5% on purchases, 3% on cash withdrawals	45 days	246 85252 (Head office) www.oiboman.com

Personal Loans							QATAR
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (QAR)	MIN. SALARY (QAR)	PAYMENT TERMS	CONTACT	
Ahli Bank	Personal Loan for nationals Expat Loan	Fixed rate: 9.5%	Up to 70 times monthly salary Up to 33 times monthly salary	3,000 5,000	Up to 18 years Up to 84 months	4324327 www.ahlibank.com.qa	
Arab Bank	Personal Loan	9.99% fixed rate	Up to 80 times monthly salary	3,500	Up to 216 months	4387777 www.arabbank.com.qa	
Commercial Bank of Qatar	Personal Loan	Starting from 9.99%	Up to 20 times monthly salary	1,500	Up to 60 months	4490000 www.cbq.com.qa	
Doha Bank	Personal Loan	Fixed rate: 9.99%	Up to 250,000	3,000	Up to 72 months	4456000 www.dohabank.com.qa	
HSBC Bank Middle East	Personal Loan	9.24-10.24%, depends on the loan tenor	Depends on salary	3,000	Up to 96 months for nationals, up to 72 months for expats	4382100 www.qatar.hsbc.com	
MashreqBank	Al Hal Loan for nationals Personal Loan for expats	Al Hal loan 9.75-11.50% 8.75-11.50%	Up to 50 times monthly salary Up to 450,000	4,000 3,000	120 months for nationals Up to 60 months for expats	4418880 www.mashreqbank.com	
Qatar National Bank	Personal loan	Fixed rate: 9.99-10.74%	Up to 350,000	2,000	Up to 84 months for nationals and 72 months for expats	4407777 www.qnb.com.qa	
Standard Chartered	Personal Loan	Fixed rate: 8.99%	Up to 500,000 for nationals, 200,000 for expats	3,000	Up to 84 months for nationals, up to 48 months for expats	4658555 www.standardchartered.com/qa	

Credit cards							QATAR
PROVIDER	CARDS OFFERED	ANNUAL FEE (QAR)	MIN. SALARY (QAR)	INTEREST/PROFIT RATES	INTEREST FREE CREDIT	CONTACT	
Ahli Bank	Visa (Classic, Gold) MasterCard (Standard, Gold)	Free for the first year	3,000	1.75% on purchases, 2% on cash withdrawals	45 days	4324327	
Arab Bank	Visa (Silver, Gold), Internet Shopping Card	Silver – 200, Gold – 300	Silver - 3,500, Gold - 5,000	2% on purchases, 4% on cash withdrawals	45 days	4387878	
Commercial Bank of Qatar	Visa WOW, Visa/MasterCard Classic, Visa/MasterCard Diners Club (Gold, Platinum)	WOW – free for life, Other cards free for the first year	WOW/Classic - 1,500, Gold - 7,500, Platinum-10,000	2% on purchases, 4.5% on cash withdrawals	45 days	4490000	
Doha Bank	Visa/MasterCard Dream credit card (Classic, Platinum)	Free for life	Classic - 3,000, Platinum - 25,000	1.75% on purchases, 4.5% on cash withdrawals	55 days	4456000	
HSBC Bank Middle East	Visa/MasterCard (Classic, Gold) Visa Platinum In-site Virtual MasterCard	Classic – 200, Gold – 300, Platinum – 450, In-site – 50	Classic and In-site - 2,000, Gold - 7,000, Platinum - 12,000	Classic 2%, Gold 1.9%, Platinum 1.8%, in-site 1.75% on purchases and 4.5% on cash withdrawals	56 days	4382100	
Mashreqbank	MasterCard/Visa (Classic, Gold)	Classic – 150, Gold - 400	Classic - 2,000, Gold - 6,000	2.49%, on purchases, 2.75% on cash withdrawals	55 days	4418880	
Qatar National Bank	Visa (Classic, Gold), MasterCard (Standard, Gold, Platinum), Qatar Airways Co-branded MasterCard, e-card	Free for first year	Standard 2,000 for account holders otherwise 5,000, Gold - 6,000, Platinum - 12,000 -	2% on purchases, 4.5% on cash withdrawals	45 days	4407777	
Standard Chartered	Visa (Classic, Gold) MasterCard (Standard, Gold)	Visa: Classic - 200, Gold - 400 MasterCard Standard – 250, Gold – 500	3,000 (Salary must be transferred)	2.25% on purchases, 4.5% on cash withdrawals	50 days	4658555	

Home Contents Insurance							QATAR
INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (QAR)	EXCESS (QAR)	COVER (QAR)	COVER INCLUDES	CONTACT DETAILS		
AXA Insurance Home Comfort	250	250	50,000	Household contents, personal belongings and legal liability in the GCC countries up to QAR250,000 plus free additional benefits like tenants' liability, valuables, new for old, alternative accommodation, temporary removal, locks replacement, frozen food, money, visitor's personal effects, domestic helper's personal effects, mirrors and glass; optional coverage includes worldwide cover, domestic helpers, loss of passport/ driving license/residence and work permits	+973 17 210 778 www.axa-gulf.com		
Qatar General Insurance and Reinsurance Company Household Comprehensive Insurance	200	500 for each and every loss	50,000	Cover against fire, lightning, explosion, earthquake, volcanic eruption, subterranean fire, aircraft damage, bursting or overflowing of water tanks or pipes or heating apparatus, burglary house breaking and impact by road vehicle; Jewelry up to QAR4,000	+974 428 2222 qgirc-tec@qatar.net.qa		
Qatar Insurance Company HomeCare Household Insurance	500 650 750 750 + 0.50%	250	50,000 (minimum per policy) 75,000 100,000 Above 100,000	Household possessions against damage or theft ; all platinum, gold and silver articles, jewelry and furs will be limited to 20 per cent of the total sum insured on contents; option for risk extension cover to insure valuable items while traveling locally or internationally (rates for above QAR100,000: Qatar - 2.5 per cent and worldwide - 4 per cent on the value)	+974 449 0476 www.qatarinsurance.com onestop@qic.com.qa		
Qatar Islamic Insurance Company Household Comprehensive	500 to 700	250	50,000	Cover against fire, burglary, allied perils; extra charge for jewelry and personal belongings, covered in Qatar home only	+974 465 8880 www.qiic.net		

Discounts are offered for listed companies, brokers and online applications. For more details, check with the provider. These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. **Disclaimer:** These listings are **NOT** meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during December 2007. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, **MONEYworks** recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. All information contained above is freely available and was obtained directly from provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider direct for further information.

Medical Insurance							QATAR
INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (QR)	EXCESS	COVER	COVER INCLUDES	CONTACT		
AXA Insurance *In reference to ages 0-10, cheaper premium for ages 11-20 by up to 500 depending on plan	Global Area 1: From 10,801 (ages 11-21) to 29,098 up to age 65. Global Area 2: From 3,638 (ages 11-21) to 9,541 up to age 65. Regional Plus: From 2,078 (ages 11-21) to 5,433 up to age 65. Regional: From 1,787 (ages 11-21) to 4,673 up to age 65		Global Area 1: QAR5 million Global Area 2: QAR2.5 million Regional Plus: QAR1 million Regional: QAR500,000	Global Area 1: Worldwide Global Area 2: Worldwide excluding USA , Singapore, Japan, Hong Kong & Switzerland Regional Plus: Regional cover plus India, Pakistan, Sri Lanka, Bangladesh, Korea, the Philippines, Indonesia, Nepal & Bhutan Regional: AGCC: Arabian Gulf Cooperation Council member countries being Saudi Arabia, Kuwait, Bahrain, Qatar, UAE and Oman	+973 17 210 778 www.axa-gulf.com		
Qatar General Insurance and Reinsurance Company Interglobal Healthcare Plan MedicalCare Health Insurance Plan	Interglobal Healthcare Plan Ultracare Plus: From 3,298 (child) to 107,663 up to ages 70-74 Ultracare Comprehensive: From 2,565 (child) to 87,710 up to ages 70-74 Ultracare Select: From 2,341 (child) to 79,599 up to ages 70-74 Ultracare Standard: From 1,616 (child) to 55,211 up to ages 70-74 MedicalCare Health Insurance Plan (up to 65 years old only) In-patient treatment: 399, In-patient and out-patient treatment: 899	Interglobal Healthcare Plan Standard Excess US\$42.50, Nil Excess 10% overload, US\$85, US\$170, US\$425, US\$850, US\$1,700, US\$4,250, US\$8,500 MedicalCare Health Insurance Plan In-patient treatment: 10% of claim amount for each and every claim Out-patient treatment: QAR25 per visit	Interglobal Healthcare Plan Ultracare Plus: US\$3.4 million Ultracare Comprehensive: US\$1.7 million Ultracare Select: US\$1,275,000 Ultracare Standard: US\$850,000 MedicalCare Health Insurance Plan In-patient: QAR100,000 Out-patient: QAR50,000	Interglobal Healthcare Plan *With optional coverage of Australia and New Zealand, Europe, Worldwide not including the USA or Worldwide. Ultracare Plus: Extended in and out-patient benefits, 45 days emergency coverage outside chosen area, dental coverage. Ultracare Comprehensive: In and out-patient benefits, 45 days emergency coverage outside of chosen area. Ultracare Select: In-patient benefits. Ultracare Standard: Limited out-patient benefits, 30 days emergency coverage outside of chosen area MedicalCare Health Insurance Plan (selected hospitals and clinics in Qatar) In-patient treatment: Hospital accommodation, surgical, medical and nursing services and supplies, private room and board, ambulance services. Out-patient treatment: Consultation (general medicine, pediatric, obstetrics and gynecology, ophthalmology and dermatology), lab tests, xray and ECG diagnostics, prescribed drugs and medicines. Optional: Worldwide coverage in case of emergency excluding Canada and USA while on trip not exceeding 30 days and treatment in home country excluding Canada and USA up to QAR25,000	+974 428 2222		
Qatar Islamic Insurance Company	Balsam Gold: From 3,826 (child) to 7,699 up to age 60. Balsam Silver: From 2,114 (child) to 4,199 up to age 60. Ordinary Balsam: From 1,067 (child) to 2,118 up to age 60	50 per out-patient consultation	Ordinary Balsam: QAR100,000 Balsam Silver: QAR300,000 Balsam Gold: QAR500,000	Ordinary Balsam: Qatar Balsam Silver: Worldwide excluding Europe, USA and Canada Balsam Gold: Worldwide excluding USA and Canada	+974 4413 413 www.qiic.net qic@qatar.net.qa		

Disclaimer: All medical insurance policies include the standard inpatient and out-patient services generally provided by insurance companies. Covers specified are those deemed to be significant only as point of comparison among the plans. Other insurance companies offer the same plans as above. For example, Doha Insurance also offers the Interglobal Healthcare Plan. You may contact them at +974 433 5000. The annual premiums listed are simply an overview of how much an individual has to pay for an insurance plan for various age ranges. Discounts are available for those who would like to purchase plans by groups or companies. Premium rates quoted in US\$ are converted to QAR using the 3.68 conversion rate for consistency purposes. Please contact the insurance providers for more information.

Personal Loans							BAHRAIN	
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (BHD)	MIN. SALARY (BHD)	PAYMENT TERMS	CONTACT		
Ahli United Bank	Consumer Loan	Reducing balance rate: 9.5%	Up to 22 times monthly salary	300	Up to 72 months	17221999		
Bahrain Credit	Personal Loan for nationals only	Reducing balance rate: 12%	Up to 30 times monthly salary (maximum 30,000)	350	Up to 84 months	8000 8000		
Bahraini Saudi Bank	Personal Loan	Reducing balance rate starts at 9.90% (depends on salary)	Up to 40,000	200	Up to 84 months	17578888		
Bank of Bahrain and Kuwait	Consumer Loan	Reducing balance rate: 8.5-10.25%	Up to 50,000	200	Up to 84 months for nationals, 60 months for expats	17207777		
Citibank	Personal Loan Personal Installment Loan (PIL) - without salary transfer	Reducing balance rate: 11%, for PIL 25% reducing balance rate	Up to 15,000, depends on salary	300 300	Up to 72 months Up to 48 months	17582484		
HSBC Bank Middle East	Personal Loan	Reducing balance rate: 9.5 – 12%. Depends on company status	Up to 40,000 for nationals, up to 20,000 for expats	200	Up to 84 months for nationals Up to 60 months for expats	17569999		
National Bank of Bahrain	Personal Loan	Reducing balance rate: 6.75% for nationals, starts at 9.5% for expats	Up to 51 times monthly salary for nationals Up to 10 times monthly salary for espats	200 for nationals 400 for expats	Up to 84 months for nationals, up to 60 months for expats	17214433		
Shamil Bank	Personal Finance (Tamweel Al-Shamil)	Fixed rate: starts at 4.39%	Up to 100,000	200	Up to 84 months	17878777		
Standard Chartered	Personal Loan	Fixed rate: starts at 4%	Up to 38 times monthly salary for nationals, up to 16 times monthly salary for expats	200	Up to 84 months	Toll free: 80001802		

