

TABLES: credit cards, personal/auto loans, mortgages and insurance across the Gulf

The Gulf region's first personal finance and investment magazine

MONEY *works*

www.moneyworks.ae

December 2009 Issue 133

FREE

This month
The MONEYworks
Payment Solutions &
Loyalty Summit
Report

THE KUWAITI MARKET

Beyond debt restructuring: what's next?

Fincorp's first
PE fund in Oman

Dubai debt
Managed accounts
SABIC is ahead of its peers
A to Z of UK expatriate mortgages
Signs of regional private equity revival

Abu Dhabi - 04321 2 Kuwait - 09933 2
Doha - 09933 2 Qatar - 09933 2
Saudi Arabia - 04321 2 UAE - 04321 2



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: info@moneyworks.ae

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

Cover Image

Dreamstime

Editor

Utpal Bhattacharya

Assistant Editors

Ritwika Chaudhuri
 Amir Elalfy

Sub Editor

Kara Sensoli

Editorial Assistant

Tarub Ziad Huleisy

Regular Editorial Contributors

James Thomas
 Sultan Sooud Al-Qassemi

Special Editorial Contributors

Matein Khalid, Sachin Patki, Stefan Hofer, Patrick Merville, Irfan Chaudhry,
 Adrian Wright

Operations Manager

Tim Elliott

Design & Layout

Zak Parayil

Administration

Sessie Fernandes
 Rolla Daniel

Sales & Marketing

Ali Jaber, Sonia Roy, Zameer Hassan, 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 2009

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

Audited by:

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



Stock markets across the GCC suffered losses last month, as investors continued to unwind positions and there were no major triggers to encourage buying activity. Major losers were Kuwait, Abu Dhabi and Dubai. The Saudi market also saw modest losses, while the Omani and Doha markets were marginally down. After a strong surge during the summer, it became obvious that the one-way movement in market indices was not sustainable, while valuations were also getting stretched. The rise of the indices also somewhat tracked the rise of the oil price, which is now a steady US\$78-80 per barrel and does not seem to be in a hurry to break new quarterly records. Unless something dramatic happens in terms of a trigger, regional markets could remain range bound or even have a downward bias in the short term.

Globally, there has not been much change since I wrote my last editorial. All eyes are on the stimuli and inflation. For the moment, the US and some of the major global players aren't likely to withdraw them, as doing so would have negative political ramifications, not to mention loss of confidence in the markets. However, the world will have to face up to a reality check at some point, especially when inflation starts hurting common people. It will all boil down to timing for policymakers; how they manage to take tough decisions at the right time and do the least damage.

At **MONEYworks**, we have just inaugurated a unique bronze and art exhibition at the Dubai International Financial Centre. It is an eclectic collection of artworks from some of the legendary artists and all-time greats. A must see for all of our readers, as you do not get to see the works of Pablo Picasso, Constantin Brancusi, Jasper Johns and 41 artists in your city every day. The exhibition does not have an entry fee or any other fees, so do visit it and enjoy the brilliant creations of fascinating minds.

Lastly, the research report from our first payment and loyalty round table summit is being distributed free with this edition of **MONEYworks**. I hope you enjoy reading it and will wait for your feedback.

Utpal Bhattacharya
 Editor

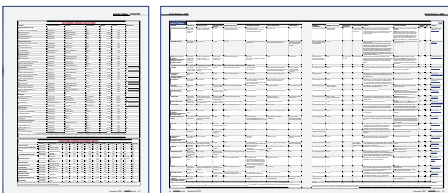


Advert



What ails the Kuwaiti market?

The Kuwaiti market is suffering from an overhang of excesses that happened across the financial market, with players biting off more than they could chew. Amir Elalfy investigates



- 04 News**
Creating a benchmark in Oman's property market
- 06 News**
BNP to double share in ME AUM segment by 2012
- 08 'The NIB Zone'**
The month's local, regional and international financial news in brief
- 16 Eye Level**
Fincorp to launch first PE fund in Oman
- 18 Private Equity**
After a tumultuous two years, private equity experts have started to feel confident. There are early signs of a gradual resurgence of the market. Ritwika Chaudhuri investigates
- 28 Investments**
Sovereign debt issues raise market confidence

- 30 Managed Accounts**
Managed accounts are the answer to investors' calls for increased transparency, says Patrick Merville
- 32 In Focus**
The A to Z of UK expatriate mortgages
- 36 Stock Watch**
SABIC is ahead of its peers
- 62 Reader's Letter**
What next: A plateau or a gorge?
- 63 From the Hip**
James Thomas on why it's important to review all of your options before committing to one insurance provider
- 64 The Long and the Short of it**
Sultan Sooud Al-Qassemi on why microfinance is so essential for entrepreneurship and job creation in the Arab economies

24 Business Leader

Edmond Moutran, chairman and CEO of Memac Ogilvy, shares with Ritwika Chaudhuri his experience, belief and philosophy, as well as glimpses of the journey to fame



Markets

- 38 MSCI Benchmarks**
GCC, Regional and World Benchmarks
- 40 Regional**
GCC markets take a breather
- 42 Emerging Markets**
A renminbi revaluation possible
- 43 Currency**
Shifting trends to drive movements
- 44 Global**
The monetary policy conundrum
- 45 Commodities**
Gold is brighter, energy robust

International Best Buy Tables

- 47 Offshore Savings:**
Offshore selections, offshore cheque account rates, offshore US dollar accounts, offshore euro accounts
- 49 Mortgages for UK properties**
The best deals available now

Regional Best Buy Tables

- 50 Saudi:** Credit Cards, Personal and Car Loans
- 51 Oman:** Personal Loans and Credit Cards
- 52 Qatar:** Credit Cards, Personal Loans, Home Contents and Medical Insurance
- 53 Bahrain:** Credit Cards, Personal Loans, Home Contents and Medical Insurance
- 54 Kuwait:** Credit Cards and Personal Loans
- 55 UAE:** Medical Insurance
- 56 UAE:** Home Contents Insurance
- 57 UAE:** Credit Card Best Buys by Interest/ Profit Rate and Value-Added Features
- 58 UAE:** Auto and Personal Loans
- 60 UAE:** The UAE Mortgage Table
- 62 UAE:** Independent Financial Advisers & Licensed Financial Intermediaries

Creating a benchmark in Oman's property market

At a time when chips are still down in the Omani real estate market, one realtor is making hay while the sun is not shining. **MONEYworks** finds out how.

Oman's real estate market has undergone serious correction during the last year, while the financial meltdown has wiped some of the smaller developers out of the scene. Yet, one 26-year-old first-time developer in Muscat has not only survived the downturn, but has also acquired additional land at a lower price to develop future projects.

Meet Mish'al Mohamed Abdullah, who has designated himself as the general manager of family-owned Zain Property Development. Abdullah not only sold all 36 five-bedroom villas in phase one of his debut project Dar Al Zain at the height of doom and gloom in January, but also launched the second phase of the project with some fanfare.

The secret of his success, he claims, is his fairness in dealing with customers. Abdullah says that when he launched phase one of the project just before the global meltdown hit the local market near the end of last year, the pricing was opened at OMR401 per square metre. That price was better than those of most other developers in the country at that time. However, as liquidity vanished from the market, Abdullah reduced the price to OMR340 per square metre. He also refunded OMR20,000 to a number of customers who had booked villas in the project when the price was higher, telling them that he was able to save on costs due to the falling price of building materials. This move was a clever one by the young developer and earned him a lot of goodwill and respect.

"By returning OMR20,000, I was telling my customers that I did not want to take unfair advantage of the situation. The price of building materials was falling and I wanted to



Mish'al Mohamed Abdullah

pass them the savings. This move worked very well, as even those who had cancelled their bookings came back and re-booked in phase one," he said.

Abdullah has now launched the second phase of the project comprising 43 residential units of single, twin, three- and four-bedroom villas. His focus on quality has already gained him attention from prospective buyers, especially among newly-married couples and the mid-market segment looking for good living at an affordable price.

The marble Abdullah uses in his buildings is Omani and the ceramics are from Rak Ceramics. Omani marble is good and you save on transportation costs, he says.

Zain Property Development has also tied up with Bank Sohar, which is offering home financing up to 30 years at 7.75 per annum for customers of the Dar Al Zain project. Abdullah says that he is selling a three-bedroom villa in the project for just OMR78,000, which works out

to a monthly installment payment of OMR387.

"People were amazed with our pricing. We had appointed two persons to receive enquiries when we announced the second phase in October. Each of them was answering 30 calls an hour," he says.

Oman will have a demand of 10,000 additional dwelling units in Muscat alone until 2012. And Dar Al Zain will be building 180 villas in total by the end of that year to complete the whole project, which will have its own swimming pools and other amenities. But Abdullah also promises to launch a number of other projects in the years ahead, taking into account the demand of housing in the country. These projects will include an apartment building that will be a landmark in the Ruwi area, he says.

Abdullah also promises that having taken a lead in driving down the exorbitant costs of owning a home in Muscat, he will continue to be a fair developer, offering a fair price to customers in the future.

"I started as a fair player and I will remain a fair player all along. A fair price is not enough, though, as my areas of focus include giving quality to my customers and delivering in time," he says.

Time will tell whether Abdullah will remain steadfast in his promise or not. But at this time, he has set a mid-market, price-to-quality benchmark in Oman that very few will find easy to emulate.

Oman will have a demand of 10,000 additional dwelling units in Muscat alone until 2012. And Dar Al Zain will be building 180 villas in total by the end of that year to complete the whole project.

MONEYworks **EVENTS**

BRONZE & ART 2009



Brancusi, "Mademoiselle Pogany II"

Pablo Picasso "Tete De Femme, Fernande"

The **MONEY**works Bronze & Art Exhibition 2009

From 22 November, 2009

Emperor hall - Dubai International Financial Centre - Dubai - UAE

"A collection of modern and post-modern works of art that will be a unique visual experience for all, attracting the most learned art connoisseurs to the uninitiated, including children."

BNP to double share in ME AUM segment by 2012

BNP Paribas has beefed up its wealth management team in the Middle East to take advantage of the recovery as investments start flowing back into the market. A **MONEYworks** report.

BNP Paribas' wealth management division in the Middle East is aiming to double its market share and assets under management by 2012.

Serene El Masri, BNP Paribas' CEO of wealth management for the GCC and marketing manager for the Middle East, said that the bank's Middle Eastern assets under management are between US\$8 billion and US\$15 billion. The bank ranks between fifth and 10th in the GCC wealth management space, she added.

"In terms of market share, we cannot be compared to the American and Swiss banks that have been established in the region for decades. We have been here for the past four years. Nonetheless, we were recognised last year as the fifth best private bank in the Middle East by Euromoney," said El Masri.

Globally, BNP Paribas' assets under management total US\$400 billion.

"We bring great expertise to individual clients, especially through our wealth management business globally, which is the first private bank in the Eurozone in terms of assets under management and is rated the sixth best private bank in the Middle East," El Masri added.

El Masri said that the financial meltdown has had its effects on clients during the last year. Clients made less money, resulting in a drop in the bank's income from client accounts.

But business in the wealth management division is getting better now, according to El Masri. Investor confidence is also coming back, she noted.

"Business has come back to the June 2008 level. The volume of transactions has gone up. We are doing the same number of transactions in a day now that we used to do in a week a few months ago. In fact, in August 2009, we even managed healthy revenue," El Masri said.

El Masri added that in the beginning of 2009, the emphasis was on real estate investment in Europe due to lower valuation and fixed income because of its lower but assured return. But post-crisis allocation is tilted more towards equity, both in the local and international markets, with the importance of fixed income decreasing.

Although the equity market is still volatile, it offers tremendous opportunity to make gains. As part of the post-crisis strategy, the bank is going back cautiously to the equity market, especially Europe, a mature market with valuations that are low. The other promising area is emerging markets like Brazil, India and China, but excluding Russia, according to El Masri.

The bank is also cautiously eyeing private equity, especially in Europe and the US, as well as selective event-driven hedge fund strategies.

"Business has come back to the June 2008 level. The volume of transactions has gone up. We are doing the same number of transactions in a day now that we used to do in a week a few months ago. In fact, in August 2009, we even managed healthy revenue." *Serene El Masri*



Serene El Masri

"Of course, there will always be a fixed income allocation in the portfolio," said El Masri.

In the Gulf, the bank is marketing its US\$100 million private equity fund and targeting investment in industries like oil, metal, pharmaceuticals and agriculture.

El Masri said that Middle Eastern investors expect high returns. They also take high risks. Although the expectation of return has been scaled down considerably to eight to 10 per cent, as against 25 per cent in the past, there are investors who are keen to take risk, she added.

El Masri also said that Middle Eastern investors are not interested in long-term instruments and typically go for transaction-based short-term investments.

With larger families and lots of liquidity, high net worth individuals prefer private equity, hedge funds and real estate as their preferred areas of investment. They are also interested in taking financing for investment and look for leverage, she noted.

BNP Paribas' wealth management division has added 15 more people to its existing team of 40, keeping in mind the long-term growth opportunity in the region.

More than just another market

In preparation for the opening of **MONEYworks'** Bronze & Art Exhibition, **Allen Quaye** takes on a new appreciation for what is certainly one of life's finer things.

Some time ago, the powers that be here at **MONEYworks** decided to begin work on celebrating 10 years of financial publishing; 10 years of **MONEYworks** magazine.

That was back in September 2008, when, to kick off the celebrations, the magazine held a rather nice party at Emirates Towers in Dubai to herald the occasion.

This was to be followed up with another celebration of private artwork, in the form of an exhibition...along with a few smaller events during the course of our 10 years of financial publishing. I must confess, I was wary. What on earth do we, as a financial publisher, know about art? Aside from a number of articles covering art as an investment published over the years, let's be honest here. We're not known as art historians. Nor have we ever claimed to be.

Anyway, the world fell to pieces economically soon after the decision was first made and the plans had to change.

However, the magazine surged on regardless, and we now find ourselves, at the time of writing, about to open an exhibition of a collection of art pieces so eclectic that it has taken me months to get my head around what it is we're trying to show.

There are pieces from Pablo Picasso, Constantin Brancusi, Jasper Johns, Anthony Quinn (yes, the actor, who really wanted to be sculptor), Cecilia Rodhe (who has actually flown to Dubai from New York to take part in the exhibition to offer sculpting workshops and personally show her 'Listening Series'). And there is so much more. Thom Cooney Crawford, Catharine Bohrmann, Kenny Scharfe...I could go on. As much as that was a shameless plug for the event, it is quite simply an amazing collection.

However, I've learned much about Bronze & Art (as the exhibition is named) over the last few months and it's now making some sense. What's been interesting to me as a confirmed Art Luddite (a term I've just coined) is the whole nature of creating a piece of art, and I now have a whole new appreciation for something that is most certainly one of life's finer things.

I've also learned much about the whole process of casting in bronze. I can now talk patina with the best of 'em, let me assure you. I've learned what it costs to put an exhibition of this nature together...ever tried insuring a Picasso sculpture? And I can discuss the finer points of how to light an art piece as well; how to utilise natural light to best demonstrate the nuances of oil on canvas.

But most of all, and if we can consider art buyers for a moment, I've learned a simple rule when it comes to buying a piece of art.

There are those who approach art from an investment standpoint, armed with market knowledge and a degree in Art History. Which is fine.

There are those who buy the most expensive pieces they can from the biggest names simply because they can. An enviable position to be in financially, and also fine.

And then there are those who follow the simplest rule. Buying what they like. After all, they're the ones who will have to live with it on the wall, in the dining room or wherever they choose to display their art accoutrements.

This whole experience has taught me that art is much more than just another market. As with the financial markets, it's a market where you need up-to-date information, knowledge, a prime mover's advantage, contacts, money and clout to get the best. But you also need a good eye, a smidgin of taste, a dash of finesse and, dare I say it, a little soul.

Just what the financial markets have been missing for the past few years.

To get in touch, email info@moneyworks.ae, marking your mail 'The Soapbox'. Every email published will receive a limited edition **MONEYworks** money clip in return. To blog online, just look for the 'Topic of the Month' at www.moneyworks.ae.

Customers more satisfied with UAE banks, says study

Customer satisfaction with the UAE's retail banking sector has improved significantly, according to Ethos Consultancy's 5th Annual Service Quality Bank Benchmarking Study released last month.

During the study, Ethos researchers conducted 675 branch visits, made 405 call center enquiries and submitted 270 enquiries through bank websites to evaluate interpersonal performance, response time, service quality and satisfactory outcome. The study included a total of 27 UAE retail banks.

Ethos Consultancy noted that the global recession has had an overwhelming impact on customer service within the retail banking sector. "Banks invested significantly in increasing the level of customer satisfaction this year. The recession means that banks' focus has shifted from customer acquisition to customer retention," said Robert Keay, managing director of Ethos Consultancy.

The study said that the biggest improvements have occurred in the performance of call centres and branch visits. Banks websites, however, are still underperforming. Although most banks scored highly on website access, navigation, information and visual appeal, only 30.2 per cent of enquiries submitted via websites received a follow-up call or email from a bank.

The overall performance of bank branches increased from 70.1 per cent in 2008 to 80.1 per cent in 2009. The biggest area of growth in branches was the performance of the customer service advisor when interacting with customers. The overall performance of call centres went from 64.5 per cent in 2008 to 74.9 per cent in 2009. The best performing area in the call centre performance was the call answering category.

In the study, RAKBANK retained its title as 'Best Overall Bank', narrowly edging out Dubai Bank, which took second place overall. First Gulf Bank finished in third place. Lloyds TSB was named 'Best International Bank' for the fourth consecutive year, while Dubai Bank was named 'Best Shari'ah-Compliant Bank'.

Neutral body to facilitate credit information sharing

In a move to support the development of credit bureaus and enhance credit information sharing across the region, credit bureaus based in the UAE, Bahrain, Oman and Pakistan have come together to establish the Middle East Credit Reporting Association (MECRA), a non-profit association of credit information suppliers in the Middle East.

MECRA will grow to facilitate the exchange of credit information on individuals and commercial entities between its members within the guidelines of each bureau and the local laws and regulations of each country. The association will also serve as a knowledge-sharing platform on credit bureau operations and data sharing best practices. Membership to MECRA will be open to public and private entities in the region.

UAE firms will raise salaries in 2010, according to new survey

Employee salaries in the UAE appear to have weathered the economic crisis far better than many parts of the world, according to a new survey from global HR consulting firm Mercer.

The survey questioned more than 100 firms in the UAE with close to 23,000 employees. Most firms (90 per cent) said they would be raising salaries in 2010. Base salaries will increase by between seven per cent and 7.5 per cent in 2010, added the survey.

The survey findings also highlighted the unpredictability of the past 12 months. In mid-2008, firms were forecasting 2009

salary rises of close to 10 per cent. Yet, firms reported that base pay across the UAE rose by an average 3.4 per cent to 5.2 per cent during the year.

The UAE results compared well against a range of base salaries worldwide during 2009, most of which showed only marginal growth. The UK showed a base salary increase of zero per cent to two per cent in 2009, while the US showed a base salary increase of 1.9 per cent to 2.2 per cent. Germany showed a base salary increase of 2.1 per cent to 2.5 per cent in 2009, while Australia showed an increase

of two per cent to three per cent.

The survey also found that Abu Dhabi's housing allowances were significantly higher during 2009 compared to Dubai. Executive remuneration packages tend to be higher in local firms than in multinationals, with the reverse at the professional level, the survey added.

Total remuneration packages were higher across all levels in Abu Dhabi in 2009 compared to Dubai. In addition, demand for UAE nationals continues to outstrip supply and employers continue to pay a market premium for their services, said the survey.

IFC lists its first sukuk on NASDAQ Dubai

The International Finance Corporation (IFC), a member of the World Bank Group, listed its first sukuk on NASDAQ Dubai last month.

"The launch of the IFC's and the World Bank's first sukuk and its listing on NASDAQ Dubai are a significant step in the continuing integration of Islamic finance into the global financial system," said Jeff Singer, chief executive of NASDAQ Dubai.

The IFC's US\$100 million sukuk is the first to be issued by any non-Islamic financial institution in the GCC for term funding.

The sukuk has a Moody's Aaa rating and the IFC has raised the money to fund health and education investments in the region. The securities of IFC's sukuk are the first to be held on NASDAQ Dubai's central securities depository.



Jeff Singer

NASDAQ Dubai is the world's largest exchange for sukuk by listed value, with 21 listed sukuk valued at US\$16.7 billion.

The latest Fund Market Insight Report

from Lipper for the GCC countries revealed that equity funds registered for sale in the GCC have continued the upward trend noticed during the second quarter of 2009.

Equity funds registered for sale in the GCC gained 16.31 per cent on average during the third quarter of 2009, bringing their year-to-date performance to almost 39 per cent.

As of the end of September 2009, almost all Lipper equity categories ended the quarter on a positive note, with the sole exception of funds invested in Kuwait, which lost 0.39 per cent. This loss was mainly due to the negative performance of the Kuwait Stock Exchange during the third quarter of 2009, the index decreasing 2.89 per cent. Conversely, funds invested in emerging markets remained the best performers of the quarter. Equity Indonesia gained 33.74 per cent, Equity Russia increased 32.75 per cent and Equity Emerging Markets Europe rose 30.21 per cent. Focusing on funds invested in the GCC, Equity United Arab Emirates recorded the best return, posting a 22.64 per cent quarterly return.

Gulf Livestock Company now listed on ADX

The Abu Dhabi Securities Exchange (ADX) listed Gulf Livestock Company last month, increasing the total listed companies on the exchange to 67. The listing was the second new listing on ADX this year, after Green Crescent Insurance was listed in March.

Gulf Livestock Company was listed as a category one company within the consumer sector with 100 million shares

each of a nominal value of AED1.

Based in Ras Al-Khaimah, Gulf Livestock Company was established in 1982. Its business activities include livestock and dairy products trading; warehousing, establishing and operating farms; industries; refrigeration and transport.

UAE nationals hold 51 per cent of the company's shares, while other GCC nationals hold 49 per cent.

MONEY works.ae

Online poll results
November 2009

Q: Is a second wave of recession coming?

Oh, yes!	: 0%
Hmmm	: 55%
No way!	: 36%
Eh	: 9%

Go to www.moneyworks.ae now to give your opinion on will the gold price touch US\$1500 in 2010.

Growth in global sukuk issuance to reach 50 per cent this year

Global issuance of sukuk has surged in recent months in a marked turnaround from earlier in the global credit crisis, Moody's Investors Service noted in a new report last month.

Amid current economic and capital market conditions, sukuk issuance is starting to become dominated by sovereigns and government-related entities, a development that Moody's believes will foster a more efficient and soundly-based sukuk market.

The launch of sukuk funds and various legislative measures in certain countries should also deepen the market and add transparency and efficiency, said Moody's.

"Global sukuk issuance rose over 40 per cent in the first ten months of 2009 compared to the same period last year. This marks a clear turnaround compared to the declining trend witnessed in the second half of 2008, when the impact of the global credit crisis started to be felt in many regions, including the GCC and Asia Pacific," noted Faisal Hijazi, business development manager for rating services and Islamic finance at Moody's and author of the report.

Moody's anticipates that full-year growth in global sukuk issuance will reach around 50 per cent this year, offsetting the 55 per cent decline seen in 2008.

For more on this, go to www.moneyworks.ae and search 'Global sukuk'

The Dubai Gold & Commodities Exchange

said that 1,142,814 contracts, valued at US\$58 billion, had been traded in 2009 as of November 2. This figure is a record volume for the exchange and surpasses the total volume of 1,142,293 contracts transacted in 2008.

The exchange also recorded a total volume of 137,994 contracts in October, representing a year-on-year increase of 159 per cent. Valued at US\$7.2 billion, trading activity in October was supported by growth in all product segments: precious metals, energy and currencies.

Gold futures volumes for October were 64,613 contracts, up 84 per cent compared to the same period last year. Silver futures increased to 4081 contracts in October, up from 40 contracts the previous year.

Within the currency segment, volumes for the euro/dollar and GBP/dollar pairs increased by 155 per cent and 118 per cent to 17,139 and 19,659 contracts. Indian rupee and Japanese yen futures traded 7469 and 4726 contracts in October.

Majority of investors expect Federal Reserve to hold off from raising interest rates

A majority of investors expect the US Federal Reserve to hold off from raising interest rates until the second half of 2010, according to the BofA Merrill Lynch Survey of Fund Managers for November.

Asked when they thought the Fed would first increase rates, more than three-quarters of the panel predicted the second half of 2010 or beyond. One in six respondents believed that the Fed would not act before 2011.

While inflation has become a nagging worry for investors, they have expressed no conviction that they expect more than a minor increase from the current low level. A net 47 per cent of respondents expected global core inflation to be higher in 12 months, up from a net 39 per cent in October. At the same time, two-thirds of the panel believed that existing monetary policy

was "about right".

Demand for assets that protect against inflation, such as gold, oil and emerging market equities, has increased. Commodities were at their most popular with the panel since the survey first asked about the asset class in 2005. A net 25 per cent of the panel was overweight commodities, up from 11 per cent in October. A net 53 per cent of the panel was overweight emerging market equities, up from a net 46 per cent in October. Assets that protect against deflation, such as fixed income and utilities, were less popular.

A total of 218 fund managers, managing a total of US\$534 billion, participated in the global survey from November 6 to November 12. A total of 177 managers, managing US\$361 billion, participated in the regional surveys.

Dubai Mercantile Exchange hits record average daily volume of 2624 contracts

The Dubai Mercantile Exchange (DME) said that a record average daily volume of 2624 contracts was achieved in its flagship DME Oman Crude Oil Futures contract during the month of October 2009. The DME also reported a 58 per cent year-on-year increase in DME Oman average daily volumes during 2009, averaging 2012 contracts.

The new record average daily volume in October 2009 surpassed the previous high of 2421 contracts achieved in June 2009.

That same month also saw the DME attain a new daily volume record of 8076 contracts traded on June 23, 2009, following the Dubai Petroleum Authority's announcement that it would set its official selling prices based on monthly differentials to DME Oman settlements.

"This positive news is yet further demonstration of growing market confidence in the DME Oman contract," said DME chairman Ahmad Sharaf.



Ahmad Sharaf

Off-plan property sales are unsustainable, says UAE developer

Traditional business models that market new properties are gaining in popularity and are beginning to generate more sales than off-plan projects, according to a UAE-based developer.

Mohammed Nimer, CEO of MAG Group Property Development, said last month that off-plan property sales have proven to be unsustainable.

“With so many projects heading toward completion and with little difference between the prices of completed and off-plan properties, why would a bank or an owner-occupier take any sort of risk? A completed property is tactile and ready to move in,” he pointed out.

The CEO added that sales enquiries for off-plan properties have been stagnant since



Mohammed Nimer

the third quarter of 2008, while completed properties are starting to show signs of life.

“Buyers now have the luxury of inspecting the actual villa or apartment that they are considering purchasing. No longer are

investors risking capital on the basis of an artist’s impression and a salesman’s promise,” he noted. “It’s also interesting that unfinished property prices have fallen further than those for completed apartments and villas.”

The collapse of the off-plan property model has not only affected the UAE, but also other more developed property markets such as the UK and Spain. Those markets have moved away from their traditional property buying methods and have seen similar declines, with small investors often left holding property with negative equity.

Emaar Properties reported revenues

of US\$1478 million in the first nine months of 2009. Net operating profits for the same period stood at US\$381 million.

Third quarter 2009 revenue reached US\$530 million, comparable to the second quarter revenue of US\$528 million. Net operating profit for the same period reached US\$178 million, an increase of 48 per cent compared to the second quarter operating profit of US\$120 million. Third quarter net operating profit also increased by 53 per cent compared to the US\$117 million profit in the same period of 2008.

