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

The Gulf region's first personal finance and investment magazine

MONEY*works*

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Premium banking • Riyadh launches SAR300 million housing project

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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

The world stage of finance and economy continues to be fascinating. One moment the market is gung-ho about positive news coming out of emerging markets and the next a majority of traders are betting on stocks retreating, as valuations have stretched tight or a news item on new regulations being drafted to curb risk-taking by financial institutions has touched some nerves.

Gold is easing now and so is oil. There are talks of US recovery being real and China actually deciding to discourage credit, as its economy is showing signs of heating up quickly. There are predictions that 2010 will see a good bit of volatility in the market, so investors need to be cautious. Nothing can be truer, of course. The thing that continues to keep my confidence levels up is that we are mostly talking about positive news like debt restructuring near home, managing fears of inflation in China or trying to come up with ideas that would help the world stave off a similar financial crisis, the effects of which are still being felt. The occasional article on US recovery continues to be a hit with most of us. Although most agree that the US economy will take its own sweet time to sort itself out of the big hole it is in, every bit of good news that comes out of that economy will be cheered by the world's financial markets. We need to keep a lookout for good news from the west now, especially from the US.

Of course, President Obama's move to curb risk-taking by banks is not exactly a shocker as far as I am concerned, although I am not sure how much can actually be done about stopping proprietary trading or stopping banks from investing in hedge funds. Certain investment practices have grown over a period of time, and although tinkering with these practices is perhaps the right thing to do, taking any drastic measures will not be easy. But politicians are answerable to the people they serve, and most people are not bankers, who have been primarily responsible for the financial crisis. So, one can expect regulatory announcements from the US during the rest of the year. From the looks of things, though, derivative volumes are only set to rise and a large part of those are not regulated at this time. We will have to wait and see how much actually gets done by the present breed of world leaders and how much they bury for future action. My guess is that most of the action will be left for posterity.

Utpal Bhattacharya
Editor

contents

SAR300 million project launched in Riyadh

While Saudi Arabia awaits its mortgage laws, developers are not sitting quietly. **Syed Faiz Ahmad** reports from the press launch ceremony of an SAR300 million housing project in Riyadh.

Saudi Arabia's housing market continues to roll on as the Kingdom faces tremendous demand fuelled by a young, fast-growing population coming into the mainstream of the economy. Last month, Durrat-Ul-Riyadh, a real estate subsidiary of Dallah Baraka, unveiled an ambitious SAR300 million housing project in Riyadh in collaboration with Saudi Bin Laden Group (SBG) to build 252 housing units north of the city.

Engr. Saud Al-Qefaide, managing director of Dallah Real Estate Development and Tourism Company, announced the project at a press conference in Riyadh. Engr. Hamza Mohsen Al-Attas, general manager of Durrat-Ul-Riyadh, was also present during the press event.

Speaking to **MONEY***works*, Engr. Hamza said that Durrat-Ul-Riyadh, which means jewel of Riyadh, comprises fully-developed land in an area in excess of 500,000 square metres. The project with SBG is a mini-township within the larger Durrat-Ul-Riyadh development, which has completed all of the infrastructure development of the

total land area, including roads, water supply, sewerage and landscaping. Engr. Hamza added that the developed plots of land have been open for sale to the public to build their houses. Some 65 housing units have also been built for sale. These are luxurious units and are based on Spanish and French designs, Engr. Hamza added.

"Durrat-Ul-Riyadh is an SAR3 billion project that is going to attract many potential buyers," he said.

Engr. Hamza added that Durrat-Ul-Riyadh would live up to its name and would be a great landmark in the future. According to him, the project will be a complete city in itself, as it will house several shopping malls, at least one five-star hotel, entertainment outlets, swimming pools, fitness centres, schools and hospitals. Engr. Hamza also disclosed that SBG is just one of several other business groups that have also shown interest in investing in this project.

SBG is a large business group and one of the largest construction contracting companies in Saudi Arabia. Founded in 1950, the group has a turnover in excess of US$5 billion and has accomplished several large projects in the Kingdom, including expansion projects of the Grand Mosque in Makkah and the Prophet's Mosque in Madinah.

Giving details about the agreement with SBG, Engr. Hamza said that the company would invest in building 252 housing units on the land earmarked for them. According to Engr. Hamza, SBG will build these housing units as per designs that will take into account requirements of residents. The SBG project is expected to be completed in 18 months.

Durrat-Ul-Riyadh is located 20 kilometres north of Riyadh and is in close proximity to the King Abdullah Financial District. Riyadh is quickly developing towards the north. In the next two to four years, the Durrat-Ul-Riyadh housing project will be part of the inner circle of Riyadh.

Engr. Hamza Mohsen Al-Attas

"Durrat-Ul-Riyadh is an SAR3 billion project that is going to attract many potential buyers."

Engr. Hamza Mohsen Al-Attas

Engr. Saud Al-Qefaide

INSEAD plans to redesign MBA course

The global and economic meltdown has forced institutes like INSEAD to reassess their courses. INSEAD is now in the process of restructuring its MBA programme. A **MONEY***works* report.

INSEAD is in the process of restructuring some of its courses as a consequence of the financial crisis, which has reinforced the importance of private-public participation and the increasing importance of corporate governance.

The institute is in the process of finalising arrangements with two schools of public policy to incorporate a programme for ensuring a public-private partnership. INSEAD is hoping to announce the new programme shortly. The institute also plans to offer one more additional year as a Master of Public Administration, along with its one-year Master of Business Administration (MBA) programme, thus offering a dual degree for two years.

INSEAD has also recognised the importance of introducing crash courses on legal issues and corporate governance. With the changing environment, as governments are getting increasingly involved in business and corporate issues, the institute has taken a decision to look more into corporate governance and legal issues along with the private companies.

Top officials at the institute in Abu Dhabi said that in a number of instances, they have found that government officials and public servants that offer advice on legal issues and corporate affairs to the private sector have little or no exposure to corporate and business affairs.

The move has also been triggered by the fact that for the last couple of years, there has been a dramatic increase in the influence of sovereign wealth funds, as well as interest in the ownership of businesses by governments. As government regulation and supervision increases, primarily due the economic meltdown, businesses have to be more knowledgeable, will have to work with governments and vice versa, said Frank Brown, dean of INSEAD.

Brown said that INSEAD has also made some changes to its MBA programme in Singapore to create more values between the Singaporean and French campuses of the institute. The next step will be to incorporate these changes in the Abu Dhabi campus. The institute is also redesigning its finance courses for its MBA programme

"During the crisis, individuals invest more on themselves by returning to education, and that is why there is demand for an individual executive programme." Frank Brown

"Change is difficult, but if there is a proper accreditation process, it gives you a chance to change." Peter Jädersten

to emphasise sustainability and the integration of the concept into the regular teaching process.

The dean said that the institute has seen 10-15 per cent growth in its executive MBA programme, despite the crisis.

"During the crisis, individuals invest more on themselves by returning to education, and that is why there is demand for an individual executive programme," Brown said.

Brown said that INSEAD will take the initiative to offer a more open enrolment programme like Blue Ocean Strategy. Introduced last year, that programme renders a systematic approach to making competition irrelevant and creating an uncontested market space.

The institute in Abu Dhabi is also in the process of getting accreditation from the local ministry of education. Though ranked fifth on the *Financial Times*' global MBA rankings for 2009, INSEAD officials believe that local ranking and accreditation is equally important.

Senior INSEAD officials are also concerned about educational institutions more focused on making a quick buck than on quality education. It is important to have proper accreditation, quality and the way to drive change even in a country's own educational institutions.

"Change is difficult, but if there is a proper accreditation process, it gives you a chance to change," said Peter Jädersten, executive director of INSEAD Abu Dhabi Centre.

Both Jädersten and Brown emphasised the importance of being flexible in terms of curriculum, while also inculcating local flavour in a country like the UAE, which suffers from the problem of having a moving society and thus a non-permanent workforce. These issues need addressing by businesses as well as governments. Jädersten also said that the increasing regionalisation of the economies in this region compels business managers to adopt new skills and knowledge in order to be able to interact with managers in other parts of the world. It is in this area where INSEAD can play a key role, he added.

Things can only get better

***Allen Quaye** believes that it's now a question of mind over matter and that positivity is the key.*

I'm going to continue with the positivity this month, primarily in the hope that it's contagious, but also because there's no reason to be anything other than optimistic.

There is a tendency for January to be a down month. After all, it's the New Year and psychologically that's a hurdle. New approaches, new plans and new ideas all tend to take root in the year...and so many of us put things off until then, thinking: "I'll sort that as soon as I get back in the swing of things."

We all wish we could pick ourselves up on the second of January and throw ourselves into work with renewed vigour, but it's pretty tough to pull off. After the festive season – whether it's Eid, Christmas, the New Year or whatever – and the frenetic activity of November and December, January is a lull month. It's always the way and we all seem to have forgotten this. There seems an air of doom and gloom around just now. With regional news still affected by international woes, Dubai woes and lately woes in the Saudi market with Zain's announcement that assistance is needed, it's hard to be optimistic. However, I am.

Pessimism breeds negativity, and that affects us all. So my mission is to try to see the positive. Even if there is an overall sense of trepidation in the air, there is still room for innovation, creativity and hard work. It's hard for everyone just now. Even the ultra-wealthy, who may have more time to count their millions just now, simply don't have as many millions to count. So I suppose there's some comfort in that.

It doesn't matter who you are; we're all affected, so let's pull together and try to work our way through the toughest market conditions we're ever likely to face. I'm going to keep positive, keep my head down and keep working. There's much to be done and I'm going to try to take part, in my own small way at least.

I've re-read the above paragraph a few times and there's no way around it; it's pretty corny. A fine example of self-help, new-age, hippy thinking, even. But it can't be denied that it makes sense. Imagine if we reined things in a little, worked hard, creatively and innovatively and kept thinking and plugging away? Surely then the rewards would come?

Isn't the main thing to admit that we've just got to get on with it, get moving, stop worrying so much and get started?

That's why I'm optimistic. It's February and I feel like the year is about to begin.

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.

News in Brief - Banking & Finance

Number of ATMs in Middle East to reach 70,000 units by 2013

The number of automated teller machines (ATMs) in the Middle East is set to grow exponentially in the coming years to reach 70,000 units by 2013, an industry expert said last month on the sidelines of Middle East ATMs 2010.

Dave Wetzel, global ATM provider Diebold's vice president and managing director for Europe, the Middle East and Africa, noted that the Middle East has emerged as an important market for the global financial self-service industry as its banking functions have become more sophisticated.


Dave Wetzel

"According to a retail banking research analysis, the ATM market in the Middle East is expected to grow by 75 per cent over the next four years, with the total number of ATMs in the region reaching 70,000 from the current tally of 40,000," he said.

Emirates NBD unveils first rebranded branch

Emirates NBD revealed its first fully-rebranded branch last month, reflecting the conclusion of the merger process between Emirates Bank and National Bank of Dubai.

Company officials said that the unveiling of the rebranded group head office in Dubai would be rapidly followed by the UAE-wide brand integration of all 110 bank branches and 650 ATMs. The complete external and internal rebranding was expected to be concluded in 60 days. The bank is also rebranding its international network, including branches in Saudi Arabia, Qatar and the UK.

Julius Baer acquires ING Bank (Switzerland)

Julius Baer completed the acquisition of ING Bank (Switzerland) last month. The integration of the new business units is progressing as planned, said company officials.

The acquisition of ING Bank (Switzerland), including its subsidiaries ING Bank (Monaco), ING Bank (Jersey) and ING Fiduciary Services (Suisse), are expected to strengthen Julius Baer's operations in the French-speaking region of Switzerland.

The merger of ING Bank (Switzerland) and Bank Julius Baer & Co. is scheduled to take place on March 1, 2010. All of the units that were acquired will subsequently operate under the Julius Baer brand. The technical integration process is expected to be completed this summer.

Saudi telecom operator Mobily begins year with strong prospects

Etihad Etisalat (Mobily), Saudi Arabia's second telecommunications company, reported gross revenues of US$3.482 billion for the year 2009, up 21 per cent from the previous year's US$2.878 billion. The company also reported a net profit of US$804 million for the year 2009, a 44 per cent increase from US$558 million in 2008.

Mobily's shares performed particularly well during the year, outstripping both the All Share Index and the Telecom Index on the Tadawul: 40 per cent versus 27 per cent and nine per cent respectively.

The company's board of directors recommended a dividend of SAR875 million (SAR1.25 per share) for 2009, compared to SAR525 million (SAR0.75 per share) for the previous year, an increase of 66.66 per cent.

Mobily closed 2009 with an overall subscriber base of 18.2 million. It is expected that the company will maintain its leading position in the mobile broadband segment in the Kingdom. Wholesale revenue represented by sales to third parties increased by 470 per cent in 2009 compared to 2008.

Mobily also signed a contract with Saudi information minister Mohammed Jamil Mullah last month to build, run and operate phase two of the country's Government Secure Network. The project will serve the requirements of the e-government project Yasser and will form the backbone of many future e-government projects and services.

"Mobily will help build a comprehensive framework of service and data exchange among government facilities that will be highly reliable and dependable," said Abdulaziz Al Saghyir, Mobily's chairman.

Abdulaziz Al Saghyir

Fees and deals plummet in tough year for investment banking industry

The investment banking industry in the Middle East saw dramatic declines in fees and deal activity in 2009, according to an analysis by Thomson Reuters. At the height of the 2007 boom, Middle East mergers and acquisitions exceeded US$40 billion. In 2009, they fell to less than US$13 billion, said the analysis.

The Middle East equity capital markets, peaking in 2008 at more than US$36 billion, plummeted to only US$6.89 billion in 2009. Overall fees of US$599 million paid to investment bankers and advisers in 2009 almost halved compared with 2008, the analysis added.

Analysis of Thomson Reuters data for the Middle East as of December 31, 2009 showed that compared with 2008, investment banker and adviser fees were at US$599 million, down 46 per cent. Mergers and acquisitions stood at US$12.7 billion, down 40 per cent. Equity issues dropped to US$6.89 billion, down 81 per cent. Loans fell to US$17.1 billion, down 81.5 per cent. Debt issues rose to US$38.3 billion, up 151 per cent.

With the close of 2009, the analysis showed HSBC holding the top spot in Middle Eastern debt and equity capital markets' fee rankings, with US$13.4 million and US$8.1 million respectively. Credit Suisse came first in the mergers and acquisition fee ranking with US$27.3 million, while Calyon topped the syndicated loan fee ranking with US$11.3 million.

In much-reduced equity issuance, the top three spots in terms of deal activity were taken by Riyadh Bank, HSBC and Qatar National Bank respectively. The largest equity issue of the year was the Gulf Bank follow-on deal worth US$1.3 billion.

With loan activity falling dramatically by more than 80 per cent, Middle Eastern issuers and borrowers managed to raise a total of only US$17 billion. In the overall Middle East loan ranking, Standard Chartered topped the league with eight deals worth a total of US$1.91 billion.

The Dubai Gold & Commodities Exchange (DGCX) recorded 1.5 million contracts valued at US$79 billion at the end of 2009. Surpassing the 2008 total volume of 1.142 million contracts, the DGCX recorded an increase of 31.6 per cent in 2009, the highest annual volume to be achieved since its inception.

Currencies and crude oil were the key drivers for the rise in annual volume. While currencies recorded a 132 per cent increase compared with 2008, full-year volume for crude oil futures rose by 140 per cent.