Credit Cards							BAHRAIN	
PROVIDER	CARDS OFFERED	ANNUAL FEE (BHD)	MIN. SALARY (BHD)	INTEREST/PROFIT RATES	INTEREST FREE CREDIT	CONTACT		
Ahli United Bank	Visa/MasterCard (Standard, Gold)	Free for the first year	Standard - 250, Gold - 400	Standard/Gold – 2% on purchases, 4% on cash withdrawals	45 days	17221999		
Bahraini Saudi Bank	Visa (Classic, Gold)	Free for life	Classic - 550, Gold - 800	1.6% with account, 2.25% without account on purchases, 4% on cash withdrawals	52 days	17578999		
Bank of Bahrain and Kuwait	CrediMax Visa/MasterCard/JCB (Classic, Gold)	Free for life	Classic - 300, Gold - 700	1.85% on purchases, 3% on cash withdrawals	25 days	17207777		
Citibank	Visa/MasterCard (Silver, Gold) Emirates-Citibank card (Silver, Gold)	Visa/MasterCard: Silver – 25, Gold – 50, Emirates-Citibank card: Silver – 30, Gold - 55	Silver - 300, Gold - 800	Visa/MasterCard – 2.39% Emirates-Citibank card – 2.49% on purchases, 4% on cash withdrawals	52 days	17582484		
HSBC Bank Middle East	Visa/MasterCard (Classic, Gold), MasterCard In-site virtual, Premier MasterCard	Classic – 20; Gold – 30; In-site – 10; Premier free	Classic without salary transfer - 400, Classic with salary transfer - 400 for locals and 500 for expats, Gold - 750, In-site - 250	Classic – 2.25%; Gold – 2%; In-site – 2.25%; Premier - 1.75% on purchases, 4% on cash withdrawals	56 days	17569999		
National Bank of Bahrain	Visa (Standard, Gold) MasterCard (Classic, Gold)	Free for the first year	200	1.67% on purchases. 4% on cash withdrawals	21 days	17214433		
Shamil Bank	Al-Rubban MasterCard (Classic, Gold)	Classic – 15; Gold – 25	300	One-off fee on guarantee of 6.5% or 0.6% per month on purchases, US\$10 on cash withdrawals	51 days	17878777		
Standard Chartered	MasterCard/Visa (Classic, Gold)	With salary transfer Classic 10, Gold 25, otherwise 20 and 60	Classic - 200, Gold - 800	Classic 2.25% with salary transfer, otherwise 2.95% - Gold 1.7% with salary transfer, otherwise 2% on purchases, 5% on cash withdrawals	50 days	Toll free: 80001802		

Home Contents Insurance							BAHRAIN	
INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (BHD)	EXCESS (BHD)	COVER (BHD)	COVER INCLUDES	CONTACT DETAILS			
Saudi National Insurance Company BSC	Minimum 20	100 for every claim	5,000	Household contents against theft, perils, etc.; furniture – 20 per cent of actual market value, jewelry up to BHD5,000 as long as they are in a safe	+973 17 563 377			
AXA Insurance Home Comfort	25	25	5,000	Household contents, personal belongings and legal liability in the GCC countries up to BHD25,000 plus free additional benefits like tenants' liability, valuables, new for old, alternative accommodation, temporary removal, locks replacement, frozen food, money, visitor's personal effects, domestic helper's personal effects, mirrors and glass; excludes jewelry and personal belongings; optional coverage includes worldwide cover, domestic helpers, loss of passport/driving license/residence and work permits	+973 17 588 222 www.axa-gulf.com			
Arabia Insurance Householders Insurance	23-25	250 per claim	5,000	Full value of household goods and personal effects excluding valuables such as jewelry, furs, cameras and accessories; losses against fire, lightning, burglary and all other allied perils	+973 17 211 174 www.arabiainsurance.com aicbn@batelco.com.bh			
Royal & Sun Alliance Insurance Homeshield Insurance	Minimum 25-35, depends on policy	50-100	5,000	Contents while in your home only including fire, theft, (by forcible means), flood, storm/hail, leakage of any water apparatus, impact damage; excludes riot, strike, malicious damage, sabotage and terrorism; extra damage cover includes sum insured excluding valuables, valuables (gold, silver, jewelry, works of art, carpets/rugs, coin/stamp or medal collections, curios), landlords furnishings; optional covers include personal possessions while outside your home in Bahrain and/or worldwide (loss or damage by fire or theft and accidental loss or damage to personal belongings such as jewelry, watches, cameras, binoculars and musical/sports equipment etc.) and small boats (accidental loss or damage to your boat and third party liability up to BHD50,000)	+973 17 581 661 www.royalsunalliance.com			
Bahrain Kuwait Insurance Company Homeowners Insurance	Minimum 35	250 per condition	5,000	Cover against fire, domestic explosion, aircraft, earthquake or volcanic eruption, storm and tempest, flood, escape of water from any tank, apparatus or pipes, impact by any road vehicle or animal, theft, breakage of fixed glass and sanitary fixtures; can be taken only if you are a tenant in a building or an apartment, extra charge for jewellery, which should be kept in a safe.	+973 17 875 021 www.bkic.com info@bkic.com			
Takaful Insurance Home Owners / Householders Takaful Scheme	Minimum 20	100	5,000	Cover against losses due to fire and perils such as storm, theft, flood, earthquakes, escape of water from fixed tanks, apparatus or pipes, impact damage, accidental damages to certain specified household items (TV, fixed glass, sanitary fittings etc); Jewelry in locked safe and personal effects have extra charge	+973 1756 5656 www.takafulweb.com			
Protection Insurance Services W.L.L .	30	50	5,000	Cover against fire, theft, water; Insured jewelry should be in a safe	+973 1721 1700 www.alhimaya.com			
Bahrain National Insurance	25	250 for each and every loss	5,000	Cover against fire, special perils and theft for furniture, electrical appliances, electronic equipment, decorative items, personal belongings, watches and jewelry as long as kept in a locked safe	+973 1758 7333 www.bnihgroup.com bnl@bnihgroup.com			

Discounts are offered for listed companies, brokers and online applications. For more details, check with the provider. These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. **Disclaimer:** These listings are **NOT** meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during December 2007. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, **MONEYworks** recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. All information contained above is freely available and was obtained directly from provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider direct for further information.

Medical Insurance					BAHRAIN
INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (BHD)	EXCESS	COVER	COVER INCLUDES	CONTACT
Royal & Sun Alliance Insurance	Almas: From 275 (child) to 1,042 up to age 65 Dana: From 148 (child) to 582 up to age 65 Delmon: From 141 (child) to 564 up to age 65	BHD5 per hospital consultation	Almas: BHD50,000 Dana: BHD25,000 Delmon: BHD10,000	Almas: Worldwide Excluding USA and Canada, travel worldwide Dana: Bahrain, Arab countries, Southeast Asia, travel worldwide Delmon: Bahrain, Southeast Asia, travel worldwide	+973 1758 1661 www.royalsunalliance.com *Plans also offered by: Saudi National Insurance Company BSC +973 1756 3377
Fakhro Insurance Services W.L.L. - International Health Insurance (IHI)	*Ages 0-9 has no premium Hospital Plan: From 847 (ages 10-25) to 1,631 up to age 60+	None, US\$400, US\$1,600, US\$5,000 or US\$10,000	Hospital Plan: US\$1.8 million	Hospital Plan: comprehensive inpatient cover (hospitalisation expenses such as hospital services, childbirth, organ transplant, rehabilitation and emergency room treatment) with optional modules such as non-hospitalisation benefits (US\$35,000), medicine and appliances (US\$2,500), medical evacuation and repatriation, dental (US\$5,000) and optical (US\$7,500) covers	+973 1727 5000 www.fakhro.com www.ihl.com
Interglobal Healthcare Plan	Ultracare Plus: From 332 (child) to 10,825 up to ages 70-74 Ultracare Comprehensive: From 258 (child) to 8,819 up to ages 70-74 Ultracare Select: From 235 (child) to 8,003 up to ages 70-74 Ultracare Standard: From 162 (child) to 5,551 up to ages 70-74	Standard Excess US\$42,50, Nil Excess 10% overload, US\$85, US\$170, US\$425, US\$850, US\$1,700, US\$4,250, US\$8,500	Ultracare Plus: US\$3.4 million Ultracare Comprehensive: US\$1.7 million Ultracare Select: US\$1,275,000 Ultracare Standard: US\$850,000	*With optional coverage of Australia and New Zealand, Europe, Worldwide not including the USA or Worldwide Ultracare Plus: Extended in and out-patient benefits, 45 days emergency coverage outside chosen area, dental coverage Ultracare Comprehensive: In and out-patient benefits, 45 days emergency coverage outside of chosen area Ultracare Select: In-patient benefits Ultracare Standard: Limited out-patient benefits, 30 days emergency coverage outside of chosen area	Protection Insurance Services W.L.L. +973 1721 1700 www.alhimaya.com www.interglobalpmi.com Bahrain National Life +973 1758 7333 www.bnhgroup.com bnl@bnhgroup.com
AXA Insurance	* In reference to ages 0-10, cheaper premium for ages 11-20 by up to 50 depending on plan Global Area 1: From 1,080 (ages 11-21) to 2,909 up to ages 60-65 Global Area 2: From 363 (ages 11-21) to 954 up to ages 60-65 Regional Plus: From 207 (ages 11-21) to 543 up to ages 60-65 Regional: From 179 (ages 11-21) to 467 up to ages 60-65		Global Area 1: BHD500,000 Global Area 2: BHD250,000 Regional Plus: BHD100,000 Regional: BHD50,000	Global Area 1: Worldwide Global Area 2: Worldwide excluding USA, Singapore, Japan, Hong Kong & Switzerland Regional Plus: Regional cover plus India, Pakistan, Sri Lanka, Bangladesh, Korea, the Philippines, Indonesia, Nepal & Bhutan Regional: AGCC: Arabian Gulf Cooperation Council member countries being Saudi Arabia, Kuwait, Bahrain, Qatar, UAE and Oman	+973 17 210 778 www.axa-gulf.com
Bahrain Kuwait Insurance Company	Shefa'a Gold: From 520 (child) to 1,636 up to ages 60-65 Shefa'a Max: From 305 (child) to 957 up to ages 60-65 Shefa'a Plus: From 190 (child) to 598 up to ages 60-65 Shefa'a: From 44 (child) to 141 up to ages 60-65		Shefa'a Gold: BHD50,000 Shefa'a Max: BHD35,000 Shefa'a Plus: BHD10,000 Shefa'a: BHD10,000	Shefa'a Gold: In-patient and out-patient treatment, family doctor treatment, prescription medication, home nursing, maternity, dental and optical treatment; Elective treatment worldwide except Canada or USA Shefa'a Max: Out-patient consultations, diagnostic tests and in-patient hospital treatment; Elective treatment worldwide except in Europe, Canada or USA Shefa'a Plus: In-patient and daycare treatment as well as out-patient consultations in Bahrain Shefa'a: In-patient and daycare treatment in Bahrain	+973 1753 1555 www.bkic.com info@bkic.com
Disclaimer: All medical insurance policies include the standard in-patient and out-patient services generally provided by insurance companies. Covers specified are those deemed to be significant only as point of comparison among the plans. The annual premiums listed are simply an overview of how much an individual has to pay for an insurance plan for various age ranges. Discounts are available for those who would like to purchase plans by groups or companies. Premium rates quoted in US\$ are converted to BHD using the 0.37 conversion rate for consistency purposes. Please contact the insurance providers for more information.					

Personal Loans							KUWAIT
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (KWD)	MIN. SALARY (KWD)	PAYMENT TERMS	CONTACT	
Bank of Kuwait and Middle East	Consumer Loan	6.25%	Up to 15,000	250	Up to 72 months	812000	
Burgan Bank	Consumer Loan	6.25%	Up to 15,000	200	Up to 60 months	804080 www.burgan.com	
Commercial Bank of Kuwait	Personal Loan for nationals only Consumer Loan	10.25% 6.25%	Up to 70,000 minimum 10,000 Up to 15,000 or 15 times salary, whichever is less	350 150	Up to 180 months Up to 60 months	888225 www.cbk.com	
Gulf Bank	Consumer Loan Al Afdal Loan for Nationals	6.25%	Up to 15 times salary maximum 15,000 Up to 50 Times salary maximum 70,000	250 350 for nationals	Up to 60 months Up to 180 months	805805 www.e-gulfbank.com	
National Bank of Kuwait	Consumer Loan Expatriate Loan	6.25%	Up to 15,000	250 for nationals, 600 for expatriates	Up to 60 months	801801 www.nbk.com	