The increase in profitability was due to the higher margin relating to Alma townhomes in Arabian Ranches handed over during the third quarter, said Emaar. The townhomes were handed over ahead of their scheduled delivery.

Mohamed Alabbar, chairman of Emaar Properties, said the focus of the company for the first nine months of the year was on completing announced projects and strengthening customer relationships.

Rental rate declines slow in northern emirates

Apartment rental rates in the northern emirates of the UAE continued to fall in the third quarter of 2009 but at a slower rate than previously, according to a report by property services company Asteco.

The report said that the average decline in apartment rental rates slowed considerably to four per cent, compared with 12 per cent in the second quarter of 2009 and 21 per cent in the first quarter of 2009.

Fujairah recorded the smallest decline of two per cent to an average of AED29,625 per annum, making it the second most affordable place for apartments in the northern emirates. Umm Al Quwain continued to be the most affordable

emirate, with average rental rates at AED26,625 per annum.

Ajman recorded the largest decline in rents from AED35,463 to AED33,500 per annum, while Sharjah continued to be the most expensive emirate in which to live.

Since the fourth quarter of last year, average rental rates across the northern emirates have fallen by nearly 34 per cent from AED48,450, said the report. But such a substantial decrease is reflective of the sharp increases experienced prior to the financial crisis. For example, apartment rental rates in the northern emirates had increased by 22 per cent during the first three quarters of 2008, the report added.

For GCC personal finance and investment news go to www.moneyworks.ae

Nakheel commences handover of Marina Residences

Nakheel commenced handover of homes in Marina Residences, Palm Jumeirah, last month. The phased handover of 980 units in Marina Residences, located at the tip of the island’s trunk, will continue until early next year, said the developer.

The handover will see more than 2000 new residents join the community. The waterfront development features six residential towers housing 980 units, 940 of which are a mix of apartments and penthouses. The development includes 40 townhouses located along the marina-fronted promenade.

The Palm Jumeirah is now home to more than 12,000 residents. The next five to six years will see the island add a number of hotels, as well as retail and leisure choices.



Citibank has launched two new products, cheque/bill discounting and trade financing, targeting the SME segment.

Cheque/bill discounting involves discounting future receivables up to 80 per cent of the value of the receivable for a maximum period of 90 days, while trade financing involves issuance of guarantees and letters of credit for active SME traders.

Both products are backed by a team of relationship managers who immediately act upon a client's need for the issuance of customised trade documents or for further credit to a trade finance account.

Newedge has launched Newedge Broker

India Private Limited, a securities company based in Mumbai. The company is focused on providing financial derivatives and cash equities to institutional foreign investors.

Newedge Broker India Private Limited employs 20 staff and holds membership and licences to trade on the National Stock Exchange of India and the Bombay Stock Exchange.

Jerome Burban, managing director of Newedge Broker India, said the company is eager to expand its foreign client base while increasing exposure to domestic institutional clients. Another area of potential growth is through the introduction of commodity products, which are aimed at capitalising on rising interest in India, he added.

Newedge has identified India, alongside China, as a priority for expansion as the company continues to grow its business.

Turkey's largest commercial bank to set up in the DIFC

Turkey-based Akbank has received a licence to operate from the Dubai International Financial Centre (DIFC). Akbank will be the first Turkish bank to set up in the DIFC.

Akbank's aim is to become one of the region's preferred consultants in investment banking and corporate finance. The core competence of Akbank Dubai will be its ability to intermediate in mergers and acquisitions and manage IPOs and dual listings of Turkish companies.

Akbank Dubai will also act as placement agent or arranger of funds, give advice on financing long- or medium-term projects and provide private banking services.



Abdulla Mohammed Al Awar, CEO of the DIFC Authority, and Cem Atac, senior executive officer of Akbank Dubai

For more on this, go to www.moneyworks.ae and search 'Akbank'

Arab Orient presents life insurance products

Arab Orient Insurance Company (AOIC) has launched its new range of seven life insurance products. AOIC will offer comprehensive life assurance plans with a variety of income and death benefits. The new products include term life plans, endowment, anticipated endowment, educational plans, unit linked investment and retirement plans.

The new products offer benefits including worldwide coverage for GCC residents, flexible payment options, the possibility of choosing between US dollars and UAE dirhams, the possibility of protecting a plan from inflation by indexation and variable term options until the age of 70.



Mohammad Naseem, assistant general manager of AOIC, and Omer Hassan Elamin, senior managing director of AOIC

ADCB launches platinum credit card for affluent customers

Abu Dhabi Commercial Bank, which offers wealth management services to its customers under the brand name 'Excellency', has launched its Excellency Visa Infinite credit card. The new platinum credit card will be offered to select Excellency clients, as well as to a select list of clients in the open market.

Cardholders will have access to executive concierge services both locally and internationally, Golden Class and Diamond Marhaba Services at the Abu Dhabi and Dubai airports, double the regular number of "touchpoints" on all travel-related spends and a priority pass lounge card offering international airport lounge access to over 600 airports worldwide.

The card also offers full multi-trip travel insurance, collision damage waiver insurance while renting cars overseas and ticket exchange that offers access to elite events worldwide. In addition, cardholders will receive purchase protection, extended warranties on goods purchased using the card and a personal relationship manager.



Guardian Wealth Management soon to open office in Qatar

European financial consultancy group Guardian Wealth Management has been granted authorisation by the Qatar Financial Centre Regulatory Authority to provide financial planning advice to expatriates and nationals within Qatar. Guardian Wealth Management is the first UK- and FSA-regulated financial advisory

practice to be authorised in Qatar.

The company specialises in providing independent advice and support to international workers through services including education fee funding, retirement planning through pension provision, family protection through life insurance, lump sum investments and savings.

For GCC personal finance and investment news go to www.moneyworks.ae

Al Masah Capital Limited enters regional market with plans to launch fund

Al Masah Capital Limited has entered the alternative asset management field with plans to launch its first social-infrastructure-focused fund in April 2010.

According to Shailesh Dash, founder of Al Masah Capital Limited (AMCL), the company's core competence is centred on maximising investment opportunities in both the long- and short-term scenarios.

AMCL has been incorporated as an exempted limited liability company under the provisions of the Companies Law (as amended) of the Cayman Islands.

Dash believes AMCL will offer unique access play for regional and international investors to the growing and untapped Middle East and North Africa (MENA) region by being



Khalil E. Alaali, co-founder and chief placement officer of AMCL, and Shailesh Dash

involved primarily in alternative asset management. This includes PE funds, RE funds and hedge funds.

The company will primarily operate in the MENA region, but will consider opportunities internationally, such as South Asia and Turkey, where there exists potential for a synergy with the MENA region.

Fund of hedge funds manager Liongate

Capital Management has opened its Dubai office after receiving a licence from the Dubai Financial Services Authority to operate from the Dubai International Financial Centre.

The Dubai office will focus on advising institutional clients in the Middle East and North Africa region on allocations to hedge fund investment strategies. The office will also serve as a vehicle for capitalising on regional investment opportunities and will be hiring staff for its research department.

Beltone Securities International, a

subsidiary of Beltone Financial Holding, has launched its brokerage operations in Tripoli, Libya. Beltone Securities International will provide trading services on the Libyan Stock Exchange to its Libyan, regional and international clients.

Beltone will provide services to its clients in Libya encompassing securities brokerage, equity research, investment banking, asset management and private equity.

"Libya's changing social and political climate has signalled that it is the right time to invest in Libya. Libya's economy is growing rapidly as a consequence of increased infrastructure spending, improved local consumption and foreign direct investment," said Aly El-Tahry, chairman of Beltone Financial Holding.

Increasing revenues from tourism and a fast-expanding industrial and services sector are also pushing economic growth across the wider economy, he added.

Mashreq and Air Arabia team up to offer new loyalty card

Mashreq and Air Arabia have teamed up to launch a new credit card. The classic and platinum co-branded cards will award free flights on Air Arabia for every AED25,000 spent.

Cardholders will earn up to two per cent of the value of the amount spent back as 'Air Arabia Dirhams'. These can be used by customers to book flights to any of Air Arabia's 47 destinations around the world. Air Arabia Mashreq cardholders will have the option to pay full or partial payment of their tickets with 'Air Arabia Dirhams'.

Additionally, customers will receive travel benefits including complimentary priority passes for platinum cardholders, access to exclusive lounges in over 600 airports around the globe, complimentary beverages discounts of up to 10 per cent on Air Arabia Holidays, meet and assist services and duty-free shopping.



The Air Arabia Mashreq card launch

Acuma Wealth Management has formed

an alliance with IP Global to create a new investment partnership. IP Global is a property investment company with offices in Hong Kong and Singapore. Established in 2005, IP Global has transacted over US\$550 million across 18 countries to date.

Specialising in distressed and emerging markets such as the UK, Malaysia, Japan, Australia, Thailand, Abu Dhabi, Vietnam and Brazil, IP Global provides clients with services from sourcing a property and researching the market to assisting with lettings and management and eventual on sales.

Kenana Sugar Company has signed an

agreement with Beltone Financials in Egypt to establish a US\$1 billion private equity fund management company that will be the first in Sudan and in the MENA region to focus on agro industry projects. Kenana expects the new fund management entity to attract investors from state funds, investment banks, investment companies, venture capitalists and high net worth individuals in the MENA region and Sudan.

A joint technical team made up of representatives from Kenana and Beltone are working together to finalise the technical and legal arrangements prior to the formal launching of the fund.

Kotak Mahindra Bank to set up additional financial services arm in the UAE

India-based Kotak Mahindra Bank has launched its representative office in Dubai.

“We are delighted that investors based in the Middle East can now access information on various investment opportunities available in India through our representative office,” said Uday Kotak, executive vice chairman and managing director of Kotak Mahindra Bank.

From commercial banking and stock broking to mutual funds, life insurance and investment banking, the group caters to the financial needs of individuals and corporates. The group has a distribution network of branches, franchisees, representative offices and satellite offices across India, New York, London, San Francisco, Dubai, Mauritius, Bahrain and Singapore.

The group also has plans to set up an additional financial services arm in the near future in the UAE region. Kotak



Uday Kotak

Mahindra Financial Services Limited, a 100 per cent subsidiary of Kotak Securities, has received an in-principle approval to set up an office in the Dubai International Financial Centre.

Metinvest establishes new office in Dubai

Swiss-based steel trading company Metinvest International has launched its new branch office in the Jebel Ali Free Zone in Dubai.

The office will promote new steel

products, allow better information exchange, reinforce partnerships and expand Metinvest’s presence in the Gulf region. The office will handle business requirements for the GCC.

Appointments - November 2009



Mohammed Bin Essa

Dubai Properties Group has named **Mohammed Bin Essa** project director of the Tiger Woods Dubai development, the 55-million-square-foot private residential golf community.

Swiss private bank Clariden Leu has appointed **Marcel Schmocker** as its new head of legal and compliance and member of the executive board.



Eddy Abramo

SG Private Banking, the wealth management arm of Société Générale Group, has appointed **Eddy Abramo** as CEO of SG Private Banking (Middle East) and **Eric Lorentz** as managing director and global market manager for Arab high and ultra high net worth clients.



Eric Lorentz



Michael Morgan

Zurich Insurance Company has appointed **Michael Morgan** as regional manager, global energy, global corporate in the Middle East.

Sophie Di Meglio has also been appointed as underwriting manager – management liability for global corporate in the Middle East.



Sophie Di Meglio

Peter Englund has been appointed underwriting manager – professional indemnity, global corporate insurance Middle East.



Peter Englund

Charles Neil has been named the new CEO of Landmark Properties.



Charles Neil



Zainab Kufaishi

Zainab Kufaishi has joined Invesco Asset Management as institutional account manager for its Dubai-based Middle East operations.

Global Investment House has named **Rajiv Nakani** head of alternative asset management.



Rajiv Nakani

Newedge has appointed **John Ruskin** as global head of financial futures and options execution. He will be based in London.



Gary Brown

Jones Lang LaSalle has appointed **Gary Brown** as head of valuation services for the Middle East and North Africa region.

Fincorp to launch first PE fund in Oman

As financial markets have recovered, Oman's Fincorp is preparing to launch its first private equity fund in the Sultanate. It is likely the right time for the launch of a private equity fund that invests in companies short of capital coming out of the crisis. **Utpal Bhattacharya** finds out more from Munir A. Makki, president and managing director of Fincorp.

The Financial Corporation Co. SAOG (Fincorp), the largest investment bank in Oman, is set to launch its private equity fund in the Sultanate soon. It seems appropriate for the investment bank, which has well served the Omani financial market through some tough times, to be the pioneer in the Sultanate of an emerging industry that has a lot to offer the GCC.

Private equity developed as an asset class in the Middle East and North Africa with the turn of the millennium. Towards the latter part of the second half of this decade, private equity emerged as an industry with over 125 players in the region. However, in the midst of the global meltdown, regional private equity also suffered badly, even as international activity in the industry almost came to a halt.

Oman has not been an exception to the negative sentiments in recent months. But there has been little change in the economic fundamentals of the Sultanate, emphasises Munir A. Makki, president and managing director of Fincorp. And, as financial markets have recovered through the summer, it has become evident that Oman needs private-equity-type investments to help businesses grow and build value for the economy, he adds.

"A private equity fund will go a long way in bringing real value to the Omani economy. We have seen a number of good companies in the country that have not been able to perform up to their potential

due to a lack of funding or a gap in their management. Our aim with our private equity fund is to offer both funding and management restructuring solutions to these companies and enable them to scale greater heights," says Makki.

The authorised capital of the first Fincorp private equity fund will be OMR30 million. The target is to raise OMR20 million, but it may be extended to OMR30 million if there is considerable appetite in the fund, according to the Fincorp managing director and president.

The fund will focus primarily on investment opportunities in Oman and across the GCC.

"Our aim with our private equity fund is to offer both funding and management restructuring solutions to these companies and enable them to scale greater heights." Munir A. Makki

"Our first private equity fund will invest mostly in Omani companies. However, if we find an opportunity in one of the GCC countries that suits our investment approach, we will go for it. Outside of Oman, we will mainly look for acquisitions of those companies that have an Omani interest and could benefit from our network and involvement," Makki says.

The new private equity fund will target sectors across Oman's economy and will invest both in unlisted and listed companies that are seeking growth capital. With the Omani economy performing strongly and with the expectation that the trend will pick up over the next few years, Makki believes that it is an opportune time to look at investment opportunities in the Sultanate with a medium-term investment horizon.

Makki adds that a key distinguishing factor for the fund will be its focus on not merely being a passive financial investor, but also one that actively looks at ways to accelerate the growth of its investee companies and offers its expertise in adding value to their growth plans. Being an Oman-centric investment bank, Fincorp has the advantage of having a thorough understanding of the domestic market and is ideally placed to identify good investment opportunities for the fund and its investors, Makki notes.

Fincorp has a strong corporate finance team with a combined experience of nearly a hundred years. Makki says that this experience will help the fund source and execute interesting deals in the Sultanate, the target market for most investments. Further, Makki explains, a key differentiator of the fund is its ability to add value to investee companies with a view to building better synergies, scale and integration with the GCC markets. The fund management team has a significant track record in the

entire life cycle of private equity investments, according to Makki.

On fundraising, Makki feels confident that Omani banks and institutions will invest in the fund, which intends to raise 70-80 per cent capital from the Sultanate itself and the rest from GCC and international investors.

Makki further discloses that the fund will target a minimum net IRR of 15 per cent and will invest in five to seven deals with an investment horizon of at least three to four years. That's the minimum period of time needed for growing any company to an appropriate size before one can exit from it through an IPO, merger or acquisition or trade sale, Makki explains. The fund manager has already commenced screening investment opportunities and is currently in the process of building a healthy deal flow, he adds.

"We are in the last stages of finalising the documentation. The road show is expected to commence in December 2009. We have a strong reach to both Omani and regional banks and we feel confident that these institutions will like our investment strategy and invest in the fund. Also, don't forget that these banks have clients that would want to invest in Omani opportunities," Makki points out.

The equity markets

Speaking about the equity market in Oman, Makki says that the improving macro-economic environment in Oman as well as globally bodes well for corporate bottom lines and thus the Muscat Securities Market (MSM). A healthy secondary market with strong liquidity is important for the growth of the private equity market. Makki further feels that the integration of the GCC markets will help the accelerated growth of private equity in the region.

Oman's GDP in the second half of 2009 is expected to be considerably higher than in the first



Munir A. Makki

half, driven by higher oil prices and oil production. Fincorp expects the full-year GDP of the country to be around OMR18 billion, expectedly lower than the OMR23 billion reported in 2008. However, with the oil price continuing to remain steady at around US\$80 a barrel, fundamentals of the Sultanate's economy and its companies are expected to be much better in 2010 over 2009.

The third quarter 2009 results of investment companies and brokerages have been exceptionally strong in Oman, driven by a sharp rally in equities in the second and third quarter.

"We expect the MSM general index to recover from around the 6050 level and move towards our medium-term target of 7200 in the next three to six months. The MSM 30 general index currently trades at a P/E multiple of 11 times earnings, which is not expensive in times of improving fundamentals," Makki says.

Mutual funds

Fincorp has a growing asset management business. Besides offering portfolio management services (PMS), the company currently manages two growth funds that invest in Omani stocks. The two funds – the Al Amal Fund and the Majan Capital Fund

– and the PMS have amongst them about US\$150 million under management. The Al Amal Fund has returned over 73 per cent to investors since its inception in 2005. Both the funds and the PMS have consistently out-performed the MSM general index by significant margins.

Encouraged by the strong performance and track record, Fincorp now plans to start distributing these funds through bank branches. The company is in talks with at least one large GCC bank for distribution, according to Makki.

What is really interesting about Fincorp's approach to asset management is its strategy with the Al Amal Fund, which encourages small investors to save regularly by investing in the fund every month – an approach that is not the norm, but rather an exception in the Arab world. Not many asset managers think of small investors in this region, as most look for large money and big-ticket investors, while the smaller investors have to fend for themselves. If Fincorp's approach catches on in Oman and in the broader region, it might fundamentally change the mindset of the asset management industry for the better.



Signs of regional private equity revival

After a tumultuous two years, private equity (PE) experts have started to feel confident. There are early signs of a gradual resurgence of the market. **Ritwika Chaudhuri** investigates.

If the voices of some of the most revered PE practitioners are any indication of what's happening in the PE space regionally, one may summarise the current sentiment as 'subdued' or 'cautious optimism'. Although the overall sentiment definitely lacks the earlier unrealistic euphoria, it does not portray the grey picture that many were anticipating.

Participants at the Super Return Middle East event, which was held in October, were somewhat divided about the future of the

PE industry in the medium term, two years, although a majority felt that the worst was over and saw signs of a slow recovery. Stephen Schwarzman, CEO of Blackstone Group, was one of those who emphasised that the worst of the downturn was over.

Experts in general believe that the year ahead will be challenging for the regional industry on a number of counts, primarily fundraising, as there is already considerable dry powder (committed funds) available on the sidelines. They also predict

that returns are going to be a far cry from those seen during the peak of the bubble.

Both Paul Queally, co-president of US buyout firm Welsh, Carson, Anderson & Stowe and Karim Al Solh, CEO of Gulf Capital, were of the view at the event that limited partners were now more realistic about returns they are likely get investing in the asset class in the next couple of years.

Some of the PE experts have been also predicting a number of general trends for the months



ahead. They have been insisting now that certain markets have become more interesting than others post-crisis. There is greater potential in Saudi Arabia, Egypt and Turkey compared to some of the other countries in the Middle East and North Africa (MENA) region, according to them. These experts also feel that there will be far fewer deals going forward than seen in past years, although the quality of the new deals will improve.

They also say that the focus on due diligence has become real pre-acquisition; it's no longer about who gets to the deal first.

Zulfi Hydari, managing director of private equity at HBG Holding, said he expects there to be a shakeout in the industry. A number of players could go out of business sooner than later, he added.

Meanwhile, Al Solh suggested: "There will continue to be realignment within the PE space,

and firms that have invested in 2006-2007 might struggle in the near future."

PE funds around the world have been affected by the economic crisis and the consequent recession. Globally, deal transactions so far this year have totalled US\$58 billion, less than one-third of the figure for the same period in 2008 and one-tenth of the figure in 2007.

According to London-based researcher Preqin Limited, PE firms globally have about US\$500 billion in cash to spend. Regionally, it is estimated that Gulf PE firms are sitting on US\$13 billion, which is yet to be invested. But some, like Ammar A. Alkhudairy,

managing director of Amwal AlKhaleej, feel that the story is different in reality.

"During 2007 and 2008, fundraising sounded like distribution of cookies. As a result, a lot of them were not real," he said.

Alkhudairy attributed the anomalies in the numbers to the inefficiencies of the regional banking sector, the typical borrowing pattern by junior debt holders, the weak accounting norm, the lack of availability of an actual number of bargain-based distress sales and the inability of general partners to take punitive measures against the defaulting limited partners. However, he said he expects to see a full recovery towards the end of 2010 and the beginning of 2011.

"PE market availability of dry powder and actual transactions will improve towards the end of 2010 and the beginning of 2011," Alkhudairy said.

Growth pockets

It is quite significant that the regional PE industry is expecting the number of deals to improve from family businesses in the months ahead. David Rubenstein, co-founder and managing director of Carlyle, one of the world's biggest private equity players, is very confident that Saudi Arabia, Egypt and Turkey will offer some of the better deals in the months ahead. Saudi Arabia is always an attractive market with its fast-growing population.

The Kingdom offers lots of family-owned businesses and has plans for large-scale investments in transport and infrastructure, he noted.

In addition, when the war is over, Iraq will be the other potential market, said Rubenstein. He added that the capital



Ammar A. Alkhudairy

Snapshot: Deloitte's MENA PE confidence survey for 2010

- Investment activity levels: Investment activity will increase, but the type of activity will change. The major driver will be stabilisation of the markets.
- Deal sizes: The average will decrease due to most deals being development capital or venture focused. Deal sizes will remain the same overall. For growth capital, this is around US\$30-50 million, and for buyouts, it is within the US\$100-200 million range.
- Industry sector activity: It is best to stick to the space you know. Going forward, businesses that are more robust and less susceptible to stock market issues will be more in favour. It will depend on areas where deals are doing well, the sector is relevant and where each investor has strength and synergies.
- Entry multiples: Valuations will decrease. There is a mismatch between buyers and sellers. In general, valuations should be four to five times earnings at the lower end and five to six times earnings and the higher end.
- Differentiating in a competitive market: Quality of the team and management, track record and reputation – these are the key factors.
- Management and governance: 81 per cent of survey participants anticipate becoming increasingly hands-on in respect of involvement with portfolio companies over the forthcoming 12 months. Identified areas of portfolio management included operational, strategic, finance, business development and restructuring.
- Exits: There will be few exits over the next year. IPOs have dried up, but will come back again at some stage. There will be some opportunities to sell to strategic buyers, but this will still be difficult.
- Returns: This very much depends on when you invested. 2009/2010 vintage investments will have phenomenal returns, but returns from 2007/2008 investments will be dismal. There are two main drivers of value depreciation: 1) Multiples have shrunk or compressed and 2) You need to find buyers in the first place.

needed for the funds will mostly come from this region and, to a certain extent, from Asia and Europe, but definitely not from the US.

Both Alkhudairy and Richard Clarke, director of transaction and reorganisational services for the MENA region, Deloitte Financial Advisory Services FZ LLC, said that Egypt and Saudi Arabia have immense potential for the regional PE business.

A number of private equity firms are already pursuing deals in the countries mentioned above. Abraaj Capital, which is sitting on US\$4 billion in cash, is eyeing investment opportunities in Saudi Arabia, Egypt and Turkey, while Gulf Capital is looking to invest US\$500 million in Saudi Arabia, the UAE and Egypt, in sectors like oil and gas, healthcare, food and education.

Amwal Alkhaleej is also concentrating on Saudi Arabia and Egypt, along with the UAE.

“Each economy has its own strength. Saudi Arabia has the fastest-growing population in this region. The country is putting lots of emphasis on economic development and privatisation,” said Alkhudairy. “Likewise, Egypt, with its evolving economy, is all set to become a manufacturing base for Europe in future. The country’s demographic conditions demand lots of basic services, while the UAE economy is service-oriented.”

Way forward

There is hope in the industry that the global economy is coming out of the recession. The wait-and-watch attitude is shifting towards action, especially with the third quarter results of the banking industry showing some promising numbers and liquidity flowing back to oil the system.

Clarke said that banks in the region will be conscious of the multiple risks and will use

discretion in lending, as is the case in Europe.

According to Clarke, while traditional, non-cyclical and service-oriented sectors (and not necessarily capital-intensive industries) will be favoured, two distinct trends will emerge in the coming months: concentration of private equity in the oil and gas sector, which offers high multiples, and investment away from this sector.

There are always going to be opportunities in financial services (the non-retail, non-commercial banking segment) like general insurance, especially Takaful, he added.

Alkhudairy noted that the MENA region, unlike the west, is a high growth area, both demographically and economically. It offers more opportunities than the west, which is dominated by public limited companies offering less growth possibility. There, in order to have better profitability, it is important to use a turnaround strategy and more leverage. In the MENA region, though, PE companies have achieved much better returns than global benchmarks without using any leverage.

But exits will not be easy over the next year, and PE companies will have to continue to invest in their portfolio companies or in strategic good deals. Clarke said that trade sales and the secondary market would be slow through 2010. Once confidence comes back, companies will mainly look at the IPO market in next 18 to 20 months, he added.

Although the PE scenario looks challenging in the near future, activities are limping back and some firms are looking to raise new funds. As **MONEYworks** reports in this edition, Omani investment bank Fincorp (see page 16) is launching its first PE fund, while Al Masah Capital (see page 13) plans to launch one in April 2010. These are signs of a revival in activity, which is likely to pick up pace by the second half of next year.



What ails the Kuwaiti market?

The Kuwaiti market is suffering from an overhang of excesses that happened across the financial market, with players biting off more than they could chew. Defaults of some of the larger investment companies shook the market, while new laws came into act to help businesses. Progress so far has been limited and the market has been lacklustre. **Amir Elalfy** investigates.

The Kuwait Stock Exchange (KSE) has been a victim of the doings of speculators and operators that had nothing to do with the real economy and creating wealth, according to most experts. Some commentators expect the KSE index to decline even as the rest of the world is seeing a surge, simply because Kuwait is bedevilled by a crisis that refuses to go away and does not seem easy to deal with because of the complexities involved.

The rush for debt restructuring by some of the Kuwaiti heavy-weight financial companies not only caught the whole nation unaware, but also left a lot of questions for policymakers about how such a situation could have arisen. Experts and commentators blamed it on poor risk management on the part of both debtors and creditors. Some also

attributed it to lack of regulation and corporate governance.

While the rest of the world is now getting out of recession, the situation in Kuwait is so delicate that 50 per cent of the CEOs of Kuwaiti companies said in a recent MEED survey that they would have to resort to debt restructuring going forward. The survey, which questioned 175 CEOs in Kuwait, also found that 75 per cent of respondents expected more restructuring to hit the headlines in the near future.

Cost of loans increase

The indebtedness of Kuwaiti companies has been the main drag for the stock market of the oil-rich country. In fact, a Credit Suisse report said that the cost of loans in the GCC countries has doubled in 2009. Kuwaiti companies have faced the

brunt of the rising cost. In fact, the average debt-to-equity ratio of Kuwaiti companies has touched 85 per cent and is expected to touch 100 per cent by 2010.