Monthly volume on the DGCX in December was 181,105, an increase of 529 per cent on December 2008. December volume included 75,591 gold, 89,123 currency and 10,083 WTI futures contracts. Year-on-year volumes of currency, crude and gold futures grew by 524 per cent, 509 per cent and 489 per cent respectively in December.

Average daily volume reached 5921 contracts in 2009, an increase of 30.6 per cent compared with 2008. Since its inception in November 2005, the DGCX has seen the trading of over 4.1 million contracts with a value in excess of US$185 billion.

Regional IPO deal values in 2009 were one-sixth of 2008 value

The year-end IPO update by Ernst & Young stated that total regional IPO deal values in all of 2009 came in at approximately one-sixth the value of all IPOs in 2008. Middle Eastern markets raised US$2.06 billion from 15 IPOs up to November 25, 2009, compared to US$12.46 billion in all of 2008.

"In 2009, IPO activity was concentrated in three countries. Qatar raised US$952.03 million, Saudi Arabia raised US$1.03 billion and Syria raised US$76.99 million. There has been no IPO activity in any other country in the Middle East in 2009," said Phil Gandier, managing partner of transaction advisory services at Ernst & Young.

Syria's Albaraka Bank was the biggest IPO, raising US$37.23 million, followed by Saudi Arabia's Gulf General Cooperative Insurance Company at US$21.3 million. Al Alamiya Cooperative Insurance Company and Buruj Cooperative Insurance Company, both from Saudi Arabia, raised US$16 million and US$13.87 million respectively.

"It is difficult to foresee with any certainty when the IPO activity will pick up, even though as many as 114 IPOs have been announced," Gandier added.

Globally, IPO activity in 2009 was driven by deals from Asia and South America. IPO activity in North America, however, declined in value by nearly 38 per cent, while European IPOs only accounted for 10 per cent of total IPO deals.

The leading sectors by number of deals were industrials, materials and high technology. The top three IPOs by capital raised were Banco Santander Brazil (the largest IPO in 2009 and the largest in Brazilian history, raising US$7.5 billion), China State Construction Engineering Corp (listing in Shanghai in July at US$7.3 billion) and Metallurgical Corp of China (US$5.2 billion on the Shanghai and Hong Kong stock exchanges).

Phil Gandier

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

The Statistics Centre in Abu Dhabi's latest Consumer Price Index report (December 2009, released January 9, 2010) showed that the emirate's consumer price index increased by 0.08 per cent to 117.07 points in December 2009, up from 116.97 points in December 2008. Abu Dhabi's consumer price index edged up 0.02 per cent in December 2009, reaching 117.07 points, compared to 117.05 points in November 2009. The inflation rate – the percentage change in the average consumer prices for 2009 compared to the average consumer prices of 2008 – was 0.78 per cent for 2009, leading to a rise in the consumer price index from 114.88 points in 2008 to 115.79 points in 2009.

Investors have rediscovered their risk appetite and are putting cash reserves across the equity markets, according to the BofA Merrill Lynch Survey of Fund Managers for January. For the first time since January 2006, the survey showed that investors were taking above average risk relative to their benchmark. A net two per cent of investors were taking higher than normal risk, compared with a net seven per cent taking below normal risk in December.

Global default rate will fall sharply, says Moody's

The trailing 12-month global speculative-grade default rate finished at 12.5 per cent in the fourth quarter of 2009, down slightly from 12.6 per cent in the previous quarter, said Moody's Investors Service last month.

During the fourth quarter, the global default rate peaked in November at 12.9 per cent, which surpassed 2001's peak of 10.4 per cent and 1991's peak of 12.2 per cent. A year ago, the global default rate stood at 4.2 per cent.

The ratings agency's default rate forecasting model now predicts that the global speculative-grade default rate will fall sharply over the next year to 3.3 per cent by the end of the fourth quarter. The pace of the decline is expected to be more rapid in the first half of the year, with the default rate falling to 6.4 per cent by the end of June.

"With the pace of defaults down sharply during the past several months, it is likely that the global default rate has now reached its cyclical peak for this credit cycle. If high-yield credit spreads remain at or below current levels, we expect the default rate will fall sharply in 2010," said Kenneth Emery, Moody's director of default research.

In all, a total of 32 Moody's-rated corporate debt issuers defaulted in the fourth quarter, which sent the 2009 default count to a record high of 266. In comparison, there were 105 defaults recorded in 2008. In 2009, the media industry was the worst performer, with 45 issuers defaulting. Across regions, 205 of the 2009 defaulters were based in North America, while 30 were from Europe. The remaining defaulters were located in Asia and Latin America.

Equities trading volumes on Nasdaq Dubai rose by 30 per cent in 2009 to 3.10 billion shares, up from 2.39 billion in 2008. Volumes for the month of December 2009 reached 410 million shares, the second-highest monthly total of the year. This was a 170 per cent increase over the November 2009 figure and was also 170 per cent higher than the December 2008 figure.

Emaar: Burj Khalifa to welcome first residents in February

The world's tallest tower developed by Emaar Properties was unveiled last month as 'Burj Khalifa'. The official height of the tower was announced as 828 metres, breaking all existing world records for tall buildings.

Burj Khalifa employs a record-breaking 330,000 cubic metres of concrete, 39,000 metric tonnes of steel rebar and 142,000 square metres of glass. It took 22 million man hours to build.

Other world records for Burj Khalifa include the highest occupied floor in the world at over 550 metres, the highest outdoor observation deck in the world and the tallest service elevator, which travels to a height of 504 metres.

Burj Khalifa will receive its first residents this month, according to Emaar. These residents will be the first of over 12,000 people who will live and work in the mixed-use tower comprising luxury apartments, office space and the world's first Armani Hotel.

The Armani Residences on levels nine to 16 will open their doors first, to be followed by the Armani Hotel Dubai, which will be unveiled to guests in March. The Residences, comprising 900 apartments, and The Corporate Suites, a collection of high-end offices, will be handed over to customers starting in March. The handover programme should take anywhere from two to six months, said Emaar.

Burj Khalifa

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

Pendulum swings slightly in favour of Abu Dhabi's tenants

Apartment rents in Abu Dhabi saw marginal falls in the last three months of 2009 as increased residential supply came on stream and softened prices in the capital, according to property services company Asteco.

"Given the slight increase in vacancy levels and the additional supply of residential property in Abu Dhabi, the rental market has shown signs of softening, striking more of a balance between the negotiating power of tenants and landlords," said Elaine Jones, CEO of Asteco.

Jones added that the growing availability of units and a revival in market activity after a traditionally slow summer period resulted in a minor downward fluctuation in the cost of renting in Abu Dhabi.

Although rents in Dubai, on average, remained stable over the last quarter of 2009, apartments that offer superior amenities such as access to a gym, swimming pool or free parking are still in the region of over 20 per cent cheaper than in Abu Dhabi, said Jones.

"The number of people working in Abu Dhabi but continuing to live or moving out to Dubai remains noteworthy," she added. "This trend is not expected to change in the short term without the perceived value for money versus location issues being addressed."

Elaine Jones

In terms of new quality supply in Abu Dhabi, there are around 2000 new apartments due to be ready for lease on the main Abu Dhabi island during the first half of 2010, with a similar number during the second half. In addition, Marina Square, Sun & Sky Towers and Al Bandar will provide around 6500 apartments by the end of the second quarter of 2010, with a further 1286 units due to come online in Al Muneera by the end of 2010.

Over the last three months of 2009, Dubai's real estate market saw an increase in sales and rental activity targeting more mid-range quality and locations, according to a report from real estate consultancy Landmark Advisory.

In terms of apartment rents, the report said that leasing rates over the last two months of 2009 largely stabilised, with rents in some areas increasing in response to steady demand. For instance, the areas buoyed by Abu Dhabi demand, such as good quality units in JLT, saw lower-limit rents grow by nine per cent. In Dubai, lower-limit rents for high-end units in Downtown Burj Khalifa increased 13 per cent.

Lower-quality units, however, failed to show similar rent growth, while some areas have continued to decline, said the report. An example of declining rents can be found in the country cluster units within International City, where lower-limit rents fell 12 per cent.

The report showed that Dubai apartment sale trends were similar to leasing trends. Sale prices for Palm Jumeirah apartments climbed seven per cent, while more average quality developments, such as International City, declined 10 per cent in the lower-limit over the last three months of 2009.

The research also looked at leasing rates and sale prices for villas. Villa rents largely stabilised over the last two months of 2009, with strong demand boosting rent levels.

Najd Investments has opened an office in the Dubai International Financial Centre.

Najd Investments is a boutique advisory and arranging business specialising in advising enterprises based in the GCC and investors seeking regional ventures.

The company's strategy is focused on offering investment banking services to the untapped and large sector of the small and medium enterprise (SME) market within the GCC region. SMEs account for over 80 per cent of businesses in the region, yet they account for a tiny proportion of financial fee revenue, said Najd officials.

Dubai Bank has opened two new branches in Dubai, bringing the bank's UAE network to a total of 23 branches. Twelve of the branches are in Dubai. One of Dubai Bank's new branches is located next to the Shangri-La Hotel on Sheikh Zayed Road and includes a dedicated Royal Banking section. The second new branch is at the Dubai Convention Centre.

Scotiabank is first Canadian bank to operate from Dubai International Financial Centre

Canada-based Scotiabank has received a licence to operate within the Dubai International Financial Centre (DIFC). Scotiabank will be the first Canadian bank to operate from the DIFC.

The licence allows the bank's ScotiaMocatta division – a global leader in precious metals trading, financing and physical products – to open its own branch in the DIFC.

ScotiaMocatta has operated in Dubai since 1998 through an alliance with National Bank of Dubai, providing gold loans and price hedging facilities to Dubai-based bullion traders, jewellers, manufactures and refiners.

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

Luup to open mobile-enabled remittance corridor to Indonesia

Mobile payments solutions provider Luup International is planning to open a mobile-enabled remittances corridor between the UAE and Indonesia with the cooperation of PT Koinstar Dhasatra Indonesia Remittance. Dhasatra is an Indonesia-based company with a network of 120 banks and 5000 post offices around the country.

When the service launches, over 300,000 Indonesians living in the UAE will be able to transfer money to their families and other recipients in Indonesia directly from their mobile phone handsets. Luup's mobile payments solution will be deployed to facilitate secure transfers between remitters in the UAE and their beneficiaries in Indonesia.

Luup's technology enables users to transfer cash around the world using special short codes sent through SMS messages

Morten Hofstad, Luup's regional director for the Middle East and Africa, and Nicolas Dharmawan, president and director of Dhasatra Indonesia Remittance

directly from their bank accounts, payroll cards or money exchange accounts to their beneficiaries. The people receiving the funds can cash-out the transfers at ATMs, post offices or money exchange houses.

Punjab National Bank plans to launch operations in MENA region

Punjab National Bank (PNB) has received a licence to operate from the Dubai International Financial Centre (DIFC). The Dubai office of PNB will offer financial services to corporate and professional clients.

By locating itself in the DIFC, the bank aims to become one of the region's preferred corporate finance and investment banking service providers.

"The DIFC is the ideal gateway for Punjab National Bank to launch its operations in the MENA region, particularly as India-GCC trade volumes continue to grow positively," said Abdulla Mohammed Al Awar, CEO of the DIFC Authority.

Raj Kumar Nair, CEO of PNB Dubai, said that the bank's DIFC branch will serve as a base for targeting the entire Middle East and Africa region.

Raj Kumar Nair and Abdulla Mohammed Al Awar

He added: "As interest on deposits maintained with DIFC banks are entirely tax free, unlike many other major markets, PNB Dubai expects a large number of big ticket deposits from investors outside the UAE market. From the new office, we will be offering a range of world-class corporate finance services including trade finance, credit for long- and medium-term projects and investment-related services."

Kuwait Turkish to provide Islamic banking services from Dubai

Kuwait Turkish Participation Bank (Dubai) Limited has received a licence to provide a full range of Islamic finance banking services out of the Dubai International Financial Centre (DIFC).

Kuwait Turkish Participation Bank (Dubai) is the first Islamic finance institution to receive a licence that allows it to provide a comprehensive range of banking services from the financial district. The new company is 100 per cent owned by Istanbul-based Kuwait Turkish Participation Bank, one of Turkey's first interest-free banks.

The bank will be the first subsidiary of the Turkey-based bank to be licensed in the DIFC and in the UAE.

The majority shareholder of Kuwait Turkish Participation Bank is Kuwait Finance House. Other shareholders include General Directorate of Foundations (Turkey), Public Institution for Social Security (Kuwait) and Islamic Development Bank. The bank provides contemporary interest-free banking products and services with 130 branches in Turkey. The bank also has a branch in Bahrain and a representative office in Kazakhstan.

Kuwait Turkish was recently awarded a financial services branch licence in Germany and is expected to start its operations as the first Islamic bank in the country.


DIFC and Kuwait Turkish officials

Al Ansari Exchange offers new payroll solution

Al Ansari Exchange has launched a new payroll solution for companies to modernise their payroll systems and streamline the preparation and distribution of payrolls through the issuance of a special salary card to their employees.

The wage payment solution is compliant with the wages protection system, a payroll regulation required by the UAE ministry of labour and central bank. The solution also issues automated reports about companies' wage lists to the ministry and synchronises their payroll databases with the ministry's central database.

Geared towards serving unbanked labourers, the payroll card provides access to salaries across all 88 Al Ansari Exchange branches free of charge, with the added facility to disburse salaries at various work sites and camps. The solution also includes minimal paper work and documentation procedures for payroll enrolling, fast account reconciliation and complete automation for back-end procedures, reports and routine operations.

Al Ansari Exchange is also in talks with several leading banks to tie up the new solution to the banks' ATM networks, said company officials.

Newedge said that its Korea office has been granted a full futures licence by the Korea Financial Services Commission. Newedge is the first foreign company out of the 19 foreign companies that applied for the licence to get approval.

With this licence, Newedge Korea is able to offer all products listed on the Korea Exchange (KRX), including equities and derivatives.

The licence will add to Newedge Korea's current offering - cash equity, stock index contracts and stock futures and options - all the KOFEX products listed on the KRX. These include interest rate products, currency products and commodity products. In addition, the full futures licence will allow Newedge Korea to offer offshore futures and options products to domestic clients.

National Bonds launches Takaful cover for all bondholders

National Bonds Corporation has introduced a new Takaful coverage that will be provided to all existing and new customers under a joint venture with Takaful operator Dubai Islamic Insurance & Reinsurance Company (AMAN).

More than half a million customers will immediately be eligible for the cover without any premium contribution. Savings of up to AED10,000 will be offered cover for a maximum amount of AED5000, while savings from AED10,001 to AED250,000 will have 50 per cent coverage of certificate value. Savings for more than AED250,000 will be covered for a maximum amount of AED125,000.

Customers will be covered for accidental death within the first 90 days of their savings certificates issuance. Thereafter, they will automatically be covered for both accidental and natural death. This benefit will cease once the bondholder fully withdraws his savings with National Bonds.


Senior National Bonds and AMAN officials at the signing ceremony

The cover is offered in accordance with Shari'ah guidelines under the supervision of the companies' Shari'ah supervisory boards.

Noor Takaful introduces new individual family insurance suite

Noor Takaful has launched its new suite of individual family products with flexible protection, investment and savings Takaful plans to cater to national and expatriate residents of the UAE.

"This is the beginning of an aggressive expansion into the personal insurance market by Noor Takaful," said Dr. Ahmed Al Janahi, managing director of Noor Takaful. "In addition to the individual family insurance line of products, we will be launching other high quality personal insurance offerings in the coming months."