Credit cards							KUWAIT
PROVIDER	CARDS OFFERED	ANNUAL FEE (KWD)	MIN. SALARY (KWD)	INTEREST/PROFIT RATES	INTEREST FREE CREDIT	VALUE ADDED	CONTACT
Bank of Kuwait and Middle East	Visa/MasterCard (Standard, Gold) Visa Platinum, MasterCard CyberSmart Card	Free for the first year, afterwards Standard 25, Gold 40, Platinum 75, CyberSmart 5	With salary transfer: Standard 250, Gold 700; otherwise Standard 300, Gold 750; Platinum 1,000	1.25% on purchases, 5% on cash withdrawals	32 days	Discounts on airline tickets purchased with your card, global purchase protection worth US\$10,000 annually, travel insurance, free auto assist, travel services, discounts of up to 40% at select retail outlets	812000
Burgan Bank	Visa/MasterCard (Classic, Gold)	Free for first year, afterwards Classic 20, Gold 30	Classic – 200, Gold – 500	N/A on purchases, 4% on cash withdrawals	35 days	Photo-sign card, online banking, can earn rewards, discounts and promotions every time card is used	804080
Commercial Bank of Kuwait	Visa Classic, MasterCard (Classic, Gold, Platinum), StarNet Card	Classic – 15, Gold – 25, Platinum – 35, StarNet Card 10	Classic – 200, Gold – 550, Platinum – 750, StarNet card 150	1.23% on purchases, 4% on cash withdrawals, 5% on other banks	35 days	Emergency funds if card is lost or stolen, ongoing promotions for prizes, travel benefits, STAR assist insurance coverage	888225
Gulf Bank	Visa/MasterCard (Classic, Gold) MasterCard Platinum, MTC Co-branded MasterCard (Classic, Gold)	Free for the first year, thereafter, Classic 25, Gold 40, Platinum 40	Classic – 350, Gold – 1,000, Platinum – 1,750	1.3% on purchases, 4% on cash withdrawals, 5% on other banks	30 days	Photo card option, 24hr card replacement, discounted supplementary card, discounts at select retail outlets, MTC CO-branded Card - 3.5% discount of monthly mobile bills and Free International roaming service	805805
National Bank of Kuwait	MasterCard/Visa (Classic, Gold, Platinum), Visa Internet Shopping card	Classic 30, Gold 40, Internet Shopping Card 5	Classic – 250, Gold – 600, Platinum – invitation only	1.2% on purchases, 4% on cash withdrawals	32 days	Photo card option, free travel insurance if tickets are purchased with card, promo - apply for 2 cards and pay full fee for first card and half fee on second card	801801

Disclaimer: This table is meant ONLY as a guide and is not intended as a recommendation of a particular personal loan provider. The table was thoroughly checked for accuracy with each provider called individually for information during November 2007 and was correct at the time of going to press. Please note: information is subject to change without notice. Any errors or omissions are regretted. Corrections, if any, should be forwarded by fax to 04 391-2173, or by email to info@moneyworks.ae. All information contained is freely available from bank/provider printed information and websites, as well as direct from bank/provider helplines and/or call-centres. Note: Many banks operating in the GCC require you be an account holder before approving personal loan applications. In many cases a salary transfer is compulsory and, where not possible, an assignment letter of salary and benefits may also be necessary. For further information, check with your chosen bank/provider direct. Don't forget to watch out for special deals available.

Medical Insurance					UAE
PROVIDER	STANDARD ANNUAL PREMIUM (AED)	EXCESS	COVER	COVER INCLUDES	CONTACT
AXA/Norwich Union Insurance (Gulf) BSC(c)	* In ref. to ages 0-10, cheaper premium for ages 11-20 by up to AED500 depending on plan Global Area 1: From 10,801 (11-21) to 29,098 up to ages 60-65, Global Area 2: From 3,638 (ages 11-21) to 9,541 up to ages 60-65, Regional Plus: From 2,078 (ages 11-21) to 5,433 up to ages 60-65, Regional: From 1,787 (ages 11-21) to 4,673 up to ages 60-65		Global Area 1: AED5million Global Area 2: AED2.5 million Regional Plus: AED1 million Regional: AED500,000	Global Area 1: Worldwide Global Area 2: Worldwide exc. USA, Singapore, Japan, Hong Kong, Switzerland Regional Plus: AGCC countries, major trading nations of the Indian subcontinent and South East Asia Regional: Close to home (India, Pakistan, Sri Lanka, Bangladesh, Korea, Philippines, Indonesia, Nepal, Bhutan) * Additional benefits for Global and Regional Plans	Toll free: 800 4845 www.axa-gulf.com
Alliance Insurance (P.S.C.)	*With deductibles Global Area 1: From 4,561 (ages 0-17) to 18,428 up to age 65 Global Area 2: From 3,071 (0-17) to 12,270 up to ages 61-65 Global Area 3: From 2,048 (0-17) to 7,045 up to ages 61-65 Regional Plus: From 1,782 (0-17) to 6,675 up to ages 61-65 Regional: From 1,752 (0-17) to 6,464 up to ages 61-65	Deductibles of: Global Area 1: AED200/150, Global Area 2: AED200/150/100, Global Area 3: AED150/100/75, Regional Plus and Regional: AED150/100/75/50	Global Area 1: AED1 million Global Area 2: AED1 million Global Area 3: AED1 million Regional Plus: VIP: AED1 million A: AED500,000, B: AED250,000 Regional: VIP: AED300,000 A: AED150,000, B: AED75,000	Global Area 1: Worldwide Global Area 2: Worldwide exc. USA and Canada Global Area 3: UAE, Arab countries, sub-Asian Continent, Sri Lanka, Korea, Philippines Regional Plus: UAE, Arab countries, sub-Asian Continent, Sri Lanka, Korea, Philippines Regional: UAE	04 605 1111 alliance@alliance-uae.com www.alliance-uae.com
BUPA International	Essential: From 2,598 (ages 0-15) to 33,650 up to age 82-120, Classic: From 3,743 (ages 0-15) to 46,707 up to age 82-120, Gold: From 4,725 (ages 0-15) to 59,380 up to age 82-120	Options of US\$160/US\$400/US\$800/US\$1,600	Essential: US\$900,000 Classic: US\$1.2 million Gold: US\$1.6 million	Essential: Hospital treatment as in/day-care patient Classic: Plus specialist medical treatment Gold: Plus home nursing, accidental dentistry, preventative health checks * All plans exc. USA	04 331 8688 info@bupa-intl.com www.bupa-intl.com
Expat Services GmbH	Individual Policies Expat Executive: From 1,530 (ages 0-18 years) to 5,210 up to age 65, Expat Superior: From 1,750 (ages 0-18) to 8,490 up to age 65 Group Policies - Standard, Executive and Superior: Subject to individual quotation	Standard Excess Standard and Executive: AED50 or AED75 Superior: No excess	Standard: AED100,000 p.a. Executive: AED1,835,000 p.a. Superior: Unlimited	Standard Group: Covers Arab countries, Indian subcontinent, Philippines Executive and Superior (Group and Individual): Covers worldwide excluding USA and Canada. Cover may be extended to worldwide including USA and Canada at additional premium. Policies cover out and inpatient treatment, prescribed medicaments, dental treatment/replacement, pregnancy and childbirth, preventive check-ups, etc.	04 341 5580 info@expatservices.ae www.expatservice.ae
Goodhealth Worldwide	Major Medical Plan: From 1,921 (ages 0-17) to 11,298 up to age 64 Foundation Plan: From 4,037 (ages 0-17) to 23,673 up to age 64 Lifestyle Plan: From 4,663 (ages 0-17) to 29,634 up to age 64 Lifestyle Plus Plan: From 5,892 (ages 0-17) to 34,577 up to age 64	Major: Nil, 1,000/5,000 Foundation: Nil, 50/100/250/500/1,000/2,000/5,000 Lifestyle: Nil, 50/100/250 Lifestyle Plus: Nil, 50/100/250	Major Medical Plan: US\$1.6 million Foundation Plan: US\$1.6 million Lifestyle Plan: US\$1.6 million Lifestyle Plus Plan: US\$1.6 million	Major Medical Plan: Psychiatric treatment, complications of pregnancy, emergency transportation, evacuation and additional travel expenses, mortal remains, AIDS, reconstructive surgery, home nursing Foundation Plan: Plus traditional Chinese medicine, hormone replacement therapy Lifestyle Plan: Plus evacuation extension to the country of your choice Lifestyle Plus Plan: Plus routine and major restorative dental treatment, pregnancy and childbirth	04 324 0040 enquiries@goodhealth.ae www.goodhealthworldwide.com
InterGlobal Limited (Middle East)	*Depends on area of cover (your country of residence and home country if you require the option of returning to your home country for treatment): Europe, Worldwide excluding/ including USA, Australia and New Zealand Plus: From 3,298 (Child) to 107,662 up to ages 70-74 Comprehensive: From 2,565 (Child) to 87,709 up to ages 70-74 Select: From 2,340 (Child) to 79,598 up to ages 70-74 Standard: From 1,616 (Child) to 55,211 up to ages 70-74	Standard Excess US\$42.50, Nil Excess 10% overload, US\$85, US\$170, US\$425, US\$850, US\$1,700, US\$4,250, US\$8,500	Plus: US\$3.4 million Comprehensive: US\$1.7 million Select: US\$1,275,000 Standard: US\$850,000	Plus: Psychiatric treatment, wellness benefit, emergency medical treatment outside area of cover Comprehensive: Compassionate emergency visit Select: Compassionate emergency visit, emergency medical treatment outside area of cover Standard: In-patient and day care treatment, emergency local ambulance	04 272 5505 info@interglobal.ae www.interglobalpmi.com
National General Insurance Co. PSC	*Higher premium for females than males except for ages 1-16, which have same rate Emirates Plan: From 1,603 (1-16) to 3,018 up to age 55 Emirates Plus Plan: From 1,775 (1-16) to 3,353 up to age 55 International Plan: From 1,978 (1-16) to 5,780 up to age 55 Global Plan: From 2,750 (1-16) to 9,741 up to age 55	AED40-75 on medical services	Emirates Plan: AED100,000 Emirates Plus Plan: AED250,000 International Plan: AED1 million Global Plan: AED2 million	Emirates Plan: UAE Emirates Plus Plan: UAE and up to 45 days per annum in Middle East, India, Bangladesh, Pakistan, Sri Lanka, Singapore, Philippines and Malaysia International Plan: UAE and up to 60 days per annum while traveling worldwide exc. USA, Canada and the Caribbean Global Plan: UAE and up to 60 days p.a. while traveling worldwide *Additional benefits for International and Global plans	04 222 2772 www.ngi.ae
National Health Insurance Company – Daman	Basic (Abu Dhabi Plan): For less than AED4,000 or AED 3000 plus accommodation monthly salary – fixed premium AED600 Enhanced (UAE, Regional, International, Global Plans): UAE: from 1,400 (ages 1-15) to 8,000 up to ages 66-99; Regional: from 1,700 (ages 1-15) to 9,500 up to ages 66-99; International: from 2,200 (ages 1-15) to 13,000 up to ages 66-99; Global: from 4,000 (ages 1-15) to 29,000 up to ages 66-99 For more than AED4,000 monthly salary – premium is quoted per individual depending on age, gender, health conditions, preferred health benefits (e.g. maternity AED1,800/ dental AED300/ etc.)		Abu Dhabi Plan In & Out-Patient: AED250,000 UAE Plan In & Out-Patient: AED250,000 Regional Plan: AED500,000 International Plan: AED2.5 million Global Plan: AED5 million	Abu Dhabi Plan In & Out-Patient: Abu Dhabi and life-threatening emergency outside Abu Dhabi at public providers only UAE Plan In & Out-Patient: Life-threatening outside UAE, emergency cover in Arab Countries, India, Sri Lanka, Pakistan, Bangladesh, Philippines (Blue Collar Home Country) Regional Plan: UAE, Arab Countries, Iran, Afghanistan, India, Pakistan, Bangladesh, Philippines (Blue Collar Home Country), life-threatening emergency worldwide International Plan: UAE, Europe, Arab Countries, Iran, Afghanistan, India, Pakistan, Bangladesh, Philippines (Blue Collar Home Country), life-threatening emergency worldwide Global Plan: Worldwide, life-threatening emergency worldwide	800 4 DAMAN (800 4 32626) www.damanhealth.ae
Oman Insurance Company	*In ref. to ages 14 days to 30 years, lower premium for ages 18-25 by up to AED300 depending on plan Plan 1: From 1,470 (14 days-45 years) to 2,980 up to age 60 Plan 2: From 2,170 (14 days-45 years) to 4,380 up to age 60 Plan 3: From 2,350 (14 days-45 years) to 4,730 up to age 60 Plan 4: From 3,630 (14 days-45 years) to 7,290 up to age 60 Plan 5: From 4,180 (14 days-45 years) to 8,400 up to age 60 Plan 6: From 3,800 (14 days-45 years) to 7,650 up to age 60 Plan 7: From 4,390 (14 days-45 years) to 8,810 up to age 60	AED25 deductible on out-patient consultation fees	Plan 1: AED50,000 Plan 2: AED100,000 Plan 3: AED100,000 Plan 4: AED200,000 Plan 5: AED200,000 Plan 6: AED300,000 Plan 7: AED300,000	Plan 1: UAE, Plan 2: UAE, Plan 3: UAE, Arab countries, Indian sub-continent, Philippines Plan 4: UAE, Arab countries, Indian sub-continent, Philippines, extended to worldwide exc. USA, Canada Plan 5: UAE, Arab countries, Indian sub-continent, Philippines, extended to worldwide inc. USA and Canada Plan 6: UAE, Arab countries, Indian sub-continent, Philippines, extended to worldwide exc. USA and Canada Plan 7: UAE, Arab countries, Indian sub-continent, Philippines, extended to worldwide inc. USA and Canada	Toll Free: 800 4746 ocicm@tameen.ae www.tameen.ae
Royal & SunAlliance UAE	*Higher premium for females aged 16-60 than males and lower premium for males aged 66-99 by up to 800 depending on plan ** Visit www.fasterquote.ae for personalised quote. Columbus: From 2,727 (ages 0-20) to 14,879 up to age 99 Ulysses: From 2,353 (ages 0-20) to 12,631 up to age 99 Marco Polo: From 2,040 (ages 0-20) to 10,756 up to age 99 Local Health: From 1,991 (ages 0-20) to 10,457 up to age 99	AED50 deductible on physician's consultation	Columbus: AED1 million Ulysses: AED500,000 Marco Polo: AED300,000 Local Health: AED100,000	Columbus: Worldwide Ulysses: Worldwide exc. USA and Canada Marco Polo: UAE, Arab Countries, South East Asia, Iran and Afghanistan Local Health: UAE, South East Asia, Iran and Afghanistan	04 334 4474 fasterquote@notes.royalsun.com www.royalsunalliance.ae www.fasterquote.ae
Disclaimer: All medical insurance policies include the standard inpatient and out-patient services generally provided by insurance companies. Cover specified is deemed to be significant only as point of comparison among plans. Please note that some insurance companies offer the same/similar plans - for example, Arab Orient Insurance Company and Nasco Karagolan Dubai have plans offered by Royal & SunAlliance UAE as part of their medical insurance proposals. The annual premiums listed are simply an overview of how much an individual may have to pay per insurance plan. Premium rates quoted in US\$ are converted to AED using a conversion rate of 3.68 for consistency purposes. Please contact providers direct for more information. Tip: Discounts are available for those who would like to purchase group of corporate plans as well as, in some cases, for annual or online payments - or example AXA offer a three per cent discount for annual payment and Royal Sun Alliance offer 10% per cent when you purchase online. As ever, it doesn't hurt to ask. Notes: These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. They are NOT meant as a recommendation of a particular provider and listings are simply in alphabetical order and updated during December 2007. All information included tables is subject to confirmation and is provided as an overview only. As with all financial decisions, MONEYworks recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. This list is not an exhaustive list. Any errors and/or omissions are regretted. Additions/corrections, if any, should be forwarded by fax to 00971 4 391 2173, or by email to info@moneyworks.ae . All information contained above is freely available and was obtained directly from provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider direct for further information.					