In the GCC, the debt-to-equity ratio of Kuwaiti companies is second only to Qatari companies. The total outstanding debt of Kuwaiti companies was at KWD7 billion at the end of the third quarter of 2009. Total debts are expected to rise beyond KWD10 billion by 2010.

Following the debt restructuring of listed companies in Kuwait, 26 companies are less indebted than before, but 17 companies have actually seen a rise in their total debt.

Topping the list of companies that have the largest debt is Investment Dar, which has an outstanding debt of KWD1 billion. Global Investment House and AREF Investment Group follow in that order.

There has been some relief in the market, with Investment Dar and Global Investment House working with banks to restructure their debt in recent months. In Global Investment House's case, 51 banks have agreed to the restructuring plan of the investment bank to resolve a US\$3 billion debt default. Only two institutions did not agree to it.

Investment Dar's US\$3.5 billion loan restructuring programme is still being discussed as this report goes to print.

Investment Dar had defaulted on a US\$100 million Islamic bond or sukuk issue earlier this year. Under the proposed restructuring plan, Dar will make debt repayments to creditors over a five-year period.

Experts following the Kuwaiti market say that big names like Investment Dar and Global Investment House only indicate that the debt problem is endemic in Kuwait. A number of smaller companies should hit the headlines with their problems soon.

Factors affecting the market

Hajjaj Bu-Khaddour, an economic expert, says that a combination of a number of factors took the Kuwaiti stock market to where it is today. Lack of corporate governance, loopholes in existing regulations, lack of regulations and not implementing regulations where there was a law have all been part of the problem. The lack of an independent regulator of the Kuwait Stock Exchange hasn't helped, he adds.

Kuwait's problem also stems from the fact that despite the introduction of new laws like the Financial Stability Act and other governmental support, they have not had much impact on economic or market recovery.

Bu-Khaddour does not doubt the importance of the Financial Stability Act. In fact, he describes the new act as a good

idea. But he also questions it. A significant number of companies have not been able to take advantage of the new act because they do not comply with its requirements, he says.

The Financial Stability Act allows companies to restructure their debts with the help of government funding. However, only eight out of 100 companies in the investment sector have been able to take advantage of the new act, as the majority of them do not meet the requirements of the law.

Bu-Khaddour argues that one of the biggest banes for Kuwait has been that a large number of companies do not produce anything. These companies have survived on the financial market by speculating and flipping assets. Many of these companies have invested in areas that they are not supposed to as per their licensing, he says. Moreover, a number of these companies have raised debt from the market to invest in the stock market. With asset prices having gone down, these companies have no other option but to liquidate, as without any real activity they will not be able to get government funding to restructure their books, Bu-Khaddour adds.

Bu-Khaddour does not see a quick recovery of the Kuwaiti market under the present circumstances. He expects the market index to remain under 7000 points for the time being, until some of the debt problems of the financial services sector are sorted out.

Risk management

There are other factors taking their toll on the Kuwaiti stock market, including negative reports from financial institutions and international consultants of repute. Reports from Credit Suisse, EFG Hermes and Booz & Company are among a few that have analysed the various factors

affecting the Kuwaiti market. While local sentiments are already at a low, international investors have not taken these reports lightly, and that could go a long way in keeping things at the bottom in that market for some time.

On the issue of the competency of banks when it comes to risk management and understanding derivatives, which has been one of the main reasons for significant losses reported by a number of Kuwaiti financial institutions, brokers like Mohammed Ashkanani argue that these are exceptions rather than the rule. Ashkanani feels that risk managers did their job to the best of their abilities, but they did not have the right tools to handle something that took the whole world by surprise.

However, that does not absolve risk managers or heads of financial and investment houses from what happened with the balance sheets of their companies once liquidity froze globally last year and investments in structured products went belly up. But financial analysts like Naif Alenzi continue to blame regulatory gaps for everything. A lack of proper regulation allowed for loose risk management, while people without money-managing skills got away unscathed, according to some commentators.

"With so many companies on paper and without any real business, it is time that the economy needs a clean-up operation for things to improve," says Alenzi.

Alenzi also feels that rampant corruption and a lack of corporate governance are matters of concern in Kuwait.

"Undoubtedly, the ministry of trade and industry is making lots of efforts. But until we see clear signs of improvement, sentiments will remain affected. I will not be surprised if the market index in Kuwait drops another 15 per cent in the months ahead," Alenzi adds.

The next few months will be crucial for Kuwait as the rest of the global markets, including the other GCC markets, show signs of recovery. If sentiments continue to remain low and the market falls farther, it could have a downward spiral impact, which will also negatively affect the confidence of international investors that have plans for Kuwait.

Company	Liabilities (H1) (KWD)	Liabilities (Q3) (KWD)
The Investment Dar	1.077	1.077
Global Investment House	0.716	0.703
Aref Investment Group	0.416	0.491
Kuwait Projects Company (Holding)	4.442	4.244
Aayan	0.459	0.454

Source: MONEYworks



Living the dream

Edmond Moutran (popularly known as Eddy in his circle), chairman and CEO of Memac Ogilvy, has built a communications behemoth in just 25 years, starting with just BHD5000 in his bank account. Here he shares with **Ritwika Chaudhuri** his experience, belief and philosophy, as well as glimpses of the journey to fame.

Have you achieved what you wanted to achieve – to be the biggest and the best in the industry?

Yes, I have – if not the best, then amongst the best. In 2009, we have been awarded more than ever before.

During April in Dubai Lynx, we won five of 11 awards in interactive categories, and overall, we got 16 awards. This was the highest number of awards ever managed by a company in that forum. This achievement has a special significance for us because Dubai Lynx is run by professionals.

In fact, had it not been for the misconduct of certain agencies involving plagiarism, cheating and other unethical practices, we could have managed more awards.

Also, look at our performance at the GEMAS Effie MENA Awards 2009. We won more gold awards [three gold awards] than anybody else. We also won some bronze and silver and the coveted Grand Prix award. If awards are any indication of how good an agency is, we have achieved our goal of becoming the best.

The other indicator to assess is the way our clients react to us. They treat us

as consultants; as advisers. We are not treated just as suppliers by our clients across the region, but more as a serious partner.

You are Lebanese. Why did you set up your first company in Bahrain?

I was the first Lebanese expatriate to work for the Gulf's advertising industry. So you are talking about not only a pioneer, but also the first pioneer. I came to Bahrain in 1972 on a short visit. On February 23, 1973, I became a resident of Bahrain. I still maintain my Bahrain residency.

You set up Intermarkets in Bahrain in 1973 and subsequently set up Burson-Marsteller. Tell us a bit about that.

Yes, I started Intermarkets [Lebanon-based oldest advertising agency in the Middle East] in Bahrain in 1973. I subsequently established Intermarkets Saudi Arabia in 1976 and Intermarkets UAE in Dubai in 1978.

I started Burson-Marsteller Bahrain in 1979, and that was the first public relation company in this region. I was hired by

Bill Rylance when I was in New York, and for quite some time, I used to look after both the companies: Intermarkets and Burson-Marsteller. The year 1979 marks the beginning of managing 360 degrees in advertising, communication and PR.

When I left them in 1984 to start Memac, I had just US\$13,000 in my pocket and two very trusted people. The rest is history before you.

Why did you leave both Intermarkets and Burson-Marsteller and what prompted you to set up Memac [Middle East Marketing and Communications]?

The decision of leaving was more due to lack of conviction. It had nothing to do with integrity, honesty and money. I wasn't convinced that the company [Intermarkets] was moving in the right direction. It was one of those strategic disagreements on how an agency should be run.

I took a big risk in starting Memac. I had no money and already had three children.

How did you manage the initial capital?

All I had was BHD5000, so I borrowed

from a number of people to show that I had BHD50,000 in the bank for company formation purposes.

One of my competitors in the communication business gave me BHD16,000, to arrange my licences. He was a smart man, and it was the best insurance policy he could buy, as he knew that I am a man of integrity and will never attack him. I did not touch his clients for many years.

I had two young accountants with me: Andrew Fernandes and Bridgitte Smith. My first client was Gallaher International and we worked very hard from the beginning.

How did you join with Ogilvy, and does it have any stake in Memac?

I was the link man between Intermarkets and Ogilvy during my years with Intermarkets from 1974 to 1984. I had the relationship going even when I was on my own.

In 1985, I literally bumped into senior Ogilvy officials in London. I went to have coffee with them and walked out with the agreement. Ogilvy did not have any equity in Memac at the beginning. In 1998, they bought 20 per cent of Memac and then in 2002 they bought another 20 per cent. I and my children own 55.5 per cent of the company today. Another 4.5 per cent is with key people in the company.

What sort of challenges have you faced in keeping a business together with partners?

There have been challenges, but lots of fun, too. I have 11 offices covering 15 markets. We have partnerships with AMRB, CBA and also with Ogilvy. You cannot expect all the partners to think alike all the time. Each organisation has its objectives, style and manner of functioning. There can be disagreement. But is it worth fighting over every little disagreement? My approach is one of having fun, even in times of disagreement. It is good for business.

To give you an example, one of my international partners had a disagreement with me. So for six years, I let the business be run by them. When finally they realised that they could not run the business properly, they handed it back to

me. Disagreements are unimportant, but growing and having fun are.

How do you see the future of media in the region?

We are living in a very difficult time. The future is bleak. It is difficult to predict what's going to happen in next two to three years. But these are also times for individuals in the industry to come together and face the challenge, sacrificing their personal interests. Unless they do it, the whole industry will face difficulties.

I have tried in my own way to bring the industry together in the past. A few years ago when we had difficulties with receivables, I spoke to other agencies and brought 11 CEOs facing the same problem in a forum. We got together twice. But then, one by one everyone left, saying that they found solutions to their problems. However, none ultimately solved the problem. If we had stuck together, a lot more would have been achieved.

Of course, media is in a big problem. The clients say they want transparency. But can they work without agencies? I think we need to all work and find solutions together in times of trouble.

So what is the need of the hour for companies like yours?

Cutting-edge diversification is the key word. There is huge diversification happening around. Memac has a number of different companies today. These used to be under one roof. Today, we have CBA Memac, Ogilvy One, Ogilvy Action and Mindshare as separate companies, all serving different needs. You will see more of that in the future. We have to be ahead of the game; understand what is happening in the industry and its requirements and be part of the diversification process and not fight it. Change is the name of the game.

How many group companies do you have in total?

Today we are a fully integrated communication group, offering advertising, public relations, direct marketing, activation, planning and creative services to a large portfolio of

clients through 11 offices across MENA. Our network encompasses the Arab world, from Dubai to Morocco.

In 1985, we tied up with Ogilvy. Memac Ogilvy Advertising deals primarily with audio video commercials and print advertisements. And Ogilvy Interactive creates digital marketing and technology applications across all interactive channels for different brands.

In 2000, I started Mindshare with 50:50 partnerships with JWT. In 2001, we started Ogilvy One Middle East in partnership with Ogilvy One worldwide, a full service interactive online marketing offering. In 2002, Ogilvy Public Relations started, and in 2008, CBA Memac was born to provide design solutions. In the same year, Ogilvy Action, a dedicated BTL company was initiated to deal with brand activation.

"We have plans to grow our business both horizontally and vertically. We have plans to open more offices. We have opened an office in Damascas in Syria, and next month we are opening an office in Abu Dhabi. A couple more offices are planned next year. Some of the new companies opened during 2008 will have more offices. I also have plans in terms of more disciplines; they will be in the obvious areas, but I do not want to talk about these now."

Do you have plans to launch any more new divisions or subsidiaries?

We have plans to grow our business both horizontally and vertically. We have plans to open more offices. We have opened an office in Damascas in Syria, and next month we are opening an office in Abu Dhabi. A couple more offices are planned next year. Some of the new companies opened during 2008 will have more offices. I also have plans in terms of more disciplines; they will be in the obvious areas, but I do not want to talk about these now.

What's the group total turnover, including all the subsidiaries and group companies?

I do not know. You know the reason I do not say numbers. Because others don't. I am willing to sit with auditors and reveal all my numbers. I am not afraid of transparency if the industry decides to do so. But I cannot give my numbers when others do not. I know one thing: we are one of the top three agencies in our area of operation. We are a big player and that's all that matters.

You believe in working like a company, but behaving like a family. How true is this idea in practice?

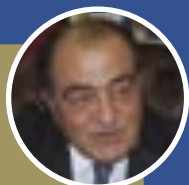
Very true, especially when unfortunate things happen; usually in a situation like now, when people need a lot more love than discipline. The company treats employees like family, especially during times of serious emotional and unpleasant emergencies. As a company, we are there with our employees with both compassion and financial support during their needs.

I really do not have enough time to share some of the incidents in this regard. But it is also important to note that a company can only open its arms to its employees to be part of the family. That does not necessarily mean that everybody will walk in to be a part of the family. Some would just work for a company; they could not care less. They would not want to be emotionally attached to the company; they do their duty as professionals. In short, it is a very reciprocal thing, the company-employee relationship.

HW

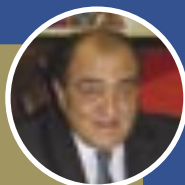
Your take on the following: entrepreneurship, initiating new ideas, building a successful enterprise, effective and proper communication, your company's philosophy and pursuing one's dream?

Entrepreneurship:



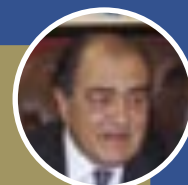
It is something that you are born with. The problem starts when you are not born with those traits and you try to be an entrepreneur, but it is a crime if you are entrepreneurial person and yet don't try to be one. There is nothing called free luck. The harder you work, the luckier you are. You need to have dedication, passion, expertise and hard work to be successful. You do need to have expertise. You cannot succeed if you are not excellent in your work.

Initiating new ideas:



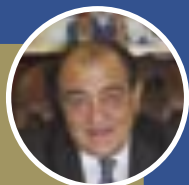
I am going to say something for the first time. I stopped gambling on December 11, 1991, at four in the morning; before that I was a regular gambler. But the gambling spirit remains in me. Instead of gambling on booker tables, casinos and horses, I started gambling in business. I take risks. You cannot sit on ideas and be successful with them; you have to try them. I have never failed, except once when I opened a shop to sell fabrics for a relative of mine.

Pursuing one's dream:



It depends on when you are dreaming, whether you are awake or asleep. I dream when I am awake. It is called charting the future and I usually achieve my dreams that I see when I am awake. I have seen in my dreams lots of things that have happened in my life. I dream sitting in my office and I start taking notes. After four-and-a-half years of starting my agency, I looked at my five-year plan written in 1984 and realised that I had the same number of offices, the same clients and the same revenue, and I realised that I missed my target by only US\$1000.

Effective and proper communication:



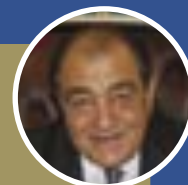
Read everything that is written and answer everything that you read. Communicate with your people before anybody else and don't let them know from outside what your company is doing. Don't let the clients know things about your company from the outside.

Building a successful enterprise:



Slowly, don't rush it. Each thing happens in its own time. Those who rush things, they might not make it. The perfect meal takes its own time to be cooked. So is in the business. Everything must take its normal time to grow naturally.

Your company's philosophy:



Simple. Work with integrity and honesty, and work for the client and the brand. And make sure that your client's business grows, because if your client's business is healthy, then yours will also be healthy.



Sovereign debt issues raise market confidence

Dubai Inc has been proactive and realistic in its response to the worst financial crisis since the Great Depression. Sovereign and quasi-sovereign debt will help stabilise the debt market in the months ahead, notes **Matein Khalid**.

The Dubai government has taken advantage of the new appetite for emerging market new issues in the global debt market with a successful placement of more than US\$2.5 billion in conventional and Islamic debt. This is a milestone event, as it assures the world financial markets that Dubai has emerged from the worst phase of the recession and crisis of confidence, when the emirate's credit default swaps had spiked as high as 1000 basis points. The successful repayment of the Nakheel sukuk and the US\$10 billion bond purchase by the UAE central bank convinced investors that default risk on Dubai debt was grossly overdone. As investor confidence returned to the debt markets, sovereign issuers from Qatar and Abu Dhabi launched billion-

dollar sukuk that trade well above par in the secondary market, indicating strong demand for GCC debt. This resurgence of risk appetite by international investors and the tightest credit risk spreads since the failure of Lehman Brothers in September 2008 helped Dubai's successful sukuk and Eurobond issue in November 2009. The Dubai government can now manage its relatively modest external debt and refinance the debt of its constellation of state-owned companies, the proverbial Dubai Inc.

Dubai risk

The US\$4 billion Dubai medium-term note programme will provide the emirate with a diverse, flexible pool of funding, and road shows conducted by the lead manager

banking syndicates in the money centre capital of Europe, Asia and the Middle East suggest that fund managers are very comfortable with Dubai risk, even though the pricing on the emirate's five-year debt was a gift to investors and the bonds trade above par. The Investment Corporation of Dubai has emerged as the flagship holding company of the Investment Corporation of Dubai, which has a 100 per cent stake in Emirates Airline and the Dubai Aluminum Company, a 56 per cent stake in Emirates NBD and a one-third stake in Emaar Properties, the region's bellwether property developer, which is the flagship firm listed on the Dubai Financial Market (DFM).

The state-owned companies of Dubai, such as Nakheel, are estimated to owe US\$70-80



billion. Their debt will be anchored by the Dubai Financial Support Fund, whose loans will be allocated to state-owned companies under strict oversight and using commercial, free market rationale. While Dubai has successfully managed to regain access to the international bond market, the emirate has to resolve the maturing debt challenges of its state-owned companies, whose credit ratings were downgraded by Moody's. Confidence in Dubai Inc was also boosted by the announcement that the government confirmed that it repaid the US\$1 billion Dubai Civil Aviation Authority sukuk as it matured in November 2009.

However, the trauma of 2008-2009 has taken its toll on the market for Shari'ah-compliant debt, the sukuk market. New issue volumes fell 45 per cent in 2009, primarily because UAE borrowers, who accounted for two-thirds of all sukuk new issues in 2008, were largely absent from the markets. Yet, the Dubai issue now allows UAE borrowers other than quasi-sovereign corporations of Abu Dhabi, such as Mubadala, to access the sukuk market. This is mission critical, as the domestic banking system in the UAE has still not

resumed loan growth and the IPO window is de facto closed, despite impressive rallies in both Dubai's DFM and Abu Dhabi's Abu Dhabi Securities Market indices.


For now, the sukuk market is only open to the crème de la crème sovereign borrowers from Abu Dhabi and Qatar. Yet, sovereign sukuk new issues are a prerequisite for the return of UAE corporates, banks, telecoms and utilities to the global debt market. Moreover, the UAE banking system needs to provide greater disclosure about its exposure to the local real estate market, as well as to regional corporate borrowers who have defaulted on their bank debt and loans. UAE banks reportedly have US\$2.9 billion exposure to the Al Saad Group and Al Gosaibi, two large Saudi conglomerates whose US\$20 billion debt default is the largest financial collapse in the Kingdom since the 1970s. The sheer scale of the Saad/Al Gosaibi default has sent shock waves across the banking system. The Gulf has once again paid a high price for the practice of name lending.

Outlook

The UAE central bank has rightly insisted on a greater emphasis on provisioning risk management and conservative funding profile and non-performing loan disclosure rather than the earlier obsession with breakneck growth and profitability. The UAE banking system needs to reduce its loan-to-deposit ratios and its reliance on offshore wholesale money markets to finance local asset growth, strategies that proved dangerous during the post-Lehman credit crunch when the international bond market snapped shut for emerging market banks, particularly banks whose loan/deposit ratio was higher than 100 or whose loan books were excessively exposed to property loans.

Dubai Inc has been proactive and realistic in its response to the worst financial crisis since the Great Depression. A prerequisite for the revival of the property sector is the reopening of a viable mortgage finance market, which requires that the government successfully complete the merger of Amlak and Tamweel. After all, Amlak and Tamweel control 60-70 per cent of the UAE mortgage market. Moreover, the crisis has proven that Abu Dhabi and Dubai have been more than willing to support each other during

times of crisis, with 2009 becoming a successful real world stress test for the viability of the UAE Federation. Moreover, Dubai's state companies have greatly reassured their creditors by meeting their obligations. After all, more than US\$8 billion in external debt and bonds have been repaid or refinanced by DEWA, Dubai Aviation, DIC, Dubai Holdings and Dubai World. The full repayment of the Nakheel sukuk on December 14, 2009 will be a symbolic milestone that Dubai Inc is committed to the repayment of all its obligations in 2010 and 2011. Meanwhile, the US\$15 billion in sukuk and offshore debt issued by Abu Dhabi quasi-sovereign borrowers has led to the resurgence of international financial flows into the UAE.

UAE stock market indices have surged since the summer, as sovereign credit default risk spreads for Abu Dhabi and Dubai plunged while the crude oil price doubled to US\$80 by October 2009 from its bottom last winter. However, the markets are no longer dominated by foreign institutional investors, as during the bull market of 2006-2008. Retail investors, local corporate and family offices and regional fund managers, shocked by the scale of their losses in 2008-2009, are cautious in their trading, with a preference for value shares. Banks and property developers are still viewed with suspicion by most UAE fund managers who believe that bank loan losses will rise and that property prices have still not bottomed. The stock market is also extremely sensitive to project cancellations and credit downgrades by international rating agencies. However, the outlook for the UAE stock markets will remain bullish as long as oil prices remain high, Dubai state-owned companies can refinance and restructure their external debt and listed companies regain access to local bank credit and global debt markets. In any case, defensive sectors such as telecom consumer staples will outperform banks and property companies. Low beta, high dividend yield, free cash flow is the formula for success when markets are uncertain. 

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.

Why managed accounts are a win-win for investors

Managed accounts are the answer to investors' calls for increased transparency, says **Patrick Merville**.

Separately-managed hedge fund accounts (managed accounts or MACs for short) have been around since the late 1980s. Managed accounts have stood the test of time, as they offer quite a few interesting tools for professional investor groups that meet their increased demands. Now more than ever, hedge fund investors are placing great emphasis on asset control, portfolio transparency and liquidity. MACs are capable of meeting these demands, so they will play a key part in the hedge fund industry going forward.

After the financial turmoil in 2008 that caused several hedge funds to postpone redemptions by gating, suspending or side-pocketing the assets, the investment environment in the traditional as well as the alternative market has changed dramatically. Transparency and control over the assets have become key criteria for institutional investors. In the last year, falling asset prices have led to a downward spiral that manifested itself in higher volatility in the market, as well as hedge fund managers being confronted with higher margin calls. Dysfunctional credit markets and scarce liquidity forced investors to sell assets to raise capital. In this environment, even positive performance was no protection

against redemptions, and the steady outflow of capital hurt returns and obligated many hedge funds to impose limits on how and when investors could access their money.

Hedge funds did record significantly smaller losses than the broader market, underpinning the diversification potential of the asset class. Nevertheless, negative performance coupled with redemption limits are likely to be the catalyst for significant change as investors take a far more critical look at how their money is being managed. Managed accounts offer the solution.

What is a managed account?

A managed account is an investment structure that is owned or controlled by an investor, but mirrors the strategy of an existing hedge fund. It is a completely segregated account on which the hedge fund manager can replicate his strategy. A robust MAC will typically include an independent board of directors and a network of contractual relationships between the MAC and its trading counterparties and service providers. MACs can be simple stand-alone master funds, or can grow to include several special purpose vehicles and feeders to accommodate bespoke trading and tax issues in various jurisdictions.

Historically, managed accounts were simply dedicated investor accounts opened at a prime broker in the name of the investor, with trading authority delegated to the manager, while the investor retained control over cash and the assets.

Benefits of managed accounts

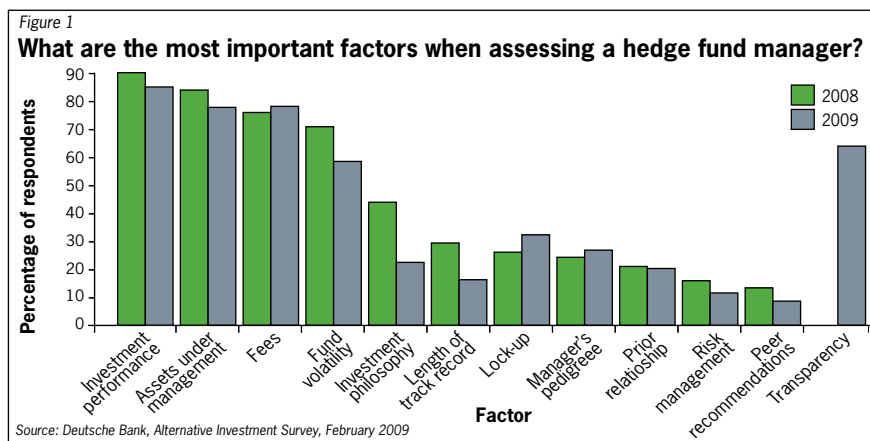
There are numerous benefits when investing through a managed accounts platform. While MAC structures may differ from investor to investor, the central premise remains the same: investors can benefit from additional control and transparency.

As Figure 2 shows, the investment manager agrees to commercial and legal terms with the managed account. Managers are responsible for trading the strategy within the agreed terms. This provides investors with important tools through which they can optimise their risk, yield and the dynamics of their investment decisions. They further contribute to the decrease of operational risks.

The key MAC benefits to investors are: tailor-made investment and risk profiles, transparency, liquidity and asset control.

Investment and risk profiles

Investment and risk guidelines can be fully tailor-made to the individual needs of investors as long as these are within the agreed strategy of the hedge fund manager. The manager has the possibility to customise the investment programme for the specific requirements within his overall investment strategy. The terms of the relationship between the manager and the managed account are set in an investment management or investment advisory agreement and may include preferential liquidity terms, fee adjustments, authority limits, control and notifications and special termination events, as well as changes to



leverage tolerances and cash efficiency, blended strategies, limited exposure to certain instruments and/or markets, disclosure, the use of manager information “upstream” and access to new trading ideas and opportunities.

Transparency

Managed accounts provide investors with a position-level transparency available on a daily, weekly or monthly basis. This is particularly important to institutions looking to manage their exposure across multiple portfolios. This allows for a detailed analysis of the investment and risk profiles of a hedge fund manager’s strategy. Especially when comparing the initially agreed upon investment goals and risk exposures with the actual implementation in the market, the MAC platform permits investors to monitor concentration risk, as well as early detection of style drifts.

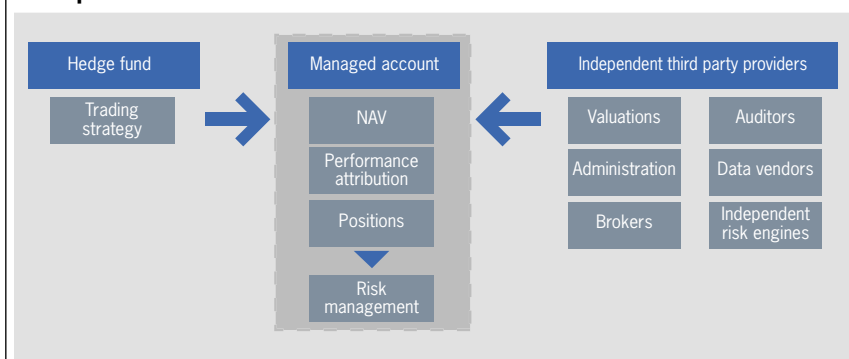
Transparency from managed accounts is of high importance in particular for institutional investors as they monitor and coordinate their risks and exposures of their overall investment portfolios on a constant basis. It is critical that the portfolio and position transparency is provided independently of the hedge fund manager’s own data sets. There is a consistent need for investment by the platform in its own internal capabilities to track performance on a strategy level, ensure that the portfolio construction process can run smoothly and factor in differentials when monitoring slippage.