The first product is an investment-linked plan that provides investors with 100 per cent capital protection. The second product is designed to protect and invest in employees that are critical to the operations of an organisation.

The third product is a plan intended to secure a child's future education through regular savings, while the fourth product is an investment plan to protect family income via a secured monthly income plan. The fifth product is a savings plan that encourages regular saving in anticipation of future financial needs.

The products can be fully tailored with ten available additional benefit options. All individual family plans provide multiple currency and globally diverse investment fund options and provide worldwide coverage should the policyholder decide to leave the UAE.

Dr. Ahmed Al Janahi

Dubai Islamic Bank has launched Al Islami Takaful Riayati, a new comprehensive accidental death and disability insurance plan. The Shari'ah-compliant product is underwritten by SALAMA Islamic Arab Insurance Company.

Annual contributions for the plan are AED250 for an individual and AED400 for a plan holder plus spouse. The coverage offered by Al Islami Takaful Riayati includes a family Takaful benefit of AED100,000 in the event of accidental death, permanent total disability or partial disability caused by an accident.

GMG Limited to operate from Dubai International Financial Centre

GMG Limited has been granted a licence to operate as an authorised firm from the Dubai International Financial Centre (DIFC). GMG Limited is part of G2 Group, a family office based in Switzerland that specialises in investments and financial services across asset classes.

G2 manages a series of fund of hedge fund investments in Switzerland, Russia and Latin America. The Swiss firm has a geographically-spread portfolio of real estate investments including hotels, agriculture, commercial and leisure.

GMG, as the brokerage arm of G2 Group, will provide both traditional voice and electronic execution services for institutional clients from its base at the DIFC.

GMG will render its brokerage services to institutional clients such as banks, funds, sovereign funds, family offices, corporates and supra-nationals.

Appointments - January 2010

Suparman Kusuma

Suparman Kusuma, who joined Emirates NBD last year as head of credit and collections, has become head of priority banking. **Moosa Ahmed**, who began his professional career with Emirates NBD two decades ago, has been named vice president of credit and collections.

Moosa Ahmed

Friends Provident International has appointed **Shahid Mohammed** to the newly-created role of regional sales manager.

Dubai Islamic Bank has appointed **Faisal Hameed** as group chief internal auditor.

Atiq ur Rehman

Citi has appointed **Atiq ur Rehman** as CEO for its Middle East division, based in the UAE.

Arab Banking Corporation has made **Dr. Khaled S. Kawan** deputy chief executive of the group.

Abdullah Khalifa Al Suwaidi

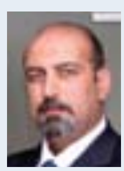
Abdullah Khalifa Al Suwaidi has joined Abu Dhabi Commercial Bank as executive vice president and head of government relations.

Walkers has appointed **Carol Hall** as head of its newly-formed investment funds group in Hong Kong.

Abdulfattah Sharaf

HSBC Bank Middle East has created the new senior management position of CEO for the UAE. **Abdulfattah Sharaf**, previously regional CEO of HSBC's personal financial services, is the first appointment to the role.

Atlas Telecom has appointed **Osama Abulebdeh** as regional sales director and **Moussa Sheikhali** as director of program management.



Osama Abulebdeh

Moussa Sheikhali

Farewell America

Is the US, in its efforts to collect as much tax revenue as possible to manage its massive economic problems, driving away international capital? **Dr. Konrad Hummler** says yes. He also explains how institutions and investors are being forced out of that market by the sheer complexities of the country's taxation regulations.

To get some idea of how the inheritance tax of a foreign state can become a serious problem for third parties, we need to start with a fundamental difference between continental and Anglo-Saxon inheritance law. On the continent, the view prevails that the logical recipients of assets left by the deceased are their descendants. Accordingly, continental inheritance law provides for forced heirship, whereby a portion of the estate is legally required to be left to close relatives. Under such a system, it is not difficult to see where any taxation of the inheritance should occur: with these heirs.

Liable to US inheritance tax

Things are different under Anglo-Saxon law. There is no forced heirship, so American inheritance tax is levied on the estate; that is, the physical goods, such as property, goods and chattels and securities. If they are US securities, they are liable to tax, regardless of the final domicile or main place of residence of the deceased. US securities are basically defined as securities issued in the US, such as the stock of American companies like Apple, General Electric or Pfizer, US funds and US bonds – Treasury bills in particular. American inheritance tax law makes specific reference to both US citizens (including US citizens resident abroad) and non-resident aliens. These latter are foreigners with no permanent residence in the US; in other words, all non-Americans in possession of US securities.

American inheritance tax rates are variable, with the top rate at 45 per cent. Significant exemptions of over US$1 million are allowed for US citizens. The limit for non-Americans is US$60,000, unless there is a double taxation agreement setting a higher limit. To claim the allowance, the estate – that is, in continental terms, the heirs – must disclose the entire, global legacy to the Internal Revenue Service (IRS). On account of the IBM shares that he was so attached to, the children of Mr. Ruedi of Zurich must file with the IRS and present a valuation of all other family assets.

The US has a remarkable lack of double taxation agreements with Latin America, Asia and the Middle East. Mr. Abdullah of Dubai, a typical owner of treasuries, industrial bonds and GM shares, is liable to American inheritance tax on his decease. Not his problem, but it may well become one for his sons, Omar, Ali and all.

Or maybe not. For he had placed his securities in an institutional structure, a trust or a company domiciled on one of the Caribbean islands – and institutions cannot die, can they? Indeed not. However, the Americans are increasingly going over to regarding such structures as look-through entities and are trying to get access to the beneficiaries and their tax liabilities.

Another common objection: it's impossible anyway. How on Earth can the IRS make the connection between a US security and a deceased foreigner? The US is not even capable of registering its own residents, so how should it be able to control the rest of the world? Simple answer: it doesn't have to. Rather, American inheritance tax law focuses on the executor. If there is no executor, the role is fulfilled by the custodian bank, which is liable for the tax due. In order to exclude this liability, the American custodians of foreign banks will go over to requiring their partners abroad to freeze the estate when one of their clients dies.

Besides, the revised provisions of the Qualified Intermediary (QI) enable an American auditor to control banks' compliance with the agreement, which entails giving such auditors access to all files, including client data. This will create the means of directly linking US securities with non-American owners.

An act passed in 2001 by President Bush envisaged a "sunset clause" for the then controversial but reintroduced inheritance tax. Unless extended, the estate tax would expire in 2010 and, if not reformed, would come into effect again on January 1, 2011. The Obama administration is currently working not merely on an extension, but also on making the law stricter with regard to recognised loopholes. The possibility of further unpleasant surprises can certainly not be ruled out.

A qualified extended arm

We need to look more closely at the already-mentioned QI agreement. In 2001, the US introduced a new withholding tax system with the aim of avoiding the complicated and expensive reimbursement of tax levied on those not liable to taxation and thus to give foreigners easier access to the American capital market. The aim was also of obliging US persons with securities deposited with intermediaries whose countries had no automatic exchange of information with the US to include all their US holdings in their tax declarations. This was done by imposing a withholding tax of 30 per cent, which US persons could avoid entirely by full disclosure and non-US persons could avoid in part or entirely (depending on the double taxation agreement) by self-declaration to the QI.

The 2001 QI agreement took account of countries with banking secrecy to the extent that clients could be assigned to their individual categories by the QIs themselves. Compliance with the agreement was, though, monitored by a special audit following a process laid down by the US tax authorities.

There are three definitions in the QI agreement that are of decisive importance: that of a US person, that of a US security and that of a legal entity belonging wholly or in part to a US person. The definition of a US security is fairly unproblematic in that it is effectively determined by the retention of the withholding tax by the custodian. The other two definitions, however, have caused and continue to cause almost insurmountable problems for QIs and thus generate considerable legal uncertainty.

Sadly, it is entirely unclear who actually counts as a US person and who does not. In addition to the clear case of US citizens resident in the US, the American understanding of the category also includes foreigners living in the US, those in possession of a social security card, holders of a green card, US citizens not resident in the US and also those who pass the so-called Substantial Physical Presence Test. This presence test has a particularly delightful design: it is passed when someone has been in the US for at least 31 days in the current year and a total of 183 days over a period of three years. In the first year, the days count for one-sixth, in the second for one-third and in the third year they are counted full. By this definition, a student, perhaps Mr. Abdullah's son Omar, who is doing an MBA at Harvard, very probably counts as a US person. The problem is that the QI has to know whether he does or not, for the agreement has turned the QI into the extended arm of the American tax authorities.

Even trickier is the question of how far the beneficiaries of legal entities are liable to withholding tax. Clearly liable, according to the text, are active businesses: an American company holding securities in Switzerland, for example. Trusts, institutions and foundations are exempt if they meet certain and naturally highly-complex conditions.

Matters become really awkward when an impeccably non-American legal entity suddenly becomes "contaminated" by a US person. Let's assume that Mr. Abdullah has named his son Omar, as well as some of his other adult sons, as a beneficiary of his trust. As American tax law has turned him into a US person, Omar renders the trust liable to tax, and when Mr. Abdullah dies, this may mean that the entire inheritance becomes liable to US estate tax, possibly at 45 per cent, for Mr. Abdullah was extremely wealthy. Perhaps, or perhaps not. But that doesn't matter – the QI should have known.

The QI agreement of 2001 already exposed all the signatory banks worldwide to significant legal risks vis-à-vis the American tax authorities. Even without actively canvassing for clients in the US, as the UBS did with Alinghi and by other means, the mere fact that someone can mutate, almost unnoticed, from a non-US person into a US person is an unacceptable situation, for the result can be an entirely innocent misdeclaration.

Green book, red content

The Obama administration set out its intentions with regard to various tax matters in May 2009 in a green book entitled "General Explanations of the Administration's Fiscal Year 2010 Revenue Proposals". In addition to the notion of forcing American businesses operating abroad to pay more tax in America, the focus was on the extension of the estate tax and the tightening up of the QI system. Essentially, the Obama administration is seeking to expand the application of the QI system and to plug all known and conceivable loopholes. Seven significant changes deserve comment.

One, the definition of a US security has been expanded. In the future, the QI system will also include equity swaps on US securities and on securities lending. This should prevent US persons from entirely, and non-US persons from partly, avoiding withholding tax by means of an OTC contract. According to the green book, the QI agreement is not (for the time being) being expanded to cover non-US funds or derivatives that replicate US securities.

Two, US persons are now required to report earnings and gross revenue from non-American sources. This will extend the QI agreement to cover the entire global financial universe and enforce disclosure by all US persons, in particular those who, by not holding US securities, had previously remained outside the QI agreement. Should an intermediary wish to remain outside the QI system, withholding tax at 30 per cent is levied compulsorily and may only be reclaimed by the beneficiary, not the intermediary.

Three, the green book seeks the compulsory imposition of withholding tax at 30 per cent on US securities held by non-American companies. Any reclaiming would have to be done by the company itself and involve disclosure of its ownership structure. According to the green book, exceptions would be possible for pension funds, listed public companies and the like.

Four, also stipulated is the introduction of withholding tax at 20 per cent on all gross revenue from transactions via a non-QI intermediary and in a country with no double taxation agreement or inadequate exchange of information.

Five, the green book envisages compulsory declaration of transactions over US$10,000 involving US persons via a non-QI intermediary.

Six, notification to or recording by the IRS of the acquisition or foundation of an

offshore entity on behalf of a US person is now also prescribed.

Seven, the involvement of an American auditor to monitor compliance with the QI agreement is envisaged. The report will have to be signed by this auditor.

This list of the intended amendments is not necessarily complete and may also contain minor inaccuracies. What is clear, though, is that the US is attempting to exploit its almost unlimited position of strength with regard to the international transaction systems (swift, clearing systems, custodians) and the fundamental attractiveness of its capital market to impose its ideas on the rest of the world. There is no question that signatories to this new version of the QI agreement will need to revise their business models for cross-border wealth management, at least as far as US persons are concerned. Both Swiss-style banking secrecy and the Austrian and Luxembourg versions, and indeed all Anglo-Saxon-style structures (whether managed from London, Dubai, Singapore or Hong Kong), are called into question. As far as US persons are concerned, the US aims to abolish cross-border business.

It might reasonably be observed that as long as this really only affects its own citizens, the US is absolutely entitled to do this. And to the extent that it can exploit its position of power in the world to enforce its intentions, we must – as we have decided on as non-judgmental an analysis as possible – take note of this and adapt, or possibly re-dimension our own business activities. The concept of the green book is extraordinarily intelligent. The aim must have been "no way out" – no loopholes. Sadly, however, the matter has not been properly thought through. The real problem lies not in the rigour of the law, but in the lack of clarity about actual tax liability and the resulting disproportionate effort required for monitoring and management. The enormously expansive view of what constitutes a US person and the potential imperialist expansion of inheritance tax liability to cover the whole world substantially increase the risk of investing in the US and thus in the US capital market. This applies to investors, but even more so to intermediaries. While the old QI agreement put the thumbscrews on them, the intended agreement will crush them in a vice. It is becoming clear that it will simply be too dangerous to own US securities, to hold them as a custodian for third parties or to trade them as a bank.

Unattractive anyway

The financial crisis has given momentum to anti-capitalist, and thus anti-market, forces in the US (and elsewhere). That promises little good for this part of the world, but it makes it somewhat easier for investors to take their leave. There are institutions that are already in the process of recommending that their clients exit from all direct investments in US securities. This, on the grounds of the threat of inheritance tax, coupled with the uncertainty as to whether one might not, one way or another, is to be turned into a US person.

There is no denying that by doing this, institutions hope to significantly reduce their risk as intermediaries. Should these institutions maintain QI status under the new, more rigorous conditions, they will have so far reduced their holding of US securities and are spared from dealings with these cumbersome foreign authorities. Investors that need US exposure on diversification grounds can obtain it via non-US securities. The green book explicitly excludes derivatives and non-US funds from withholding tax. And it can only be expected that the range of non-US securities with American exposure will expand significantly in the near future.

But then again, it may not. If this picture of a tautologous construct around the US Treasury is correct, then we must at the very least be extremely cautious about nominal values, for Treasury bonds and bills would then be seriously overvalued, as would the US dollar itself, which would naturally argue against all other US bonds. In our view, not even an engagement in US stocks is really worthwhile. Despite depreciation in the financial crisis, according to our calculations they are still valued at around 12 per cent above the long-term fair price, whereas European stocks are undervalued by almost 17 per cent. And these calculations do not include the impact of any future increases in taxation or interest rates.

We live at a time of shifting power and influence in the world. Asia is on the rise, and probably Brazil. Australia will catch on to their coattails, and Europe may once more be able to position itself within these countries' recoveries. The US will remain the unquestioned military power and also an enormous repository of debt and other problems. Because they are painful, and there is always an inclination to shift the blame for them onto third parties, re-dimensioning processes always harbour the potential for aggression. Switzerland is currently experiencing this. But it won't end there. Potential aggression and economic progress are mutually exclusive, which is why we are well advised to say a general farewell to the US. This will be painful, for the US was once the most vital market economy in the world. But for now, it's time to say goodbye. MW

The writer is managing partner of Wegelin & Co. Private Bankers.

Wegelin & Co. Private Bankers founded in 1741, Wegelin & Co. is Switzerland's oldest bank. As a limited partnership, Wegelin & Co. is one of the few remaining independent Swiss private banks whose partners have unlimited liability. Its reputation is built on superior performance, a scientific approach to developing investment strategies and structured products, and its commitment to the highest client service standards. Wegelin & Co.'s more than 650 employees currently manage client assets of approximately CHF 26 billion. The Wegelin Investment Commentaries are available at www.wegelin.ch.