Home Contents Insurance					UAE
INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (AED)	EXCESS (AED)	COVER (AED)	COVER INCLUDES	CONTACT DETAILS
Abu Dhabi National Insurance Company – Householders Comprehensive Insurance	350 minimum	None	50,000	Cover against loss or damage caused by fire, theft, water damage, earthquake and other allied perils; excluding jewelry. money	02 626 4000 www.adnic.ae
Al Dhafra Insurance – Householder's contents policy	500 minimum, 350 in special cases, depends on the value	500	50,000	Contents while contained in the buildings against the risks of fire, lightning, explosion, thunderbolt, subterranean fire, earthquake, volcanic eruption, aircraft or other aerial devices or articles dropped, bursting or overflowing of water tanks, apparatus or pipes, theft, Impact by any third party road vehicles, horses or cattle, storm, tempest, flood or overflow of the sea; all kinds of declared household items and jewelry; contents temporarily removed from the building while in any bank safe deposit or private dwellings where the insured or members of his family are residing or employed are covered; reasonable costs of the alternative accommodation in the event of building being rendered uninhabitable; standard policy may be extended to cover legal liability to landlord and third parties	02 672 1444 www.aldhafrainsurance.com
Al Ittihad Al Watani General Insurance Company – Householders Comprehensive Insurance	1,500-2,000	250	50,000	Cover against fire and perils. 10,000 limit on money are jewellery	04 282 3266 www.unic.ae
Arab Orient Insurance Company – Home Contents Insurance	750 minimum	1,500 for every claim	50,000	Furniture, fixtures, AC; optional – clothing, jewellery (2,500 for each item), excluding cash	04 209 3705 www.insuranceuae.com
AXA / Norwich Union Insurance (Gulf) BSC(c) – Home Comfort Insurance	800	250	200,000	Home contents (0.4 per cent), personal belongings (1.4 per cent) lap top (2.5 per cent) plus tenants and legal liabilities, alternative accommodation, new for old, unexpected events and natural calamities, while you are away, Theft of keys AED1,000, frozen food AED2,500, contents in the open AED2,500, household removals; optional coverage includes domestic helpers, against loss of important documents, money and credit cards, accidental damage	Toll Free 800 4560 (HSBC) www.axa-gulf.com
Lebanese Insurance Company – Home Contents Insurance	1,500 minimum	3,000	100,000	Furniture, fixtures; safes, antiques, jewelry have additional charge	04 222 5323 www.lebaneseinsurance.com
Dubai Islamic Insurance & Reinsurance Company (AMAN) – Householders Comprehensive Insurance	1,500 and up to 2,000 if including all options	1,000 of each and every loss	1 million	Anything insurable in the house against material damage. Can be extended to people living in the house against personal accidents, third party liability, loss of accommodation. Also includes clothes, jewelry and other items, safe in the house, gold as long as kept in a safe.	04 319 3111 www.aman-diir.ae
Gargash Insurance – Home Contents Insurance	170	250	50,000	Cover against accidental damage, fire, and theft; everything inside the house such as furniture, landlord's fittings, permanent fixtures and fittings, interior decors, safety locks up to AED1,000, jewelry up to AED2,500, servants with extra charge (AED150 per person)	Dubai – 04 337 9800 Sharjah – 06 572 3434 www.gargashinsurance.com
National General Insurance – Home Contents Insurance	500 minimum	1,500	50,000	Home contents against fire, principal perils, theft. Jewellery has extra charge.	04 222 2772 www.ngi.ae
Oman Insurance Company – Home Umbrella	200 minimum	250	50,000	Household contents covered against fire and allied perils, escape of water, theft or attempted theft, riot, strike and civil commotion, storm, flood and malicious damage, etc.; contents temporarily removed up to 10 per cent of contents sum insured within the geographic limit not exceeding 30 consecutive days; audio/video equipments, home computers, mirrors and glasses against accidental damage occurring in the private dwelling; loss or damage to goods contained in a deep freezer maximum of AED1,500; cost of alternate accommodation/loss of rent up to 50 per cent of contents sum insured for maximum period of six months; legal liability towards domestic servants maximum AED150,000, public liability maximum AED1 million, and tenant's legal liability for material damages caused to property of the landlord maximum AED200,000; personal accident (death) caused by fire or thieves for the insured and spouse max AED50,000 per person; all risks cover for jewelry, valuables and laptops is optional	Toll Free 800 4746 www.tameen.ae
Oriental Insurance Company LTD – Home Contents Insurance	250	2,000	50,000	Home contents against fire, natural calamities, theft including jewelry	04 353 8688
Qatar Insurance Company – Home Contents Insurance	500 minimum	250	50,000	Home contents against fire and burglary, optional - jewellery and valuables	04 222 4045
Royal & Sun Alliance Insurance Group – HomeShield Cover	250	Standard excess option - 250 Double excess option - 500	50,000	Household goods and other articles owned by any of your household members for which you are responsible as occupier of the house – everything inside the house, optional - specified/unspecified items (which you take with you when you go out), even while on holiday for 60 days including jewellery and personal belongings	04 334 4474 www.royalsunalliance.ae www.fasterquote.ae
Wahbe Insurance Services - Homeshield Insurance	500 minimum	250	50,000	Household goods possessions and fixtures and fittings for which you are responsible against loss or damage whilst in the home (0.4 per cent), with choice of two covers: (1) Standard – against loss or damage caused by fire/smoke/explosion, theft or malicious damage, lightning, storm or flood, falling trees, impact, burst oil or water pipe (full cost of repair irrespective of age or original cost of articles except clothing and household linen where deduction may be made to allow for age and condition of items); For accidental damages to TVs/Hi-Fi's/Videos/home computers/fixed glass/ceramic hobs, deterioration of food in freezer if it breaks down but not if more than 10 years old, legal liability as occupier for injury to other people or damage to their property, liability to domestic servants, contents temporarily in the garden excluding damage caused by storm and flood, replacement of external locks in your home if your keys are stolen and (2) Extra damage option – including accidental damage; policy can extend to personal belongings you take outside the house (1.4 per cent) such as unspecified valuables, clothing, personal effects up to AED2,500, money up to AED1,500, credit cards, specified items for items worth more than AED2,500 individually, sports equipment up to AED4,000, pedal cycles that are securely locked while unattended, small boats against loss or damage anywhere in UAE and up to 60 days anywhere in the world	04 324 2345 www.wisgroup.com
Discounts are offered for listed companies, brokers and online applications. For more details, check with the provider. These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. Disclaimer: These listings are NOT meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during November 2007. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, MONEYworks recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. All information contained above is freely available and was obtained directly from provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider direct for further information.					