Liquidity

Since managed accounts remain in the ownership of the investor (respectively the managed accounts provider), there are no formal liquidity limitations such as redemption notice periods or deadlines, gates or fund suspensions. In order to ensure an orderly liquidation of a certain investment, the hedge fund manager and the investor will periodically agree upon a liquidation period and a general time plan in which, under normal circumstances, an investment in a MAC can be reduced or liquidated.

However, the investor is at liberty to liquidate the assets in a faster (or slower) way either through the hedge fund manager,

Figure 2
A simple MAC structure



Source: Internal Man Investments diagram

a third party or on his own. Nonetheless, the speed of liquidating certain assets may come at significantly higher costs, depending on the market conditions with regards to liquidity and depth.

Asset control

As already mentioned, all assets stay in the control and ownership of the investor (respectively the MAC provider) in whose name they are being managed, valued and administrated. This requires a close collaboration between administrators, valuation service providers, prime brokers and auditors. The selection and monitoring of managed account service providers is done entirely independently from the underlying manager and is controlled by the managed account vehicle.

Among the many service provider relationships, an independent valuation is a key attribute of any managed account. It is critical to select a suitable administrator who can provide the necessary level of oversight and independence in the valuation process. It is advisable for a platform provider to seek out a valuation agent that has the technology that is a good fit with the platform’s transparency requirements, typically daily independent price, cash and position reconciliation to the street if reasonable. It may be the case for complicated strategies such as credit, distressed or new alternatives. Pricing complicated instruments requires a detailed knowledge of those instruments and the ability to question and push back on assumptions. Investors and managers rely on the information provided by all service providers, and if this proves to be inaccurate

and unreliable, the entire risk monitoring process will break down.

Limits of managed accounts

In spite of all the benefits, MACs do have some challenges and limitations when compared to traditional hedge fund investments. A MAC structure can add between 50 to 100 basis points to the cost of investing in hedge funds, as they may demand increased services to manage daily data. This charge is typically netted from performance.

Managed accounts can also present operational and relationship challenges with the hedge fund managers. Extra resources and effort required by a manager to integrate properly with a potentially new service provider can be demanding. The working relationship between some managers and service providers can be complex, as ultimate ownership of the relationship with these service providers rests with the managed account rather than the manager.

MACs are powerful instruments of active management, giving professional investors the tools to upgrade their control of risk, returns and the dynamics of allocation, as well as providing important mechanisms to monitor and mitigate operational risk. They may not be for everybody, or useful for all strategies, but for users with the resources and know-how to keep pace with the changes and who can read and understand the powerful data streams they furnish, MACs provide an alternative and powerful route to access the expertise of hedge fund managers.

The writer is the CEO of Man Investments Middle East.



The A to Z of UK expatriate mortgages

UK expatriates looking to finance a property in their home country may have a difficult time dealing with UK financial institutions. **Adrian Wright** lists the main players in the UK marketplace and explains their strengths and weaknesses.

Expatriates are very poorly served when it comes to the financing or refinancing of their property interests in the UK.

The marketplace continues to be dominated by a handful of international banks offering decidedly lacklustre terms to a captive market. Loans are often conditional on a banking relationship and the borrower's willingness to submit to mediocre

terms and equally mediocre conditional in-house insurance deals.

Whilst it has been proven that the quality of mortgage business underwritten on expatriates is far superior in terms of persistency and lack of default, the UK lenders still stick to the view that they do not wish to pursue debt overseas. This seems to be the crutch they can lean on, rather than explain

that the quality of their services and their personnel are so poor that they are unable to cope with the sometimes complicated lifestyle and income stream of expatriates.

So, who are the main players in this marketplace and what of their strengths and weaknesses? Here is an A to Z that, whilst not exhaustive, gives a good overview of the market.

Z



A. Abbey

Still unkindly but deservedly referred to as “The Shabby”. Now under the parentage of Spanish bank Santander. Once Abbey was bold enough to open offices aimed at expats in Hong Kong and Dubai, but these were closed during one of its frequent reorganisations. Abbey is of little help to expat borrowers and is particularly obstructive to existing borrowers looking to extend their terms or borrowing levels.

B. Bank of Scotland – Halifax

Part of the huge HBOS group (H for Halifax) grouping, Bank of Scotland International does at least try to help on better-than-average terms. Loan to values of 60-70 per cent are available and margins over base competitive. However, currently it insists on six months

interest being lodged via a deposit account yielding just 0.25 per cent!

C. Cheltenham & Gloucester

A former building society that, since its acquisition by Lloyds TSB, doesn't seem to know if it wants to lend to expats or not. When it does, its terms are very attractive. Unfortunately, its service standards are abysmal. If you are in a hurry, dealing with this lender will have you and your broker in a straitjacket!

D. Derbyshire Building Society

Made a brief foray into expat lending and deposit taking. Involvement with the Icelandic banks enforced a run for cover under Nationwide's ample umbrella.

E. Exhibitions – Property

As in the early nineties docklands shakeout, plenty of expats have

lost their savings at the hands of the carpetbagging developers and agents sales forces. Northern cities are awash with empty unsaleable, unmortgageable investment apartments and many unsuspecting investors have been drawn into offplan situations.

F. Fortis

Its offices in London and Hong Kong offered a second-to-none service to expatriates and foreign nationals for many years. Its rates were slightly better than many of its bank competitors and it was extremely helpful when borrowing was required via special purchase vehicles, offshore trusts and companies. Fortis was very competitive for multi-currency loans. There is a limiting minimum loan of GBP150,000. The latest banking crisis has seen Fortis pull back and impose less attractive terms and unreasonable loan conditions.

H. Heritable Bank

Unfortunately, another victim of the Icelandic bank failures – part of Landsbanki. This is a shame. Rather like Fortis, Heritable was a true niche lender, with first-rate service, sensible underwriting and personnel who actually knew what they were doing. Whilst not having the sharpest rates in town, the bank was not far off the pace and there was plenty of add-on value to be had with this lender. There are rumours that Heritable may resurface. Meanwhile, it is very fair to those borrowers still on its books.

HSBC

Considering its high profile as the world's local bank, HSBC seems remarkably feeble in helping customers with UK financing or refinancing. Whilst rates are competitive, the bank seems so intent on selling every other service that it has to offer that mortgage help takes a back seat. All sorts of

restrictions impede the intending borrower and tales abound of the initial agreement being subsequently reneged on.

Halifax

The mighty Halifax once accounted for 30 per cent of the UK's mortgage lending. Sadly, Halifax Building Society decided that it wanted to play in the bankers' big pond, but like their other building society chums, it did not have the management expertise to swim with the big sharks. Now part of HBOS, Halifax has spells when it is very helpful to expatriate customers, while other times it is of no assistance whatsoever. Right now, Halifax is going through one of its helpful phases, but it still insists on odd criteria such as requiring a declaration that the expatriate borrower will have returned to the UK within three years from making his or her application! Halifax can be particularly helpful to existing borrowers needing to move or achieve further borrowing, and that stance is much at variance with most of its competitors.

I. Ipswich Building Society

Now in its third year of expatriate lending via an exclusive deal through International Mortgage Plans. Currently its terms are limited to expats not letting, but this still embraces many situations – parents occupying, wife/children whilst husband stays overseas, children studying at university and siblings needing assistance. Letting situations have been accommodated on ultra competitive terms, but the FSA is currently restricting those levels of lending. 2010 should see a resumption. Rates, terms and service have all been best buys.

L. Lloyds TSB

Very involved in the expatriate world via its overseas club and representation in most expatriate



centres, particularly Dubai, Hong Kong and Singapore. In its previous guise as Hill Samuel, Lloyds in Hong Kong truly had the Asia market by the throat. There were indications of a drive to reachieve that pre-eminence prior to its fall from grace in the recent banking crisis. Average lending terms are countered by flexibility, currency options and the ability to offer terms in countries rather than just the UK.

M. Mortgage Brokers

They should be able to access the entire, albeit limited, marketplace. They will certainly be remunerated by the lender via a procuration fee, and this could determine the arrangement fee they will usually charge. This could be anywhere between GBP250 and one per cent of the loan, but a good broker should be able to save an applicant serious money. By handling the processing of the loan proposal, they can help avoid much of the heartache in dealing with lenders who seem intent on employing sales prevention forces.

N. Nationwide Building Society

Nationwide is the UK's largest building society by far. Six times the size of its nearest competitor,

and that can't be healthy!

Nationwide behaves like the worst of the banks and is absolutely no help at all with expatriates wanting to raise money for property finance. It is, however, extremely happy to accept the expatriate's offshore deposit funds. In taking over the borrowers of the Portman and Lambeth Building Societies, Nationwide took on the loan books of societies that had actually been helpful to expatriates. Whilst it has said that it will stand by commitments to those societies' existing borrowers, it refuses to countenance any further borrowing for them. Its service standards are abysmal.

P. Portman Building Society

Portman was probably the most competitive provider of expatriate mortgage funds via a broking arrangement for over 10 years. Whilst the relationship wasn't perfect, it was better than most. Regrettably, Portman borrowers now have to suffer the indignities of dealing with Nationwide. At least the many hundreds who by default came out of their Portman discounts and fixes are enjoying the benefits of Nationwide's tracker rates, which must be



causing them considerable pain – 1.75-2.5 per cent are common deals in place with no end date, and with the ability to carry on letting. However, no additional funding will be provided and neither will a change of property if letting is to continue.

R. Royal Bank of Scotland

Despite being a major victim of the banking crisis, Royal Bank continues to offer competitive terms to expatriates. Unfortunately, lending through its successful Singapore operation has been

curtailed and plans for a major hub in Dubai are on hold. Thankfully, other offices are able to provide funding, albeit limited to 60 per cent loan to value. Rates are good and the personnel exceptionally helpful.

S. Scotland

Unfortunately, expatriates wishing to purchase or refinance property in Scotland have an especially difficult time. Odd bearing in mind the huge numbers of Scots who inhabit all expatriate centres. Some lenders are unwilling or unable to

www.google.com For mortgages, there is no need to look further than Google using the key words 'expat mortgages', 'expatriate mortgages' and 'expat buy to let'.

www.international-mortgage-plans.com Providers of independent expatriate mortgage advice for over 20 years. Lenders comparable terms transparently given plus market news, overviews and information on property-related matters.

www.nethouseprices.com This will let you know the sale prices property has achieved in the road that you are looking at. These prices are the actual figure paid as registered by the UK land registry.

www.homecheck.co.uk With a UK postcode, the site will tell you about any environmental/pollution/flooding and subsidence risks to the property.

www.upmystreet.com A useful agent's site to see what property is on the market.

www.mortgageslaidbare.info The Financial Services Authority no-nonsense guide to mortgages.

www.zoopla.co.uk A new and very comprehensive property price comparison site.

cope with the difficulties presented by the differing Scottish legal and purchasing systems.

Stroud & Swindon Building Society

Britain's 13th largest building society spent two years building up a GBP20 million expatriate book via exclusive broker arranged deals. Its rates were best buys with a 2.3 per cent three-year discount from its standard UK buy-to-let terms. Obviously, it found servicing expatriates too difficult, as lending terms have been withdrawn, and it can now watch its GBP20 million book walk away.

T. The Mortgage Works

Previously a subsidiary of Portman, now Nationwide. Its propositions were aimed at buy-to-let lending, including loans for expats. Whilst its rates were not the keenest, it did have a whole range of products and at one time was able to provide an excellent service. It no longer lends to expatriates and is particularly unhelpful with existing expatriate borrowers.

W. Websites

The expatriate homeowner, buyer and borrower are newly empowered! They no longer have to rely on the sales pitch of the far-away agent or developer and can consult specific websites, which will tell them the comparable sale prices of properties adjacent to that of their interest and environmental information, including the likelihood of flooding in the area of their interest.

In summary, expatriate borrowers are treated as second-class citizens who may as well be from Mars. It's a frustrating business dealing with UK financial institutions from the UK, and from overseas it's a nightmare.

MW

The writer heads International Mortgage Plans, UK.

SABIC is ahead of its peers

Saudi Basic Industries Corporation (SABIC) has great growth prospects, favorable industry dynamics and a strong balance sheet. It is also investing for the future. **Irfan Chaudhry** analyses the company's prospects.

The chemical industry saw a complete meltdown in prices and demand of most of the chemical products in the fourth quarter of 2008 and the first quarter of 2009, resulting in a precipitous fall in revenues of the global chemical companies. The rising feedstock costs of marginal producers (Naphtha-based) with rising crude oil prices resulted in most marginal producers (estimated at around 44 per cent of global capacity) producing below their cost of production. As a result, a severe supply reaction occurred, with capacity decline around 20 per cent in the first quarter of 2009 and aggressive inventory de-stocking. These events created a favorable demand situation that was further helped by infrastructure intensive, massive bailout packages, which improved the industry's demand and pricing situation by the second and third quarters of 2009. The industry's demand and prices in 2010 will depend on global recovery and infrastructure spending, especially in China.

Middle Eastern chemical producers may benefit because of the low cost of production and the low delivery cost to the Chinese markets. There is a delivery cost advantage for Middle Eastern producers, as US exports have decreased after the second quarter of 2009 and China PE imports have picked up. In the long term,

these circumstances may result in the shift of global capacity to the Middle East.

Prices and costs

Prices of most chemical products bottomed out in the first quarter of 2009. The prices of chemical benchmarks for olefins, aromatics and plastics have moved 30-50 per cent from the bottom but are still over 40 per cent below second quarter 2008 levels, resulting in a year-on-year decline in petrochemicals net income for 2009. Going forward, it is expected that the prices may stage a recovery as the global economic outlook improves. A major theme in this price recovery is that demand is still weak on a year-on-year basis, but feedstock prices have risen more than commodity chemical prices, putting pressure on marginal producers.

Background

Established in 1976, SABIC is the world's sixth-largest petrochemical company by turnover. SABIC has six major operating segments: basic chemicals, intermediates, polyolefins, PVC and polyester, fertilisers and metals.

The company is estimated to have total chemical capacity of around 58 million tonnes per annum at the end of 2009. The total production capacity of ethylene glycol at 4.9 million metric tonnes per year in 2009 makes SABIC the world's largest

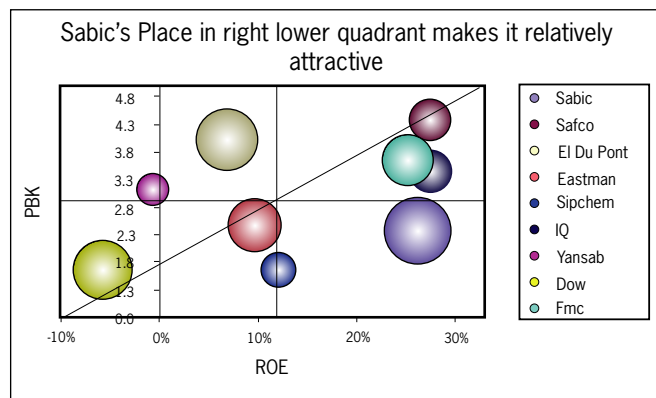
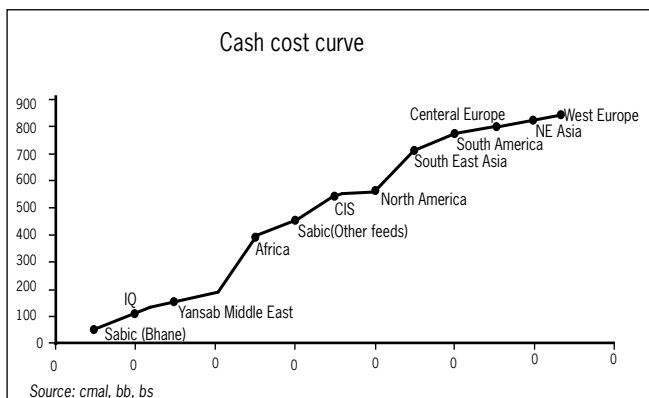
producer of ethylene glycol. The company is meeting 29 per cent of global demand, up from 16 per cent in 2008. SABIC's share of global ethylene production is projected to reach 9.2 per cent in 2009, up from 5.6 per cent in 2004, while its share of global polyolefins production is expected to increase from 6.1 per cent in 2004 to seven per cent in 2009. Expansion operations and investments are projected to amount to US\$40 billion until 2020 and will increase overall annual production from 43 million metric tonnes in 2004 to more than 70 million metric tonnes by the end of 2011.

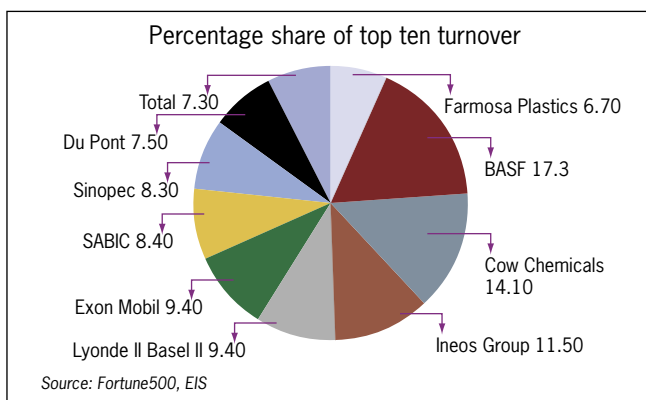
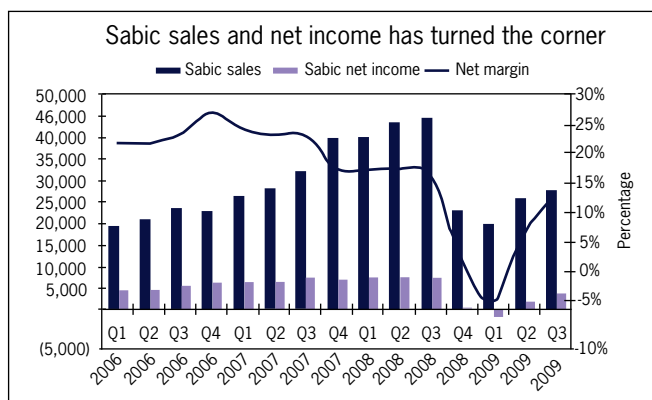
Markets

In 2008, nearly half of SABIC's total global production was dedicated to meeting the Asian region's demand, which is expected to increase to 75 per cent in 2009. In 2009, SABIC sales in Europe are estimated at six million tonnes of polymers, base chemicals and intermediates. SABIC innovative plastics may be able to capture the US market share in 2010, which may increase its market share in North America.

Financial performance

The major theme for SABIC's 2009 operation was continuation of its expansion drive (as YANSAB came into operation) and capturing the market share from marginal producers. Total production during the first nine months of 2009 reached 44 million





tonnes, an increase of four per cent, while quantities sold during the period stood at 34.5 million tonnes, a year-on-year increase of three per cent. The trend of a shift of chemical capacity to the Middle East from high-cost producers will likely continue in the foreseeable future.

SABIC was able to increase its sales

Future earnings drivers

- Capacity expansion: Aggressive capacity expansion will help SABIC to capture market share
- Price of chemicals: Improvement in commodity chemical prices and utilisation rates
- Improvement in margins: Improvement in margins because of leverage impact

SABIC competitive advantage

- Lowest cash cost in the industry/ Feedstock cost (US\$0.75/MMBTU)
- Highest cash margins/tonnes
- Lowest cost of delivery to China
- Aggressive capacity expansion

volumes in the second and third quarters of 2009, which with some stabilisation in commodity chemical prices resulted in top line growth. In the third quarter of 2009, sales improved in China and in the US auto industry. SABIC's third-quarter sales hit SAR27 billion. Sequential improvement shows that YANSAB may be successfully ramped up in 2010, which may translate into higher-than-expected sales in 2010.

Most of the regional petrochemicals are leveraged plays on the fixed cost of natural gas (from US\$0.7 to US\$2 per MMBTU), which makes the margins highly cyclical. SABIC saw a steady improvement in its gross margin, which in the third quarter of 2009 was still below normalised levels of around 36 per cent.

SABIC reported a net loss of SAR974 million in the first quarter of 2009 and a net profit of SAR1.81 billion in the second quarter of 2009, with the recession affecting all the P/L line items (inventory overhang eating into top line, restructuring charges hidden into COGS, thus reducing gross margins from a normalised 41 per cent to 18 per cent in the first quarter of 2009). Further, the first and second quarter bottom lines were hit by goodwill write-offs and inventory write-offs. Reported operating profit in the third quarter stood at SAR6.4 billion. Total income for the third quarter of 2009 (at SAR3.6 billion) was higher than consensus estimates by more than 70 per cent. It is expected that trend may continue in the fourth quarter of 2009 and in 2010.

Key issues for 2010

There has been a recent spate of news on emerging protectionism in petrochemical industries (in India and China). However, SABIC management has downplayed the litigation, outcome and any possible impact on SABIC P&L.

The price of chemicals has recovered from the bottom in the first quarter of 2009, but stability and further price improvement is dependent on sustainable economic recovery. SABIC has an upside even in the case of depressed prices (bearish economic scenario), as it may necessitate further infrastructure-driven stimulus packages, which may be supportive of chemical demand and prices. On the other hand, if commodity chemical prices decline, with feedstock prices staying high (the crude oil price is likely to remain stable), that will put some additional marginal capacity out of

the market's balance sheet and help SABIC capture vacated capacity.

The feedstock cost advantage for SABIC is getting diluted as additional capacity comes on the line in Europe and China. The mixed feedstock cash cost is much higher than the SABIC KSA feedstock cash cost. Also, there had been a recurring concern about cheap feedstock running out, thus removing the relative cost advantage.

Investment summary

SABIC trades at a 2010 earnings multiple of 12X, which is at a discount to its global peers (BASF at 14.38X, DOW at 20.74X and DuPont at 15.09X). The company's growth potential and profit margin are much higher than its peer group average. Next year's sales growth consensus estimates 20 per cent growth, compared to a 5.56 per cent average for SABIC's global peer group. The five-year average for SABIC's profit margin is estimated at 21 per cent, compared to an average of 8.32 per cent for its global peer group.

A comparison of PBK to ROE also suggests that SABIC is a relatively attractive buying choice in the chemical industry (averaging at 2.57X with average ROE at 14.64 per cent). Its PBK may rise to a five-year average of 5.16X from a current average of 2.36X. Arguably, EV/EBITDA may be a better relative valuation metric because of the high level of fixed assets. SABIC's current EV/EBITDA is at 14.18 against the global peer group average of 15.70.

The author is an equity analyst with EIS Asset Management

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.

GCC, Regional and World Benchmarks - Conventional

As of November 16 2009

All data courtesy of MSCI Barra, correct as of date indicated.

MSCI data on these pages have been selected to show comparative returns in the GCC for the financial/telecoms and real estate sectors against the overall GCC countries index.

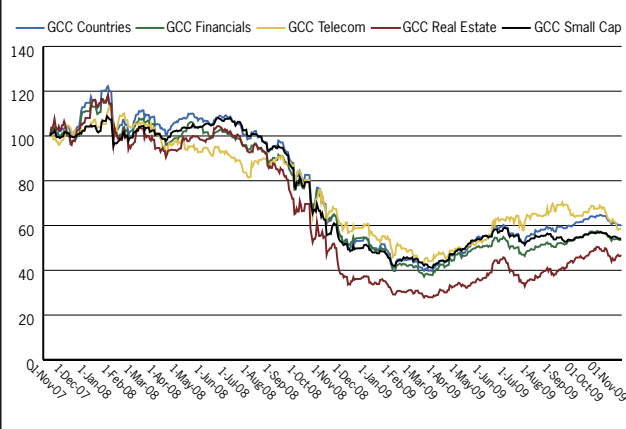
World Comparative Returns and Valuation Ratios contrast the MSCI World, the Emerging Markets, the GCC Countries, the Jordan+Egypt+Morocco and the Arabian Markets indices.

The Performance Values table takes into account eight regional/international and sector-specific indices to show month, quarter and year-to-date performance levels.

GCC: Comparative Returns

Comparative returns for four MSCI GCC indices

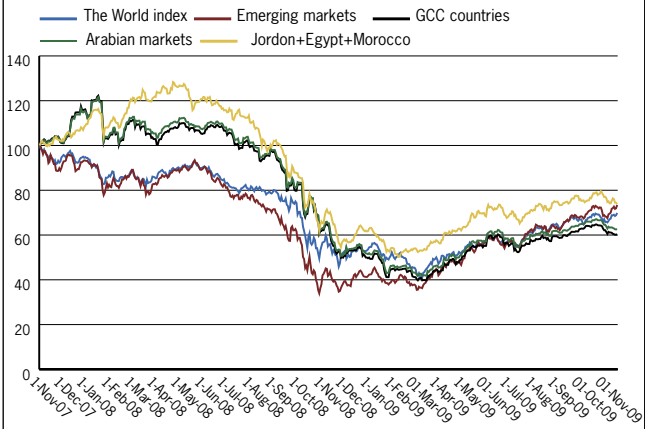
(Period: October 31, 2007 to November 16, 2009, rebased to 100)



WORLD: Comparative Returns

Comparative returns for five MSCI indices

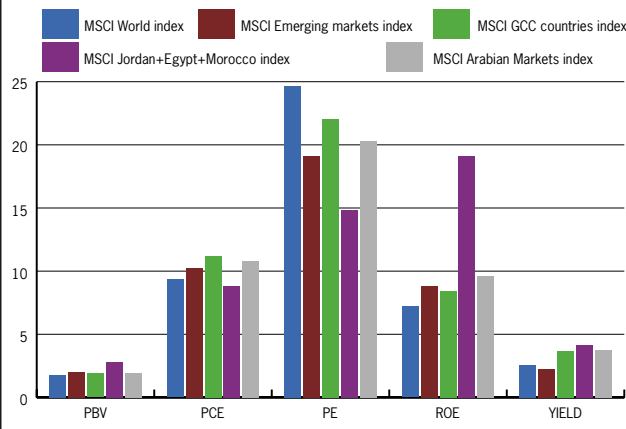
(Period: October 31, 2007 to November 16, 2009 rebased to 100 on October 31, 2007)



Valuation Ratios

November month-end valuation ratios

(Five MSCI indices PBV, PCE, PE, ROE and YIELD)



Performance Values

QTD, MTD, YTD performance in US\$

(Eight indices as of November 16, 2009)

Index	Performance in % US\$ (MTD) this month	3 month performance in % US\$ (3M)	Performance in % US\$ (YTD)
Arabian Markets	-3.063	4.793	21.814
Emerging Markets	7.456	16.398	73.255
GCC countries	-2.9	4.983	22.299
GCC Financials	-2.174	5.962	10.066
GCC Real Estate	0.64	26.174	38.221
GCC Telecom SVC	-6.874	-9.505	8.885
Jordan+ Egypt +Morocco	-4.207	3.827	16.868
The World index	6.258	12.505	27.729

Copyright MSCI Barra [2009]. All Rights Reserved.