Etisalat to enter remittance business

Remittances and payments are converging, telecom operators like Etisalat are getting ever-more important and electronic transactions are continuing to rise. **Utpal Bhattacharya**, with inputs from **George Fahim**, finds out how the industry is shaping up.

Mother: *"Son, can you text me some money? I have shopped beyond my pocket."*
Son: *"There you go, mom, US$150. Happy shopping!"*

The above scenario happening in real life is no longer a figment of the imagination. Communication, money transfer and even payment are all possible through the use of a mobile phone. In the UAE, we are already using mobile phones to pay parking tickets. In the future, we will probably be able to use them to pay taxi or bus fares. Even more exciting would be the ability to use a mobile phone to transfer money to a dependant in another country, perhaps enabling that person to pay taxi or bus fares. This development hasn't happened yet, but will it soon?

The new face of remittance

Y. Sudhir Shetty, COO and general manager of UAE Exchange, the leading money exchange in the region, says that cash is gradually being taken out of the system. It is likely that in the not-too-distant future, technology and innovation will begin to reduce work at physical counters, as transactions will increasingly be done electronically and also remotely.

A number of developments are taking place in the realm of electronic transactions, as we see a convergence happening in payments, remittances and telecom services. In fact, Etisalat already has one foot into the remittance business. The UAE telecom operator is all set to launch a service that will allow mobile phone users to remit money using their handsets in the very near future. The service will be launched by the end of this month, according to Rashed Majed Al Abbar, director of Etisalat Mobile Commerce.

The Etisalat mobile money service makes the telecom operator an interface and an enabler in the money remittance business. A user or remitter gets a password and a pin from the telecom operator to be able to remit money to beneficiaries, who must also be registered with Etisalat. Once that is done, an Etisalat mobile phone subscriber can click a few options on the phone and choose from exchange houses or banks listed with the telecom operator to remit money. The introduction of this new mobile money service will change the entire paradigm of the remittance business in the UAE. It will also give a remitter the option to choose from the better providers in terms of exchange rates and fees, allowing him or her to get the best value for money.

To make this service work, Etisalat will have a special facility at its kiosks for remitters to deposit cash in advance. Once cash is deposited with Etisalat, the remitter or the mobile phone subscriber will have a balance with the telecom operator from which he can remit money using the handset.

It should be noted that Etisalat is not starting an exchange house business. It is merely giving its customers the additional benefit of remitting, using the same device that allows video and audio communication. Al Abbar feels confident that the new mobile money service from Etisalat will help the telecom operator corner 10-15 per cent of market share in the UAE during the first three years of its launch.

"There are two reasons why customers will come to Etisalat, the first being our ability to offer our transactional service at a very competitive fee and the second being the convenience this service offers," argues Al Abbar.

The service will be convenient because once cash is deposited with Etisalat, the remitter can send money at any time – even early in the morning on Fridays – without having to worry about whether the counter of a bank or exchange house is open.

So what's the next step for Etisalat and other telecom operators? Will they eventually step into the business of exchange houses and become exchange houses themselves?

Although Al Abbar says that they are still in the initial months, he doesn't say no to the idea of taking on exchange houses in direct competition.

"We believe our community and our customers expect a lot from the idea of mobile money, so we have to cater for their needs and develop more products in that area. We are waiting for the market to develop and for regulations to become friendlier," he adds.

Al Abbar's message will not be music to the ears of existing exchange houses. Osama Al Rahma, general manager of Al Fardan Exchange, cautions: "As long as telecom operators do not cross the red line, we have no problems. But if they step into our cake, we will not take it lightly."

Etisalat, however, is not the only regional telecom operator that is entering the remittance industry. Others like du are not far behind. Sources say that Saudi Arabia is also keenly considering opening up the market. In fact, Saudi telecom operator Mobily has engaged an international consultancy to conduct a study on mobile money transfers in the Kingdom, which is the second-largest remittance corridor between Saudi Arabia and India after the US-Mexico corridor. The UAE-India remittance corridor is the third largest in the world.

Outlook for remittance flows to developing countries, 2009-11 US$ billion

	2006	2007	2008	2009e	2010f	2011f
Developing countries	235	289	338	317	322	334
East Asia and Pacific	58	71	86	85	85	89
Europe and Central Asia	37	51	58	49	51	53
Latin America and Caribbean	59	63	65	58	59	61
Middle-East and North Africa	26	31	35	32	33	34
South Asia	43	54	73	72	73	76
Sub-Saharan Africa	13	19	21	21	21	22
Low-income countries	20	25	32	32	33	34
Middle-income countries	215	265	306	285	289	300
World	317	385	444	420	425	441
(%) Growth rate						
Developing countries	18.3%	22.9%	16.7%	-6.1%	1.4%	3.9%
East Asia and Pacific	14.1%	23.8%	20.8%	-1.5%	0.8%	3.7%
Europe and Central Asia	24.1%	36.0%	13.8%	-14.7%	2.7%	5.0%
Latin America and Caribbean	18.1%	6.8%	2.3%	-9.6%	0.5%	3.5%
Middle-East and North Africa	4.6%	20.1%	10.6%	-7.2%	1.5%	3.3%
South Asia	25.3%	27.1%	35.6%	-1.8%	1.7%	4.1%
Sub-Saharan Africa	34.7%	47.6%	13.4%	-2.9%	1.8%	3.9%
Low-income countries	23.9%	23.4%	28.3%	0.7%	2.6%	4.6%
Middle-income countries	17.8%	22.9%	15.6%	-6.8%	1.2%	3.8%
World	15.3%	21.3%	15.3%	-5.3%	1.2%	3.7%

Source: World Bank

Expanding opportunities

Shetty discloses that these days, UAE Exchange's draft printing business accounts for only 1.5 per cent of its total turnover. Fifteen years ago, draft printing accounted for the bulk of an exchange house's business in the GCC region, including UAE Exchange. The business has been constantly evolving, but much faster in recent years.

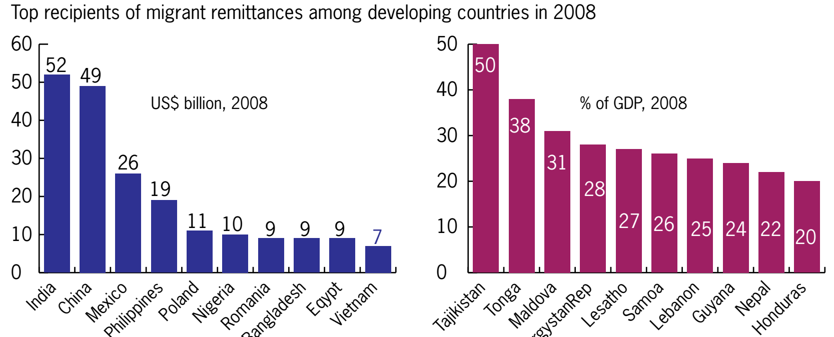
Says Shetty: "We know that the cash handling part is going to go away from our business soon. Today it is either electronic transfer to banks, instant cash products or card-related services that we are involved in. Going forward, we are going to automate end to end, both delivery and receiving."

UAE Exchange owns a portal called Money2anywhere. This portal is a virtual exchange house that can be used to transfer money sitting at home using the Internet. Remitters can operate this portal in the UK, the US, Canada, Australia and Kuwait. Shetty explains that the portal's services can be used only in those countries that provide a central clearing system and have permitting regulations.

Transferring money electronically through a portal without having to move cash out of a bank is an extremely efficient way of transferring money and is going to gain more popularity in the future, according to Shetty.

Shetty explains that UAE Exchange's advantage comes from the technology platform that it has developed in-house. Combined with its levels of service, the exchange house has been able to garner a

Top recipients of migrant remittances among developing countries in 2008



Source: World Bank

lot of customer loyalty. The kiosks at UAE Exchange that allow customers to pay their bills and make credit card payments have been a hit with customers and have helped the exchange house significantly increase the volumes of its transactions.


Rashed Majed Al Abbar

The UAE labour ministry's effort to disburse salaries electronically has been a major development that has boosted the business of exchange houses in the UAE. Now exchange houses are getting into that space, giving salary-loaded cards to labourers under the Wage Protection System in the UAE.

Shetty explains that while labourers are not charged anything for the withdrawal of their salaries from cash dispensing machines using these cards, it is possible that these cards will be used for other purposes in the future, including making payments. In fact, if such a development occurs, the entire bottom market consisting mainly of labourers could come into the folds of the electronic payment industry in one stroke. This also means that exchange houses are at the threshold of entering the payment industry, mainly catering to the lower end of the market that is completely ignored by banks at present.

"We are now tied up with payment associations, so the channels are already there. The next step would be to enable the cardholders to use the switch to make payments. It is just a matter of time before that happens," notes Shetty.

Shetty foresees that in the future, POS machines will be available in small stores, groceries and other much smaller vendors, making electronic payments possible for all sections of society. Cash will really come under pressure then, as it

Al Ansari: Remittance business to improve in 2010

Mohammed Al Ansari, chairman of Al Ansari Exchange, tells MONEYworks that 2010 will be a better year for the remittance business.


Mohammed Al Ansari

Can you give us an overview of where the remittance business in the region is headed? What are the main trends?

The GCC region has over 10 million expatriates and is the second-largest source of private financial transfers, only after the US. In addition, remittances from the UAE are the second highest in the region, only after Saudi Arabia. The year 2008 was a phenomenal year for the remittance business; however, there has been a slight decline in the remittance business in the last year, mainly due to some expatriates returning to their native countries due to job losses. The trend is now changing and we have seen a perceptible improvement in the remittance business in the last quarter of 2009. We are hopeful that 2010 will show a marked improvement in the remittance business.

We see payment associations like MasterCard and Visa tying up with exchange houses in remittances. What are your plans?

The abovementioned payment associations are a few among the large number of new entrants flooding the remittance market. New products and services are welcome, as they provide us with more choices and we can opt for products and services that benefit our customers. The latest products entering the markets are mobile payments, as well as new instant payment solutions.

Payment of salaries could become a big business for exchange houses in the UAE.

Exchange companies are authorised by the ministry of labour to disburse salaries. The workers covered by the Wage Protection System are actually the existing customers of the exchange companies and have been using our services to send their remittances. Hence, it was important that exchange houses be made part of this project by the ministry of labour because most of the workers send a major portion of their salaries to their home countries – either for their families' sustenance or as regular savings. We have the infrastructure and the wherewithal to not only disburse the salaries, but also simultaneously cater to their remittance and foreign exchange needs.

Did you see a drop in business in 2009 over the previous year?

Yes. Compared to the previous two years, 2009 was a little difficult for all businesses, including the exchange industry, on account of the financial downturn. However, it is noteworthy that the exchange industry was one of the least affected. This is mainly because we keep adding new products and services to not only retain our loyal customers, but also expand our customer base. Our operational costs are also comparatively lower, and since the scope of our functions is limited only to foreign exchange, remittances and a few allied products, the risk factor is also lower. However, some of our branches, such as those located in the new malls, have shown a decline in business. But this trend is reversing and we are seeing that in this quarter.

Do you have any expansion or acquisition initiatives for 2010?

We are keeping a close watch on the potential for expanding in the GCC. However, our past experience shows that it is economically feasible to have tie-ups with other financial entities, rather than expansions or acquisitions. Moreover, the regulations in some GCC countries like Saudi Arabia or Qatar, among others, have some restrictions on this front. We are achieving our objective of providing a wider remittance reach to our customers with our tie-up arrangements.

Will there be a way in the future that banks and exchange houses can work closely together, allowing customers to transfer money sitting at home while paying only the fees charged by exchange houses?

Exchange companies already have a close relationship with banks, as all our funding is done through them. Presently, we have some online products where the customer can debit his bank account and transfer the funds through the exchange companies from the comfort of his home or office. However, we feel that the next big remittance tool would be mobile payments, which too would require the services of banks.

might become possible for labourers to use the same salary card they use to make payments.

"We have telecom companies now coming to us from across the border to market their products, especially when it comes to topping up credit in the prepaid cards of telephone users outside the country. A father in the UAE might want to send some credit to the mobile phone of his daughter studying in another country. Can that be done? It can, regulations permitting," Shetty adds.


Y. Sudhir Shetty

The remittance and payment businesses, along with banking and telecom, are at an inflection point today. In five years, we will probably have new businesses and business models. Some say that industries are stepping into one another's shoes now, creating a number of complications. But others say that the future remittance and payment business will need players that are specialised in their own areas. These players will have to work as tie-ups with other industries, rather than trying to do everything themselves.

One thing is for sure: if telecom operators want to become exchange houses themselves, they will not only require the permission of central banks (another regulator to deal with), but also will need to invest heavily in developing risk management skills. Given the developing dynamics of the industry, the possibilities seem immense for all players in terms of how they are able to take advantage of the various tools and technology at their disposal. Ultimately, one can see that this game will turn out a win all the way for consumers.

Western Union tests mobile money remittance

Western Union is testing a remittance product in the UAE that will allow receivers to access remitted money through m-wallets on their mobile phones in the Philippines. Jean Claude Farah, Western Union's senior regional vice president for the Middle East and Africa, tells MONEY*works* that Western Union has been an early adopter of technology.


Jean Claude Farah

With exchange companies tying up with payment associations like Visa and MasterCard, money transfer has become instantaneous. How will Western Union continue to create a differentiation in the market?

The bulk of our consumers in the region are blue-collared workers who would not qualify for credit cards and have limited exposure to banking services, so it is for cash-to-cash transfers that the majority of consumers in the region choose Western Union.

Western Union is the leading global money transfer company because of our unmatched network and the convenience and reliability extended to our consumers. A consumer can visit a Western Union agent location in their neighborhood and put cash down on the counter. Within minutes, the money is available for payout at one of the over 400,000 Western Union agent locations in 200 countries and territories worldwide. No other exchange house or service comes close to the global reach that Western Union offers.

The receiver does not need to have a bank account or access to any other financial system to collect the money. All the receiver needs is a personal ID and the ten-digit MTCN number communicated to him or her by the sender. It is this ease and convenience of sending and receiving cash that is ultimately a key appeal of using Western Union.

Over the last few years, we have seen several technological innovations – ATM networks, credit card companies and online money transfer services. Yet, Western Union has continued to be a leader in this industry.

The consumer values options, and at Western Union, we understand this. Western Union has been an early adopter of technology when and where we see it having a positive impact on the business. From launching the first consumer charge card in 1914 to launching the first commercial satellite in the US in 1974, Western Union has carved an identity as an industry leader that today offers consumers a wide choice of services including money transfers direct to bank, direct to cash, online money transfers, account to cash, mobile money transfers, bill payment and prepaid services. And with the recent acquisition of Custom House, Western Union now also offers a payment service for small businesses.

What new propositions is Western Union bringing to the market for both business and retail?

Many people in the region associate Western Union only with consumer cash-to-cash money transfer service. However, Western Union has a dynamic and diverse portfolio of financial services and is constantly exploring new opportunities to meet customer needs.

In addition to our cash-to-cash money-in-minutes service, we have a cash-to-bank money transfer service from Saudi Arabia to the Philippines.

We have recently introduced a next-day service from the UAE to the Philippines and are currently testing a mobile money transfer service at select locations in the UAE that allows receivers in the Philippines to access the remitted money through m-wallets on their mobile phones.

We are also actively expanding our Western Union Gold! Card loyalty programme to Qatar, Oman and Bahrain.