Credit cards		BY INTEREST/PROFIT RATE				UAE
PROVIDER	CARDS OFFERED	ANNUAL FEE (AED)	INTEREST/PROFIT RATES	INTEREST/PROFIT FREE CREDIT	CONTACT	
Commercial Bank of Dubai	Visa (Classic, Gold) e-Tijari Web Card	Classic-200, Gold-400, e-Tijari Web Card-100	1.5% on purchases, 3% on cash withdrawals	52 days	Toll-free: 800 223 www.cbd.ae	
Commercial Bank International	MasterCard (Silver, Gold)	Free for life	1.5% on purchases, 3% on cash withdrawals	45 days	Toll-free: 800 224 www.cbiuae.com	
Dubai Bank	Visa Covered Cards (Silver, Gold, Platinum)	Free for life	0% profit rate for first three months. Afterwards, 1.5% on purchases and 3% or AED25 (whichever is higher) on cash withdrawals	55 days	Toll-free: 800 5555 www.dubaiabank.ae	
Dubai Islamic Bank	Visa Islamic cards (Classic, Gold, Gold Premium and Platinum)	Fixed monthly fee: Classic-75, Gold-150, Gold Premium-300, Platinum-500	N/A on purchases and AED60 for cash withdrawals	50 days	Toll-free: 800 4008 www.alislami.ae	
Emirates Islamic Bank	Visa Islamic Credit Cards (Classic, Gold, Platinum, Infinite)	Monthly fee: Classic-100, Gold-233, Platinum-467, Infinite-700	N/A on purchases, AED90 for cash withdrawals of AED100 - 5,000	55 days	04 316 0234 www.emiratesislamicbank.ae	
Habib Bank AG Zurich	MasterCard (Silver, Gold)	Silver-200, Gold-350	1.75% on purchases and 3% on cash withdrawals	40 days	04 221 4535 www.habibbank.com	
LloydsTSB	Visa (Classic, Gold)	Free for life	0.99% per month or 11.9% per annum	55 days	04 342 2000, www.lloydstsb.ae	
RAKBANK	Visa (Classic, Gold) MasterCard (Standard, NMC, Titanium)	Free for life	1.7% on purchases for MasterCard cards, 1.95% for Visa cards 2.25% on cash withdrawals	55 days	04 213 0000 www.rakbank.ae	
Standard Chartered	Saadq Visa Gold Credit Card	500	N/A on purchases, AED125 for cash withdrawals	50 days	04 313 8888 www.standardchartered.com/ae	
United Bank Limited	MasterCard (Silver, Gold)	Free for the first two years	1.5% on purchases and 2% on cash withdrawals	55 days	Toll-free: 800 4847	
Credit cards		BY VALUE ADDED FEATURES				UAE
PROVIDER	CARDS OFFERED	ANNUAL FEE (AED)	VALUE ADDED	CONTACT		
ABN Amro	Visa (Classic, Gold), MasterCard Smart Traveller (Classic, Gold), MasterCard Al Ameera Ladies Card, MasterCard Jumbo co-branded card, MasterCard Non-resident Indian Card, Platinum MasterCard	Visa: Classic-200, Gold-400 MasterCard: Classic-400, Gold-500 MasterCard Al Ameera-300, MasterCard Jumbo co-branded card -200, Platinum MasterCard-650	Chip card for enhanced security, easy payment plan for up to 18 equal monthly instalments at an interest rate of 0.99%, credit shield, Smart Points/Flyer, purchase protection, dining card, travel benefits and discounts in certain cinemas and Wild Wadi, free travel inconvenience insurance, access to utility bill payment, payment deferral for one month. Al Ameera card provides discounts in many retail outlets. MasterCard Traveller Gold - 10% cash back on air tickets. Free Samsung products, double rewards for gold card holders. Jumbo special offers for Jumbo card holders. NRI cards: Redeemable benefits such as free domestic flights on Kingfisher Airlines, rentfree mobile SIM cards and dining discounts at outlets in India.	04 308 0000 www.abnamro.ae		
Abu Dhabi Commercial Bank	Visa (Classic, Gold, Platinum) MasterCard (Standard, Gold, Platinum)	Classic/Standard-150, Gold-300, Platinum-800	Free supplementary cards, travel insurance, purchase protection for 90 days, credit shield, 24-hour road assistance, balance transfer facility, up to 5% discount on airline tickets purchased with ADCB card, free ticket delivery and Pearls reward programme whereby cardholders receive AED5 for every 1,000 'pearls' collected. Platinum cardholders receive global emergency service, concierge service and extended warranty of up to 24 months on many retail products.	Toll-free: 800 2030 www.adcb.com		
American Express	Dubai Duty Free (DDF), AMEX Blue, Gold, Gold Damas, SmartGold, Dollar Credit Card Charge Cards: Green, Gold, Platinum, BMW co-branded card	DDF-175, AMEX Blue -250, AMEX Gold-295, Gold Damas-395, SmartGold-395, Charge Cards: GreenUS\$120, GoldUS\$210, PlatinumUS\$750, BMW-550	Gold/Blue offers 1% cash back, Dubai Duty Free Card - 10% off items at DDF, Milenium Millionaire special offers, retail protection, online fault protection and airport lounge access, travel insurance and benefits, express cash and travellers cheques while travelling, emergency cheque cashing and free companion credit card. Corporate cards, selected cards available in US Dollars. Damas card offers jewellery benefits and more, exclusive benefits for BMW co-branded members at BMW service centre and BMW accessories, emergency card replacement and membership rewards programme.	Toll-free - 800 4931 www.americanexpress.co.ae		
Barclays Bank	Barclaycard (Classic, Gold, Platinum)	Preferred option (available on classic and gold cards): No annual fee; Priority option (available on all cards): 300; Prestige option (available on platinum cards): 550	All cards: One reward point for every AED1 spent on card (reward points can be redeemed for movie tickets, airline tickets, electronics, groceries, etc.), 24/7 roadside assistance, credit shield, travel benefits, free travel insurance, restaurant offers, free movie ticket offers. Priority and prestige cards: Barclays Butler service, double rewards on weekend spend, free magazine subscription, Barclays Pamper (50% discounts at select spas and salons), free air ticket for AED75,000 spend on card.	Toll-free - 800 4286000 www.barclayscard.ae		
Citibank	Visa, MasterCard (Silver, Gold, Eppco Citibank card, Emirates-Citibank Silver/Gold Card, Citibank eCard), Citibank/Emirates Ultima Card, Citibank/Emirates Ultimate	Silver-250, Gold-500, Eppco-Citibank card-250, Emirates-Citibank Card-300 (Silver), 550 (Gold), Citibank eCard-50 (Free to Emirates cardholders), Citibank/Emirates Ultima Card-3,000, Citibank/Emirates Ultimate-1,000	Purchase protection, credit shield, Citidollars, photo-sign card, travel/rental insurance, Bon Voyage travel services, exclusive travel privileges and banking services, easy installment plan up to 36 months, online and phone banking services and utility bill payment, discounts at selected retail outlets, fraud early warning block. Eppco cards - double Citidollars, Emirates cards - Skywards points, Citibank's new Ultima card offers numerous high-end exclusive benefits for high net worth individuals in addition to the benefits listed above. Worldwide emergency assist "CitAssist", lost card protection. Free Motorola mobile phone, priority pass and Citidollars with Ultimate.	04-311 4000 www.citibank.com/uae		
Dubai First	Visa (Silver, Gold) Royale MasterCard	Silver - 150, Gold - 350 Royale MasterCard - by invitation only	Free travel accident and inconvenience insurance on baggage loss, baggage/flight delay, personal liability, emergency hospitalization and assistance. Free life insurance up to AED50,000 to gold card members and AED20,000 to silver card members. Loan on phone up to 80% of credit limit. Free household insurance up to AED25,000 to gold card members and AED10,000 to silver card members. One year purchase protection, special price of AED100 for UAE-GATE Card, free supplementary cards, photo card for instant recognition and security, up to 80% of your credit limit cash withdrawal, 24-hour contact center, entry to DubaiDinar Millionaire draw, 5% cash back on all air bookings, complimentary travel benefits, utility bill payment service.	Toll-free: 800 33 www.dubai-first.com		
Emirates Bank/ meBANK	Visa, MasterCard (Silver, Gold), OPTIONS Instalment Card, MasterCard foreign currency card (Silver, Gold), MasterCard meNETPAY, Visa meUNI, Infinite Credit card	meUNI - free for students and staff of approved universities, Silver - 150, Gold-400, OPTIONS - 250, MasterCard foreign currency Silver-100 and Gold-300, meNETPAY/Emirates IPAY - 50. Silver cards free for first year, Infinite by invitation only	Students benefits for meUNI cards, photo-card and signature, discounts and privileges at over 1,600 outlets, meMILES loyalty programme, free travel insurance up to US\$75,000 and assistance services, Intro APR - 0% interest rate for 1st three months. Convenient balance transfer at low interest rates. OPTIONS offers easy repayments in 12 to 24 installments at 0.8% per month, free meAutoAssist and meAccount with zero balance, ATM card and cheque book. For Infinite cards, high credit limit, customised concierge service, free access to first class airport lounges, travel and medical insurance options, rewards programme.	04-3160316 www.me.ae		
HSBC Bank Middle East	Visa (Classic, Gold, Platinum), MasterCard Classic -150, Gold-400, Premier - free for account holders, Ethad Classic-150, Privilege-400, Exclusive-750, In-site virtual MasterCard	Visa Classic-150, Gold-400, Platinum-600 MasterCard Classic -150, Gold-400, Premier - free for account holders, Ethad Classic-150, Privilege-400, Exclusive-750, In-site - 50	Two free supplementary cards, air miles reward programme, autopay service, purchase protection, travel protection, credit shield, 24-hour roadside vehicle assistance. Platinum cardholders receive worldwide discounts/special offers and Dial-a-Gift service for a wide range of gift vouchers. Ethad cardholders can receive priority pass membership, e-gate card and guest miles to be exchanged for airline tickets, cruises and safaris, hotel accommodation, shopping rewards, etc.	Toll-free: 800 4440 www.uae.hsbc.com		
National Bank of Abu Dhabi	Visa, MasterCard (Classic, Gold, Platinum) MasterCard nbad@surfer card, ADDF Visa (Classic, Gold), Visa Dubai E-government Prepaid Card	Classic and Gold are free for life, Platinum -1,000, nbad@surfer card - 25 for accountholders, otherwise 50, ADDF Visa Classic - 250, Gold - 350, Dubai E-government Prepaid Card - 100 to 5,000	1% interest for balance transfer, photo-card, purchase protection, personal accident and travel insurance, access to Golden class at Abu Dhabi International Airport and Murhaba services in Dubai International Airport, discounts and rewards programmes in many outlets, emergency medical and legal expenses, free road side assistance and credit shield facility, free gifts, NBAD points programme. Dubai E-government Card can be used for government transactions.	Toll-free: 800 2211 www.nbad.com		
National Bank of Dubai	Visa (Classic, Gold, Platinum) MasterCard (Standard, Gold), NBD-Dnata MasterCard (Classic, Gold), WebShopper MasterCard	Classic - 100, Gold - 300, Platinum - 700, NBD-Dnata MasterCard - Classic-250, Gold-500, WebShopper MasterCard - 50	Free supplementary cards, 24-hour roadside assistance, travel inconvenience insurance, credit shield, travel express service. Gold cardholders receive cash advance of up to 75% credit limit. With Dnata cards, reward points worth 1.5% can be earned on all purchases. Points earned can be redeemed for airline tickets, yacht cruises, holiday packages or desert safaris. Platinum cardholders receive local concierge service, valet parking service at selected malls, discounts at UAE restaurants, complimentary room upgrades at leading hotels, retail discounts; until August 10, 5% cash back on all retail purchases, 2% after promotion.	Toll-free: 800 4444 www.nbd.com		

These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. Disclaimer: These listings are **NOT** meant as a recommendation of a particular bank/provider; listings are simply in alphabetical order and updated during December 2007. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, **MONEYworks** recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. All information contained below is freely available and was obtained directly from bank/provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider/bank direct for further information.

Know of a better offer? We'd like to hear from you. Fax us on 00971 4 391 2173 or email info@moneyworks.ae

Car Loans							
PROVIDER	PRODUCT	INTEREST/PROFIT RATE	MAX. LOAN AMOUNT (AED)	DOWNPAYMENT	PAYMENT TERMS	MIN. SALARY (AED)	SALARY TRANSFER
Abu Dhabi Commercial Bank	Car Loan	4.10% for new cars with 10% downpayment, 4.25% without downpayment, 5.25% for used cars	Up to 500,000 (Depends on salary)	Nil downpayment option	New cars - 72 months Used cars - 60 months	Approved companies 2,500; otherwise 3,000	No
Abu Dhabi Islamic Bank	Sahel Murabaha	Profit rate - 3.99% for new cars, 4.99% for used cars	Up to 250,000	Nil for new cars, minimum 5% for used cars	New cars - up to 60 months Used cards - up to 48 months	3,000 for account holders; otherwise 4,000	No
Bank of Baroda	Car Loan	3.85% flat rate	New cars: up to 90% Used cars: up to 70%, subject to maximum AED50,000	10-30%	Up to 48 months	4,000	No
Commercial Bank of Dubai	Tam-wheel Car Finance	CBD customers: 4.25% for new cars, 5.75% for used cars Non-customers: 4.5% for new cars, no financing for used cars	Up to 250,000	Depends on make and model for new cars 10-20% for used cars	Up to 60 months	3,000	No
Commercial Bank International	Sayaraty	3.99% for new cars, up to 5.5% for used cars (depends on make and model)	Up to 250,000	Nil for new cars, up to 30% for used cars (depends on car model)	Up to 72 months for new cars, 60 for used cars	3,500	No
Finance House	Auto loan	4.29% for new cars, 4.69% for used cars	Depends on salary and car price	None for new cars starts at 10% for used cars	Up to 72 months for new cars, up to 60 months for used cars (depends on the model)	3,000	No
Habib Bank AG Zurich	HBZAuto loan	4.25% for new cars	Up to 250,000	Minimum 10%	Up to 48 months	5,000	Yes
MashreqBank	Mabrook Auto loan	4.25% for new cars, 5.25% for used cars	Up to 500,000	Nil downpayment option.	60 months for new cars 48 months for used cars	3,000	No
National Bank of Abu Dhabi	Sayyarati	With salary transfer 3.99% for new and used cars, without salary transfer 4.5%.	Up to 250,000	Nil	Up to 72 months - new cars, up to 48 months - used cars	4,000	No
Sharjah Islamic Bank	Vehicle Murabaha	With salary transfer: 3.99% for new cars, 4.25% for used cars. Without salary transfer: 4.25% for new cars, 5% for used cars.	Up to 250,000	Nil for new cars, minimum of 10% for used cars	Up to 72 months	3,000	No
Personal Loans							
PROVIDER	PRODUCT	INTEREST/PROFIT RATE	MAX. LOAN AMOUNT (AED)	ACCOUNT NECESSARY	PAYMENT TERMS	MIN. SALARY (AED)	SALARY TRANSFER
Abu Dhabi Commercial Bank	Personal Loan	9-13% reducing balance rate	Up to 250,000 (depends on salary)	Yes	Up to 192 months for nationals, 72 months for expatriates	2,500	Yes
Abu Dhabi Islamic Bank	Goods Finance	Profit rate: 5% fixed rate	Up to 30 times monthly salary, maximum 250,000	Yes	Up to 72 months for nationals, 60 months for expatriates	3,000	Yes
Dubai Bank	Sanad Personal Finance Souk Goods Finance	Profit rate: 5-6.25% fixed rate (depends on loan tenor and salary)	Up to 250,000	Yes	Up to 120 months Up to 60 months	5,000	Yes
Dubai Islamic Bank	Al Islami Personal Finance (For goods and services)	Profit rate: Starts from 4.55% (depends on the company)	Up to AED250,000 with salary transfer, otherwise AED100,000	No	Up to 60 months, depends on goods or services required	3,000	No
Emirates Islamic Bank	Goods Murabaha	Profit rate: 6.5% fixed rate with salary transfer, 6.95% fixed rate without salary transfer	Up to AED250,000	Yes	Up to 60 months	2,500 with salary transfer, otherwise 3,500	No
HSBC Amanah	Amanah Personal Finance	Profit rate: starts at 9% on reducing balance basis	Up to AED250,000	Yes	Up to 84 months for nationals, up to 72 months for expats	5,000	Yes
HSBC Bank Middle East Ltd.	Personal Loan	Starts at 9% on reducing balance basis	Up to AED250,000	Yes	Up to 84 months for nationals, up to 72 months for expats	5,000	Yes
Mashreqbank	Personal Loan	Reducing balance rate from 8.75-11.5%, depending on loan term and company status	Up to AED250,000 (depends on salary)	Yes	Up to 200 months for nationals Up to 72 months for expats	2,500	Yes
Sharjah Islamic Bank	Goods Finance	6% fixed rate	Up to AED250,000	Yes	Up to 60 months for nationals Up to 48 months for expats	3,000	Yes
United Arab Bank	Consumer Loan	Fixed rate: min. 4.5% Reducing balance: min. 9%, depends on the company and the salary	Up to AED250,000	Yes	Up to 72 months (depends on the company and length of service)	3,000	Yes
United Bank Limited	Personal Loan	Reducing balance rate: starts from 8.5%	Up to AED250,000 for nationals, 150,000 for expats	Yes	Up to 84 months for nationals, 48 months for expats	2,500	Yes
Note: Many banks operating in the UAE require you be an account holder before approving loan applications. In many cases a salary transfer is compulsory and, where not possible, an assignment letter of salary and benefits may also be necessary. For further information, check with your chosen bank/provider direct. Don't forget to watch out for special deals available.							