Without prior written permission of MSCI, this information and any other MSCI intellectual property may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an as is basis, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any third party involved in or related to the computing or compiling of the data makes any express or implied warranties, representations or guarantees concerning the MSCI index-related data, and in no event will MSCI or any third party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

This information is now available, updated daily, at www.moneyworks.ae



GCC, Regional and World Benchmarks - Islamic

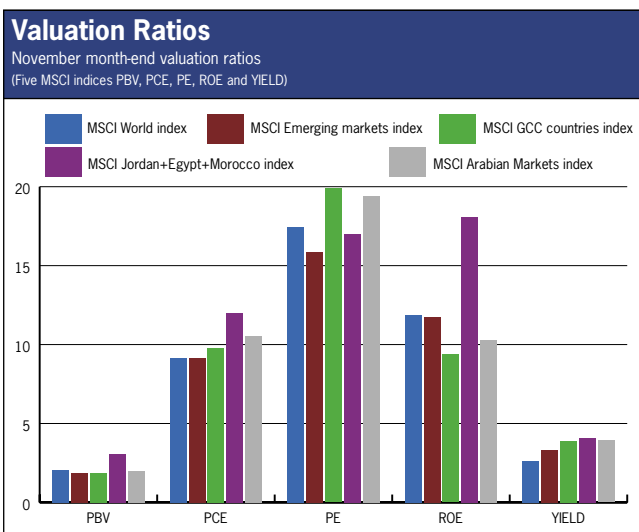
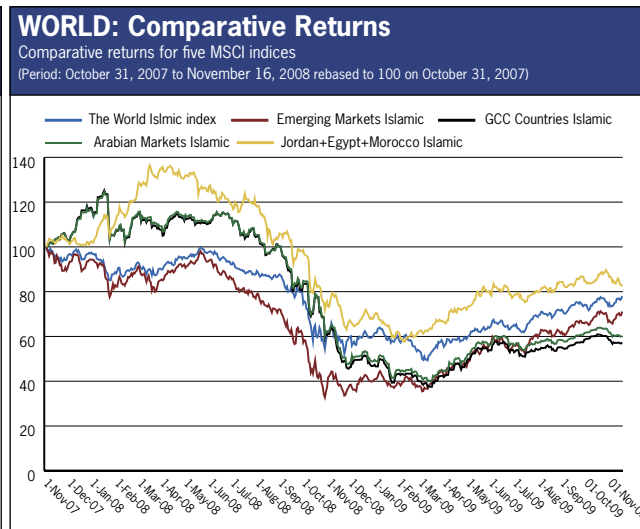
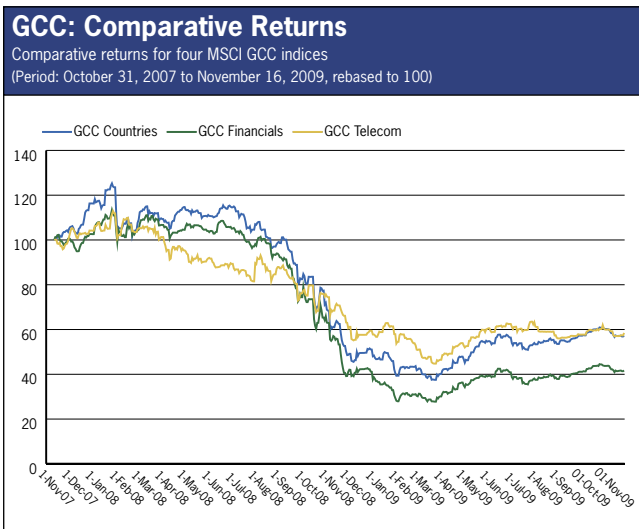
As of November 16, 2009

All data courtesy of MSCI Barra, correct as of date indicated.

MSCI data on these pages have been selected to show comparative returns in the GCC for the financial/telecoms and real estate sectors against the overall GCC countries index.

World Comparative Returns and Valuation Ratios contrast the MSCI World, the Emerging Markets, the GCC Countries, the Jordan+Egypt+Morocco and the Arabian Markets indices.

The Performance Values table takes into account eight regional/international and sector-specific indices to show month, quarter and year-to-date performance levels.



Performance Values

QTD, MTD, YTD performance in US\$
(Eight indices as of November 16, 2009)

Index	Performance in % US\$ (MTD) this month	3 month performance in % US\$ (3M)	Performance in % US\$ (YTD)
Arabian Markets Islamic Index	-2.386	5.054	22.998
Emerging Markets Islamic Index	7.144	16.01	73.281
GCC Countries Islamic Index	-1.851	5.659	22.948
GCC Islamic Financials Index	-1.228	8.597	17.504
GCC Islamic Telecom Services Index	-1.22	-1.024	-0.619
Jordan+ Egypt +Morocco Islamic Index	-5.033	3.084	17.006
The World Islamic Index	6.386	11.881	26.543

Copyright MSCI Barra [2009]. All Rights Reserved.

Without prior written permission of MSCI, this information and any other MSCI intellectual property may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an as is basis, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any third party involved in or related to the computing or compiling of the data makes any express or implied warranties, representations or guarantees concerning the MSCI index-related data, and in no event will MSCI or any third party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

This information is now available, updated daily, at www.moneyworks.ae



GCC markets take a breather

The GCC markets are taking a breather after a strong performance in the last seven months. A **Markaz** report.

After seven months of consecutive positive performance, the MSCI GCC Total Return Net Index posted a negative return of -1.2 per cent on a month-on-month basis in October, an underperformance compared to the emerging markets. The emerging market index posted a positive return of 0.19 per cent in October. On a year-to-date basis, the GCC markets continue to significantly lag behind their emerging market peers. The emerging markets have increased by 68 per cent in the year-to-date period, compared to a 29 per cent increase in the GCC region.

However, in terms of valuations, the GCC markets are trading at significantly higher valuations than their emerging market peers. In terms of price/earnings, taking the last twelve-month earnings into consideration, the GCC markets are trading at 32x compared to 20x for the emerging markets. This high multiple can be mainly attributed

to Kuwait, where the aggregate of the last 12-month earnings continues to be at a loss, making the P/E ratio highly stretched. It should be noted that Kuwait, on average, forms 30 per cent of the GCC index.

There has also been a creeping increase in volatility again, evident in the case of the MVX S&P 500, wherein the month-on-month gain in volatility in October was at 68 per cent. The emerging markets, Kuwait and Dubai also witnessed an increase in the MVX in October at 34 per cent, 32 per cent and 10 per cent respectively on a month-on-month basis.

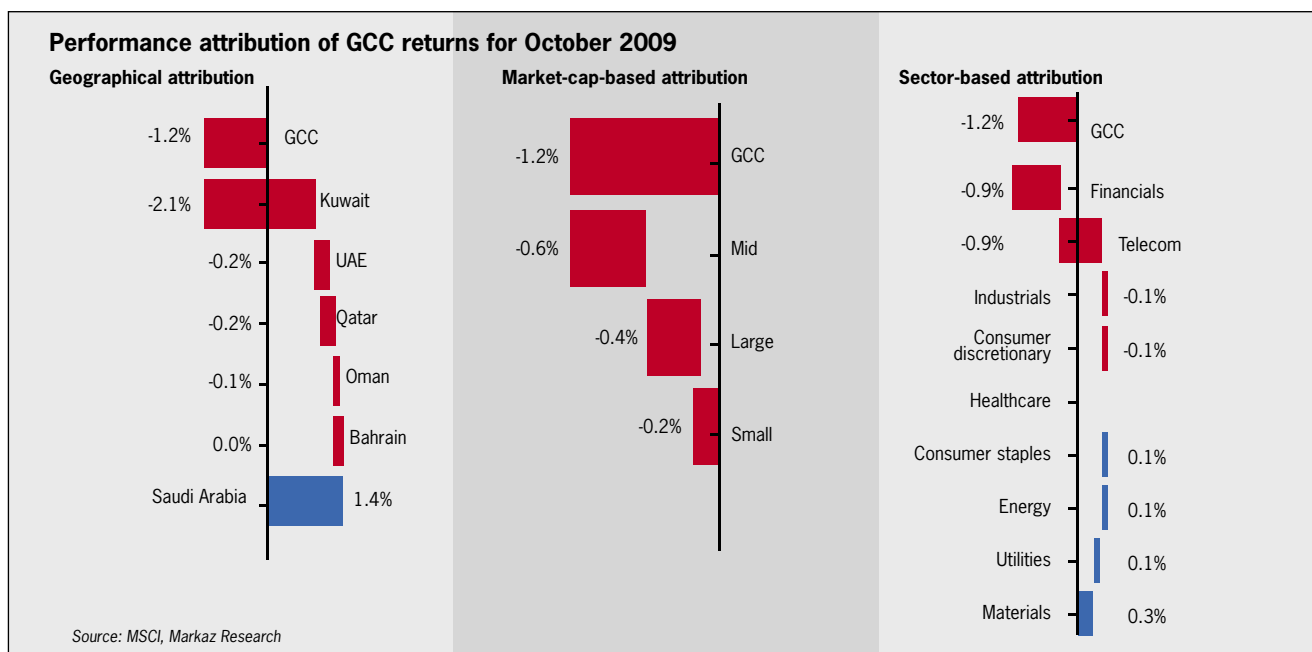
In October, Saudi Arabia was the only market to witness a positive return among the GCC countries. The Kingdom posted a return of three per cent and outperformed the rest of the five markets in the GCC region. The weighted return was at 1.4 per cent. Kuwait was a major drag on the overall GCC index, returning

minus nine per cent in October, while the corresponding weighted return was at -2.1 per cent.

The index, when analysed in terms of market cap, shows negative performance for all the three segments. In terms of sectoral contributions, the heavy weights – financials (44 per cent of GCC index) and telecoms (16 per cent of the GCC index) – were the major contributors for the negative performance of the GCC region in October.

At an overall GCC level, the volume traded was up 21 per cent to 26.8 billion, while value traded gained 54 per cent to US\$46.5 billion, led by a 91 per cent jump in value traded on the Saudi Tadawul. The recently released figures in Saudi Arabia show an inflation growth of 4.4 per cent in September. Meanwhile, Qatar intends to cut the corporate tax rate to 10 per cent next year from its current level of over 30 per cent in a bid to attract foreign investors.

www



This article has been prepared and issued by Kuwait Financial Centre S.A.K (Markaz), which is regulated by the Central Bank of Kuwait. The article is intended to be circulated for general information only and should not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The information and statistical data herein have been obtained from sources we believe to be reliable, but in no way are warranted by us as to its accuracy or completeness. Markaz has no obligation to update, modify or amend this report.

A renminbi revaluation possible

There is pressure on emerging markets to tighten capital controls. **Stefan Hofer** argues that over time, China is likely to allow a gradual revaluation of the renminbi.

In late October, the Brazilian ministry of finance imposed a two per cent tax on new capital inflows (called the IOF), targeting external investors of local fixed-income and equities. The stated aim of this measure was to slow the appreciation of the Brazilian real, which had rallied more than 25 per cent against the US dollar since the start of the year. The move by Brazil raised the spectre of capital controls in emerging markets overall. How much of a risk are the imposition of widespread capital controls?

Emerging markets have an established track record of using capital controls in the face of unwanted capital inflows and outflows. The cost and benefit of using such measures is the subject of intense and far-ranging debate. Sticking closely to the current Brazilian example, the two per cent IOF appears relatively mild. For example, on December 19, 2006, the Bank of Thailand shocked markets by imposing a 30 per cent foreign currency holding requirement with a one-year lockup period for Thai baht transactions. This move caused Thai stocks to fall 15 per cent and the Thai baht dropped four per cent. The market's fall caused the

authorities to exempt Thai equities the next day. While a surprising move, the two per cent Brazilian tax could be discounted by investors fairly quickly.

The fact is that Brazil has been faced with large capital inflows over the past months. It follows that the BRL's appreciation is putting exporters under pressure, all else being equal. That said, given Brazil's robust economic recovery prospects and the adept local handling of the international financial crisis, these inflows and currency appreciation may simply mean that Brazil has become a victim of its own success. The question is, therefore, whether the risk of surprise and potentially disruptive policy steps are likely to derail the otherwise compelling characteristics of Brazil as an investment destination.

In short, we believe the answer is no. Given that the general election is now only one year away, investors should expect that the path to a post-Lula Brazil will be increasingly volatile. In addition to policy announcements (e.g. additional government spending) and political noise generated during the active campaign, these forces may see shorter-term



setbacks for Brazilian assets. It can be argued, however, that the dividends accrued by implementing prudent economic and debt management that has hallmarked the Lula presidency are widely appreciated in Brazil. Stronger institutions, in particular the central bank, should help Brazil weather the effects of policy and election-driven volatility.

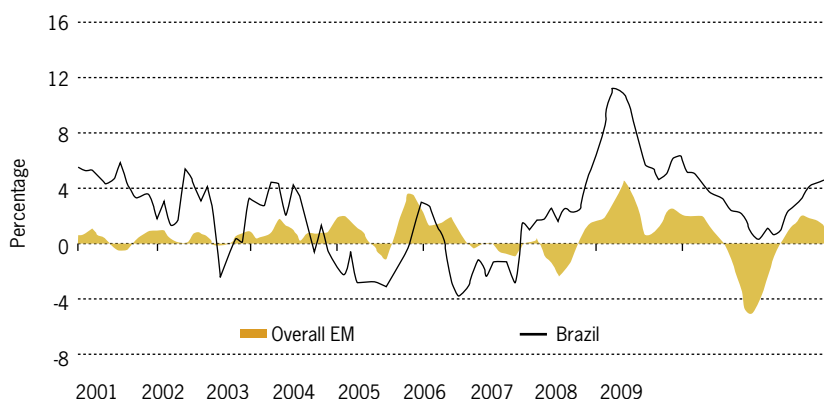
What about the rest of the emerging markets? For the asset class overall, it seems difficult to argue that sweeping changes to the existing currency and capital account regimes are around the corner. That said, discussion in the investment community over the potential misalignment of Asian currencies, especially China, continues. In our view, China is likely to allow for a gradual revaluation of its currency over time, in part to increase the buying power of domestic consumers. This should, in turn, make China's growth less dependent on external demand. By definition, as the renminbi is a tightly-managed currency, such a move would be under the purvey of the authorities. But unlike many other administrative controls, such a move would likely be welcomed by market participants.



The writer is a research analyst at Bank Julius Baer.

Brazil has been a return of capital inflows

Implied net capital flows (% GDP, 3 mma)



Source: UBS IB, Bank Julius Baer

Shifting trends to drive movements

There is potential for an increased demand in commodities as the global economy recovers, while equity markets become volatile, writes **Sachin Patki**.

Initial signs of recovery snowballed into positive gains in some of the asset classes like equities and bonds over the year. The expectations of a low interest rate environment helped some of these rallies, while the debate on withdrawing or keeping the stimuli continues.

One of the most interesting changes we have seen in the changed world order is the emergence of China on the world stage. The stage is now set for China to be the second largest economy in the world, overtaking Japan. We have seen production rising by 16.1 per cent from a year before, while retail sales grew by 16.2 per cent in October. We have seen bank credit drop in volume in reaction to tightening in money supply by China, which is expected to go back to 10 per cent plus growth in 2010 from the fourth quarter of 2009 onwards. For a country that currently has US\$2.273 trillion in foreign currency reserves, this can only mean further growth. The US dependence on these funds for investing in government securities to fund its trade deficit shows its dependence on China. This does impact its leverage for negotiating with the Chinese authorities on revaluing the yuan, which still remains largely pegged, despite the huge growth

and savings within China over the last two decades.

With signs of global economic recovery, we see a potential for increased demand for commodities and volatile equity markets as PE ratios shift to adjust to the quarterly corporate performance announcements. The shifting trends in the source of funds and the new markets where they are going will drive the movements in global currencies. Some of these pressures were also felt in the region over two years ago as overseas funds looked for better value from better interest rate differentials and potential local currency appreciation. When it did not work out, the capital moved elsewhere for better opportunities.

Across in Europe, we see some signs of stabilisation in the economies in the Eurozone, with increased confidence in the manufacturing sector and consumer demand, which is expected to translate into a full-blown recovery in 2010. However, recent comments from the European Central Bank indicate that it does not see a longer-term risk emerging from the current inflation rates yet. Inflation has yet to reach a point of concern for the US Fed officials that have indicated their interest in looking at

employment and inflation together before making any call to reverse the current interest rates.

With unemployment at 10.2 per cent and inflation still below two per cent, it will take a while for interest rates to climb higher, though any rapid rise in inflation may trigger a tightening in the money supply, which still remains too high and has a risk of creating asset bubbles due to an overly liquid economy. Some of the commodity countries like Australia, Canada and New Zealand have seen their currencies rise sharply based on the market discounting future demand for their commodity exports as the global economy picks up in 2010. These economies are poised to do much better with higher demand for their exports; this may also trigger a rise in the central bank rates to dampen inflationary pressures.

The euro remains poised for one more attempt at its previous high at 1.6000, though it may need a lot more news to take it up there. Part of that reason would be the slide in the US dollar across all other currencies, something that is already attracting comment from EU officials. A weaker US dollar gives the US economy a much better chance of recovery due to a potentially higher order book of exports. Support remains at 1.4670, 1.4580 and 1.4310, with resistance at 1.5350, 1.5470, 1.5510, 1.5680 and 1.5825. The US dollar/yen has been inching towards the previous low at 87.20. A break would give us 86.70 and 85.90 with a lot of the long yen positions unwinding in this region. A reversal promises 89.00, 90.50, 92.10, 93.65 and 95.00. The sterling remains a little defensive, with top formation in place near 1.7010, now giving us 1.6430, 1.6280, 1.6115 and 1.6000. A break of 1.5850 would open up a whole new range with a low near 1.5520. HFW

The writer is head of Mashreq Gold & Investments with Mashreq.

Views expressed are the author's and not necessarily those of Mashreq. Data and comments are as of November 15, 2009.

The monetary policy conundrum

Growth in the near future is likely to depend on domestic demand in the developing world, rather than on the traditional consuming western economies, argues **Peter Hensman**.

Market chatter about exit strategies from the ultra-loose monetary policy continues to heighten. Nouriel Roubini, the market commentator known by the epithet of Dr. Doom, wrote in the *Financial Times* about the dangers of the current policy setting warning that “one day this bubble will burst, leading to the biggest coordinated bust ever”. Despite the Reserve Bank in Australia raising interest rates for a second month and this move being joined by the Norges Bank that set out a similar justification for normalisation of rates, the bias amongst policymakers is towards maintaining policy support.

This absence of any hurry to reverse policy conditions remains clearest in the US. Despite the apparent sop to the hawks as the Fed included the requirement that policy conditions will only remain loose if the inflation trend (core inflation) and inflation expectations remain low, the primary duty of the Fed is the maintenance of the maximum level of employment consistent with stable prices. The November policy statement also reiterated that the current low rates of resource utilisation were another factor behind the low Fed target rate. With unemployment breaching 10 per cent for the first time since 1983 and the more upbeat economy assessment in the Fed's Beige Book that “virtually every reference to improvement was qualified as either small or scattered”, there is unlikely to be a rush to tighten policy.

Two further factors could weigh on the Federal Reserve's decision. First is the pressure from politicians to reduce the range of responsibilities managed by the Fed. The Fed is unlikely to want to increase the ire of politicians by tightening policy so early in the economic recovery. Second, there is the fragility of the financial system and housing market. Concerns at the start of November that the tax credits available to first-time homebuyers might not be extended

contributed to a sharp drop in applications for home mortgages to the lowest level since 1997. If nothing else, this suggests that the stabilisation in the housing market over the summer months was heavily reliant on strong affordability. With mortgage spreads over Treasuries already at historic lows, anything that causes 30-year Treasury yields to rise can be expected to have a similar impact on mortgage rates. Allowing market interest rate expectations to build is unlikely to be helpful to the housing market. With Fannie Mae reporting its ninth consecutive quarterly loss in the third quarter and requiring a further US\$15 billion capital injection to prevent its net worth from falling below zero, the risks to tightening policy too soon seem substantial.

The case that central banks that tighten policy are going to remain the exception, rather than the norm, continues to mount. The Bank of Canada went so far as to suggest that the strength of the Canadian dollar was a reason to believe that future growth and inflation prospects were likely to be softer than would otherwise be the case and hence justified the low interest rate stance. The discomfort felt by those who are seeing local currencies appreciate is rising. The Bank of Israel that was first to increase interest rates in August announced that it had been intervening to prevent the shekel from rising in value too quickly, as capital has been attracted by the better performance of the economy and local markets. Similarly, Brazil reintroduced a tax on international inflows of foreign exchange and Taiwan has placed a ban on foreigners holding time deposits, both in an attempt to moderate some of the factors driving the currency higher. Even the new government in Japan has stepped back from the stance originally stated where it appeared unconcerned by yen strength.

These attempts by governments to avoid their economies being placed at too great a disadvantage in rounds of competitive

devaluations is arguably a factor behind the strength of gold in recent months. The attraction of gold as a store of value in an environment was perhaps underlined by the purchase of 200 tonnes of gold from the International Monetary Fund by India. According to the *Financial Times*, while India has held 20 per cent of currency reserves in gold, this percentage has fallen to below four per cent in recent times. In addition, the central bank in Sri Lanka bought a more modest amount of gold this month, but neatly justified the purchase on the grounds of the “huge currency volatility during the time of crisis” that contributed to a desire to “save in something more solid”.

Despite the rebound in US economic activity in the third quarter, GDP increased at a 3.5 per cent quarter-on-quarter annualised pace, the first rise in activity since the second quarter of 2008 and a positive indication from inventories where the pace of inventory reduction reduced. If this trend continues and companies return to rebuilding inventories, there will be the scope to make a positive contribution to activity for several quarters.

It is the developing world that continues to show a better response to the policy stimulus. One example is that the urban unemployment rate in Brazil is below the unemployment rate in the US for the first time since the 1980s – a marked contrast to the late 1990s, when the unemployment rate in Brazil was more than twice that in the US for long periods.¹ As similar examples are repeated across the world and policy struggles to gain traction in the developed world, it seems likely that growth will continue to rebalance away from its reliance on consumption economies like the US and the UK toward domestic demand in the developing world.

The writer is director of investment management, global strategy, at Newton Investment Management.

Footnotes: 1 Bloomberg, November 2009 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. This is intended for professional investors only. This document 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.

Gold is brighter, energy robust

Gold has clearly been the metal of choice, boosted by central bank purchases and a steadily weakening US dollar in recent weeks, while the energy complex constituents have also gained. An **MF Global** report.

Gold had been lingering just above the previous all-time high near US\$1034 per ounce (Comex near-month futures contract) at the start of October. It then got the decisive push higher, following the Reserve Bank of India's (RBI) 200-tonne purchases from the International Monetary Fund (IMF). This large transaction stunned the markets, as until then it had only been China that was considered the most likely candidate to purchase a bulk of the IMF's 403 tonnes of gold reserves on offer.

Traditionally, Indian consumers have been the largest buyers of gold, either for festivals or weddings. Ironically, such sales were down in the 10-month period up to October by over 50 per cent to 166 tones, due to high prices. The RBI's swift move not only removed the burden on cash markets, but also strengthened speculations that Asian central banks had seriously stepped up efforts in US dollar reserve diversification. While the US dollar reacted little to this news, it did spark off a buying frenzy in gold markets.

In other developments, the US-based Chicago Mercantile Exchange allowed physical gold to be used as collateral for margin requirements on all exchange products. Silver, however, remained lackluster, ending one per cent lower at US\$17.63 per ounce, weighed down by the progress in base metals.

In the energy complex, coal gained six per cent on month to US\$77.50 per tonne (ICE near-month futures contract) and crude oil by five per cent to US\$77 per barrel (NYMEX near-month futures).

Coal got support on the expectation that increased disruptions in coal mining due to the worst snow storms in the past 60 years could prompt higher imports from China. Crude oil rose during the month, helped by the US dollar's

weakness, hopes of economic recovery and concerns over tropical storm Ida's impact on production in the US Gulf of Mexico.

Meanwhile, the International Energy Agency in its monthly report in November said that expansion in economic activity in North America, the Middle East and the Asian countries would result in crude oil demand increasing by 140,000 barrels per day in 2010 to 86.20 million barrels per day. However, it added that the forward cover or the number of days for which the oil inventory would last was very comfortable and stood at 60 days at the end of September, more than 3.8 days a year ago and sharply higher than 52-55 days, traditionally expected by OPEC countries.

Metals and energy

In the base metals complex, copper gained the most by six per cent on month to US\$6520 per tonne (LME three-month forward contract). Copper was helped by speculations that a heavy snowstorm in China would have impacted the smelting capacity there. Besides this, a strong jump in term premiums (charges over LME cash price) paid by Chinese companies to Chile's Codelco seem to point out that demand was likely to remain strong. Codelco secured a premium of US\$85 per tonne, a lot higher than expectations of US\$80 and US\$75, secured by buyers from Korea and Japan. Zinc was the second-best performer, gaining four per cent on month to US\$2174 due to improved auto sales in Asia and West Europe.

Nickel plunged 14 per cent on month to US\$16,105 per tonne as stockpiles at LME warehouses rose to their highest levels since 1995 to over 131,700 tonnes. Also, a drop in

stainless steel prices in China on fears of excess capacity has cast a doubt on improvement in nickel demand. Over 60 per cent of total nickel is used in stainless steel production.

Going forward, a price action in the metals and energy space could get choppy, though range bound as the financial year draws to a close. Thereafter, the ability of the global economy to survive without help from government spending will be under focus, as will be the sorting out of the problems over exchange rates.

So far, any apparent move or talks of possible actions towards the removal of stimulus measures have resulted in a strong setback to the equity and commodities market. Market players remain skeptical about private consumption taking the driver's seat in leading global economic recovery. Consumer spending restraint is likely to remain as long as the unemployment rate climbs higher and new job additions fluctuate.

On other hand, governments face the dangers of running a loose monetary stance for too long. Ballooning spending has put a strain on government balance sheets in the form of massive debts, the pain of which will become more apparent as the era of ultra-low interest rates draws to a close.

On the exchange rate front, many of the industrialised economies, as well as leading economies, in emerging markets have been tight lipped over the US dollar's weakness. But pressure to curb their respective currency appreciation is being felt with fears of losing export competitiveness. Emerging markets that are leading the way in the present recovery also fear that a steady influx of funds could fuel another round of asset bubble.