How do you see the remittance business evolving globally and regionally?

As people continue to move across international borders to find better jobs, their need to remit money home will continue. The World Bank projects that remittances will evolve to become an even more important source of development financing in many of the developing countries in the future.

On the technology front, we expect money transfer service providers to expand and offer additional channels in order to retain and add consumers. Mobile money transfer, online money transfers and pre-paid cards offer customers more options to move money.

Western Union is working hard to meet the business challenges and consumer needs, and will continue to offer consumers the convenience, reliability and speed they have come to associate with Western Union.

Dubai debt: What's the best course now?

The development of a long-term bond market is always a good option for an economy in building mode. **Matein Khalid** ponders the immediate issues for Dubai debt, while also wondering if a long-term bond market could be the solution.

Abu Dhabi's US$10 billion support ensured that the creditors of the Nakheel December 2009 sukuk received full repayment. The Nakheel sukuk literally doubled in price from 52 to 109 when the announcement of the Abu Dhabi repayment hit the newswires, an act that averted a default event that would have proved catastrophic for the UAE's financial ecosystem. Yet, the resolution of the Nakheel 2009 sukuk does not mean a resolution of Dubai's broader debt dilemma. For one, Dubai borrowers no longer have access to the international capital markets. Moreover, Abu Dhabi's support is not an implicit government guarantee on all the outstanding debt by Dubai's quasi-sovereign borrowers. Rather, it is support based on a case-by-case approach to an orderly restructuring.

The Dubai World restructuring includes both private bank debt and public debt, and the risk premium on Dubai sovereign credit default spreads and sukuk/Eurobond debt will only fall once the capital markets are convinced that a restructuring template unites both issuer and creditors, making a resolution possible. This process, in turn, will rehabilitate Dubai's credit profile and reopen access to the international capital markets with Abu Dhabi support as the catalyst to kick-start the process.

It is necessary for Dubai to resume access to the international debt market to meet its refinancing requirements in 2010 and 2011. The announcement of the Abu Dhabi support package was conditional on a standstill agreement in place between Dubai World and its creditors, the day before the first installment was due on the Dubai World US$5.5 billion syndicated loan and the repayment (maturity) of the Nakheel 2010 sukuk. The successful restructuring of the Dubai World debt would not only reduce the risk premium on Dubai debt, but also set a precedent for the debt restructuring of other state-owned holding companies.

As a former trader of Latin American sovereign debt in the early 1990s, I am under no illusion that sovereign debt restructuring negotiations will not be protracted. The period between initial default and the Brady Plan that securitised Wall Street money centre bank loans into US-Treasury-collateralised long maturity marketable bonds took no less than seven years. I wonder if the securitisation of Dubai Inc bank debt could be a viable idea for creditors, particularly if Abu Dhabi's stellar sovereign risk could be leveraged (in a strategic, not a financial sense!) into zero coupon, long maturity collateral to guarantee repayment risk. In essence, Abu Dhabi would play the role with Dubai debt that the US Treasury played with Latin American sovereign bank loans in the 1980s.

It is evident that the Dubai government is determined to establish an international best practice legal paradigm for the Dubai World restructuring process. This is itself significant because a restructuring on this scale, complexity and cross-border sophistication is without precedent for the embryonic Dubai International Financial Centre (DIFC) legal tribunal. Apart from the two Nakheel sukuk, which are public bond issues, the vast majority of Dubai's estimated US$22 billion debt is syndicated bank loans or bilateral borrowings. The two Nakheel issues mature in May 2010 (AED3.6 billion) and January 2011 (US$750 million). It

is almost impossible to determine the recovery value of private bank debt, as the debt restructuring process is necessarily private. Yet, the resolution of the Dubai World private bank debt is a necessary, if not sufficient, condition for full repayments on the Nakheel 2010 and Nakheel 2011 maturing sukuk. The capital markets, for obvious reasons, will price the two Nakheel sukuk in the secondary market in accordance with the prevailing recovery value assumptions on the private debt.

Obviously, Dubai World will sell assets to repay debt as an integral component of the restructuring process. This could well include New York hotels, London office buildings, the stake in Standard Chartered Bank and MGM. Yet, the fact remains that the crown jewel of the Dubai World empire is DP World and the Jebel Ali Free Zone, which are strategic assets mission critical for the economic development of both Dubai and the UAE Federation, not financial, non-core holdings that could be sold to repay debt.

The fact remains that DP World and JAFZ can generate the cash flows to repay Dubai World's debts as long as the repayment of the bank loans is extended in time and an appropriate recovery value is determined during the restructuring process. The dilemma is that DP World is an emerging markets growth franchise that needs to invest in its myriad acquisitions of port operators all over the world during the midst of the worst downturn in world trade and shipping since the Reagan recession of the 1980s. It might also be difficult to rely on free cash flow from the Jebel Ali Free Zone, as its balance sheet is also highly leveraged and it needs to repay its own debt obligations.

"I wonder if the securitisation of Dubai Inc bank debt could be a viable idea for creditors, particularly if Abu Dhabi's stellar sovereign risk could be leveraged (in a strategic, not a financial sense!) into zero coupon, long maturity collateral to guarantee repayment risk."

This is the strategic context in which DP World management seeks to list in London, probably at a time when sentiment towards Gulf companies and Dubai credit is more positive, something I expect to see after the May 2010 sukuk repayment. A London Stock Exchange listing would reflect the global nature of the DP World business model, but also enable Dubai World to unlock billions of dollars in shareholder value.

It is premature to speculate on recovery levels on the Nakheel sukuk, since so many variables are unknown. My base scenario, however, assumes 50-60 per cent nominal recovery. I expect the restructuring process to include a cash component with a negotiated haircut, with the remainder of the debt owed rescheduled at a higher rate of interest and a longer maturity, but with full repayment to the creditor. This was generally the formula in the sovereign debt rescheduling of Brazil, Mexico, Argentina, Indonesia, Poland and the Philippines two decades ago. Obviously, Dubai World will propose a restructuring formula and financial model to its creditors, whose acceptance will be a protracted and probably tough negotiation process. Professor Von Neuwmann's mathematical model of game theory, particularly the cooperation-conflict payoffs in the Prisoner's Dilemma, could well help investors understand the myriad, complex, real life strategic choices that face both Dubai World and its international bank and bond creditors.

A salient issue in the Dubai World restructuring is the valuation of 60 million square feet of Dubai waterfront land. Historical valuations or even current market prices based on a handful of transactions by distressed sellers are meaningless. The AED100-400 valuations ranges on waterfront in 2007-2008 assumed that the land would be developed into a community, a prospect that the credit crunch, Dubai World's debt restructuring and the collapse of Dubai property prices have now made irrelevant. The land has only option value now (i.e. it may or may not be developed in the distant future). This is, of course, a financial wild card for sukuk creditors. It is impossible to calculate recovery value for the 2011 Nakheel sukuk without specific financial intelligence on the value of waterfront land and the precise logistics of its realisable value as collateral. It is also unclear whether Nakheel sukuk holders will rank as senior secured creditors or will be treated by the DIFC tribunal as parri passu to the syndicate of bank creditors. It is impossible to model a haircut to trade creditors or payables from customers who paid their deposits. These are precisely the sorts of issues that will be debated by in the current Dubai World restructuring. MW

The rush for premier customers

Priority or premium banking is increasingly becoming the focal area of growth for a number of banks in the GCC. **Ritwika Chaudhuri** reports.

Banks are of the opinion that the Middle East is a market with a large floating population who move to the region in the early stages of financial affluence and are keen on growing and preserving their wealth. With a 70 per cent expatriate population in the UAE, the market potential for premier banking addressing this segment is relatively higher than private banking, which caters only to a niche market consisting of ultra high net worth individuals.

Despite the pessimistic economic environment, the number of affluent individuals in the Middle East continues to rise. In fact, the affluent segment has been tipped as the second-fastest-growing segment in the world, beaten only by Asia. Research shows that the affluent segment in the Middle East is growing at an eight per cent CAGR at multiples of the rate of some of the western markets. The growth rate for the emerging affluent segment is even higher, nearly 14 per cent per annum. The definition of affluent, however, varies from country to country based on salary level, liquidity, investible assets and market dynamics.

For the majority of banks, premier banking has become an area of priority. Each bank is trying to beef up its services, providing more value propositions, giving flexible options to clients and adding more numbers to existing teams of relationship managers to manage the rising affluent client pool.

Shahid Khan Niazi

In October 2009, Standard Chartered UAE announced its plan to double the number of its priority banking relationship managers by the end of 2010 – from the existing 50 to 100 – as part of its global strategy to focus on the needs of this fast-growing customer segment. The bank is also planning to hire 850 relationship managers globally to support its new and improved priority banking service.

Mohamed Hadi

HSBC's premier proposition was also re-launched in 2007 with similar facilities to Standard Chartered's.

"HSBC premier is a major business for us. With no market leader for mass affluent, HSBC premier's objective is to be the most appealing brand in this category," says Mohamed Hadi, regional head of premium banking and wealth management at HSBC.

ABN Amro's Van Gogh preferred banking, launched in 2002, was rebranded as RBS royal preferred banking in September 2008. In order to upgrade its products and services, the bank is planning to add estate planning and trust services to its existing bouquet.

Zeeshan Saleem

Shahid Khan Niazi, head of royal preferred banking and business banking at RBS, says: "Since preferred banking is a key value proposition within the overall consumer banking business in the UAE and contributes a substantial percentage to its retail offering in this market, the bank constantly monitors its product quality and reviews and fine tunes portfolios with a three-pronged approach: comprehensive, analytical and innovative."

Even newcomers like Barclays, which launched premier banking in the UAE in 2008, further launched premier life, which combines value-added features with lifestyle benefits, giving enhanced customer access to the dedicated team. The bank also helps customers undertake a financial review as one of its membership entitlements. Along with the regular services like instant account opening, a dedicated toll-free telephone banking number, preferential bank charges, internet banking and NRI services, customers have access to any branch around the world.

"In addition to our specialised services, we offer traditional products such as a range of current and savings accounts, term deposits both conventional and Islamic, investment and insurance products, mortgages, platinum credit cards and personal loans," notes Zeeshan Saleem, consumer banking director at Barclays UAE and GCC.

According to Deanna Othman, general manager of premium banking at Standard Chartered UAE, the bank's new proposition, although similar to those of its peers, is the best in the industry, as it presents a total banking relationship programme – customised products and services for day-to-day transactions, borrowing, protection and investment needs. It also offers a combination of wide-ranging international services, better access and convenience for customers and priority benefits for the whole family.

The priority banking segment of Standard Chartered is expected to support

customers' priorities on three pillars of commitment: priority service, priority benefits and priority solutions. According to Othman: "Priority banking is a key segment that is growing rapidly, exceeding the industry average. By adding more to our existing team, we feel we will be in a position to appropriately serve our customers' needs."

At present, priority banking contributes 30-40 per cent towards the total retail revenue of Standard Chartered UAE. The aim, however, is be the largest contributor to the retail segment, Othman added. The year 2008 was a good year for priority banking. In 2009, despite the financial crisis, the bank was able to maintain the same level of growth. This year is expected to be stronger.

Some of the features of Standard Chartered priority banking include priority status for the whole family, remote opening of accounts, a transfer account, a banking relationship wherever customers travel, dedicated relationship managers, free credit cards and one global view of all accounts held internationally. The new enhanced service has also ensured better facilities as far as mortgage loans are concerned. The bank has increased its loan-to-value ratio for its clients, has introduced a refinancing facility for mortgages and has ensured a much faster turnaround time for loans.

Deanna Othman

At HSBC, one of the most exclusive features of a premier account is that a customer can view and manage all HSBC accounts around the globe through one single log-on via Internet banking and transfer funds. Premier customers also have access to HSBC's wide-ranging wealth management proposition and customised financial planning services.

HSBC also recently launched a safety net feature for premier account holders' families. In case of an emergency, a child can get access to immediate financial support of up to US$2000 from a safe pair of hands anywhere in the world, with parents' approval.

Citibank's consumer banking division, which has been present in the Middle East for more than 40 years, offers CitiGold wealth management services for its high net worth affluent customers – a suite of both retail banking and wealth management products that include deposit products, investments, insurance, credit cards, business banking and personal financing solutions. The key focus areas are threefold: a wealth advisory platform, lifestyle-enhancing privileges and a global executive banking facility.

Sanjoy Sen

The wealth advisory platform, supported by dedicated relationship managers, derives financial strategies that are customised to a client's financial needs and goals. Lifestyle enhancement services take care of additional lifestyle benefits and privileges over and above the banking and investment needs of a client.

"We looked at our clients' profiles and re-examined their lifestyles. This is something we constantly do in Citi, as we seek to innovate for our clients and anticipate their needs," says Sanjoy Sen, consumer business head for Citibank Middle East.

Sen adds that as per the global executive banking facility, the CitiGold global access service meets the specific needs of those who require cross-border services.

Although the effects of the global downturn continue to hurt businesses in the region, premier banking seems to be less affected compared to both retail and private banking. There are adjustments taking place at all segments of consumer banking, but in the short to medium term, premier banking will probably fare better than the other segments. In the UAE, United Arab Bank became the latest entrant to the segment with the launch of its Sadara wealth management programme last month. More launches are expected this year.

Premier eligibility

Standard Chartered	AED50,000 income per month; AED1.8 million investable assets, mortgage outstanding
Citibank	Minimum portfolio value of US$100,000 in deposits and investments
HSBC	AED350,000 in deposits and/or investments
Barclays	Deposit/investment of US$100,000 or salary of AED50,000 per month coming to Barclays account or insurance/savings plan of US$2000 or more through Barclays
Barclays Premier Life	Salary of AED20,000 or more credited to Barclays account (charge of AED100 per month) or salary of AED20,000 or more not credited to Barclays (charge of AED150 per month) or balance of AED100,000 or more
RBS	Minimum investment of US$75,000 or invest in regular investment plan with a premium of US$2000 per month

Riding a golden high

Gold has given shine not only to Dubai, but also to all those fortune seekers who made it big in the emirate. Ashok Bastimal Siroya of Siroya Group is one of them. Here he tells **Ritwika Chaudhuri** how he carved a niche for himself in the gold business.

When did you come to Dubai and what brought you here?

I came to Dubai back in 1980. I completed my graduation in 1977 and joined our family diamond business in Mumbai. I worked there for two years. We have traditionally been into the jewellery business for the last 100 years and we have a shop on Mumba Devi Road near the Zaveri Bazaar in Mumbai. I decided to come to Dubai because my elder brothers were already here and doing business in construction, clothing, steel rolling, etc. Soon after coming to Dubai in 1975-1976, my brothers first started with the construction business. We had construction businesses in Saudi Arabia and Kuwait as well, which we used to control from here.

When I came to Dubai, I was initially taking care of our steel rolling mill, which was the third rolling mill in the UAE. At that time, our mainstay was the steel rolling mill. Soon after, we diversified into the gold business. Gradually, we expanded into other areas. We also set up Emirates India International Exchange around 1983-1984 with State Bank of India to facilitate transferring money to India. At that time, we had businesses in garments, umbrellas and helicopters under the Shattaf Group of Companies, which was mainly owned by Mohammad Shattaf, me and my brothers and other partners.

Under the Shattaf Group of Companies, we started producing gold jewellery. Initially, we had a small workshop, which eventually grew into a bigger company with 300 people working. At that time, we used to manufacture one-third of Dubai's total production of gold jewellery.

When did you set up your own company?