UAE

CONDITIONS/RESTRICTIONS	ACCOUNT NECESSARY	EARLY REDEMPTION PENALTIES	VALUE ADDED	OTHER	CONTACT
Used cars must be 2000 model or newer	No	3% of outstanding loan for cash and 5% for bank transfer	Free ADCB credit card, free roadside assistance for ADCB credit card holders, insurance finance option	Minimum of AED350 charged as processing fee	Toll-free: 800 2030 www.adcb.com
Used cars must be 2000 model or newer for German and Japanese cars 2003 model onwards for other cars	No	None	90 days grace period for first installment, up to two postponements per year. Insurance can be financed. With salary transfer, free Islamic Visa card and family welfare plan.	No processing fee	Toll-free: 800 2288 www.adib.ae
	No	1% of outstanding loan		1% processing fee	04 354 0340 www.bankofbarodauae.ae
Used cars must not be older than 2003 model.	No	None for cash, 3% of outstanding loan for bank buyout	Option for three yearly deferrals	1% processing fee	Toll-free: 800 223 www.cbd.ae
Cars must not be older than 2003 model	No	2% for cash, 5% for bank transfer of the outstanding loan	60 day deferral on first installment, free for life credit card, insurance finance option.	No processing fee for new cars, AED250 charged as processing fee for used cars	Toll-free: 800 224 www.cbuae.com
Used cars must not be older than 2001 model	No	4% of outstanding value of the loan	Free credit card for life, 13 months comprehensive auto insurance cover starting from 3.25% on saloon cars and 4x4 vehicles	No processing fee	Toll-free: 800 3434 www.fh.ae
New cars only	Yes	2% of outstanding value of the loan		AED50 charged as processing fee	04 221 4535, www.habibbank.com
Used cars must be less than 8 years old at loan maturity	No	2.5% of outstanding loan for cash, 5% for bank transfer	Free credit card for the first years, insurance finance option, free AAA membership for roadside assistance.	AED100 charged as processing fee	04 217 4800 www.mashreqbank.com
3 months in service is required for expats. Used cars must not be older than 6 years	No	2% outstanding value of the loan for cash, 5% for bank buyout	100% insurance financed, 60 days grace period, free for life credit card	0.50% of loan amount or minimum AED250 charged as processing fee	Toll-free: 800-2211 www.nbad.com
	No	None		No processing fee	Toll-free: 800-742 www.sib.ae

Criteria: Interest rate of less than 4.5 per cent (new cars)

UAE

CONDITIONS/RESTRICTIONS	EARLY REDEMPTION PENALTIES	VALUE ADDED	OTHER	CONTACT
Approved companies only. Must provide salary certificate, passport copy and three months bank statement.	3% for cash, 5% for bank transfer	Free ADCB credit card, credit life insurance, up to three times salary overdraft for nationals and up to two times for expats.	1% of the loan amount processing fee plus 0.5% for credit life insurance	Toll-free: 800 2030 www.adcb.com
Company you work for needs to be on bank's approved list. Must provide three to six months bank statement, original passport, salary certificate and a quotation of the goods that need financing.	Rewarded for early redemption	Intallment postponement available, subject to bank's approval	No processing fees. Shari'ah compliant and Murabaha structure.	Toll-free: 800 2288 www.adib.ae
Approved companies only. Need to provide salary certificate, bank statement and passport copy with valid residence visa.	None	Insurance coverage, unlimited cheque book with a zero balance current account and free ATM card, take over facility available, top up facility up to 18 installments	1% processing fee of the loan amount or minimum AED500	Toll-free: 800 5555 www.dubaitbank.ae
Approved companies only. Should be over 21 years old. Need to provide, quotation of the goods to be purchased, salary certificate, three months bank statement and passport copy.	Rewarded for early redemption	Payment postponement available	No processing fee. Al Islami Personal Finance is based on Ijarah (for services) and Murabaha (for automobiles and goods)	Toll-free: 800 4008 www.alislami.ae
Approved companies only. Must have been with current employer for at least six months. Need to provide quotation of the goods to be purchased, salary certificate, three months bank statement and passport copy.	None	Free Islamic account with zero minimum balance requirement	No processing fee	04 316 0101 www.emiratesislamicbank.ae
Must provide original passport, latest salary transfer letter and two months bank statement.	Rebate is offered	Free credit card for the first year, current account with minimum balance waived.	Processing fee is 1% of the loan amount to a maximum of AED750	Toll-free: 800 4792 www.hsbcamanah.com Toll-free: 800 4440 www.uae.hsbc.com
Approved companies only. Salary certificate, passport copy and bank statement should be provided.	2% of the outstanding balance for cash and 5% for bank buyout	Zero balance current account, free ATM card and credit card for the life on the loan, installment postponement, deferral facility	1% processing fee, minimum AED250 and maximum AED500. Insurance is 0.465% of loan amount	04 217 4800 www.mashreqbank.com/uae
Must be at least 21 years old and under the age of 60. Passport copy, three months bank statement and salary certificate are required.	Profit returned		AED400 processing fee. Minimum loan amount AED7,000	Toll-free: 800 742 www.sib.ae
Approved companies only. Must have been with current employer for at least one year. Need to provide last three months bank statement and valid passport (with residency visa for expatriates).	2% of outstanding balance for cash and 5% for bank transfer	Life insurance up to the loan amount, overdraft facility, zero balance current account, postponement of two installments in one year, free credit card for the first year	Processing fee is 1 % of the loan amount, minimum AED250 and maximum AED750	04 332 2032 www.uab.ae
Approved companies only. At least one year service with the current employer. Salary transfer letter, salary certificate and security cheque	5% of outstanding balance for cash or bank transfer	Personal loan insurance cover, hospital cash benefits, loss of employment cover, permanent/total disability and death covered	1% processing fee of the loan amount, minimum AED250	Toll-free: 800 4847

Criteria: Interest rate of less than nine per cent on a fixed rate basis

Disclaimer: These tables are meant ONLY as a guide and are not intended as a recommendation of a particular loan provider. The tables were thoroughly checked for accuracy with providers called individually for information during December 2007 and were correct at the time of going to press. Please note: information is subject to change without notice. Any errors or omissions are regretted. Corrections, if any, should be forwarded by fax to +971 4 391 2173, or by email to info@moneyworks.ae. All information contained is freely available from bank/provider printed information and websites, as well as direct from bank/provider helplines and/or call-centres.

Mortgages							
PROVIDER	AVAILABLE TO	MORTGAGE TENOR	MAX. AGE ON LOAN MATURITY	INTEREST/PROFIT RATE	MAXIMUM LOAN AMOUNT	DEBT-TO-INCOME RATIO	DOWN PAYMENT
Abu Dhabi Commercial Bank	UAE residents (nationals and expats), non-residents	25 years for UAE residents 10 years for non-residents	65 years	RBR = Retail base rate Salaried residents: RBR plus 2.75%; Self employed residents: RBR plus 3%; Non residents: RBR plus 3%	Salaried: Up to 90% of value with salary transfer, up to 85% without salary transfer Self-employed: Up to 80% of value Salaried non-residents: Up to 70% Self-employed non-residents: Up to 60%	Up to 65% for all	Minimum 10% with salary transfer, 15% without salary transfer, 20% for self employed
Amlak (Shar'ah compliant)	UAE residents (nationals and expats), GCC residents and non-residents	25 years for UAE nationals 20 years for residents 15 years for non-residents	60 for salaried employees, 65 for self-employed	Variable rate: 7.5-9%	Up to 90% of property value	Up to 50%	Minimum 10%
Arab Bank	UAE and GCC nationals, expats and non-residents	25 years for villas and apartments	60 years	Starting from 8.5% for the first year	Up to 90% of the property market value	65% for salaried employees with salary transfer, 60% for salaried employees without salary transfer, 55% for self-employed	10% of the property market value
Bank of Baroda	UAE nationals, expats	Up to 15 years	65 years	8.5% for 5 years, 9% for 10 years and 9.5% for 15 years	Up to AED3 million	Up to 50% of gross monthly income	25% with salary transfer, otherwise 30%
Barclays Bank	UAE residents and non-residents	Up to 25 years	70 years	7.75 - 9.10% variable rate	Up to 80% of market value for apartments, 90% for villas; minimum is AED500,000 and maximum is AED10 million	50% of the monthly income for UAE residents, 40% for non-residents	20% for apartments and 10% for villas
Dubai Bank (Mulki Property Finance)	UAE nationals, expats	Up to 20 years	65 years for nationals 60 years for expats	8.5% fixed rate	Up to 90% of the property value	Depends on the salary	10%
Dubai Islamic Bank (Al Islami Home Finance)	UAE nationals, expats	Up to 25 years	70 years for nationals 60 years for expats	Floating profit rate. More information not available	Up to 95% of the property value	Depends on loan amount and the salary	10% with salary transfer, otherwise 20%
Emirates Islamic Bank	UAE and GCC nationals, expats	Up to 10 years for Murabaha Up to 25 years for Ijara	65 years for nationals 60 years for expats	Ijara - 3 month EIBOR + 3.50% Murabaha - reducing balance rate 10.5% for 5 year loan, 11.5% for 10 years	Maximum up to AED3.5 million	Not more than 50% of the salary	As low as 5%
First Gulf Bank	UAE nationals, expats and non-residents	25 years for nationals 20 years for expats 15 years for non-residents	65 years for nationals 60 years for expats	8 - 9.75% on reducing balance basis	Up to 90%; as much as AED5 million	Maximum 60%	10%
Habib Bank AG Zurich	UAE nationals and expats	Up to 15 years	60 years	Variable rate: EIBOR+2.5%	Up to 70% of the property value	Max. 60% of income including all loans	30%
HSBC Bank Middle East Limited	UAE residents and non-residents	25 years	65 years	7.25 - 8.25% reducing balance rate	Up to 85% of purchase price	60% overall debt on all regular commitments	10%
Lloyds TSB	UAE nationals, expats	Up to 20 years	60-65 years, depends on company	8.5% variable, straight re-payment mortgage	Up to 70% for apartments and 80% for villas	Should not exceed 50%	Depends on property
Mashreqbank	UAE residents and non-residents	Up to 25 years	60 years for salaried 65 years for self-employed	Fixed rate: starts from 7.49% Variable rate: from 3.5% + EIBOR	Up to AED5 million; depends on salary and property	55% including all loans	Minimum 10%; depends on project
National Bank of Abu Dhabi	UAE nationals, expats only in Abu Dhabi/Dubai	Up to 20 years	65 years	9% fixed rate for first 6 months	Up to 80% finance, as much as AED5 million; depends on salary, age and property value. Up to AED8 million for Abu Dhabi properties	Up to 50% of monthly salary for expats	10% for properties in Abu Dhabi; 20% for properties in Dubai and 30% for other emirates
National Bank of Dubai	UAE nationals, expats and non-residents	25 years for nationals, 20 years for expats, 12 years for non-residents	65 years for nationals, 60 years for expats and non-residents	With salary transfer, starts at 6.49%; afterwards, EIBOR rate + 3.25%. Without salary transfer, starts at 6.99%; afterwards, EIBOR rate + 3.5% (Also offers Offset Home Loan - allows you to fast forward repayment of your mortgage and save on interest.)	Up to 80%; for select properties up to 90%	Residents: up to 60% Non-residents: up to 50%	Minimum 15% depending on the property
RAKBANK	UAE nationals, expats and non-residents	25 years	65 years	8.25 to 8.5% on a reducing balance basis	Up to AED5 million	60% of monthly salary for salaried individuals	Minimum 20%
Sharjah Islamic Bank	UAE and GCC nationals, expats from other Arab countries	Up to 15 years	65 years for UAE nationals, 60 years for others	Profit rate. With salary transfer: 4.65% for 1 to 5 year tenor; 4.92% for 6 to 10 year tenor; 5.19% for 11 to 15 year tenor. Without salary transfer: 4.92% for 1 to 5 year tenor; 5.19% for 6 to 10 year tenor; 5.47% for 11 to 15 year tenor	Up to AED1 million for account holders, up to AED100,000 for non-account holders	50%	20% for account holders, 30% for non-account holders
Standard Chartered	UAE nationals, expats	20 years	65 years	Will not exceed 8.5%	Up to AED3.5 million for apartments and up to AED7.5 million for villas	Depends on the salary	From 15%; depends on salary and type of property
Tamweel (Shar'ah compliant)	UAE nationals, expats and non-residents	15 years for fixed rate financing and 25 years for flexible rate financing	65 years for nationals, 60 years for expats	Depends on scheme. Floating rate of 7.9% applies to loan tenors of 5-25 years (changes every six months). Fixed rate from 9.5% for five year tenor, 10.5% for 10 year tenor, 10.8% for 15 year tenor. (Also offers 'Ijara' or adjustable repayment mortgages, lowers the installments in the first three years up to 30%)	Up to 80% of the property value. (Varies from property to property)	55% of salary	From 10%, Depends on property
Union National Bank	UAE nationals, expats	Up to 25 years	65 years for UAE nationals, 60 years for expats	8.5 % variable rate	Up to AED5 million	Up to 65% of monthly salary	As low as 10%
United Bank Limited 'Baitna'	UAE residents and non-residents	Up to 20 years	65 years	EIBOR rate + 2% for residents, +2.5% for non-residents	As much as AED4 million; depends on salary	Up to 60% of monthly salary minus other monthly installments	As low as 10%; depends on development
NOTE: Some more UAE banks are actively lending in the market, although mortgage finance products are yet to be officially launched. It's also possible to finance properties on The Palm (for up to 10 years) directly from Nakheel. Documentation requirements vary from bank to bank. But, in general, the requirements are Passport, Labour Card, Khulasat Qaid (ID card), salary certificate, six months salary bank account statements, other income documents, copy of sale/purchase agreement, proof of downpayments, cheque for loan processing fee and application form. For business owners/directors - trade licence & audited company financials. Please check with your chosen mortgage provider for more details.							