OFFSHORE SAVERS SELECTION

Provider	Telephone Number	Account	Notice/Term	Deposit	% Gross	Interest Paid
No Notice US Dollar Accounts						
Anglo Irish Bank Corporation (International)	01624 698000	Privilege Access	None	\$5,000	1.51%	Yly
Skipton International Ltd	01481 727374	International US Dollar	None	\$25,000	1.00%	Yly
Halifax International	Via website	International Web Server	None (W)	\$25,000	0.90%	Yly
Irish Permanent International	01624 641641	Instant Access	None	\$50,000	0.75%	Yly
Nationwide International	01624 696000	Tracker Premium	None	\$50,000	0.50%*	Yly
No Notice Euro Accounts						
Anglo Irish Bank Corporation (International)	01624 698000	Privilege Access	None	€5,000	2.26%	Yly
Skipton International Ltd	01481 727374	International Euro	None	€25,000	1.75%	Yly
Irish Permanent International	01624 696000	Instant Access	None	€100,000	1.50%	Yly
Halifax International	halifaxinternational.com	International Web Server	None (W)	€25,000	1.45%	Yly
Zurich Bank International	01624 671666	Euro Reward	None	€5,000	1.25%	Yly
No Notice Accounts						
Halifax International	01534 846555	International Bonus Server	None	£2,500	3.04%*	Mly
Skipton International Ltd	01481 727374	International Bonus Iss 2	None	£100,000	3.00%	Yly
Anglo Irish Bank Corporation (International)	01624 698000	Privilege Access II	None	£5,000	2.82%	fYly
Alliance & Leicester International	www.alli.co.im	eSaver Offshore 2	None (w)	£15,000	2.76%	Yly
Bank of Scotland International	01534 613500	International Bonus Saver	None	£5,000	2.50%	Yly
Notice Accounts						
Alliance & Leicester International	www.alli.co.im	eSaver Offshore Notice 50	50 Day (w)	£25,000	3.00%	Yly
Alliance & Leicester International	www.alli.co.im	eSaver Flexible Income 1	60 Day (w)	£25,000	3.00%	Qly
Bradford & Bingley International	01624 695000	Global Saver	60 Day	£5,000	2.75%	Yly
Alliance & Leicester International	01624 641888	Select 50 International 1	50 Day	£25,000	2.75%	Yly
Yorkshire (Guernsey)	01481 724353	Global 90	90 Day	£100,000	2.60%	Yly
Monthly Interest						
Halifax International	01534 846555	International Bonus Saver	None	£2,500	3.04%*	Mly
Alliance & Leicester International	www.alli.co.im	eSaver Flexible Income 1	60 Day (w)	£25,000	3.00%	Mly
Skipton International Ltd.	01481 727374	International Bonus iss3	None (P)	£100,000	2.94%	Mly
Bradford & Bingley International	01624 695000	Global Saver	60 Day	£5,000	2.75%	Mly
Alliance & Leicester International	01624 614888	Select Income International 1	60 Day	£25,000	2.75%	Mly
Fixed Rates						
Clydesdale Bank International	01481 711102	Term Deposit	60 month Bond	£10,000	5.10% F	Yly
Yorkshire (Guernsey)	01481 724353	5 Year Fixed Rate	30.11.14	£10,000	5.00%F	Yly
The Co-operative Bank	01481 710527	Fixed Term Deposit	36 month Bond	£5,000	4.50% F	OM
Clydesdale Bank International	01481 711102	Term Deposit	36 month Bond	£10,000	4.25% F	Yly
Yorkshire (Guernsey)	01481 724353	Global 90	30.11.12	£100,000	4.10%	Yly
Current Accounts						
Abbey International	01534 885000	Offshore Gold	None	£100,000	1.50%	Qly
Royal Bank of Scotland International	01534 724365	Royalties Cheque	Instant (A)	£5,000	0.25%	Mly
Royal Bank of Canada (CI)	01534 283000	Executive Plus	None	£100,000	0.12%	Mly
Clydesdale Bank International	01481 711102	Current	None	£2,500	0.10%	Mly
Standard Bank	01534 881188	Optimum	None	£3,000	0.05%	Qly
Accounts for Non UK Residents						
Lloyds TSB Offshore Banking	01624 638000	International Bonus Saver	None	£5,000	2.53%*	Mly
Bradford & Bingley Int. Ltd.	www.bbi.co.im	eAccess 2	None (W)	£1,000	2.50%	Yly
Bradford & Bingley Int. Ltd.	www.bbi.co.im	eAccess 2	None (W)	£1,000	2.50%	Mly
Standard Bank	01534 881188	Expatriate Savings	90 Day	£10,000	0.65%	Yly
Lloyds TSB Offshore Banking	01624 638000	International Savings A/C	None	£25,000	0.05%	Mly

All rates are shown gross. * = Introductory variable rate for limited period. A = £9 fee per month F = Fixed Rate. H = Operated by Internet, Post or Telephone OM = On Maturity, W = Operated by Internet
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: November 19, 2009 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	Gold	0.00	0.00	0.00	0.00	1.49	1.75	1.75	1.75	Qly	Yes
Bank of Scotland International Ltd	01534 613500	Flexible Plus Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Mly	Yes
Barclays	01534 880550 01481 723176	International Cheque International Premier Chq	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	Qly Qly	Yes Yes
Close Wealth Management Group	01481 746333 01624 643270	Advantage Advantage Plus	0.00 0.00e	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	Mly Mly	No No
Fairbairn Private Bank	01624 645000	Accumulation High Interest Accumulation Reserve	0.00 - 0.00	0.00 - 0.00	0.00 - 0.00	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.15 0.00	0.00 0.25 0.00	On Closure On Closure Qly	Yes No Yes
HSBC International	01534 616000	Offshore Bank Premier Offshore Banl	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	Mly Mly	Yes Yes
Investec Bank (CI) Ltd	01481 723506	Private Interest Current	-	-	0.05	0.05	0.05	0.05	0.05	0.05	Qly	No
Isle of Man Bank	01624 63700	Gold Account	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	Mly	Yes
Lloyds TSB Offshore Banking	01624 638000	International Sterling	0.00	0.00	0.05	0.05	0.05	0.05	0.05	0.05	Mly	Yes
NatWest Offshore	01534282828	Advantage Cheque	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	Mly	Yes
Royal Bank of Canada (Channel Islands) Ltd	01534 283000	Executive Plus	-	-	-	0.06	0.12	0.305	0.305	0.305	Mly	Yes
Royal Bank of Scotland Intl. Ltd	01534724356	Royalties Cheque	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	Mly	Yes
Standard Bank	01534 881188 / 01624 643643	Optimum	0.05k	0.05	0.05	0.05	0.05	0.05	0.05	0.05	Qly	Yes

k = Rate applies from £3k. 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: November 4, 2009 Source: Moneyfacts

EURO ACCOUNTS - NO NOTICE OFFSHORE ACCOUNTS

	Telephone	Account Name	€5K	€10K	€25K	€50K	€100K	€250K	Int paid	Chq. Book
Abbey National	01534 885100	The Monthly Offshore Saver	10.00	10.00	10.00	-	-	-	OM	No
		Offshore Euro Call	0.00	0.00	0.00	0.00	0.00	0.00	Yly	No
		Offshore Gold	-	0.00	0.00	0.00	0.00	0.30b	Qly	Yes
Alliance & Leicester Intl. Ltd	01624 663566	Euro Savings	0.50	0.50	0.50	0.50	0.50	Yly	No	
Anglo Irish Bank (Corporation) International	01624 698000	Private Access	2.25	2.25	2.25	2.25	2.25	Yly	No	
Bank of Scotland International Ltd	01534 613500	Base Rate Tracker	-	-	-	1.25h	1.25	1.25	Yly	No
		International Savings	0.01	0.01	0.01	0.03	0.05	0.05	Yly	No
Barclays	01534 880550	International Bank	0.00	0.00	0.00	0.00	0.00	0.00	Qly	No
		International Tracker	-	-	0.10e	0.10	0.10	0.25b	Qly	No
Close Wealth Management Group	01481 746333 01624 643270	Advantage	-	0.00	0.00	0.00	0.00	0.00	Mly	No
		Advantage Plus	0.00	0.00	0.00	0.00	0.00	0.00	Mly	No
Clydesdale Bank International	01481 711102	Instant Savings	-	0.90	0.90	0.90	0.90	0.90	Yly	No
		Current	0.00	0.00	0.00	0.00	0.00	0.00	Mly	No
		Instant Savings	-	0.90	0.90	0.90	0.90	0.90	Mly	No
Fairbairn Private Bank	01624 645000	Accumulation	-	0.10	0.10	0.10	0.10	0.10	On closure	Yes
		High Interest Accumulation Reserve	-	-	-	-	0.00a	0.25b	On closure	No
Halifax International	01534 846501	International Web Saver	1.35	1.35	1.45	1.45	1.45	1.45	Yly	No
HSBC International	01534 616000	Offshore Bank	0.00	0.00	0.00	0.00	0.00	0.00	Mly	No
		Premier Offshore Bank	-	0.00	0.00	0.00	0.00	0.00	Mly	No
		Premier Serious Saver	-	0.10	0.10	0.10	0.10	0.10	Mly	No
		Serious Saver	-	0.05	0.05	0.05	0.05	0.05	Mly	No
Investec Bank (CI) Ltd	01481 723506	Private Interest Current	-	-	-	0.05	0.10a	0.10	Qly	No
Irish Permanent International	01624 641641	Instant Access	1.15	1.15	1.15	1.15	1.50	1.50	Yly	No
		Instant Access	1.14	1.14	1.14	1.14	1.49	1.49	Mly	No
Lloyds TSB Offshore Banking	01624 638000	Euro Intl. Account (Expatriates only)	0.00	0.00	0.00	0.05	0.05	0.05	Half Yly	No
		International Bonus Saver	2.00	2.00	2.00	2.00	2.00	2.00	Mly	No
Nationwide International Ltd	01624 696000	Euro Savings	0.15	0.15	0.20	0.20	0.20	0.25	On closure	No
		Euro Tracker Premium	1.05	1.05	1.05	1.10	1.10	1.10	On closure	No
		Euro Savings	0.15	0.15	0.20	0.20	0.20	0.25	Yly	No
		Euro Tracker Premium	1.05	1.05	1.05	1.10	1.10	1.10	Yly	No
NatWest Offshore	01534 282300	Advantage International	0.10	0.10	0.10	0.10	0.10	0.25	Qly	No
Royal Bank of Canada (Channel Islands) Ltd	01534 283000	Executive Plus	-	-	-	-	0.03	0.08c	Mly	No
Royal Bank of Scotland Intl.Ltd	01534 286850	Royalties International	0.10	0.10	0.10	0.10	0.10	0.25	Qly	No
Skipton International Limited	01481 727374	International Euro	-	-	1.75	1.75	1.75	1.75	Yly	No
Standard Bank	01624 643643 01534 881188	Offshore Reserve	0.15	0.10	0.10	0.10	0.10	0.10	Half Yly	No
		Optimum	0.05	0.05	0.05	0.05	0.05	0.05	Qly	No
		Offshore MoneyMarket Call	-	-	-	0.50	0.60	0.60	Mly	No
Woolwich Guernsey	01481 715735	Euro International Gross	-	-	0.10j	0.10	0.10	0.10	Qly	No
Zurich International Ltd	01624 671666	Zurich Euro Reward Easy Access Deposit	1.25 0.00	1.25 0.00	1.25 0.00	1.25 0.00	1.25 0.00	1.25 0.00	Yly Qly	No No

a = Rate applies from €75K. b = Rate applies from €150K. c = Rate applies from €200K. e = Rate applies from €15K. h = Rate applies from €35K. j = 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: November 04, 2009 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	The monthly Offshore Saver	6.00	6.00	6.00	6.00	-	-	OM	No
		Offshore US\$ Call	0.00	0.00	0.00	0.00	0.00	0.00	Yly	No
		Offshore Gold	-	0.00	0.00	0.00	0.00	0.10x	Qly	Yes
Alliance & Leicester International Ltd	01624 663566	US\$ Savings	0.25	0.25	0.25	0.25	0.25	0.25	Yly	No
Anglo Irish Bank Corporation (International)	01624 641888	Privilege Access	1.50	1.50	1.50	1.50	1.50	1.50	Half Yly	No
Bank of Scotland International Ltd	01534 613500	Base Rate Tracker	-	-	-	0.25	0.25	0.25	Yly	No
		International Savings	0.00	0.00	0.00	0.00	0.01	0.01	Yly	No
Barclays	01534 880550	International Cheque	0.00	0.00	0.00	0.00	0.00	0.00	Qly	No
		International Tracker	-	-	0.00u	0.00	0.10	0.10	Qly	No
Close Wealth Management Group	01481 746333 01624 643270	Advantage	-	0.00	0.00	0.00	0.00	0.00	Mly	No
		Advantage Plus	0.00	0.00	0.00	0.00	0.00	0.00	Mly	No
Clydesdale Bank International	01481 711102	Instant Savings	-	0.10	0.10	0.10	0.10	0.10	Yly	Yes
		Current	0.00	0.00	0.00	0.00	0.00	0.00	Mly	Yes
		Instant Savings	-	0.10	0.10	0.10	0.10	0.10	Mly	Yes
Fairbairn Private Bank	01624 645000	Accumulation	-	0.00	0.00	0.00	0.00	0.00	On Closure	Yes
		High Interest Accumulation Reserve	-	-	-	-	0.00	0.00	On Closure	No
Halifax International	01534 846501	International Web Saver	0.00	0.00	0.90	0.90	0.90	0.90	Yly	No
HSBC International	01534 616000	Offshore Bank	-	0.00	0.00	0.00	0.00	0.00	Mly	No
		Premier Offshore Bank	-	0.00	0.00	0.00	0.00	0.00	Mly	No
		Premier Serious Saver	-	0.00	0.00	0.00	0.00	0.00	Mly	No
		Serious Saver	-	0.00	0.00	0.00	0.00	0.00	Mly	No
Investec Bank (CI) Ltd	01481 723506	Private Interest Current	-	-	-	0.05	0.05	0.05	Qly	No
Irish Permanent International	01624 641641	Instant Access	0.25	0.25	0.25	0.75	0.75	0.75	Yly	No
		Instant Access	0.25	0.25	0.25	0.75	0.75	0.75	Mly	No
Lloyds TSB Offshore Banking	01624 638000	US International Acc.(Expatriates only)	0.00	0.05	0.05	0.05	0.05	0.05	fi Yly	No
Nationwide International Ltd	01624 696000	US Dollar Savings	0.10	0.10	0.15	0.20	0.25	0.25	On Closure	No
		US Dollar Tracker Premium	0.30	0.30	0.30	0.50	0.50	0.50	On Closure	No
		US Dollar Savings	0.10h	0.10	0.15	0.20	0.25	0.25	Yly	No
		US Dollar Tracker Premium	0.30	0.30	0.30	0.50	0.50	0.50	Yly	No
NatWest Offshore	01534 282300	Advantage International	0.05	0.05	0.05	0.05	0.05	0.05	Qly	No
Royal Bank of Canada (Channel Islands) Ltd	01534 283000	Executive Plus	-	-	-	-	0.07	0.09x	Mly	No
Royal Bank of Scotland Intl Ltd	01534 286850	Royalties International	0.05	0.05	0.05	0.05	0.05	0.05	Qly	No
Skipton (Guernsey)	01481 727374	International US Dollar	-	-	1.00	1.00	1.00	1.00	Yly	No
Standard Bank	01534 881188 / 01624 643643	Offshore Reserve	0.10	0.10	0.10	0.10	0.10	0.10	Half Yly	No
		Optimum	0.05	0.05	0.05	0.05	0.05	0.05	Qly	No
		Offshore MoneyMarket Call	-	-	-	0.15	0.15	0.15	Mly	No
Woolwich Guernsey	01481 715735	US\$ International Gross	-	-	0.00u	0.00	0.00	0.00	Qly	No
Zurich Bank International Ltd	01624 671666	Zurich US Dollar Reward Easy Access Deposit	0.25 0.00	0.25 0.00	0.25 0.00	0.25 0.00	0.25 0.00	0.25 0.00	Yly Qly	No No

h = Rate applies from \$1K. u = Rate applies from \$20K. x = Rate applies from \$200K.
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: November 04, 2009 Source: Moneyfacts

For more information visit  Moneyfacts™

EXPATRIATE MORTGAGE TERMS - DECEMBER 2009

LENDER	INTEREST RATE%	MAX.% ADVANCE	ARRANGEMENT FEE	SPECIAL FEATURES
BM Solutions	4.70% 2 year tracker 5.40% 3 year fixed	75 75	3.00% 2.5%	Applicant must work for Govt Agency or Multi National Company. Rental calculation 125% at payrate.
Cheltenham & Gloucester	4.59% 2 year fix 5.09% 3 year fix 5.99% 5 year fix 3.49% 2 year tracker	75 75 75 75	995 895 995 995	Limited offers via IMP Every case has to be agreed with an underwriter before submission. Will not lend to Self employed expat applicants. Employed applicants need to work for large companies. Available for main UK residence only. Free property valuation and low cost legal fees for remortgages. No other UK mortgaged properties permitted.
Dresdner Kleinwort Benson	Cost of funds +1-1.5%	Purchase 60 Remortgage 50	Up to 0.75%	Minimum loan GBP500,00 Minimum income GBP150,000
Fortis Bank Group	Sterling mortgage LIBOR + 1% Foreign currency mortgage Cost of funds +1.25%	70 70	GBP500 GBP500	Minimum Loan £150,000 - 75% owner/family occupation. Loans to offshore companies and trusts.
Halifax PLC	4.89% 2 Year Fix Max GBP500K 3.79% 5 Year tracker Max GBP500K	Purchase 75 Purchase 75	GBP999 GBP499	Very restrictive terms. No capital raising allowed. Must be returning to the UK within 3 year period. 6 months bank statements required. Redemption Penalties Year 1 - 5%, Year 2 - 4%, thereafter - 3%
HSBC	Rates on request	60	Varies	Applications accepted from HSBC Premier Customers only. Minimum savings investments £60,000.
Ipswich Building Society	3.95% base tracker	75	GBP499	Base + 3.45% to 01/02/2012 IMP exclusive expatriate residential scheme No early repayment penalties at on 50% of the advance. Booking fee GBP150.00. Free basic valuation. Legal fees paid on remortgages.
Irish Permanent (Isle of Man)	2.75 - 3.00% over base	70	1%	Minimum property value is GBP100,000. Loans to offshore companies and trusts.
Natwest Bank	Base rate + 3.24	60	1%	New build flats maximum 55% loan to value.
Royal Bank of Scotland International	Base + 3.24% 2 year tracker Base + 3.34% 2 year tracker	60 65	1% 1%	Minimum GBP100,000 New build flats maximum 55% loan.

This table is supplied by IMP, 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 six months interest in the first five years. Loans are, however, portable, but proportionate penalties would apply unless similar amount loans were taken. There are also proportionate penalties on partial repayments. 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 0.25 per cent subject to a minimum of GBP250 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 4/4.5%. Bank rate @ 05/11/09 - 0.50% 3 month LIBOR 0.611%, 11/11/09. IMP are authorised and regulated by the Financial Services Authority (302775) for mortgage advice and hold Consumer Credit Licence No: 592583.

Telephone: 44 (0) 1932 830660, Fax: 44 (0) 1932 829603, www.international-mortgage-plans.com.

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

Credit Cards						SAUDI ARABIA
PROVIDER	CARDS OFFERED	ANNUAL FEE (SAR)	INTEREST/PROFIT RATE	INTEREST FREE CREDIT	VALUE ADDED	CONTACT
Al Rajhi Bank	Visa/MasterCard (Silver, Gold) Laki for Women Qassit Mini Visa Internet card	Silver/Gold/Laki for Women/Qassit - 275 Mini Visa - 100 Internet card - Free	Nil for purchases 18.5% on cash withdrawals from the bank, otherwise 27.5%	45 days for Visa/MasterCard (Silver, Gold) Laki for Women and Internet card. Qassit card - 5% or SAR100 whichever is higher than the amount due with no increase or profit.	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, ANB Silver, ANB Gold, ANB Internet Card), ANB Platinum (SAR and GBP)	Al Mubarak Classic Option 1 SAR 75 Al Mubarak Classic Option 2 SAR 130 Al Mubarak Gold SAR 180	Al Mubarak cards: N/A on purchases and cash withdrawals ANB cards: 1.97% on purchases, 3.5% or SAR45 on cash withdrawals	51 days	Cash on demand, ongoing merchant discounts, free supplementary cards Payment Holiday Program and Credit Shield. Al Mubarak cards are Shari'ah compliant.	800 124 4141 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 – 215, Platinum – 700, Islamic - 900	Silver, Gold and Platinum cards: 1.95% on purchases, 3.0% 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, Amanah and Conventional), Visa (Platinum), MasterCard - Premier,	Silver – 225, Gold – 350, Amanah Silver – 225, Amanah Gold – 350, Visa Platinum - 475, MasterCard Premier complimentary for SABB Premier customers	Silver and Gold cards: 2.22% on cash and retail purchases, 2% on purchases and cash withdrawals for Platinum and Premier	25 days	ICSABB rewards, Premier privileges and discounts at over 19,000 outlets in over 160 countries, complimentary road side assistance, air port pick and drop and priority pass for Platinum, local KSA discounts on all cards, cash advance up to 50% of credit limit, free supplementary cards, purchase protection, travel insurance & optional credit shield	800 124 8888 www.sabb.com
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
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 Finance						SAUDI ARABIA
PROVIDER	PRODUCT	MAX. LOAN AMOUNT (SAR)	MIN. SALARY	PAYMENT TERMS	VALUE ADDED	CONTACT
Al Rajhi Bank	National Programme for Personal Finance	Up to 16 times of salary	5,000	Up to 60 months for Nationals, 48 months for expats		800 124 1222 www.alrajhibank.com.sa
Arab National Bank	Personal Finance Al Arabi Mubarak Finance Al Tawaruq Finance	Up to 16 times of salary for Nationals Up to 50,000 for expats	2,300	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 4141 www.anb.com.sa
Banque Saudi Fransi	Personal Loan Murabaha or Tawaruq	Up to 16-17 times of salary	3,000 for Nationals 5,000 foe expats	Up to 60 months	Murabaha and Tawaruq schemes are Shari'ah compliant.	800 124 0006 www.alfransi.com.sa
National Commercial Bank	Tayseer Al Ahli (Cash) Murhaba Al Ahli (Goods)	Up to 15-17 times of salary	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	Murabaha or Tawaruq	Up to 15 times of salary	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 for Nationals, 350,000 for expats	2,500 for nationals, 5,000 for expatriates. At least 3-5 months service	Up to 60 months	Shari'ah compliant (based on Tawaruq 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	3,000 for Nationals 4,000 for expats	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
Saudi Hollandi Bank	Loanlink Morabaha Installment Sales	Up to 15-16 times of salary	5,000	Up to 48 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

Auto Finance						SAUDI ARABIA
PROVIDER	PRODUCT	INTEREST RATE	LOAN TENOR	DOWN PAYMENT	CONDITIONS/RESTRICTIONS	CONTACT
Al Rajhi	Car Finance	3.99 - 5.49%	Up to 60 months	10%	Approved companies only. Must have been with current employer for six months. Minimum salary SAR3,000.	800 124 4141 www.alrajhibank.com.sa
	Car Lease	10.5%	Up to 60 months	None		
Arab National Bank	Auto Lease	7-9.30%	Up to 60 months	10%	Minimum salary SAR3,000. At least three months service with the current employer and minimum 20 years old.	800 124 4141 www.anb.com.sa
Banque Saudi Fransi	Murabaha or Tawarruq	9-11%	Up to 60 months	15%	Minimum salary: 3,500. Must have been with current employer for six months.	800 124 0006 www.alfransi.com.sa
National Commercial Bank	Murabaha	9.15% 6% for Murabaha 3.15% for Insurance	Up to 60 months	10%	Minimum salary: 3,000 for Nationals. Three months service with current employer.	800 244 1004 www.ncb.com.sa
Riyad Bank	Murabaha Finance	Starts at 5.5% yearly	Up to 60 months	10%	Minimum salary: 2,500 At least three months with current employer	800 124 2020 www.riyadbank.com
Saudi Hollandi Bank	Murabaha	4.99% for Nationals in public sector; 6.49% for expats; 5.99-6.49% for companies	Up to 48 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 Finance						OMAN
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (OMR)	PAYMENT TERMS	MIN. SALARY (OMR)	CONTACT
Bank Dhofar	Consumer Loan	8%	Up to 68 times salary for nationals, 75% of end of service benefits for expats (depends on salary)	Up to 120-180 months for nationals, up to 24 months for expats	250	800 766 66 www.bankdhofar.com
Bank Muscat	Consumer Loan	8%	Up to 75,000 for nationals, up to 50,000 for expats	Up to 72 months for nationals, up to 24 months for expats	300	800 795 555 www.bankmuscat.com
HSBC	Personal Loan	8%	Up to 40,000 for nationals, up to 20,000 for expats	Up to 84 months for nationals, up to 60 months for expats	500 for Nationals 700 for expats	800 7 4722 www.oman.hsbc.com
National Bank of Oman	Personal Loan	8%	Up to 68 times salary for public sector Up to 54 times for private sector	Up to 180 months for public sector and 120 months for private	200 for public 300 for private	800 77077 www.nbo.co.om
Oman Arab Bank	Personal Loan	8%	Up to 50 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 for public 200 for private	247 06 265 www.omanab.com
Oman International Bank	Basma Personal Loan Scheme	8%	Up to 50 times salary for nationals, depends on salary for expats, up to 24 months salary	Up to 72 months	200	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	Visa: Classic - 30, Gold - 50 MasterCard: Standard - 30, Gold - 50, Platinum - 70	Classic/Standard: 250, Gold: 500, Platinum: 1,500	Nil on purchases, 3%+OMR1 on cash withdrawals	52 days	800 766 66 www.bankdhofar.com
Bank Muscat	Visa/MasterCard (Classic, Gold, Platinum)	Classic: Free for life Gold: 15	Classic: 200-300 Gold: 500 Platinum: Invitation only	Nil on purchases, 3%+OMR1 on cash withdrawals	52 days	2479 5555 www.bankmuscat.com
HSBC	Visa/MasterCard (Classic, Gold, Platinum) In-Site Virtual Card	Classic: 30, Gold: 50 In-Site: 10	Classic/Gold: 700	Purchases: Classic - 2.2%, Gold - 2%, 3%+OMR1 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%+OMR1 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%+OMR1 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%+OMR1 on cash withdrawals	45 days Business - 37 days	246 85252 (Head office) www.oiboman.com

Personal Finance						QATAR
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (QAR)	MIN. SALARY (QAR)	PAYMENT TERMS	CONTACT
Ahli Bank	Personal Loan	Fixed rate: 10.00%	Up to 200,000	5,000 for Nationals 10,000 for expats	36-84 months	4324327 www.ahlibank.com.qa
Arab Bank <i>Note: Temporarily suspended all new loans</i>	Personal Loan	10.99% fixed rate	Up to 18 times monthly salary	20,000	Up to 84 months for national Up to 48 months for expats	4387777 www.arabbank.com.qa
Commercial Bank of Qatar	Personal Loan	Starting from 9.75% Depends on salary	Up to 200,000	7,000	Up to 84 months for nationals Up to 60 months for expats	4490000 www.cbq.com.qa
Doha Bank	Personal Loan	Fixed rate: 8.99% for Nationals 9.49% for expats	Depends on salary	Nationals : 3,000 Expats : 7,500	Up to 84 months for nationals Up to 60 months for expats	4456000 www.dohabank.com.qa
HSBC Bank Middle East	Personal Loan	9.99-10.49%, depends on the loan tenor	Up to 20,000	10,000 for Nationals 20,000 for expats	Up to 60 months for nationals, up to 48 months for expats	4382100 www.hsbc.com
Mashreqbank	Al Hal Loan for nationals Personal Loan for expats	8.5 - 11.5% for Nationals 9.74% for expats	Up to 1 million for Nationals Up to 350,000 for expats	5,000	12-72 months	4418880 www.mashreqbank.com
Qatar National Bank	Personal loan	Fixed rate: 11.50%	Up to 2.5 million for Nationals Up to 250,000 for expats	2,000 for Nationals 10,000 for expats	Up to 84 months for nationals and 60 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	2,000	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, thereafter Classic - 200, Gold - 400	5,000	1.75% on purchases, 4.5% on cash withdrawals	45 days	4324327
Arab Bank <i>Note: Temporarily suspended all new cards.</i>	Visa (Silver, Gold), Internet Shopping Card	Silver - 200, Gold - 300	Silver - 20,000, Gold - 35,000	0.25% on purchases, 2.49% on cash withdrawals	45 days	4387878
Commercial Bank of Qatar	Visa/MasterCard Classic, Visa/ MasterCard Diners Club (Gold Plus, Platinum), Q-miles	Classic - 200, Diners - 500, Platinum - 500, Gold Plus - 400	Classic - 5,000, Gold Plus 8,000 Platinum - 15,000 Diners club - 7,500	Nil on purchases, 4.0% on cash withdrawals	45 days	4490000
Doha Bank	Visa/MasterCard (Dream, Platinum)	Dream - Free for life, Platinum - 500	Dream - 3,500, Platinum - 35,000	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 - 350, Platinum - 450, In-site - 50	Classic and In-site - 10,000, Gold - 15,000, Platinum - 20,000	Classic 2.5%, Gold 2.25%, Platinum 1.9%, in-site 1.75% on purchases and 4.5% on cash withdrawals	56 days	4382100
Mashreqbank	MasterCard/Visa (Classic, Gold)	Classic - 50, Gold - 100	Classic/Gold - 2,500	2.25% on purchases, 2.5% on cash withdrawals	55 days	4418880
Qatar National Bank	Visa (Classic, Gold), MasterCard (Standard, Gold, Platinum), Qatar Airways Co-branded MasterCard, e-card	Silver - 300, Gold - 400, Platinum - 500, Qatar Airways Co-branded MasterCard Silver - 300, Gold - 400, Platinum - 500, e-card - 50	2,000 for Nationals, 10,000 for expats	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	250	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 QAR5,000	+974 428 2222 gqic-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 November 2009. 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 for further information.