It was around 1989-1990. I'd had plans for quite some time to set up my own business and finally separated from the group in 1991. Beginning in 1992, we set up Siroya Jewellery. We started with a brand called Happy Umbrella manufacturing and exporting umbrellas to other countries and Al Basti Garments. By the beginning of 1992, I started my own gold business, absolutely fresh with 100 kilograms of gold valued at that time around AED4 million. Thereafter, in 1995, Kunal Gold Factory was opened in Sharjah. In 1998, another gold factory was opened in Cairo. We also opened our first retail gold shop in the Dubai Gold Souq around that time as well.

We were mandated to manufacture the longest gold chain in the world as part of the Dubai Shopping Festival (DSF) in 1999. We were selected to manufacture that chain because of our skill and expertise and being in the business for such a long time. The chain was 4.38 kilometres long with gold content worth 247 kilograms (236 kilograms without hooks) and was displayed in front of the British Embassy in Dubai. It was later sold through shops, as well as a special kiosk. Around 7000 people bought that chain and each was given a certificate as the proud part-owner of the world's longest gold chain. We also tried to get into the Guinness World Records, but the chain was not accepted, as it was machine-made and not handmade.

In 1999, the chain was one of the main attractions of that year's DSF. It was those initial years in the DSF and Dubai was not a well-known brand. The DSF was still a new concept, so the Dubai authority was always eager to introduce something new and unique. That year, the chain was contributed as part of brand Dubai, as at that time the main star of the DSF was the Dubai gold market. Hence, lots of promotions used to be centred around the gold market. This was one of the initiatives that helped in building brand Dubai.

How many companies do you have now and what is your total turnover today?

The genesis of the Siroya Group lies in the inception of Siroya Jewellery. After that, the business has grown into various diversified companies. Earlier, we had three retail outlets, but we have consolidated all into one in the Meena Bazaar.

The Siroya family business today owns Siroya Jewellers, Belgium Diamond Jewellery (Dubai), Kunal Gold Industrial Factory (Sharjah), Kunal Gold (Dubai) and Egypt Gold Factory in Cairo. Both Kunal Gold and the Cairo factory manufacture everything locally, while Siroya Jewellers manufactures 50 per cent locally and imports the rest.

While we import gold from India and some other parts of the world, about 80 per cent of our products are exported to different parts of the world. Only 20 per cent of our products are sold locally. In fact, we are the largest importer of gold from India to the UAE and we got awards from the Gems and Jewellery Export Promotion Council of India as the biggest importer for three consecutive years.

Today, our turnover in terms of quantity is 10 tonnes of jewellery, four to five tonnes in Kunal Gold and another four tonnes from the Cairo factory.

What sort of investment did you make in 1991?

When I separated from the other partners, we had our own finance, as we were already in business for so many years. We also borrowed from the banks. But in 1975-1976, when we first came from India to set up the business, we brought money from India.

Do you have other businesses?

I have various other investments. We have our mine in Zimbabwe in the Sandawana area for producing emerald. We purchased rights from Rio Tinto during 1993 for a 100-square-kilometre area under the name of Siroya Jewellers. Sandawana is famous for emerald mining and there is only one official mine. We own one of the levels in the 70-kilometre-long tunnel that has different levels.

We are also into construction in Mumbai under the name of Siroya Builders. We have just completed a commercial building in the Sahar airport, constructing a 33-storey tower in Lower Parel. There are many other buildings in Borivelli, Kandivelli in the name of Siroya

"The genesis of the Siroya Group lies in the inception of Siroya Jewellery. After that, the business has grown into various diversified companies. Earlier, we had three retail outlets, but we have consolidated all into one in the Meena Bazaar. Today, our turnover in terms of quantity is 10 tonnes of jewellery, four to five tonnes in Kunal Gold and another four tonnes from the Cairo factory."

Developers. These apart, we are also in the process of making another two to three buildings in Mumbai Central. And we have another project in Bangalore spread across 800 million square feet where two buildings have been already completed.

Since your family has 100 years of experience in the gold business, I suppose starting off on your own wasn't all that difficult.

Yes, that is true. We have had the expertise in the gold and diamond business for so many years. Though I had other diversified interests as well and started in steel rolling, constructions and garments, I finally settled with gold.

Also, our company does not work like other corporate houses. We are a family-owned business and a lot of our decisions are taken after internal discussions with brothers and the rest of the family. I am partners in almost all of the group companies, even those that are owned by my brothers.

What about the other businesses? Are they still on?

The garments business is closed, but Happy Umbrella is still there.

How do you see the gold market?

Gold has seen lots of ups and downs in the past few decades. There was a time when it came down significantly, but mostly it remained high at around US$800-850. Gold was high during 1980 at US$850 an ounce, and then after 1982, it remained in the range of US$300-450. In 2001, things started looking different and gold prices started going up again.

Gold used to underperform during recession, but today, even in recession, it is performing well. The age-old belief that gold will never lose its shine is giving confidence to people, and hence it is considered that gold is beneficial.

"Gold used to underperform during recession, but today, even in recession, it is performing well. The age-old belief that gold will never lose its shine is giving confidence to people, and hence it is considered that gold is beneficial."

Do you have plans to expand in five to 10 years in the existing line of business?

There is, of course, a strategy regarding where we want to be in business in the next few years, but it is not the typical way of working in the corporate world. In a family-run business, it is person-oriented and personal money and decision-making is much faster.

We have a number of plans for our gold business, but I suppose it is premature to disclose some of these plans. However, to give you a few ideas, we are venturing into the rough diamond business. This means we will import from different parts of the world and make jewellery here. We are also opening a new factory in Cairo, mainly to produce 21-carat gold jewellery. We might enter into manufacturing 18-carat jewellery also. Earlier, we were interested in expanding into the retail sector, but seeing the market situation where most of the diamond and gold shops in malls have not been able to perform up to the mark, we have decided that wholesale is the best approach.

Apart from gold, we will continue to expand in building projects in India, as Siroya Developers has been into construction for the last 10 years and Siroya Associates has been in the business even longer, for 20 years. As far as branding is concerned, the Siroya name is a complete brand. We are into the manufacture of 21- and 22-carat handmade gold jewellery. It is difficult to build brand names. And we have a company that is the brand.

We are already exporting to a number of countries, but we are open to new ideas, including our own presence in some of these countries.

What are the main principles in your business?

Consistent quality of product, value creation and return on investments are the three areas we stress on. Also, it is like a big family in our company, as we treat our employees well. They have the freedom to work and most of our employees are with us for decades. Right now, we have 120 people in the Kunal factory, 200 in the Cairo factory and another 40 with Siroya Jewellers. We have a very low attrition rate and those that have left the company have done so because of personal reasons.

What, according to you, is the right mixture in a business to be successful?

Expertise and adequate knowledge about the business, the right partner and the right type of business makes the difference.

Credible India

Valuations in the Indian stock market are stretched at the current levels. But with the country having touched the per capita milestone of US$1000, it sure is a long-term play, notes **Shankar**.

The byline of Indian tourism is 'Incredible India'. Indeed, for tourists seeking diversity, India is the place to go. However, this article will focus on the credible part of Incredible India, the markets and the country's way ahead in 2010.

India was not spared in the fallout of the global financial crisis. Its markets tanked, IPOs were postponed and real estate deals screeched to a halt. But, unlike in many other countries, there were no surprises. There were no bank collapses and no reports of corporate bankruptcy or government intervention in private enterprises. In fact, except for the Satyam Computers scam, there was hardly a ruffle. There were, of course, widespread job losses in the export sector, and real estate companies also floundered. Yet, they didn't fall.

That was then and this is now. Since October 2008, the benchmark BSE Sensex has come a long way from around 7700 to 17700 now, while most stocks are hitting all-time highs and the IPO pipeline is up and running again. Also, by buying gold from the International Monetary Fund at around US$960, India made a statement to the world that "All iz well (sic)", to borrow a quote from the latest Bollywood blockbuster *Three Idiots*.

But is everything well? It does seem so. But is it well enough to warrant a more than 100 per cent rise in stock markets? Each has his own opinion. But what are the facts on ground?

Fundamentals

The stimulus that the Indian government announced really helped Indian industries get back on the rails, unlike some of the developed economies where the stimulus boosted the stock markets, thanks to the carry trade in the US dollar and emerging market stocks.

There are two aspects to India's growth: the growth in the GDP and the rise of the stock market indices. While growth in the GDP has been stable and almost dependable, the stock market, true to its nature, is fickle and has been all over the place.

India's GDP growth consensus for 2010 is 7.5 per cent, higher than the six per cent in 2009, which is good news. In fact, some brokerages are penning the growth at eight per cent. Many say that even the withdrawal of stimulus may not matter much, as domestic demand remains robust and export demand and pickup in investments will more than compensate for withdrawal of stimulus.

India's GDP growth is dependent on a few important factors like capital inflows, inflation and agriculture.

Risk capital flows from foreign countries provide liquidity, reduce the cost of capital and induce demand. While it is fine to have capital inflows, too much of it can be a problem. If capital inflows are above US$100 billion this year, then there will likely be higher inflation and asset bubbles created. This key driver remains a surprise element, as it depends on how the global recovery unfolds. Seeing it as it is today, however, a weak recovery in the EU and in the US means that more than normal inflows are possible.

Inflation is a risk if it moves much above the Reserve Bank of India's comfort zone of five per cent (it is currently at 7.3 per cent). There are two reasons why inflation can move up quickly. The first scenario is where industrial production rises by more than 15 per cent. If that happens, it will lead to price rises, since capacities would be constrained at that level of production rise. The increase in the price of oil can also be an issue. India imports around 80 per cent of its oil and sells it at a huge subsidy.

> *"For the first time in the history of the country, India's per capita income has moved up to near US$1000 in nominal terms. This is considered to be the tipping point for any emerging market."*

With its fiscal deficit in a bad state, it cannot absorb large hikes in oil prices and would be forced to either hike oil prices aggressively (which is a contentious politically-sensitive issue) or increase borrowings (which leads to backdoor inflation).

Rising inflation is not bad for the equity markets if it is due to growth and is still within the central bank's comfort zone. If, however, it is a supply side issue like oil, then it is a negative for markets.

Agriculture remains a big wild card, since there was a crop failure in 2009 due to below normal monsoon rainfall in India. India's agrarian development is still so bad that most of the farmland is dependent on seasonal monsoon rainfall for growth of its crops. If monsoons are weak this year too, then the risk of food inflation going up is high, since food price inflation is already 19 per cent year on year. This could be a negative.

The government has provided stimulus of close to nine per cent of GDP through monetary policies and 1.8 per cent through fiscal policies (see table). Any withdrawal is likely to have an impact, too. Also, government spending remains at a

high level, and support is coming though private expenditure that has just started to pick up (see graph).

It is also notable that for the first time in the history of the country, India's per capita income has moved up to near US$1000 in nominal terms. This is considered to be the tipping point for any emerging market. China's per capital income took 25 years to move from US$400 to US$1000 (1978-2003) and zoomed to US$3000 within the next five years. In fact, all countries that went past the US$1000 mark have seen massive growth beyond the US$1000 point, including the likes of Malaysia, Thailand and the Philippines. If the per capita income growth is widespread and not concentrated, then the countries have usually followed an "S" curve of up-move that took them to a new level of growth.

Current valuations

Market capitalisation is currently at 109 per cent of GDP. While this is the highest in the history of the country, it suggests overvaluation. In comparison, earnings yield and government bond yields are at an attractive 8.1 per cent, which could go up further. In comparison, the earnings yield of Sensex companies is at 5.39 per cent and the earnings yield-to-bond yield is also below the 15-year average, suggesting overvaluation. (Earnings yield is the reverse of PE – i.e. EPS/Price – and tells you how much yield one gets for the price.)

Return on equity has also fallen from 27 per cent in 2007 to 16 per cent currently. Yet, the markets are nearer to 2007 prices, trading at around 19-20 times earnings and at 16.9x FY11 estimated earnings for Sensex companies. With government borrowing likely to increase, thanks to the rising deficit and oil subsidies as mentioned above, an upward move in interest rates would badly hurt rate sensitive sectors, such as financials, on two fronts. One would be the slow rate of borrowing, thanks to the higher interest rate. The second would be the mark-to-market losses of treasury bond holdings that banks have in their trading and investment portfolios. There have been no major changes in earnings over the last few months to justify a further up-move in stocks.

What to expect?

It now looks quite obvious that interest rates are likely to rise while

Drivers of recovery: Monetary policy

Policy measure	Change
Reverse repo rate	-275 bps
Repo rate	-425 bps
CRR	-400 bps
SLR SLR	100b-100bps
Actual/potential liquidity – CRR, MSS, special facilities	INR5617 billion (9 per cent of GDP)
Other measures: Relaxation in prudential norms, restructuring, relaxation in ECB norms, higher ceilings for NRI deposits	

Source: RBI

Drivers of recovery: Fiscal policy

	% to GDP	
Item	2008-09	2009-10
Tax reductions	0.2	0.4
Investment	0.8	0.1
Pay commission impact	0.5	0.3
Other expenditure	0.9	1.0
Total	2.4	1.8
Debt waiver	0.3	-

Source: RBI

> India's GDP growth consensus for 2010 is 7.5 per cent, higher than the six per cent in 2009, which is good news. In fact, some brokerages are penning the growth at eight per cent.

stimulus will be withdrawn, at least partially. This means increasing excise duties and other taxes. While the GDP growth could be at seven per cent and even eight per cent if there are normal monsoons, market earnings are definitely not going to grow at 20-25 per cent to justify higher valuations.

Also, on the positive side, rising per capita income even in rural areas, thanks to job guarantee schemes and inclusive growth focus, has meant that a large part of the agrarian population earns 20-40 per cent income from non-agrarian sources that make it a little less vulnerable to monsoons and their dragging effect on the GDP.

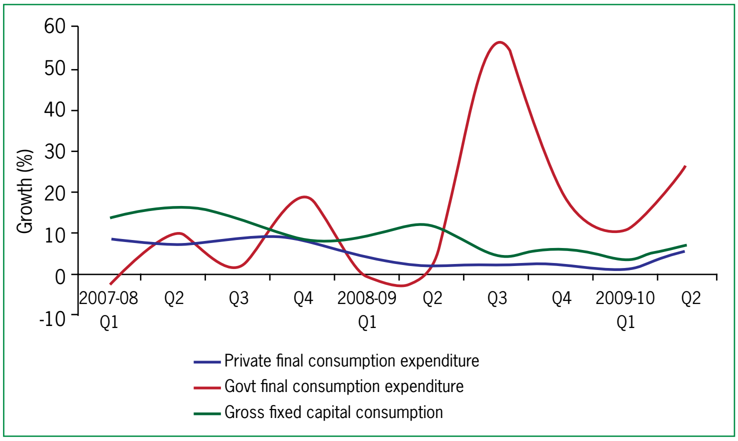
Besides, large-scale tax reforms in the cards and a general sales tax rollout make sales tax collection higher and easier to manage.

While short-term valuations look stretched, India is a long-term investment play. One can invest in tranches over the year and sit back for half a decade or more to reap rewards from a country that is truly on a growth cycle of six to eight per cent growth over the next decade and has no place to go except up.

One should not invest in India at these valuations if one is looking at double-digit returns in six months or a year. For long-term investors, one should be looking for bad news to get in during the dips. There is no doubt about the long-term potential of the economy, with its demographic dividend, working democracy, stable political scenario and even the regional chief ministers speaking more of growth and less of rhetoric.