UAE

INSURANCE REQUIREMENTS	MINIMUM SALARY (AED)	BANK ACCOUNT NECESSARY	SALARY TRANSFER	CHARGES	PROPERTIES FINANCED	PREMIUM FINANCE	BUY-TO-LET	CONTACT
Property insurance	For salaried: 8,000 for UAE nationals, 10,000 for expats and 25,000 for non-residents. For self-employed: 10,000 for UAE nationals, 20,000 for expats and 25,000 for non-residents	Yes	No, but necessary to obtain maximum loan amount	Processing fee of 1% of the loan amount, or AED 10K-20K, whichever is lower. Early discharge fee not allowed before six months. 6-60 months: 1% - 2% on outstanding loan amount, 3% (buyouts). No discharge fee after 5 years if settled through own funds.	Deyaar, ALDAR, Al Fara'a, Al Nasser, Al Madar, Al Mazaya, Bando, Bonyan, DAMAC, Dubai Properties, Dheeraj & East Coast Group, EMAAR, Empire International Investments, ETA Star, Falcon City, Fortis Plus, Ilyas & Mustafa Galadari group, NAKHEEL, Rose Homes, Sama Dubai, Sourouh, Trident, Union Properties, V3 - Jumeirah Lake Towers	Yes	No	Toll-free: 800 2030 SMS HOME to 2626 www.adcb.com
Property insurance is compulsory. Can provide Islamic insurance solutions.	8,000	Yes; can be with any bank	Yes, to chosen bank	1% processing fee (min. AED7,500) for residents. 1.25% processing for non-residents. Valuation fee up to AED3,000. Early settlement and repayment charges: Partial payment AED3,000; full payment minimum AED15,000 or 2% of the outstanding balance	Emaar, JBR, First Group, Nakheel, Abraj, Sabeel, RAK Properties, ARY, Falak, Al Fattan, Cayan, Star Group, Dubai Properties, Lootah, Mag Properties, Muafak, One Business Bay, Fortune Group	Yes	Yes	Toll-free: 800 26525 www.amlakfinance.com
Life and property insurance	8,000	Yes	No	Processing fee is 1% of financed amount, maximum AED10,000. Registration fees to be borne by the customer	Emaar, Nakheel, Deyaar, Union Properties, Damac, Dubai Properties and Ishraqaa	Yes	Yes	Toll-free: 800 27224 www.arababank.ae
Property insurance	10,000	No	No	Processing fee is 1% of loan amount, maximum AED7,500. 1% of outstanding loan amount incase of repayment by own sources, 2% for bank buyout	Emaar, Nakheel, Damac and more	Yes	No	04 354 0041 www.bankofbaroduae.ae
Life and building insurance	Looked at on case-to-case basis	No	No	Application fee is 1% of the loan amount for AED mortgages, 1.25% for other currency mortgages. Early settlement fee is on a case-to-case basis; valuation fee is AED3,000. Agreement in Principle (AIP) fee of AED1,500-2,500 valid for 60 days	Emaar, Nakheel, Dubai Properties	Yes	Yes	Toll-free: 800BARCLAYS (22725297) www.barclays.ae
Life and property insurance	15,000 for individuals with salary transfer, otherwise 20,000; 10,000 for joint	No	No	Processing fee is 1% of financed amount, minimum AED15,000; no early settlement fees	Nakheel, Dubai Properties, Deyaar, IFA, Union Properties and Emaar	Yes	Yes	Toll-free: 800 5555 www.dubaitbank.ae
Life and property insurance	10,000	No	No	Info not available	'Real Estate' - Villas and apartments anywhere in the UAE. 'Freehold' - Emaar, Deyaar, Dubai Properties, Nakheel and selected properties in Dubai only	Yes	Yes	Toll-free: 800 4766 www.alislami.ae
Life and property insurance	8,000 for account holders, otherwise 10,000	No	No	Processing fee is 1% of financed amount, minimum AED5,000. Evaluation fee: AED1,500	Emaar, Nakheel, Tameer, Deyaar, Falcon City, Union Properties	Yes	Yes	04 316 0101 www.emiratesislamicbank.ae
Life and property insurance	10,000; depends on the price of the property	No	No	1% of the loan amount processing fee plus documentation fee for residents, otherwise 15%. AED1,000 commitment fee. Early partial settlement 1.5%; 3% for full settlement	Jumeirah Lake Shore Tower, Burj Al Nujoom and Jumeirah Bay in Dubai; Seashore Villas in officers City (only for nationals), Aldar, Sorouh, Hydra Properties, Ocean Terrace Residence in Al Reem Island in Abu Dhabi	Yes	Yes	Toll-free: 800 2700 www.firstgulfbank.ae
Life and property insurance	Case to case basis	Yes	Yes	1% of outstanding loan as early settlement charge. 1% charged as processing fee	Emaar, Nakheel, Union Properties and Dubai Properties	Yes	Yes	04 331 3999 www.habibbank.com
Life and property insurance	20,000	Yes	No, but interest rate will be 0.15% less with transfer	1% of the loan amount is levied as arrangement fee for the mortgage. No early settlement fees	Emaar Villas & Townhouses; The Palm Jumeirah and The Palm Jebel Ali (except Waterhomes), direct Nakheel projects only; Green Community, Istithmar, Golf Real Estate, The Pad by Omniyat and Al Hamra in Ras Al Khaimah	Yes	Yes	04 329 6209 www.uae.hsbc.com
Life and building insurance	12,000	Yes	Yes	1% arrangement fee for mortgage loan; no penalties for lump sum reduction or early repayments; AED3,000 mortgage registration; AED2,500 valuation fee	Emaar, Dubai Properties (Jumeirah Beach Residence), Union Properties (The Green Community & UPTOWN Mirdif), Nakheel	Yes	Yes	04 342 2000 www.lloydstsb.ae
Life and property insurance (Approved companies only)	8,000	Yes	Yes	Processing fee: For fixed rate - 1% or maximum AED12,000. For variable rate - 1% or maximum AED15,000 (Nil early redemption and buy-out options available)	Emaar, Dubai Properties, Nakheel, Damac, Deyaar, ETA Star, GIGA, JPIL and a lot more	Yes	Yes	04 217 4800 www.mashreqbank.com
Property and life insurance	10,000	Yes	Yes	Processing fee: Min. AED1,500; max. AED5,000. Repayment penalty of 1% of outstanding loan amount or AED 15,000; whichever is greater. 5% for bank buyout	Residential only for expats, looked at on a case-by-case basis	Yes	Yes	Toll-free: 800 2211 www.nbad.com
Life and property insurance	8,000 for nationals, 10,000 for expats, 25,000 for non-residents	Yes	No	1% processing fee or AED5,000, whichever is higher. 1% of pre-paid amount for pre-payment charge for cash and 2% for bank buyout	Emaar, Nakheel and Dubai Properties	No	Yes	04 310 0222 www.nbd.com
Life and property insurance	12,000	No	No	Loan processing fee of 1% on loan amount. 1.5% early settlement fee	Nationals-open, Expats-Emaar properties, Dubai Properties, Nakheel	Yes	Yes	04 213 0000 www.rakbank.ae
Life and property insurance	8,000	No	No	AED1,500 charged as valuation fee for loan less than AED500,000 and AED2,000 for loan more than AED500,000. 1.5% of loan amount registration fee or minimum AED3,000; whichever is higher. Administration fee of 0.5% of loan amount	Only completed properties	Yes	Yes	Toll-free: 800 742 www.sib.ae
Life and property insurance	8,000	No	No	Processing fee of 1%. Early repayment penalty of 2% of outstanding for cash, 5% for a bank buyout	Emaar, JBR, Nakheel, Union Properties	Yes	Yes	04 352 0455 www.standardchartered.com/ae
"Property Takaful" through AMAN and "Family Protection Plan" through Salama Insurance	10,000 for individuals or 12,000 as household income, subject to 8,000 minimum for one of the joint borrowers.	No	No	Mortgage processing fee of 1.25%; minimum of AED3,500 up to a maximum of AED15,000. Pre-payment charge up to 50% is 2% of outstanding loan, more than 50% is 4% of outstanding loan (subject to certain criteria)	JBR, Nakheel, IFA, Aber, Deyaar, Emaar, Bonyan, Best Homes, Jade, Tulip Sports City, 7 Tides, Asam, GGIC, Sondas and more. Tamweel offer mortgages on most UAE developer/developments, check for more details	Yes	Yes	Toll-free: 800 4354 www.tamweel.ae
Life and property insurance	8,000	No	No	Processing fee of 1%, min. of AED5,000. Early repayment penalty of 1% of outstanding loan amount, 1.5% for a bank buyout	Emaar, Nakheel, Estithmar, ETA Star, Damac	No	Yes	Toll-free: 800 2600 www.unib.com
Property and life insurance included in the loan	7,000	No	No	Processing fee of 1%, early settlement fee of 2%	Emaar, Nakheel, Dubai Properties and selected private developments	Yes	Yes	Toll-free: 800 4847

Disclaimer: This table is meant ONLY as a guide and is not intended as a recommendation of a particular mortgage provider. The table was thoroughly checked for accuracy with each provider called individually for information during December 2007 for **MONEYworks** magazine and was correct at the time of going to press. Note that premiums are financed at the discretion of the lender. We recommend that, as with all financial documentation, you check the fineprint very carefully. Check for redemption clauses and/or penalties for early repayment. Please note: information is subject to change without notice. Any errors or omissions are regretted. Corrections, if any, should be forwarded by fax to 04 391-2173, or by email to info@moneyworks.ae. All information contained is freely available from bank/provider printed information and websites, as well as direct from bank/provider helplines and/or call-centres.

Independent Financial Advisers						UAE
Licence: The UAE Central Bank						
Name	Address	Telephone	Fax	E-mail	Website	
Acuma Wealth Management	P O Box 23940, Dubai	+971-4-3328582	+971-4-3317572	info@acuma.ae	www.acuma.ae	
Continental Financial Services	P O Box 62817, Dubai	+971-4-3353433	+971-4-3352553		www.cibme.com	
Elfina Financial Investment Consultancy	P O Box 29706, Dubai	+971-4-3551587	+971-4-3551606	info@elfina-invest.com	www.elfina-invest.com	
Financial Consultancy Services Company	P O Box 7825, Dubai	+971-4-2663313, +971-4-2972222	+971-4-2663383	fcs@fcsdubai.com, fcs@emirates.net.ae	www.fcsdubai.com	
InvestOne Financial Advisory - Abu Dhabi	P O Box 2970, Abu Dhabi, UAE	+971-2-6666760	+971-2-6668861	info@alsahel.com	www.alsahel.com	
Mondial (Dubai) L.L.C. (FPI)	P O Box 50060, Dubai	+971-4-3310524	+971-4-3314817	administration@mondialdubai.com	www.mondialdubai.com www.financial-partners.biz/dubai/Intro.asp	
PIC (DeVere)	P O Box 75464 P O Box 6315, Abu Dhabi	+971-4-3433878 +971-2-6765588	+971-4-3433644 +971-2-6765558	dubai@pic-uae.com abudhabi@pic-uae.com	www.pic-uae.com	
Synergy Financial L.L.C.	H.O: P O Box 47286, Abu Dhabi Dubai Office: P O Box 62658, Dubai	+971-2-6221121 +971-4-3431300	+971-2-6221120 +971-4-3431373	synergy2@eim.ae info@synergyfinancial.ae	www.synergyfinancial.ae	
Union National Financial Consultancy LLC	11th Floor, UNB Head Office Building, Salam Street, Abu Dhabi, UAE.	+971-2-678-2822	+971-2-678-2825	unc@emirates.net.ae	www.unfc.ae/	
Licence: MoE (Ministry of Economy)						
Name	Address	Telephone	Fax	E-mail	Website	
Acuma Wealth Management	P O Box 23940, Dubai	+971-4-3328582	+971-4-3317572	info@acuma-international.com	www.acuma.ae3	
GlobalEye	P O Box 24592, Dubai	+971-4-3979550, 800-4558	+971-4-3979551	admin@globaleyeegroup.com	www.globaleyeegroup.com	
Holborn Assets	P O Box 333851, Dubai	+971-4-3369880	+971-4-3369961	rubina@holbornassets.com	www.holbornassets.com	
LifeCare International	P O Box 71208, Dubai	+971-4-3318688	+971-4-3318001	information@lifecareinternational.com	www.lifecareinternational.com	
Pioneer Insurance Brokers LLC	P O BOX 922, Dubai	+971-4-3599004	+971-4-3595535	pwealth@eim.ae		
Licence: DED (Dubai Department of Economic Development)						
Name	Address	Telephone	Fax	E-mail	Website	
Citico Dubai	P O Box 58066, Dubai, UAE	+971-4-3432666	+971-4-3436613	fdsouza@citico.ae	www.citico.com	
Prosperity Offshore Investment Consultants	P O Box 24459, Dubai	+971-4-3124334	+971-4-3124335	enquiries@prosperity-uae.com	www.prosperity-uae.com	
Rasmala Investments	P O Box 31145, Dubai	+971-4-3301041	+971-4-3635635		www.rasmala.com	
Licence: RAKFTZ (Ras Al Khaimah Free Trade Zone)						
Name	Address	Telephone	Fax	E-mail	Website	
Candour Consultancy	P O Box 9168, Dubai	+971-4-3124410	+971-4-3124411	info@candourconsultancy.com	www.candourconsultancy.com	
Others						
Name	Address	Telephone	Fax	E-mail	Website	
OFS	P O Box 49388, Dubai, UAE	+971-4-3291614	+971-4-3291619	info@ofsdubai.com	www.ofsdubai.com	

Notes: The following organisations are also listed on the UAE Central Bank website (as at September 30, 2002) but contact/further details were unavailable when this information was updated (June 12, 2007), despite repeated attempts to contact each organisation.