Medical Insurance						QATAR
INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (QAR)	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, x-ray 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 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. 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 simplified 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. These listings are **NOT** meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during November 2009. Information contained in these tables is subject to confirmation and is provided for information only.

Personal Finance						BAHRAIN
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (BHD)	MIN. SALARY (BHD)	PAYMENT TERMS	CONTACT
Ahli United Bank	Consumer Loan	Reducing balance rate: 8.5-9%	Depends on salary	350 for Nationals, 1,000 for expats	Up to 84 months	17221999
Bahrain Credit	Personal Loan for nationals only	Reducing balance rate: 12%	Up to 30 times monthly salary (maximum 30,000, minimum 1,000)	350	Up to 84 months	8000 8000
Bahraini Saudi Bank	Personal Loan	Reducing balance rate starts at 9.90% (depends on salary) Fixed rate: 5.5%	Up to 40,000	1,000	Up to 36 months	17578888
Bank of Bahrain and Kuwait	Consumer Loan	Reducing balance rate: 9-10%	Up to 50,000	200	Up to 84 months	17207777
Citibank	Personal Loan Personal Installment Loan (PIL) - without salary transfer	Reducing balance rate: 10% for Nationals 11% for expats	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: 7.25-15%. Depends on company status	Up to 60,000 for nationals, up to 20,000 for expats	500	Up to 84 months for nationals Up to 60 months for expats	17569999
National Bank of Bahrain	Personal Loan	7.85%	Up to 30 times monthly salary	200 for Nationals 300 for expats	Up to 84 months	17214433
Shamil Bank	Personal Finance (Tamweel Al-Shamil)	Fixed rate: starts at 3.99% (Depends on the salary and the loan amount)	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, Platinum)	Standard - 10, Gold/Platinum - 25	Standard - 500 for expats, 300 Nationals Gold - 1,000 for Nationals and expats Platinum - 2,500 for Nationals and expats	Standard - 2.5% and Gold - 1.75%, Platinum - 1.5% on purchases, 4% on cash withdrawals	52 days	17221999	
Bahrain Islamic Bank	Classic, Gold, Platinum	Free for life	Classic-300, Gold-2,000, Platinum-3,000	Nil on purchases, 4% on cash withdrawals	25 days	17515151	
Bahraini Saudi Bank	Visa (Silver, Gold)	Free for life	1,000	1.62% on purchases, 4% on cash withdrawals	52 days	17578999	
Bank of Bahrain and Kuwait	CrediMax Visa/MasterCard/JCB (Classic, Gold, Platinum)	Free for life	Classic - 300, Gold - 800, Platinum - 2,000	Nil on purchases, 4% on cash withdrawals	25 days	17207777	
Citibank	Visa/MasterCard (Silver, Gold, Platinum) Emirates-Citibank card (Silver, Gold)	Visa/MasterCard: Silver - 25, Gold - 50, Platinum - 200, Emirates-Citibank card: Silver - 30, Gold - 55	Silver - 300, Gold - 800, Platinum - 1,500, Emirates-Citibank card - 800	Silver/Gold/Platinum 2.59% 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 300, Gold- 1,500, In-site - 50-300	Classic - 2.25%; Gold - 2%; In-site - 2%; 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 for Nationals 350 for expats	1.84% 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	
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.arabiansurance.com aicbn@batelco.com.bh	
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	
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.bnhgroup.com bnl@bnhgroup.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	
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	
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	
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	

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 2009. 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.interglobalpml.com Bahrain National Life +973 1758 7333 www.bnbgroupp.com bnl@bnhgroupp.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 Finance						KUWAIT	
PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (KWD)	MIN. SALARY (KWD)	PAYMENT TERMS	CONTACT	
Bank of Kuwait and Middle East <small>Note: Temporarily stopped Personal loans</small>	Consumer Loan	6.75%	Up to 70,000 for Nationals Depends on salary and years of service for expats.	300 Nationals 1,000 for expats	60 to 72 months	1812000	
Burgan Bank	Consumer Loan	6.00%	Up to 70,000 for Nationals Up to 15 times monthly salary for expats	400	Up to 60 months	1804080 www.burgan.com	
Commercial Bank of Kuwait	Personal Loan for nationals only Consumer Loan	6.00%	Up to 70,000 for Nationals Up to 15 times salary for expats	350	Up to 180 months	1888225 www.cbk.com	
Gulf Bank	Al Afdal Loan for Nationals Consumer Loan	6.00%	Up to 70,000 for Nationals Up to 22,000 for expats	350 for nationals 1,000 for expats	Up to 180 months Up to 12-36 months	1805805 www.e-gulfbank.com	
National Bank of Kuwait	Consumer Loan Expatriate Loan	6.00%	Up to 70,000 for Nationals Up to 50,000 for expats (Depends on salary)	400	Up to 84 months Up to 60 months	1801801 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 20, Gold 40, Platinum 75, CyberSmart 5	250	0.9% 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	1812000	
Burgan Bank	Visa/MasterCard (Classic, Gold, Platinum)	Classic 20, Gold 30, Platinum 100	Classic/Gold - 400 Platinum - 1,200	Nil on purchases, 4% on cash withdrawals	35 days	Photo-sign card, online banking, can earn rewards, discounts and promotions every time card is used	1804080	
Commercial Bank of Kuwait	Visa Classic, MasterCard (Classic, Gold, Platinum), StarNet Card	Classic - 20, Gold - 40, Platinum - 60, Infinite card - 100, StarNet Card - 10	350	Nil on purchases, 4% on cash withdrawals, 5% on other banks card	35 days	Emergency funds if card is lost or stolen, ongoing promotions for prizes, travel benefits, STAR assist insurance coverage	1888225	
Gulf Bank	Visa/MasterCard (Classic, Gold) MasterCard Platinum, Visa Infinite, Visa Internet	Free for the first year, thereafter, Classic - 25, Gold - 40, Platinum - 100, Visa Infinite - 100, Visa Internet - 5	350 for Nationals 400 for expats	Nil 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	1805805	
National Bank of Kuwait	MasterCard/Visa (Classic, Gold, Platinum, Titanium), Visa Internet Shopping card, DinersClub card, Visa pre-paid, Master Lucky Titanium, Black Visa	Free for first year. Classic - 30, Gold - 40, Platinum - 100 Internet Shopping Card - 5, DinersClub - 40, Visa pre-paid - 5, Master Lucky Titanium - 50, Black Visa (By invitation)	Classic - 250 Gold - 750 Platinum - 1,000 DinersClub - 600 Master Lucky Titanium and Black Visa (Up on request)	Less than 1% on purchases, 5% 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	1801801	

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 2009 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 to 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)	Global Area 1: From 14,869 (0-10) to 50,576 up to ages 61-65. Global Area 2: From 4815 (ages 0-10) to 14,789 up to ages 61-65. Regional 1: From 3962 (ages 0-10) to 10,866 up to ages 61-65. Regional 2: From 2905 (ages 0-10) to 7878 up to ages 61-65. Local: From 2,177 (0-10), 6,309 (61-65)		Global Area1: AED5million Global Area2: AED2.5 million Regional 1: AED1 million Regional 2: AED500,000 Local: AED300,000	Global Area 1 & 2: Worldwide excluding US Regional 1: Middle East, Indian subcontinent, North Africa and South Asia Regional 2: Middle East, Indian subcontinent, North Africa and South Asia Local: Any of the GCC countries * Additional benefits for Global and Regional Plans	Toll free: 800 4845 www.axa-gulf.com	
Alliance Insurance (P.S.C.)	*With deductibles Universal Plan: From 3,704 (ages 0-17) to 13,806 up to age 65 Universal Plus Plan: From 5,501 (0-17) to 21,578 up to ages 61-65 International Plan: From 2,469 (0-17) to 7,317 up to ages 61-65 Basic Plan: From 2,151 (0-17) to 6,273 up to ages 61-65 Local Plan: From 2,114 (0-17) to 6,017 up to ages 61-65	Deductibles of: Universal Plan: AED200/150/100, Universal Plus Plan: AED1 million Basic: AED500,000, Local: AED150,000 International Plan: AED150/100/75, Basic & Local Plan: AED150/100/75/50	Universal Plan, Universal Plus Plan and International Plan: AED1 million Basic: AED500,000, Local: AED150,000	Universal Plus Plan: Worldwide Universal Plan: Worldwide exc. USA and Canada International Plan: UAE, Arab countries, sub-Asian Continent, Sri Lanka, Korea, Philippines Basic: UAE, Arab countries, sub-Asian Continent, Sri Lanka, Korea, Philippines Local: 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 checkups, etc.	04 341 5580 info@expatservices.ae www.expatservice.ae	
Aetna Global Benefits (ME) LLC	Major Medical: From 1,696 (ages 0-17) to 9,965 up to age 64 Foundation: From 1,741 (ages 0-17) to 10,219 up to age 64 Lifestyle: From 3,680 (ages 0-17) to 23,383 up to age 64 Lifestyle Plus: From 5,126 (ages 0-17) to 30,084 up to age 64	Major: Nil, US\$1,000/5,000 Foundation: Nil, US\$50/100/250/ 500/1,000/2,000/ 5,000 Lifestyle: Nil, US\$50/100/250 Lifestyle Plus: Nil, US\$50/100/250	Major Medical: US\$1.6 million Foundation: US\$1.6 million Lifestyle: US\$1.6 million Lifestyle Plus: US\$1.6 million	Major Medical: Treatment as an in patient and day patient, oncology treatment, CT and MRI scans, outpatient surgery and organ transplants Foundation: Includes all coverage provided by Major Medical, with the addition of full outpatient benefits, including primary care consultations, alternative medicines and outpatient psychiatric treatment Lifestyle: Includes all coverage provided by Foundation with the additional of routine management of a chronic condition and evacuation extension to the country of your choice Lifestyle Plus: Includes all coverage provided by Lifestyle with the addition of routine pregnancy and childbirth, routine and major restorative dental	04 04 438 7500 MiddleEastSales@aetna.com 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 US, Australia and New Zealand Plan 1: From 1,331 (Child) to 14,768 up to ages 70-74 Comprehensive: From 1,036 (Child) to 12,007 up to ages 70-74 Select: From 945 (Child) to 10,897 up to ages 70-74 Standard: From 653 (Child) to 7,571 up to ages 70-74	Standard: US\$850, US\$1,700, US\$4,250, US\$8,500 Plus/ Comprehensive/ Select: 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	Area 1: Europe, Area 2: Worldwide excluding US, Area 3: Worldwide including US, Area 4: Australia and New Zealand	04 272 5505 info@interglobal.ae www.interglobal.ae	
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 90 days per annum in Middle East, India, Bangladesh, Pakistan, Sri Lanka, Singapore, Philippines and Malaysia International Plan: Worldwide exc. USA, Canada and the Caribbean Global Plan: 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: AED1 million 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 1,765 (14 days-17 years) to 3,575 (56 - 60 years) Plan 2: From 2,600 (14 days-17 years) to 5,250 (56 - 60 years) Plan 3: From 2,820 (14 days-17 years) to 5,672 (56 - 60 years) Plan 4: From 4,350 (14 days-17 years) to 8,750 (56 - 60 years) Plan 5: From 5,020 (14 days-17 years) to 10,100 (56 - 60 years) Plan 6: From 4,560 (14 days-17 years) to 9,200 (56 - 60 years) Plan 7: From 5,270 (14 days-17 years) to 10,575 (56 - 60 years)	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, South East Asia excluding Singapore and Hongkong Plan 4: UAE, Arab countries, South East Asia excl. Singapore and Hongkong, extended to worldwide exc. US, Canada Plan 5: UAE, Arab countries, South East Asia excl. Singapore and Hongkong, extended to worldwide incl. US, Canada Plan 6: UAE, Arab countries, South East Asia excl. Singapore and Hongkong, extended to worldwide exc. US, Canada Plan 7: UAE, Arab countries, South East Asia excl. Singapore and Hongkong, extended to worldwide incl. US, 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.royalson.com www.royalsonalliance.ae www.fasterquote.ae	
<p>Disclaimer: All medical insurance policies include the standard in-patient 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 November 2009. 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.</p>						

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 jewellery and money	02 626 4000 www.adnic.ae
Al Dhafra Insurance – Householders' 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 jewellery; 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	200	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
Wehbe 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-Fis/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 2009. 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 and Gold), World MasterCard e-Tijari Web Card, INFINITY	Classic-200, Gold-400, e-Tijari Web Card-200, World MasterCard - 600*, INFINITY - 900* . * (free for first year)	2% on purchases, 3% on cash withdrawals and 2.0% for e-Tijari Web Card for both	55 days	Toll-free: 800 223 www.cbd.ae
Dubai Bank	Visa Covered Cards (Silver, Gold, Platinum)	Free for life	2.5% on purchases and 3% on cash withdrawals	51 days	Toll-free: 800 5555 www.dubaibank.ae
Dubai Islamic Bank	Visa Islamic cards (Classic, Gold, Gold Premium and Platinum, Platinum Plus) Charge cards (Classic, Gold, Platinum)	Fixed monthly fee for Visa Islamic cards: Classic-75, Gold-150, Gold Premium-300, Platinum/Platinum Plus-500 Annual fee for Charge cards: Classic - 200, Gold - 400, Platinum - free for VIP customers otherwise 1,000	N/A on purchases and AED60 for cash withdrawals	40-45 days	04 609 2222 www.alislami.ae
Emirates Islamic Bank	Visa Islamic Credit Cards/Mother Brand cards (Classic, Gold, Gold Plus, Platinum, Platinum Plus) Skyward Credit Card (Gold, Gold Plus, Platinum, Platinum Plus)	Visa Islamic Credit Cards/Mother Brand cards: Classic - 100, Classic Platinum - 150, Gold - 200, Gold Plus - 250 Platinum - 300, Platinum Plus-350, Skyward Credit Card Gold - 300, Gold Plus - 375, Platinum - 400, Platinum Plus - 450	N/A on purchases, AED90 for cash withdrawals of AED100 - 3,000	25 days	04 316 0234 www.emiratesislamicbank.ae
LloydsTSB	Visa (Classic, Gold)	Free for life	1.99% on purchases and 2.5% cash withdrawals	50 days	04 342 2000, www.lloydstsb.ae
Mashreqbank	Visa, MasterCard (Classic, Gold, Platinum), Etisalat, Mashreq credit card, Mahreq Millionaire card, Grand entertainment card (Titanium), VIP, Mashreq Air Arabia Visa card (Classic, Platinum)	Classic, Gold, Etisalat mashreq credit card and Mahreq Millionaire card - No annual fee, Platinum - 650, Grand entertainment card (Titanium) - 350, VIP-200, Mashreq Air Arabia Visa card (Classic - 100, Platinum - 200)	On purchases: Classic/Gold/Titanium/Platinum - 2.74%, 2.99% on cash withdrawals for all cards	30-55 days	04 424 4444 www.mashreqbank.com
RAKBANK	Visa (Classic, Gold) MasterCard (Standard, Titanium) Co-branded card (Géant La Carte, NMC)	Free for life	0% interest on retail purchases for first three months, thereafter 2.35% on retail purchases; 2.75% on cash withdrawals	25 days	04 213 0000 www.rakbank.ae
SAMBA	VisaMaster card (Silver, Gold, Platinum, Titanium)	Silver: free for life; Gold and Titanium - 300, Platinum - 500	0% on purchases, 3% on cash withdrawals	21 days	Toll-free: 800 SAMBA
Union National Bank	Visa (Classic, Gold, Platinum), MasterCard (Classic, Gold), International Travel card, Egypt Air Visa co-branded card (Extra Credit Card), Cash Back card (Classic, Gold)	Visa Classic - 250, Gold - 350, Platinum - 600 MasterCard Classic - 250, Gold - 350, International Travel card - free for first two years for new customers otherwise free for life , Egypt Air Visa co-branded card - 250, Extra Credit card - free for life, Cash Back card - Classic, Gold - 250	2.39% on purchases and cash withdrawals with salary transfer otherwise 2.59% on purchases and 3% for cash withdrawals	55 days	Toll-free: 800 2600 www.urb.co.ae

Credit cards		BY VALUE ADDED FEATURES			UAE
PROVIDER	CARDS OFFERED	ANNUAL FEE (AED)	VALUE ADDED	CONTACT	
Abu Dhabi Commercial Bank	Visa (Classic, Gold, Platinum) MasterCard (Standard, Gold, Platinum)	Classic/Gold: free for life, Platinum - 500	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, UAE Gold, Gold Rainbow, Charge Cards: Green, Gold, Platinum and Black Centurian	DDF-295, AMEX Blue -175, AMEX Gold-195, UAE Gold-395, Gold Rainbow - AED350, Charge Cards: Green-US\$75, Gold-US\$175, Platinum-US\$750, Black Centurian - up on invitation only.	Gold/Blue offers 1% cash back, Dubai Duty Free Card - 10% off items at DDF, Millennium 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. Emergency card replacement and membership rewards programme.	Toll-free - 800 4931 www.americanexpress.co.ae	
Barclays Bank	Barclaycard (Gold, Titanium, Platinum) British Airways Barclaycard (Priority & Prestige)	Preferred option: Visa/Master (Classic & Gold) free for life Priority option: Visa (Classic/Gold/Platinum): 300, MasterCard (Classic/Gold) - 300; Prestige option: Visa (Platinum) 550, MasterCard Titanium-300	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 22725297 www.barclaycard.ae	
Citibank	Emirates-Citibank Credit Cards (Ultima/Ultimate/ Gold/ Silver) Citi Travel Pass, Citibank Credit Cards (Ultimate/ Gold/ Silver)	Emirates-Citibank Credit Cards - 3,000/1,000/550/300, Citi Travel Pass - 400, Citibank Credit Cards - 1,000/ 550/300; 5 Supplementary Cards - Free, (Special promotional rates also apply)	Unlimited Skywards Miles/Citi Travel Pass points/CitiDollar rewards.Double miles with Miles Accelerator.Upto 15% airticket discounts.Special offers across UAE and Citibank World Privileges worldwide at over 40,000 establishments.Loans as low as 0.91%. Exclusively for Ultima/Ultimate customers-25000 sign up Skywards Miles(Ultima), free Priority Pass Membership,International Concierge, upto 3 Free nights stay in Marriott Paris,ME&A, Travel insurance for Ultima cardholders.	04-311 4000 www.citibank.ae	
Dubai First <i>**NOTE* Temporarily suspended credit cards.</i>	Visa (Silver, Gold) MasterCard (Classic, Gold) Royale MasterCard, SecureCard	Visa: Silver - 200, Gold - 400 MasterCard: Classic - 200, Gold - 400 Royale MasterCard - Invitation only, SecureCard - Free	Free travel accident and inconvenience insurance on baggage loss, baggage/flight delay, personal liability, emergency hospitalisation and assistance. Free life insurance up to AED20,000 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. MasterCard: Can get up to 2.5% cash back with classic cards and up to 4% cash back with gold cards.	04 506 8888 www.dubairfirst.com	
Dunia Finance	Silver, Gold, Platinum, Diamond	Silver-100, Gold-150 to 400, Platinum -200 to 400, Diamond -1,500	1% cash back on Silver card, 1.5% on Gold and 2% on Platinum. 15-20% discount on dining promotion, 15% discount at Aramex for Gold and Platinum cardholders. 5% discount at MMI travel for all cardholders. Reward points can be exchanged at Jumbo Electronics. 15-20% discount on health and leisure promotion.	04-423 8642 www.dunia.ae	
Emirates-NBD	EBI cards: Visa, MasterCard (Silver, Gold), MasterCard Infinite Credit card and MasterCard Platinum for Shaheen customers, Diners club NBD cards: Visa (Classic, Gold, Platinum) MasterCard (Standard, Gold), NBD-Dnata MasterCard (Silver, Gold), WebShopper MasterCard, Skyward (Infinity, Platinum)	EBI cards: Silver - 150, Gold-400, Silver and Gold cards are free for first year, Platinum - 700, Infinite - 1,500 Diners club - 200 NBD cards: Classic - 150, Gold - 400, Platinum - 700, NBD-Dnata MasterCard - Silver-250, Gold-500, WebShopper MasterCard - 50, Skyward Infinity - 1,500, Platinum - 700	EBI cards: 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. NBD cards: 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, 1% cash back on all retail purchases.	04-316 0316 www.me.ae Toll-free: 600 540000 www.nbd.com	
Mashreqbank	Visa, MasterCard (Classic, Gold, Platinum), Etisalat mashreq credit card, Mahreq Millionaire card, Grand entertainment card (Titanium), VIP, Mashreq Air Arabia Visa card (Classic, Platinum)	Classic, Gold, Etisalat mashreq credit card and Mahreq Millionaire card - No annual fee, Platinum - 650, Grand entertainment card (Titanium) - 300, VIP - 200, Mashreq Air Arabia Visa card (Classic - 100, Platinum - 200)	5% cash back on all international spends, 0% easy payment plans, International spends - Campaign, win 1 million points everyday, 5% cash back on Utility Bill payments, Grand entertainment Card - 50% off on cinema tickets across all grand cinemas in the uae. Grand prizes: Chance to win a jearneau luxury boat, a Harley Davidson motorcycle, a trip to Universal Studios or 6 day stay at the exclusive lost chambers suite at Atlantis every month. Enjoy up to 50% discount on adventure sports, golf, spas and more. Complimentary airport lounge access at all Marhaba lounges in the UAE	04 424 4444 www.mashreqbank.com	
National Bank of Abu Dhabi	Visa, MasterCard (Classic, Gold, Platinum) MasterCard nbad@surfur card, Visa Dubai E-government Prepaid Card	Classic and Gold are free for life, Platinum -1,000, nbad@surfur card - 25 for accountholders, otherwise 50, Dubai E-government Prepaid Card - 50	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	
RAKBANK	Visa (Classic, Gold) MasterCard (Standard, Titanium) Co-branded Cards (NMC, Géant La Carte)	Free for life	0% interest on retail purchases for first three months; 5% cashback on international spends; upto 3% cashback on domestic spends; win millions on RAKBANK MasterCard; Titanium lifestyle privileges offers from more than 80 premium branded outlets across categories; RAKfast Dining Discount Programme; special monthly usage offers; Convenience of credit card cheques and attractive balance transfer facility	04 213 0000 www.rakbank.ae	
RBS	Visa (Classic, Gold), MasterCard Smart Traveller (Classic, Gold), MasterCard Al Aameera Ladies Card, MasterCard Jumbo co-branded card, MasterCard Non-resident Indian Card, Platinum MasterCard, RBS Weekend Card & RBS Williams Platinum Card	Free for life	All cards: Free Wild Wad, Ski Dubai and Cinema; chip card for enhanced security, purchase protection; access to utility bill payment, smart cash loan. Visa Classic & Gold: dining discounts; reward points redeemable in many outlets. MasterCard Smart Traveler Gold: 10% cashback on travel. Jumbo Card: discounts and extra reward points at all Jumbo stores; easy payment plan 36 equal instalments at 0.99%. NRI card: points redeemable for domestic flights in India, 5% cash back on flights to India, discounts domestically; Al Aameera: dining discounts; reward points redeemable in many outlets. Weekend Card: 2% cashback on all spend Thurs-Sat, 1% all other times; discounts in many outlets; Williams Platinum monthly prize draw to win a weekend at one of the 2009 Grand Prix.	04 4266000 www.rbsbank.ae	

These tables are compiled using specific criteria widely considered by providers 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 November 2009. 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

Auto Finance		Some of the deals available now					
PROVIDER	PRODUCT	INTEREST/PROFIT RATE	MAX. LOAN AMOUNT (AED)	DOWNPAYMENT	PAYMENT TERMS	MIN. SALARY (AED)	SALARY TRANSFER
Abu Dhabi Commercial Bank	Car Loan	In Dubai : New cars: 4.25%, used cars: 4.99% In Abu Dhabi and Al Ain : New cars: 4.25%, used cars: 4.99%	Up to AED300,000	New cars: Nil Used cars: Depends on the car	60 months for news cars, 48 months for used cars	5,000	No
Abu Dhabi Islamic Bank	Car Finance	New Cars: 4.50% with salary transfer, otherwise 4.95% Used cars: 5.50% with salary transfer, otherwise 5.95%	Up to AED250,000	15%	New cars: 60 months Used cars: 48 months	5,000	No
Al Hilal Bank	Murabaha	New cars: 4.99% Used cars: 6.5% Special rate of 4.50% for Nissan on selected outlets	Up to AED500,000	New cars: Nil Used cars: 20%	Up to 48 months	8,000	No
Arab Bank	Car Loan	New cars: 4.5% Used cars: 5.5%	Depends on salary	New cars: Nil Used cars: 15%	New cars: up to 60 months Used cars: up to 48 months	20,000	Yes
Dubai Bank	Markaba Auto Finance	5.25% for new cars (Depends on the dealer) Used cars: 5.95%	Up to AED250,000	New cars: Nil Used cars: 10%	New cars: 60 months Used cars: 48 months	5,000	No
Dubai Islamic Bank	Al Islami Auto Finance	New cars: 4.75% Used cars: 5.52% (Depends on model of the car)	Up to AED250,000	Depends on the salary	Up to 60 months	8,000	No
Commercial Bank International	Car Loan	New cars only. 4.75% with salary transfer otherwise 5.00%	Up to AED750,000	5%	Up to 72 months	15,000	No
Emirates Islamic Bank	Intaleq	New cars: with salary transfer 4.50%, otherwise 4.80% Used cars: with salary transfer 5.50%, otherwise 5.75%	Up to 250,000	25%	New cars: 84 months Used cars: Depends on the model	10,000	No
Emirates-NBD							
Emirates Bank Int.	Car Loan	New cars: 4.75% with salary transfer, otherwise 5.50% Used cars: 5.60% with salary transfer, otherwise 6%	Up to 12 times of monthly salary	10%	Up to: 60 months	With salary transfer - 7,000 otherwise 10,000	No
National Bank of Dubai	Car Loan	New cars: 4.75% with salary transfer, otherwise 5.50% Used cars: 5.00% with salary transfer, otherwise 6.0%	Up to 10 times of monthly salary or up to AED200,000	10%	New cars: 60 months Used cars: 84 months		No
National Bank of Abu Dhabi	Motori	New cars: 4.5% with salary transfer, otherwise 5.50% Used cars: 4.75% with salary transfer, otherwise 6%	Up to AED350,000	New cars: Nil with salary transfer, otherwise 10% Used cars: 15%	New cars: up to 60 months Used cars: up to 48 months	7,000 for account holders, otherwise 10,000	No
Noor Islamic Bank	Noor Drive	New cars: 4.5% Used cars: 5.5%	Up to AED250,000	New cars - 10% Used cars 15 - 20%	New cars: up to 60 months Used cars: up to 96 months	5,000	No
RAKBANK	Auto Loan	New cars: 5.25% Used cars: 6.25%	Up to AED250,000	New cars - Nil Used cars - 10%	New cars: up to 84 months Used cars: 72 months	5,000 for new cars 15,000 for used cars	No