While China is way ahead in terms of per capita income, infrastructure and just about everything else, India needs to grow on all of these fronts manifold to keep up with China. The good news is that while China's growth is top down – that is, from the political bosses to the masses – India's growth is bottom up, which makes it more attractive, since the growth cycle is hardly a couple of decades old.

This is a story like China's, but there are more open, dependable numbers. They are, of course, slower, but very much surer.



The writer runs Credo Capital in India.

Credo Capital is an investment advisory firm in Chennai. The main aim of Credo Capital is to protect and nurture clients' wealth. Email: shankar@credocap.com

FCI well positioned for growth in coming years

A slowdown in the projects market affected the sales of Fujairah Cement Industries (FCI) in 2009. The company is, however, well positioned for growth in the years ahead. A **Global Investment House Research** report.

FCI reported a 36.6 per cent increase in sales revenue and a 12.9 per cent increase in net income in 2008. In 2009, the company's top line and bottom line are expected to drop sharply over the previous year as a result of the downturn. The company is, however, well positioned to achieve sales volume and revenues and maintain a CAGR growth of 18.2 per cent and 19.4 per cent respectively during 2009-2012. The increase in sales volume is also expected to be accompanied by a one per cent CAGR growth in the realisation price.

FCI posted gross margins of 28.2 per cent in 2008, compared to 32.2 per cent in 2007 and 38.8 per cent in 2006. During the first nine months of 2009, the gross margins of the company rose to 27.6 per cent, compared to 25.4 per cent in the same period in 2008. Going forward, the company is expected to post gross margins at an average of 30 per cent during 2009-2012.

Looking at the demand scenario before the credit crunch and the Dubai World issues, FCI was bullish on the demand for cement. In order to capitalise on this opportunity, it ramped up its production capacity for clinker and cement to 3.75 mtpa and 4.56 mtpa respectively by the end of 2009.

Earnings decline in 2009

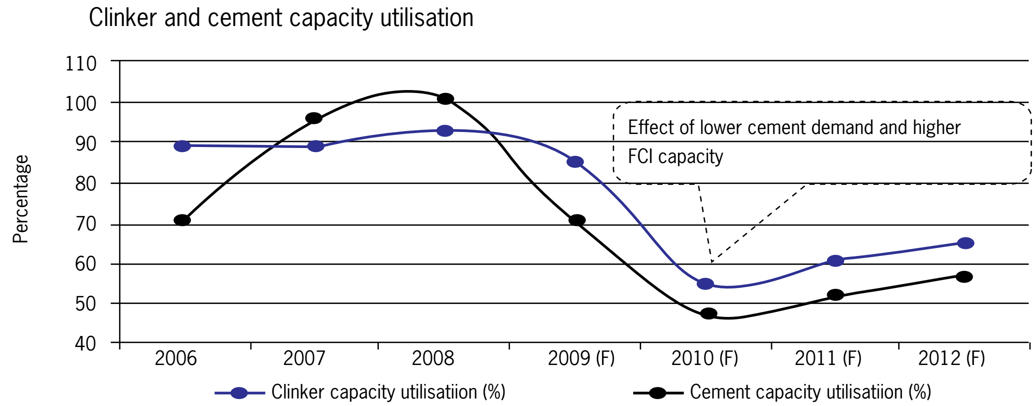
FCI announced a 32 per cent drop in its nine-month profits for the year 2009 compared to the same period in the previous year. The nine-month 2009 net profit was reported at AED88.3 million, compared to AED129.8 million in the same period in 2008. Earnings per share also dropped to AED0.25 from AED0.36 in the same period. The 2009 third quarter net profit at AED6.49 million was down 88 per cent on a year-on-year basis and 79.6 per cent on a quarter-on-quarter basis. The third quarter EPS stood at AED0.018.

Based on future earnings projections, the DCF value of FCI comes out to be AED2.31.36 per share. On the basis of the weighted average P/E for the industry and FCI's projected 2010 earnings, the company's stock valuation comes to AED5.05 per share. Hence, the value of FCI shares derived from the weighted average of the DCF and relative valuation methods is AED2.86 per share. The stock closed at KWD0.170 (AED2.17) on the Kuwait Stock Exchange at the end of trading on January 11, 2010. Hence, it has a potential upside of 31.4 per cent from its current price level.

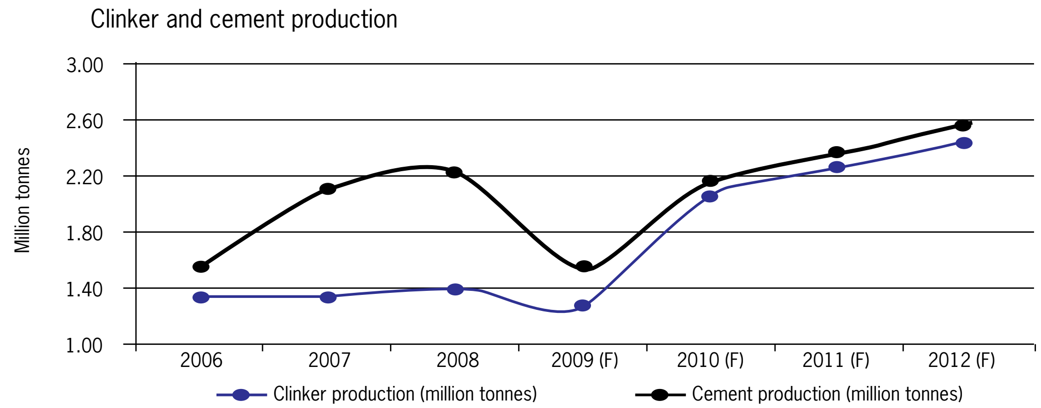
Good position

FCI is the only cement player in the UAE focusing on its core business, unlike others that are heavily invested in equities, real estate and properties. Over the years, the company has scored well and has been a progressive cement manufacturer. Despite the downturn in 2008, when many companies either ended the year in losses or posted a hefty decline, FCI continued its upbeat performance, posting a year-on-year growth of 36.6 per cent in sales revenue and 12.9 per cent in net income.

Going forward, the company is expected to perform well due to its



Souce: Company reports and Global Research



Souce: Company reports and Global Research

strategic way of managing the cement business and already-positioned brand name. We anticipate that the company will report a drop of 33.2 per cent in sales revenue and a drop of 36.8 per cent in net income in 2009. Thereafter, we expect it to register a CAGR growth of 19 per cent and a growth of 23 per cent in sales and net income during 2009-2012.

Capacity utilisation to drop

FCI registered capacity utilisation of 93 per cent for clinkers by importing 655,000 tonnes of clinker during 2008. The company is projected to witness a drop in capacity utilisation rates, as the overall demand scenario in the country is expected to remain subdued from the ripple effects of a slow projects market and the company's expanded clinker and cement capacity.

The company's utilisation rate for clinker and cement is expected to drop the most in 2010 and thereafter gradually pick up in 2011 and 2012.

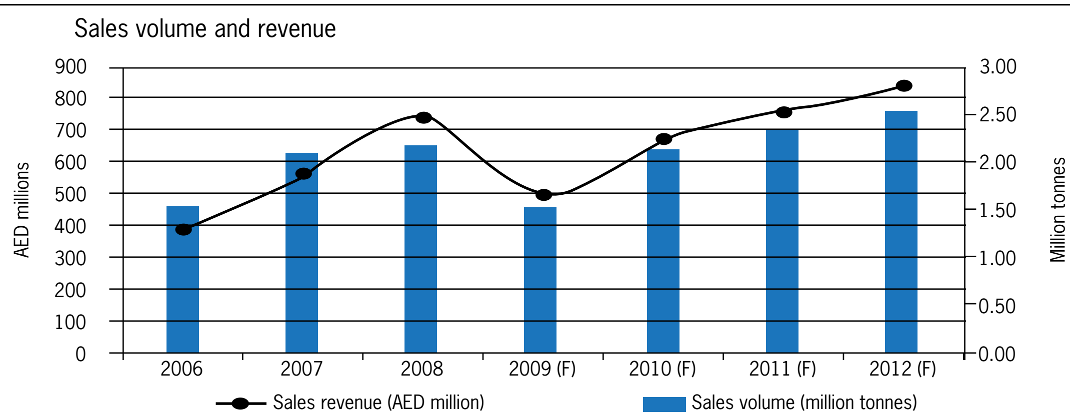
Upgrading technology

FCI has upgraded it's technology and taken steps to integrate the latest quality control and cost-saving measures. The company's attainment of ISO certification is evidence of its emphasis on quality standards. In addition, the limestone quarry leased by FCI within close proximity of the factory continues to insulate it from variable raw material prices, while minimising its transportation costs.

Operating performance

FCI's production and sales of cement registered a CAGR growth of 14.9 per cent and 13.4 per cent respectively during 2003-2008. In 2008, clinker and cement production went up by five per cent to 1.4 million tonnes and 2.2 million tonnes respectively. The increase in cement production was also due to the import of 655,000 tonnes of clinker during the year.

During the first nine months of 2009, clinker production dropped by 1.8 per cent to 0.99 million tonnes, compared to 1.01 million tonnes during the first nine months of 2008. Cement production dropped by 27.8 per cent to 1.22 million tonnes during the first nine months of 2009, compared to 1.69 million tonnes during the same period last year. For the full year, we expect FCI to produce 1.27 million tonnes of clinker and 1.54 million tonnes of cement, less by 8.9 per cent and 30.1 per cent compared to 2008. Sales volumes are also expected to drop 29.7 per cent to 1.55 million tonnes in 2009, compared to 2.2 million tonnes in 2008. MW



Souce: Company reports and Global Research

GCC, Regional and World Benchmarks - Conventional

As of January 15, 2010

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.

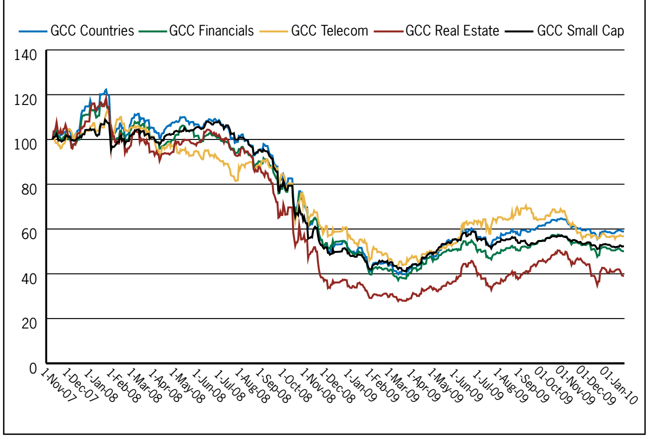
World Comparative Returns and Valuation Ratios contrast the MSCI World, the Emerging Markets, the GCC Countries, the Jordan+Egypt+Morocco and the Arabian Markets indices.

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

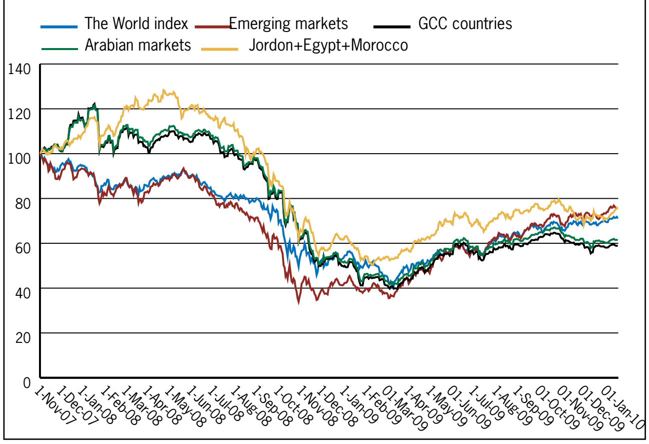
(Period: October 31, 2007 to January 15, 2010, rebased to 100)



WORLD: Comparative Returns

Comparative returns for five MSCI indices

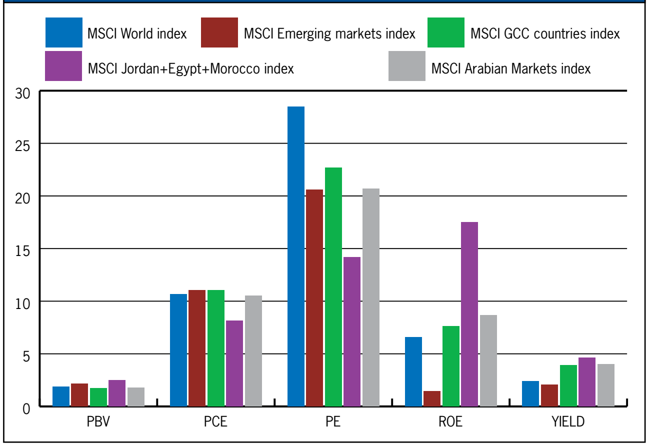
(Period: October 31, 2007 to January 15, 2010 rebased to 100 on October 31, 2007)



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 December 31, 2009)

Index	Performance in % US$ (MTD) this month	3 month performance in % US$ (3M)	Performance in % US$ (YTD)
Arabian Markets	-0.012	-7.162	17.284
Emerging Markets	0.038	8.252	74.497
GCC countires	-0.021	-7.587	17.809
GCC Financials	-0.040	-9.989	3.497
GCC Real Estate	-0.021	-11.495	20.808
GCC Telecom SVC	-0.012	-14.243	5.862
Jordan+ Egypt +Morocco	0.042	-5.645	12.350
The World index	0.017	3.681	26.976

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

GCC, Regional and World Benchmarks - Islamic

As of January 15, 2010

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.

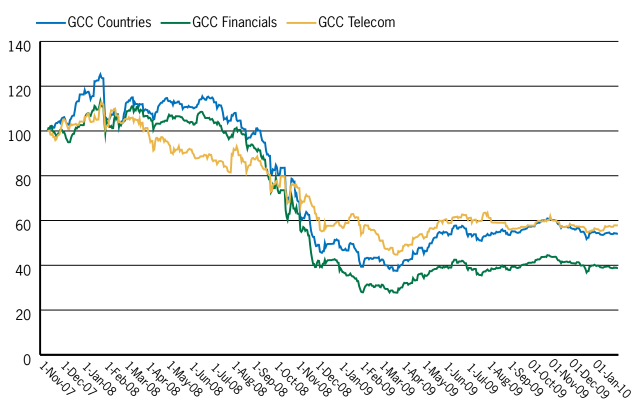
World Comparative Returns and Valuation Ratios contrast the MSCI World, the Emerging Markets, the GCC Countries, the Jordan+Egypt+Morocco and the Arabian Markets indices.