1. Inter Capital LLC - P O Box 14424, Dubai, Tel: 2940045, Fax: 2940048
2. Landmark International Consulting Services
3. Network Corporate Services L.L.C
4. Regent Investment Consultants - P.O.Box 28472, Dubai, Tel: 3552055, Fax: 3552088

Licensed Financial Intermediaries						UAE
Note: Financial intermediaries are licensed to undertake brokerage in currencies, commodities and to deal with money market transactions, as per licence from the Central Bank. Main activities at present are brokerage in foreign exchange, futures, options and Contracts for Difference (CFDs) in global stock indices, major stocks, treasury notes and commodities.						
Name	Address	Telephone	Fax	E-mail	Website	
Century Financial Brokers LLC	P.O. Box 9126, Dubai, U.A.E	+971-4-351 6112	+971-4-355 9876	cfbinfo@centurybrokers.com	www.centurybrokers.com	
Eastern Trust LLC	P.O. Box 25404, Dubai, U.A.E	+971-4-228 3003	+971-4-223 7237	easttrust@emirates.net.ae	www.easterntrustllc.com	
Leader Middle East LLC	P.O. Box 21416, Dubai, U.A.E	800-4446/04 269 2848	+971-4-268 6844	info@lmedubai.com	www.lmedubai.com	
Nexus Insurance Brokers LLC	P.O. Box 94455, Abu Dhabi, U.A.E P.O. Box 124422, Dubai, U.A.E	+971-2-626 6669 +971-4-397 7779	+971-2-626 3322 +971-4-397 4422		www.nexusadvice.com	
Orient Financial Brokers	P.O. Box 2495, Dubai, U.A.E	+971-4-351 4900	+971-4-352 4996	info@orientfinance.com	www.orientfinance.com	
Sterling Financial Brokers	P.O. Box 26652, Dubai, U.A.E	+971-4-221 3949	+971-4-224 3271	info@sfbme.com	www.sfbme.com	
World Index Investment LTD	P.O. Box 111012, Dubai, U.A.E	+971-4-359 8882	+971-4-359 9030	info@world-index.com	www.world-index.com	

Disclaimer: This list is meant as a guide only and is NOT meant as a recommendation of any particular organisation - listings are simply in alphabetical order, by licence. All information contained herein is subject to change without notice. This listing was checked for accuracy and updated during November 2007. Any errors and/or omissions are regretted. Corrections, if any, should be forwarded by fax to 04-3912173, or by email to info@moneyworks.ae. (Source: UAE Central Bank Website, last updated March 31, 2003)

Related Services						UAE
Name	Address	Telephone	Fax	E-mail	Website	
Just Wills LLC	P O Box 75671, Dubai, UAE	+971-4-3116592	+971-4-328810	mohammad@just-wills.net	www.just-wills.net	



Letter of the Month

Email: editor@moneyworks.ae

Letter of the month wins a complimentary annual subscription to **MONEYworks**.

Dear Editor,

Let's look at the facts. Rents are sky-high here in the Emirates - across the region, in fact. There's still no word as yet on whether there'll be another rent cap in the UAE. Food prices are on the up, petrol is rumoured to be going up early in the New Year, and I could go on. My question, "Is there going to be any good news for 2008 and are there any good tips you could share on how, as expatriates, we're supposed to be able

to save next year!"
Yours, in anticipation,
MK, Dubai.

Good question. Unfortunately, I can't help you much except for few words of ancient wisdom, for example, like urging you to cut your coat according to your cloth. It is very easy to get carried away spending using credit cards and then finding yourself in debt, particularly at a time when cost of living is

rising faster than incomes. In the situation that many of us find ourselves today when inflation is running very high, we simply have to make constant adjustments to our expenditure and be responsible. We need to constantly remind ourselves that we have to spend well within our means and hope for the best in the future. Always remember the good old English proverb, which says that a penny saved is a penny earned. One other thing, do not invest in risky assets unless you have money to lose.

Write to MONEYworks - Reader's letters.
All correspondence MUST carry a daytime telephone number (a mobile phone number will not suffice), there must be an address and the letter should be signed by the author. We cannot publish every letter, and those that are may be edited or excerpted.

Post to:
PO Box 10656, Dubai, UAE, Fax to: 00971 4 391 2173.
Email to: editor@moneyworks.ae
Make the subject 'Readers' and don't forget that telephone number.

Advice to readers: Information given here is checked for accuracy, but we strongly recommend that you make enquiries and, if necessary, take professional advice before entering any transactions. The value of many investments can go down as well as up and you may not get back the amount originally invested.



Resolutions for a new year

James Thomas reviews some of the basics of financial planning and looks at why it is so important.

At the beginning of the year people often make resolutions about many things, such as getting fit, losing weight, or getting a new job, but how many people decide that they really should review their financial situation, take stock of where they are and consider where they want to be?

This is always a good exercise to carry out on a yearly basis, but it generally needs a 'trigger' for it to happen, and if that can be a new year's resolution, then that is great. So what should you be considering? Every aspect of your financial planning should be reviewed.

The 'broad concept' approach can be considered at this stage.

To remind you of this, it consists of a series of four questions that need to be discussed at a meeting with a financial consultant. These can be applied to any set of circumstances.

Firstly you need to consider where your financial situation is now; then to consider where you would like to be; then to review the options available to you, and finally what is the best option for you today? Once these questions have been discussed and conclusions drawn, you should be in a much better position to move forward.

This concept can be applied to three generic questions to ask yourself to assist with your financial planning;

- What would happen to your family or dependants if you died before you have financial security?
- What would happen if you lived too long and your money runs out?
- And, finally, what would happen if you get sick in the meantime?

The first question relates to life assurance. Why do you need life cover? There are a whole host of reasons, but the

main one will be to replace you financially in the event of your death. That may sound harsh, but this is what life cover is for. It is to replace the income that you would have earned if you were alive to support your family. You should consider whether you need any cover and if you already have life cover, is it enough?

The next issue is to consider your future. Have you saved - or are you saving enough - to allow you to enjoy the time when you no longer want to work or physically can't work? If you have already implemented a retirement plan, is it working as hard for you as possible? When did you last review the performance and check where your funds are invested?

If you haven't started saving, then you may wish to consider what you would like to do to make sure your retirement is a comfortable and enjoyable one. This may involve asking yourself how much you can afford or wish to contribute, or how much you want to have as an income at retirement. If you can identify when you would like to retire you can use this as a guide as to how much you need to start contributing. Once these issues are addressed the more specific issues can be discussed such as which provider, your attitude to risk, where you should invest and for how long.


As a very broad guide, to ensure that you have a reasonable fund to retire with, you should take your age, divide it by two and use this figure as a percentage of your salary to contribute to your retirement planning.

The third question relates to what is sometimes referred to as financial death. This is when you are still alive but unable to work, usually due to illness or injury. This can be protected against in two

ways. Firstly by having medical insurance to cover the cost of any treatments that you may require and, secondly, by having income protection.

There are two forms of income protection. You can insure your income with cover called income replacement, which does exactly as the name suggests. If you are unable to work for any length of time due to illness, then it will pay you an income until you are able to return to work or until you reach retirement age. Alternatively, the second form of protection is called critical illness cover. Rather than paying you an income, it will pay a lump sum in the event of you suffering an illness or disability.

Admittedly it's tough to ask yourself these questions. But I believe it is better to have discussed the subject and taken precautionary measures, rather than risk being caught out with no contingency in place because by then it will probably be too late to do anything about it.

Your financial planning is an ongoing process and you should be happy that your decisions are the right ones and the arrangements that you implemented are the correct ones for you. If at any stage you are not happy or are not sure then do not hesitate to ask a question - your future financial wellbeing might depend on it. 

Correction: In last month's article on these pages James was unable to find in his research any information on the interest rate and any other charges for the card. Instead he referred to the institution's other credit cards, which feature an annual fee of AED350 and an annual interest rate is 28.2 per cent or 2.35 per cent per month.

For the record the interest rate on Royale MasterCard from Dubai First is 0.99% per month for purchase transactions and 2.49% for cash transactions. Annual fees are AED7,000 for primary and AED3,500 for supplementary cards. The card targets high net worth individuals and is by invitation only.

Disclaimer: This article is provided for information purposes only and should not be regarded as financial advice. Always remember that investment can go down as well as up.

As always, we at Acuma welcome your questions and enquiries directly, so please do not hesitate to contact us if you would like to discuss this or any other issue in more detail. James Thomas joined Acuma Wealth Management, a company licensed and registered by the Central Bank of the UAE, in 2004, having worked as an independent financial consultant in the UK for six years. He is fully qualified and is a member of the Chartered Insurance Institute of London. Contact James at jthomas@acuma.ae



Lessons are to be learnt

Sheikh Sultan bin Saud Al Qasimi questions why the DP World IPO was managed the way it was.

It was a proud moment in the financial history of the UAE; finally, an equity market of international standards right at our doorstep. Since launching in September 2005, the Dubai International Financial Exchange has managed to attract an impressive grand total of one lonely local primary listing, and, according to reports, that too took some arm twisting¹. And while the Dubai International Financial Centre has been celebrating three years of success in attracting 7,000 professionals and 500 financial institutions² by inviting international opera singers, the DIFX has been eerily quiet about celebrating its achievements. The DIFX usually detracts any serious questioning of its performance by referring to the fact that at US\$10 billion³, it hosts the largest value of sukuks in the world, although there is no mention of trading volumes.

The Spaghetti Junction

I also want to draw attention to a hypothetical scenario that I have considered where the New York-based Securities and Exchange Commission's authority (or, for the sake of argument, the DIFC Authority) establishes an investment company, similar to DIFC Investments, that buys a significant stake, say US\$2 billion⁴, in an international investment bank (say Deutsche Bank) that it regulates. That bank is then mandated to lead manage a sister company's IPO (say DP World) that will ultimately list on the very exchange that the authority regulates (say DIFX). It gets a bit confusing, doesn't it? In addition to that, the regional CEO of the international investment bank, which won the mandate, served until recently as the chairman of the exchange that the company that it is mandating will list on. But that is just a hypothetical scenario; surely a recently established authority that

was built on international standards will not accept such a paradoxical paradigm. If that happened in the US, Europe or India, it would have resulted in uproar. Will anyone question such a practice in the UAE? Interestingly, Deutsche Bank was also DP World's advisor in acquiring P&O as well as offloading it, thereby scoring a double whammy for the German bank⁵.

The means justifies the ends?

Not really. In the world of finance, the means is just as important as the ends, if not more so. Regardless of the conundrum of this so-called spaghetti junction, the IPO of DPW was hailed as a success, raising a whopping US\$5 billion for a 23 per cent stake in the firm⁶. The city was abuzz; finally, a world-class IPO that will bring the DIFX out of its sluggish state and turn it into a serious player on a regional scale. There was even talk that the DPW listing will do for DIFX what Emaar's listing has done for Dubai Financial Market⁷. At 15 times oversubscription⁸, the end was a roaring success. The means, however, was anything but.

DP World shares allocation angered as many investors as it satisfied. Even in the discreet and excessively complimentary atmosphere of the GCC, many investors could not hold back their sentiments. In a curious move, DP World prevented half the lead managers from allocating 40 per cent of the shares that were reserved for regional investors. Although the prospectus didn't differentiate between the regional and international lead managers, DP World decided that those lead managers based abroad, Deutsche Bank and Merrill Lynch, would only receive allocations for international subscribers and that if regional subscribers wanted to invest, they would need to approach the two Dubai

headquartered institutions, Shuaa and Millenium Finance.

Because this fact was not properly highlighted, hundreds of millions of dollars from regional investors ended up in a category that not even lead managers knew existed⁹ and therefore received zero allocation. Upon listing, the shares fell five per cent at one time, while investors' protests grew louder, allegations of lack of transparency kept surfacing¹⁰ and warnings were issued that the confusion might dampen interest from regional investors in future IPOs on the DIFX¹¹.

Ironically, a few days after the listing, one of the lead managers reported that interest from regional investors was gathering pace and that "overseas institutions seem to be selling at any level", which was the reason for the substantial decline in the price, as well as the thin trading volumes¹². In retrospect, perhaps DP World could have been more accommodating to regional investors in the first place. Perhaps that moment of pride in UAE financial history has to wait for another day.

Postscript: In the spirit of transparency, this writer would like to state that his investment company received 0.1 per cent shares allocation.

(Footnotes)

- 1 <http://www.telegraph.co.uk/money/main.jhtml?xml=/money/2007/10/29/ccdubai129.xml>
- 2 <http://www.zawya.com/story.cfm/sidZAWYA20071128073118>
- 3 <http://www.zawya.com/story.cfm/sidZAWYA20070618113605>
- 4 <http://www.zawya.com/story.cfm/sidZAWYA20070612033405>
- 5 <http://www.telegraph.co.uk/money/main.jhtml?xml=/money/2006/07/10/cnpro10.xml>
- 6 <http://www.zawya.com/story.cfm/sidZW20071121000116>
- 7 <http://www.zawya.com/story.cfm/sidFFT107295B956D256>
- 8 <http://www.zawya.com/story.cfm/sidZAWYA20071121142632>
- 9 <http://www.zawya.com/story.cfm/sidZW20071122000096>
- 10 <http://www.zawya.com/story.cfm/sidZW20071127000126>
- 11 <http://www.zawya.com/story.cfm/sidZW20071122000096>
- 12 <http://www.zawya.com/Story.cfm/sidZW20071129000027>

Sheikh Sultan bin Saud Al Qasimi is the chairman of Barjeel Securities. Sultan can be reached at www.sultansq.blogspot.com. Opinions expressed in this article are those of the author and do not necessarily represent those of the MONEYworks group of magazines. This article should not be misconstrued as financial advice.