Personal Finance		Some of the deals available now					
PROVIDER	PRODUCT	INTEREST/PROFIT RATE	MAX. LOAN AMOUNT (AED)	ACCOUNT NECESSARY	PAYMENT TERMS	MIN. SALARY (AED)	SALARY TRANSFER
Abu Dhabi Commercial Bank	Personal Loan	9.25% on reducing balance basis	Up to AED250,000	Yes	Up to 72 months	5,000	Yes
Abu Dhabi Islamic Bank	Goods Finance	Profit rate: 6.25% fixed rate	Up to AED250,000	Yes	Up to 48 months	8,000	Yes
Al Hilal Bank	Goods Finance only for Nationals	Profit rate: 8.99%	Up to AED150,000	No	Up to 48 months	8,000	No
Arab Bank	Personal Loan	10.50% on reducing balance basis	Up to AED250,000	Yes	Up to 60 months	20,000	Yes
Dubai Bank	Sanad Personal Finance	5.50%	Up to AED250,000	Yes	Up to 48 months	Nationals: 12,000 Expats: 8,000	Yes
Dubai Islamic Bank	Goods Finance	Profit rate: 6.3% with salary transfer, without 8 - 9%	Up to 125,000	No	Up to 60 months	6,000	No
Emirates Islamic Bank	Imtalk	Profit rate: 7%	Up to AED150,000	Yes	Up to 72 months	5,000	Yes
HSBC Amanah	Amanah Personal Finance	Profit rate: 7.35%	Up to AED250,000	Yes	Up to 60 months	20,000	Yes
Noor Islamic Bank	Goods Finance	Profit rate: 6 - 6.25%	Up to AED250,000	No	Up to 60 months	7,000 for account holders, otherwise 10,000	No
Sharjah Islamic Bank	Goods Murabaha	Profit rate: 8%	Up to AED250,000	Yes	Up to 48 months	12,000	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 2003 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 AED500 charged as processing fee	Toll-free: 800 2030 www.adcb.com
Used cars must be (German -10 years, American/ European - 8 years, Korean - 6 years) or newer	No	Rewarded for early redemption	Free postponement for salary transfer, Free Islamic Visa card	Islamic products, No processing fees	Toll-free: 800 2288 www.adib.ae
Used cars must be 2004 model or newer	No	Nil		No processing fee	Toll-free: 800 666666 www.alhijabank.ae
Used cars must be 2005 model or newer	Yes	1% of outstanding loan, 5% for bank buyout	Free credit card for the first year	No processing fee	Toll-free: 800 27224 www.arabbank.ae
Along with the usual documents, copy of ID freezone and quotation of the vehicle. Used cars must be less than 8 years old. Subject to bank approval	No	Nil	Islamic Takaful insurance offered	No processing fee	Toll-free: 800 5555 www.dubaibank.ae
Used cars must be 1999 model or newer	No		Free credit card	AED400 processing fee	04-609 2424 www.alislami.ae
	No	2% of total outstanding loan		No processing fee	Toll-free: 800 224 www.www.cbuae.com
Post dated cheques required along with usual documents. Used cars must be 3 years old or newer	No	Nil	Free EIB account	AED500 charged as processing fee, if salary is not tranfered, otherwise no fees	04 316 0101 www.emiratesislamicbank.ae
Depends on the model of the car and the company should be listed. Used car must be at least 7 years old	No	4% of total outstanding loan		Processing fee: New cars AED300, used cars: AED500 Processing fee: AED500	04-3160316 www.ebi.ae Toll-free: 600 540000 www.nbd.com
Used cars must not be older than 4 years. Loan only applies to Japanese cars	No	3% outstanding value of the loan		No processing fee for new cars. For used cars 1% of loan amount or minimum AED250 charged as processing fee	Toll-free: 800-2211 www.nbad.com
Used cars must not be older than 5 years.	No	None		AED300 - 500 processing fee	Toll-free: 800 NOOR www.noorbank.com
Used cars must not be older than 4 years.	No	5% of the outstanding loan amount.	Free RAKBANK credit card, insurance	1% processing fee	04-213 0000 www.rakbank.ae

Criteria: Interest/profit rate less than 5.5% on new cars

UAE

CONDITIONS/RESTRICTIONS	EARLY REDEMPTION PENALTIES	VALUE ADDED	OTHER	CONTACT
Need to provide security cheque, salary certificate, bank statement and original passport.			1.5% processing fee of the loan amount, minimum AED500	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 original passport. The applicant should be atleast 21 years old.	None		No processing fee	Toll-free: 800 666666 www.alhijabank.ae
Approved companies only. Need to provide security cheque, salary certificate, bank statement and original passport.	2% of outstanding loan, 5% for bank buyout	Free credit card for the first year	1% processing fee, minimum AED250	Toll-free: 800 27224 www.arabbank.ae
Approved companies only. Need to provide salary certificate, bank statement and passport copy with valid residence visa. Minimum age - 25 years	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	Toll-free: 800 5555 www.dubaibank.ae
Approved companies only. Need to provide salary certificate, bank statement, quotation, cheque book and original passport.	None		AED400 as processing fee	04 609 2424 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 AED2,500	Toll-free: 800 4792 www.hsbccamanah.com
Approved companies only. Need to provide salary certificate, bank statement and original passport.	None		1% processing fee	Toll-free: 800 6667 www.noorbank.com
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		1% processing fee, minimum AED250	Toll-free: 800 742 www.sib.ae

Criteria: Interest/profit rate less than 10.5%

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 November 2009 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.

Home Finance							
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	7.75% with salary transfer 8.25% without salary transfer	Minimum AED10 million Loan-to-value (LTV): Up to 90% with salary transfer otherwise 85%	Up to 65% for all	15%
Abu Dhabi Finance	UAE nationals and UAE residents	Up to 30 years	70 years	8.5 - 9%	Up to 85% of the property value or up to AED250,000	Up to 55% for salaried applicants - Up to 50% for Self Employed applicants.	Minimum 15% for salaried applicants and minimum 20% for self-employed applicants
Amlak (Shar'ah compliant) **NOTE** On November 20, 2008 Amlak froze all new mortgage lending.	UAE residents (nationals and expats), GCC residents and non-residents	30 years for UAE nationals 25 years for expats 15 years for non-residents	60 for salaried employees, 65 for self-employed	8.75% reducing balance rate	Up to 80% LTV: up to 90% - depending on eligibility and criteria	10-20%	Minimum 10%
According to recent newspaper reports (April 18th 2009), the Amlak/Tamweel merger is going ahead and the merged entity will be trading soon.							
Arab Bank	UAE and GCC nationals, expats and non-residents	25 years for villas and apartments. Depends on age of the person	60 years	8.00% on reducing balance rate	Up to AED5 million LTV: up to 80%	65% for salaried employees with salary transfer, 60% for salaried employees without salary transfer, 55% for self-employed	70 % for completed properties and 60% for properties under construction
Bank of Baroda **NOTE** Temporarily stopped new mortgage lending.	UAE nationals, expats	Up to 15 years	65 years	7.5% on reducing balance rate	Up to AED3 million	Up to 50% of gross monthly income	30%
Barclays Bank	UAE residents and non-residents	Up to 25 years	70 years	7.15%	Up to AED7.5 million for villas, AED5 million for apartments LTV: up to 80% of market value for villas and 75% for apartments	50% of the monthly income for UAE residents, 40% for non-residents	25%
Dubai Bank (Mulki Property Finance)	UAE nationals, expats	Up to 25 years	65 years for nationals 60 years for expats	8.00 - 8.5% on reducing balance rate	Up to AED5 million	Depends on the salary	20% for ready properties
Dubai Islamic Bank (Al Islami Home Finance)	UAE nationals, expats	Up to 25 years	70 years for nationals 60 years for expats	8.75%	Up to AED5 million	Depends on the loan amount and salary	20%
Emirates-NBD	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	7 to 8% on reducing balance rate	Up to AED10 million	Residents: Up to 60% Non-residents: Up to 50%	20% for ready properties, otherwise 15%
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	10% with salary transfer, 11% without	Up to AED3 million	Not more than 50% of the salary	Nil
First Gulf Bank	UAE nationals	25 years	65 years	8.5% on reducing balance basis	Up to AED20 million	Maximum 60%	10%
Habib Bank AG Zurich **NOTE** Temporarily stopped new mortgage lending.	UAE nationals and expats	Up to 15 years	60 years	9.5%	Up to 70%	Max. 60% of income including all loans	30%
HSCB Bank Middle East Limited	UAE residents and non-residents	25 year period or up to the age of 65 years, whichever comes first	65 years	7.5 - 8.5%	Up to AED10 million LTV for Flexi and EIBOR: up to 75% LTV for Amanah Home finance up to 65%	60% overall debt on all regular commitments	25% for ready villas 30% for ready apartments 50% for under construction
Lloyds TSB	UAE nationals, expats	Up to 20 years	60-65 years, depends on company	Financing available for VILLAS ONLY 8.5%	50%		50%
Mashreq	UAE residents and non-residents	Up to 20 years	65 years for salaried 70 years for self-employed	8%	Up to AED8 million	55% including all loans	10%
Mawarid Finance **NOTE** Temporarily stopped new mortgage lending.	UAE residents and non-residents	Up to 15-20 years	60-65 years	8.5%	AED5 million LTV: 80%	Depends on salary	5-20% (Only for completed properties)
National Bank of Abu Dhabi	UAE nationals, expats only in Abu Dhabi/Dubai	Up to 20 years for expats and 25 for Nationals; Up to 50 years for investors in Abu Dhabi	65 years	8.6%	Up to AED8 million Up to 75% for Abu Dhabi properties and 50% for other emirates	Up to 50% of monthly salary for expats	50% for Dubai properties and 70% for other emirates
RAKBANK	UAE nationals, expats and non-residents	25 years	60 years unless specified	7.99 - 8.3%	Up to AED3 million LTV: Upto 85% Abu Dhabi/Al Ain properties: AED8 million	60% of monthly salary for salaried individuals	10%
Sharjah Islamic Bank	UAE and GCC nationals, expats from other Arab countries	Up to 10 years	65 years for UAE nationals, 60 years for others	Profit rate: 11% on reducing balance basis	Up to AED2 million	50%	50%
Standard Chartered	UAE nationals, expats	20 to 25 years	65 years	7% on reducing balance basis	Up to AED10 million In Asset Back Lending (ABL) scheme: upto 40%; Standard Mortgage Product (SMP) scheme: 75%. ABL and SMP are offered just for Emaar Properties that are to be delivered in nine months	Depends on the salary	25%
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	8.9% on reducing balance basis	Up to AED5 million LTV: Up to 90%	55% of salary	10%
Union National Bank	UAE nationals, expats	Up to 25 years	65 years for UAE nationals, 60 years for expats	9% on reducing balance basis Financing for ready properties only.	Up to AED4 million for villas Up to AED3 million for apartments	Up to 65% of monthly salary	20%
United Bank Limited 'Baitna' **NOTE** Temporarily suspended all new mortgage lending.	UAE residents and non-residents	Up to 20 years	65 years	8%	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
<p>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, Khulassat 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.</p>							

INSURANCE REQUIREMENTS	MINIMUM SALARY (AED)	BANK ACCOUNT NECESSARY	SALARY TRANSFER	CHARGES	PROPERTIES FINANCED	PREMIUM FINANCE	BUY-TO-LET	CONTACT
Life and Property insurance	8,000 for Nationals 10,000 for expats	No	No, but necessary to obtain maximum loan amount	Processing fee of 1% of the loan amount with minimum AED5,000. 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.	Abu Dhabi: ALDAR, Al Fara'a, Al Nasser, Al Madar, Al Mazaya Dubai: 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
Life cover for the full amount and term. Buildings insurance on completed villas	10,000	No	No	Application fee: AED 3,000 (non refundable, but offset against your processing fee) Processing fee: 1% of original loan amount (maximum of AED 100,000) if fee is added to loan amount; 0.75% of original loan amount (maximum AED 50,000) if fee is paid upfront Early repayment charges (ERC): For buy out: 4% of outstanding loan amount; On sale of mortgaged property or where early repayment is made from borrower's own resources: 2% of any amount repaid, if repayment is made in the first 3 years of the loan term. No ERC payable if early repayment is made at any time thereafter. Valuation: AED3,000	ALDAR, Sorouh, TDC, Capitala, Profile Group and many more to come	Yes	Yes	Toll-free: 800 ADF (233) www.adf.ae
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	Abu Dhabi: Sorouh, ETS, Manazel, Emirates Financial Towers Dubai: 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.amiakfinance.com
Life and property insurance	20,000	Yes	Yes	Processing fee is AED3,000. Registration fees to be borne by the customer	Emaar, Nakheel, Deyaar, Union Properties, Damac, Dubai Properties and Israqaa	Yes	Yes	Toll-free: 800 27224 www.arabank.ae
Property insurance	10,000	Yes	Yes	Processing fee is 1% of loan amount, maximum AED7,500. 1% of outstanding loan amount in case of repayment by own sources, 2% for bank buyout	Emaar, Nakheel, Damac and more	Yes	No	04 313 6666 www.bankofbarclays.ae
Life and building insurance	10,000	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 AED5,000. Agreement in Principle (AIP) fee of AED1,500-2,500 valid for 60 days	Emaar, Nakheel, Dubai Properties, ETA	Yes	Yes	Toll-free: 800BARCLAYS (22725297) www.barclays.ae
Life and property insurance	20,000 for Nationals 15,000 for Expats	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.dubaibank.ae
Life and property insurance	15,000	No	No	Processing fee is AED400.00	No Abu Dhabi properties financed Dubai: 'Real Estate' - Villas and apartments anywhere in the UAE. 'Freehold' - Emaar, Deyaar, Dubai Properties, Nakheel and selected properties in Dubai only	Yes	Yes	04 609 2424 www.alislami.ae
Life and property insurance	National - 20,000 Expats - 25,000 to 50,000	Yes	Yes	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	Abu Dhabi: ALDAR, Sorouh Dubai: Emaar, Nakheel and Dubai Properties	No	Yes	04 316 0316 www.nbd.com
Life and property insurance	25,000	No	No	No processing fee. Evaluation fee: AED1,500	Abu Dhabi: Manazel, Al Reef Dubai: Emaar, Nakheel, Tameer, Deyaar, Falcon City, Union Properties	Yes	Yes	04 316 0101 www.emiratesislamicbank.ae
Life and property insurance	15,000	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 525500 www.firstzulfbank.ae
Life and property insurance	12,000	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	Yes	1% of the loan amount is levied as arrangement fee for the mortgage or a minimum of AED5,000. 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 Omnyat and Al Hamra in Ras Al Khaimah	Yes	Yes	04 366 9052 www.hsbc.ae
Life and building insurance	25,000	Yes	Yes	1% arrangement fee for mortgage loan; no penalties for lump sum reduction or early repayments; AED5,000 mortgage registration; AED2,500 valuation fee; AED1,000 non-refundable commitment fee; AED1,000 discharge fee	Emaar, Dubai Properties (Jumeirah Beach Residence) Union Properties (The Green Community & UPTOWN Miraf), Nakheel	No	Yes	04 342 2000 www.lloydstsb.ae
Life and property insurance (Approved companies only)	9,000	Yes	Yes	Processing fee: 1% of maximum of AED25,000 (Nil early redemption and buy-out options available), Evaluation fee: AED1,500	Emaar, Dubai Properties, Nakheel, Damac, Deyaar, ETA Star, GIGA, JPIL and a lot more	Yes	Yes	04 424 4444 www.mashreqbank.com
Property and life insurance	15,000	No	No	1% processing fee for residents, 1.25% for non-residents. AED5,000 pre-approval fee, AED3,000 valuation fee.	Emaar, Nakheel, Dubai Properties	Yes	Yes	Toll-free: 800-Mawarid www.mawarid.ae
Property and life insurance	20,000	Yes	Yes, For expats, salary transferred atleast for 2 months	Processing fee: 0.5% of the loan amount. Repayment penalty of 1% of outstanding loan amount or AED 15,000; whichever is greater. 5% for bank buyout	ALDAR, Sorouh, RAK Properties, Union Properties and more	Yes	Yes	Toll-free: 800 2211 www.nbad.com
Life and property insurance	10,000	No	No	Processing fee 1%, no early settlement fee	Abu Dhabi: Al Raha Beach, Yas Island, Shams Dubai: Nationals-open, Expats-Emaar properties, Dubai Properties, Nakheel	Yes	Yes	04 213 0000 www.rakbank.ae
Life and property insurance	30,000	Yes	Yes	AED1,500 charged as valuation fee for loan less than AED500,000 and AED2,000 for loan more than AED500,000. 2% 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	Yes	Yes	Processing fee of 1%. Early repayment penalty of 2% of outstanding for cash, 5% for a bank buyout	Emaar, JBR, Nakheel, Al Union Properties	Yes	Yes	600 522288 www.standardchartered.com/ae
Life and property insurance	15,000	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)	Abu Dhabi: Sorouh (Golf Gardens), Manazel (Al Reef Downtown) Dubai: Nakheel (Marina Residence), Tamweel (Tamweel Tower), Jumeirah Village	Yes	Yes	Toll-free: 800 4354 www.tamweel.ae
Life and property insurance	20,000	Yes	Yes	Processing fee of 1%, min. of AED5,000. A non-refundable application fee of AED3,000. 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.urb.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	04 608 5302

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 November 2009 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@moneymoneyworks.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	H.O: P O Box 23940, Dubai Abu Dhabi office: DHL Building, 2nd Street Airport Road	+971-4-3328582 +971-2-6327462	+971-4-3317572 +971-2-631-2325	info@acuma.ae	www.acuma.ae	
Continental Financial Services	P O Box 62817, Dubai	+971-4-3353433	+971-4-3352553		www.continental-intl.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 58032, Dubai	+971-2-6221121 +971-4-3431300	+971-2-6221120 +971-4-3431373	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.ae	www.acuma.ae	
Continental Financial Services	P O Box 62817, Dubai.	+971-4-3353433	+971-4-3352553		www.continental-intl.com	
Globaleye	P O Box 24592, Dubai	+971-4-3489330	+971-4-3489331	admin@globaleye.com	www.globaleye.com	
Holborn Assets	P O Box 333851, Dubai	+971-4-3369880	+971-4-3369961	rubina@holbornassets.com	www.holbornassets.com	
Joie De Vivre International Insurance Brokerage LLC	M 03, Al Abbas Building, Khalid bin Waleed Road, Dubai, UAE	+971 4 352 3351	+971 4 352 7884	mgmt1@jdvinurance.ae	www.jdvinurance.ae	
LifeCare International	P O Box 71208, Dubai	+971-4-3318688	+971-4-3318001	information@lifecareinternational.com	www.lifecareinternational.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	
Pioneer Insurance Brokers LLC	P O BOX 922, Dubai	+971-4-3599004	+971-4-3595535	info@pioneerwealth.a	www.pioneer-wealth.com	

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
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		
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 2009. 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	+971-4-3328810	mohammad@just-wills.net	www.just-wills.net		

Letter of the Month

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

Dear Editor,

I enjoyed reading the article "What next: A plateau or a gorge?" last month. It reflects what we all are thinking, especially when we are at this critical point where it can go in either direction. I personally feel there is a lot of liquid money at the institutional level, waiting at the sidelines to be deployed. But that being said, at the retail level people are broke. The real economy still has its troubles that you have mentioned in the article. And that is probably why you see the markets going up like crazy, but not many of us are making much money out of it.
JP, Dubai

I do agree that we are going through some very interesting times, and anything can happen to the markets. They can move either way. Valuations are not inexpensive anymore. And fears of inflation are real. Although, reading between the lines of what is coming out of the US, I do not think we will have a situation of stimulus being withdrawn in the near future. Any move in that direction in the largest global economy will affect sentiments very negatively. However, it is also becoming increasingly evident now that certain countries will be forced to take monetary measures to contain inflation. Some of them have already moved in that direction. I expect local concerns to override global concerns in certain economies in the months ahead.

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.



Getting the right insurance policy

James Thomas on why it's important to review all of your options before committing to one insurance provider.

“My consultant has been asking me to purchase all my insurance requirements from one company. Is that a good approach? Can I get better rates? I don't think I am getting any better treatment now. I have already got a life and endowment scheme with the same company. I am not very satisfied. Please advise.”

It is good that your consultant has raised the subject of insurance, as unfortunately all too often this area of advice is skipped over or completely ignored. Without a full understanding of your financial situation, it is very difficult for me to comment on the suitability of the advice that you have received and whether the product is the most appropriate for your needs.

However, I usually recommend to clients that they take out separate policies for each issue that we identify. This is for a number of reasons, but generally you will have different requirements for each type of product, so my recommendations would be made to meet those needs.

It is possible that by combining products, you can end up with a contract that is more expensive than if the elements were separate. This is especially true when protection and savings products are combined. Unless there is a specific reason for it, I believe it is better to separate these two elements of financial planning.

As there are many companies offering a variety of products, some will inevitably be more competitive than others, and so it could well be that a number of providers could be used for the various areas of advice. It is always worth checking that

the policies you have remain competitive. Rates constantly change and there may be better deals available.

Another advantage of separate policies is that if you were unable to meet your monthly commitments, with a separate savings and life policy, you could simply take a holiday from your savings plan but continue to contribute to your life assurance. That way, if anything happened to you, you would still be protected.

Meeting your requirements

Going back a few stages, it is worth a brief look at what types of protection are available and the generic reasons for the cover. When you meet with your financial consultant, there are a number of areas that can be reviewed and the suitability of the products will depend on your own personal circumstances.

I have mentioned this in previous articles, but I believe it is worth refreshing again, given the question asked this month. There are three main questions relating to financial planning that cover every aspect of your financial situation. These questions are:

- *What would happen if I died too soon?*
- *What would happen if I lived too long?*
- *What would happen if I got sick in the meanwhile?*

These questions may seem rather blunt and direct, but they get to the basics of what I am trying to achieve with my clients. Let's look at these in more detail and relate them to the question. First, what would happen if you died too soon? For example, what would be the financial

implications if you were to die today? Are you married and/or do you have any children? How would they cope without the financial backing that you bring?

The question mentioned life insurance, but to carry out a full review, I would need to establish how much cover you already have. Is this enough? Is it for the right length of time? Does it cover the right people? Is the policy written in such a way so that the proceeds go to the right person at the right time? All these, and indeed many other points, would need to be considered.

Second, what would happen if you lived too long? This may seem like a strange question, as not many would say that they are planning to live for too long. What is meant by this question is related to planning for your retirement. Most people will want to stop work at some point, but you will still need funds to live. These will now need to come from savings rather than from earnings.

Finally, what would happen if you got sick? This relates to the other areas of protection, such as medical insurance, critical illness cover and income protection cover. This is sometimes referred to as financial death – that is to say, you are still alive but have suffered an illness that needs treatment and may stop you working as you recover. These policies will cover the medical bills and give you an income while you get better.

In summary, this is a vital part of your financial wellbeing and should be reviewed regularly to make sure you have the appropriate cover. The product you have been recommended may well meet your requirements, but it is worth reviewing all options before committing.

HW



Microfinance is the need of the hour

Sultan Sooud Al-Qassemi on why microfinance is so essential for entrepreneurship and job creation in the Arab economies.

Last month, I was part of a team that travelled to Washington, D.C. and met with officials from the US administration. I learnt that President Barack Obama is holding an 'entrepreneurship in Muslim communities summit' next March in the US capital about an emerging phenomenon known as social entrepreneurship. A social entrepreneur is, according to Wikipedia, a person who recognises a social problem and uses entrepreneurial principles to organise, create and manage a venture to make social change. I had never heard of this concept prior to that visit, or so I thought. It turns out that the founder of one of the most popular forms of social entrepreneurship is the Nobel Laureate Mohammed Yunis, who developed the practice of microfinance in 1976.

Microfinance allows low income individuals, who were previously outside the traditional banking and finance sector radar screens, to have access not only to small amounts of funding, but also to insurance, transfer and savings.¹ These funds can be as low as a few score dollars and are usually requested by individuals who do not want charity but need funding to start a business and get a head start in life. By the time Yunis won the Nobel Prize in 2006, Grameen bank had almost seven million borrowers – 97 per cent of whom were women.²

Yunis's work has lifted microfinance into the limelight the world over. Similar concepts are now used in Asia, Africa and Latin America. But I wondered if such an idea could work in the oil-rich Gulf states.

First, it may be unfair to place all the Gulf States in the same basket with regards to the need for microfinance. After all, there are glaring differences between a demographically rich country like Saudi Arabia and a small but extremely wealthy

state like Qatar. Although Saudi Arabia is much wealthier than Qatar overall, the latter enjoys the second highest GDP income per capita in the world and its citizens may not be in dire need for three- and four-dollar digit loads.

The Gulf States can be roughly split into two groups. The first contains the three wealthier states in terms of GDP income per capita: Kuwait, Qatar and the UAE.

The second group comprises the three relatively less wealthy states in terms of GDP per capita: Bahrain, Oman and Saudi Arabia. These states have a significant lower income portion of the population that might benefit from this growing industry.

In fact, microfinance is very much alive and kicking in the Gulf today. In 2007, the Gulf's first dedicated microfinance firm was established when Abdul Latif Jameel Group's subsidiary, Bab Riq Jameel, teamed up with Yunis's Grameen Foundation to create Grameen-Jameel. The institution's mandate was wider than its home base of Saudi Arabia and extended to North Africa, the Levant and Yemen.³ By April 2009, Grameen-Jameel reported that it had already brokered more than US\$44 million through a Guarantee Fund in micro financing transactions in Egypt, Syria, Jordan and Tunisia.⁴

Egypt, the most populated Arab country, saw the establishment by the Egyptian Gulf Bank of a US\$8 million [EGP46 million] microfinance firm that is envisioned to provide about EGP400 million credit facilities by offering loans from EGP4000 to EGP35,000 via its planned 300 country-wide network.⁵

The truth is that in order for this industry to flourish in the Gulf and the Arab world, the regional economic regulators must reform their laws to make it possible for small businesses to be established from

homes and bring down licensing costs. It will not make sense to encourage micro financing that involves extending a few hundred or thousand dollars to aspiring youth and then burden them with a series of debilitating fees, charges and hidden costs.

According to the United Nations Development Programme, the Arab world needs to create 50 million new jobs by 2020 to accommodate its young and growing population.⁶ The government sector, which is a major employer in the region, will not be able to accommodate all the new job market entrants and it is time for the regional governments, including those in the Gulf, to think outside the box. Even wealthier states like Kuwait and Qatar can chip in and create microfinance funds for other Arab states' citizens. The private sector in the region can also start extending loans either directly or by creating microfinance websites and portals.

Creative, widespread and pragmatic entrepreneurship is the only way for Arab countries to be able to provide work for tens of millions of young Arabs. Microfinance must be utilised as part of a spectrum of tools, including economic reform and reduce startup cost reduction. Only then will the region be able to provide jobs to our youth.

Footnotes

- 1 http://en.wikipedia.org/wiki/Microfinance#cite_note-0
- 2 http://www.usatoday.com/money/smallbusiness/columnist/abrams/2006-12-14-microcredit_x.htm
- 3 <http://gulfnws.com/business/general/first-arab-microfinance-investment-symposium-in-dubai-1.142461>
- 4 <http://zawya.com/story.cfm/sidZAWYA20090414051547/?query=grameen>
- 5 <http://www.syminvest.com/market/news/microfinance/egyptian-gulf-bk-to-launch-microfinance-mortgage-lending-firms/2009/4/26/1809>
- 6 <http://www.tradingmarkets.com/site/news/Stock%20News/2625058/>

Sultan Sooud Al Qassemi is a non-resident fellow at the Dubai School of Government and founder of Barjeel Securities in Dubai. He can be reached at www.sultans.ae. 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.