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 January 15, 2010, rebased to 100)



WORLD: Comparative Returns

Comparative returns for five MSCI indices

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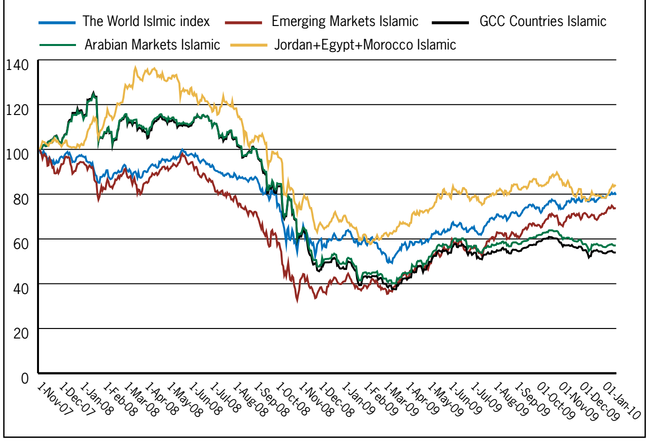
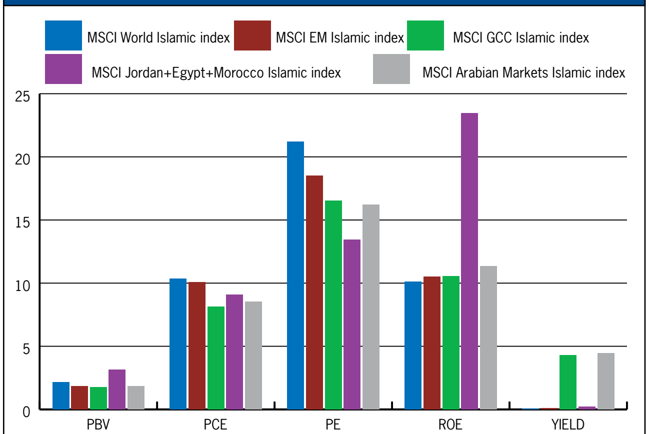


Valuation Ratios

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 December 15, 2009)

Index	*Performance in % US$ (MTD) this month*	*3 month performance in % US$ (3M)*	*Performance in % US$ (YTD)*
Arabian Markets Islamic Index	-0.0377	-8.8470	15.1060
Emerging Markets Islamic Index	0.0323	8.1520	74.5640
GCC Countries Islamic Index	-0.0429	-9.1830	14.9850
GCC Islamic Financials Index	-0.0467	-8.6890	9.8180
GCC Islamic Telecom Services Index	-0.0306	-6.8740	-5.5690
Jordan+ Egypt +Morocco Islamic Index	0.0036	-6.2840	11.4420
The World Islamic Index	0.0223	5.8950	27.0810

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A cautious end to a cautious year

The economic outlook for 2010 remains positive. Corporate earnings are expected to rise 16 per cent over the previous year, although real estate and banking will continue to be areas of weakness. A **Markaz** report.

GCC markets ended December in the red as a spate of negative market and political news soured markets in the final months of the year. The UAE markets, still dealing with the implications of a Dubai World debt restructuring, ended December with a monthly decline of almost seven per cent (DFM), while Abu Dhabi managed to close out the month with a gain of 2.83 per cent. The highest gain for the year was Saudi Arabia, which ended 2009 up 27 per cent, while the year's biggest loser was Bahrain, down 19 per cent.

The MSCI GCC lost nearly two per cent for December, bringing the 2009 gain to 18 per cent – well below emerging markets, which were up four per cent in December and 74 per cent for 2009 (MSCI EM). Markets have continued to be tenuous in the New Year. Kuwait, Abu Dhabi, Dubai and Qatar are in the red so far this year, while Saudi's TASI is up 4.44 per cent year to date despite disappointing corporate results in the banking sector.

GCC markets have severely lagged in the recovery arena, despite positive economic outlooks and healthy crude oil prices (IPE Brent ended the year with a gain of 85 per cent). However, these factors, which once proved so effective in lifting investors' spirits, did not work their magic in 2009. Investors remained cautious, markets continued to lag and liquidity all but dried up on regional exchanges. Value traded across the GCC shrank by 40 per cent to US$512 billion (i.e. below 2004 levels). The events of 2008-2009 have laid bare the GCC's frailties in the arenas that support market recovery, such as adequate corporate governance, regulatory structure and transparency.

Having said that, the economic outlook for the GCC remains positive, with real GDP expected to grow 4.2 per cent in 2010 after contracting in 2009. Moreover, corporate earnings are expected to show an overall growth of six per cent in 2009, increasing to a 16 per cent growth in 2010. However, there remain pockets of weaknesses across the peninsula, namely in real estate, banking and the investment sectors. Specific debt events also continue to weigh on some GCC blue chips and developments concerning those issues will continue to be closely monitored for their impact on the broader market.

Market indicators

	Mid cap (US$ bn)	Last close (Jan-17-10)	YTD	Dec-09	2009	P/E	P/E
Indicators			%	%	%	2009	2010
Saudi (TASI)	337	6394	4.44	-3.68	27	24	14
Kuwait (weighted index)	96	384	-0.56	-0.26	-5	NA	10
Abu Dhabi (ADI)	78	2674	-2.54	2.83	15	10	7
Qatar (Doha SM)	56	6691	-3.85	-3.26	1	12	10
Dubai (DFMGI)	35	1674	-7.21	-7.05	10	50	5
Oman (Muscat SM)	18	6531	2.55	0.18	17	16	11
Bahrain (BAX)	16	1473	0.99	1.38	-19	NA	13
MSCI GCC Index	454	414	1.78	-1.68	18	7	12

Source: Excerpt from Markaz 'Daily Morning Brief', January 17, 2010, January Market Review

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

China's delicate exit strategy

China's fast growth has spilled over across Asia, helping regional trading partners to exit their own downturns. **Stefan Hofer** urges investors to be vigilant against any possible policy misstep that might occur.

Emerging markets had a solid start to 2010. While it is still early, the opening weeks of the year have largely seen the positive trend at the end of 2009 remain intact. The continued robust performance has also raised some concern among prominent market participants who fear that emerging markets could be headed for a substantial correction. These concerns seem predicated mostly on the negative repercussions of the strong capital inflows heading into the asset class, stemming either from the policy response to dissuade those capital flows or the risk of a bubble that is bound to burst. How valid are these concerns given the recent macroeconomic data flow and policy steps?

Recent events in China may provide greater clarity on these questions. First, in terms of macroeconomic performance, China has maintained the rapid pace of its recovery, in contrast to most developed economies. To illustrate, investors need to look no further than Purchasing Manager Indices (PMI). When economies are in expansion mode, their PMI indicators move about the critical 50 score. In a contraction phase, the score falls below 50. While PMIs around the globe have recovered from their cyclical lows, China's recent PMI levels have maintained their upward trajectory while most other major economies have dipped, although remaining above the 50 mark. In other words, the reputation that China earned as the engine of global growth last year will likely persist in 2010.

Second, in early January, the Chinese authorities took markets by surprise by increasing the yield on the People's Bank of China (PBoC) three-month note (government bond) by four basis points. To most observers, a four-basis-point yield increase would not warrant much attention. In this case, however, the move is important given the signalling effect that it carries. A small yield increase today could be followed by broader tightening steps (e.g. higher reserve requirements for China's banks) in the months ahead. Given the uniquely strong momentum of China's economy, as detailed above, investors are becoming increasingly wary of steps that could be taken to slow the growth. Invariably, investors should then consider how assets behave in such an environment.

With regards to equities, rising PBoC bond yields do not necessarily create a negative environment for local stocks. Indeed, throughout 2005 and 2007, the yield on the PBoC three-month note tripled, but the Shanghai "A" market performed well. That period was one of strong global growth and rising profits. As investors put the most severe financial crisis and global recession in living memory behind us, the risk for investors is whether China will return the current highly accommodative monetary stance to a more normalised position in a gradual and orderly fashion. A too-rapid tightening could see asset prices fall precipitously, while a too-cautious process could create enormous asset bubbles with precarious end results.

At this stage, the balancing act of maintaining high levels of growth and job creation against the risk of dangerous overheating appears to be a success. Inflation, while rising from cyclical lows, remains well contained in meagre single digits. China's fast growth has spilled over across Asia, helping regional trading partners to exit their own downturns. While inventors need to be vigilant regarding potential policy missteps, China's key role in leading the world out of recession seems well entrenched.

The writer is a research analyst at Bank Julius Baer.

US$ remains on the defensive

Given the looming congressional elections, US president Barack Obama may not be able to take tough measures to keep inflation at bay, argues **Sachin Patki**.

While it's a little early for spring, it's fair to report that the first shoots of growth are being seen across the globe. The emergency measures taken by governments and central banks seem to have smoothened the curve in the corrective phase, although many still question if the recovery is going to look like a *U* or a *W*.

Some expect the US recovery to come from a weaker dollar. A weaker dollar supports exports, which should help the unemployment rate recover from the 10 per cent level. It should also bring the budget deficit down from US$1.4 trillion in 2009 to the US$1.1 trillion estimated for 2010. In addition, it will help consumers spend more to push up growth and get factories to produce more. Retail sales have reversed their negative trend after the festive period, but we need to see some more positive figures to know whether the trend is here to stay. At the same time, the housing market has been showing initial signs of recovery, with building permits and existing home sales picking up. With some of these key drivers, we should expect some support for the economy.

It will, however, take some time for this support to feed into the currency. Currently, the currency continues to remain on the defensive, as interest rates are expected to remain unchanged in the first half of the year. Any increase by the Fed runs the risk of derailing the economic recovery. The Fed may use other measures to ensure that the excessive money supply in the economy is mopped up before inflation runs away.

US president Barack Obama is expected to have a few populist measures this year ahead of the November congressional elections. This may translate into an inability to take necessary but tough measures needed to get the budget and the trade deficit in order and will imply a delay in the calendar for regulations to bring the runaway deficits under control over time.

The Eurozone has been experiencing some moments of anxiety with a dappled economic outlook for its member countries. At one end, there is a worry over the possible credit default by Greece, while at the other extreme, there is news of improvement in consumer spending and industrial production. The monetary policy of the European Central Bank (ECB) is expected to stay unchanged, with little reason to raise interest rates until all economies are seen to be well on their way to recovery. As the interest rate differential with the US dollar is expected to stay largely unchanged, any change in timing of an interest rate hike by the ECB will impact the euro. An earlier rise will take the currency higher, with a delay making it weak. The euro needs to make a clear break above 1.4700 on a weekly closing basis to indicate its intent to reach 1.5030. A failure to break 1.4700 indicates lack of upward momentum for a move to 1.4225, 1.4050, 1.3850 and 1.3625.

While economies in continental Europe are showing signs of economic reversal, the UK continues to show little potential for recovery. Despite a slew of measures by the government in aiding industry, we do not see the same coming through in consumer behaviour. Consumer debt remains at an all-time high, at levels not seen in other economies. This circumstance, coupled with a set of moribund areas of growth like real estate and lending coming back to corporations, we could see a tepid recovery in the UK in 2010. This possibility is reflected in the currency, which has not had many gains despite a defensive US dollar. The 1.6450 area of resistance is one that needs to break on the upside for an attempt at 1.6775, but a failure would indicate the currency is more inclined for a downward move. A clear break below 1.5810 would open up the range to 1.5550, 1.5385 and 1.5290. This is also seen in sterling/euro on a break down from the current 1.1180 levels towards 1.0875, 1.0650 and 1.0510. The current bias remains in favour of the euro, and we could eventually have this cross-target parity. A lot of volatility in this cross throws up opportunities for investors.

The Japanese economy continues to muddle along, with little inspiration and change expected. The export industries have also been impacted by the strength in the yen, in turn keeping the economy for any upside it may have had. The Bank of Japan would need to find some way of breaking the deadlock on the economy, as all past measures have not really worked. The US dollar/yen is expected to make another attempt at 90.00, with the potential for testing 87.50 and 86.00. On the upside, look for 93.85, 94.30 and 97.70 giving resistance.

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 January 13, 2010.

A decade of weak equity returns

A bad decade in equities does not mean that the asset class has no future, argues **Peter Hensman**. The future, however, remains extremely unpredictable, he admits.

Equities have suffered a torrid decade. According to S&P, the index of the 500 largest stocks in America lost 0.9 per cent per annum, including the impact of income in the period since the start of the Millennium. While this picture is hardly one that those attracted to equity investing in the late 1990s hoped for or expected, there is reason to argue that this statistic in itself is not reason to give up on equity investing.

First, weak equity returns over 10-year periods to the end of the 1970s were followed by strong gains in the 1980s. Based on data from Robert Shiller, the total return on the S&P over the course of the 1980s was 17.5 per cent per annum, as policymakers responded to the negatives that had undermined returns in the prior decade and sentiment toward equities as an asset class improved. Second, while this period has been a challenging one for equities, as returns on the S&P have had to work against the high valuations reached in the late 1990s, this overall performance masks the divergence within the market. Hence, on a global basis, the drag to equity index performance has come from the tech sector, where the total return on the Datastream technology index was -7.4 per cent per annum in the decade to the end of 2009. By contrast, according to Datastream, the global mining sector gave a total return of 19.6 per cent per annum. This is a near mirror image of the position in the 1990s. Whatever the next decade holds, identifying the characteristics of likely winners and losers is likely to continue to have a significant bearing on the ability to generate above market returns.

Moreover, the world is not static. There are often significant changes that can transform sector and market performance within a period. Highlighting this possibility is the divergent performance between US homebuilders and the Chinese "A" share index over the last 10 years. Over the whole period, the total returns on both indices are similar for a dollar investor: 10.6 per cent per annum on the US home building index and nine per cent per annum on the China "A" share index. Yet, at the end of 2005, the composite of US home builder equities had risen at 41 per cent in the six years since the Millennium, while the "A" share index had fallen three per cent per annum from its level at the start of 2000, according to Datastream. It was perhaps no coincidence that the turning point for the performance of both areas came when the Chinese de-pegged the renminbi from the US dollar, as at the margin this move diverted capital that had been recycled from China back to the US as a means to prevent the exchange rate from moving toward funds remaining in China instead.

Looking forward, despite the headwinds to global growth prospects presented by the high level of indebtedness in the developed world (something that has increased, not decreased, during the credit crunch) and the threat from increasingly populist policy measures undertaken in the developed world, there are a number of positives for the near- to medium-term prospects for equity returns. Not least is valuation, particularly relative to government bonds. The dividend yield on the MSCI world index at the end of 2009 was 2.4 per cent, not far below the 2.8 per cent yield on the JP Morgan global government bond index. The ratio of the two yields was 0.6 (compared to 0.85 at the turn of the year) for most of the 2003-2007 period. Even more extreme is the favourable comparison with real bond yields. Hence, where both the dividend yield on the MSCI index and the 10-year yield on inflation-protected Treasury bonds remained close to two per cent through the 2003-2007 period, the real yield on these Treasury bonds is now 1.5 per cent. There is little expectation for dividend growth priced into equities.

That the problems generated in the last cycle have been fixed by further opening credit channels and by slashing the running costs of the existing stock of debt suggests that the fragilities that contributed to the downturn remain. Despite the moves to tighten monetary policy from extremely loose settings in countries such as Australia and more recently China that have been less affected by the effects of the credit crisis, it is clear that these will continue to be tentative as concerns remain about the sustainability of the rebound and the impact on currencies that a significant increase in local interest rates would cause. It is likely that conditions are a long way from those that would cause the Fed to increase interest rates (recently, the New York Federal Reserve president William Dudley suggested that the "extended period" referred to in the Fed policy statement indicated that interest rates were likely to remain unchanged for at least six months). In the early 1990s, as the US struggled to recover in the aftermath of the savings and loans crisis, the Fed held rates at three per cent throughout 1992 and 1993, despite non-farm payroll employment increasing by four million over the two-year period. In the end, bond investors were astounded when the Fed increased rates in February 1994. In Dudley's words, "job number one" for the Fed is generating employment. Despite the improvement from the lows, however, there is little sign of job creation in the US. As such, the supportive policy backdrop is likely to remain.

Changes over the coming decade are likely to be as extreme and as challenging to forecast as those in the last 10 years. Arguably, the first challenge for investors is to accurately predict when and by how much the Fed will raise interest rates, as this could well cause some significant changes in financial markets. As yet, data suggest that this policy change remains a distant prospect, implying little reason to expect significant adjustment in current trends.

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

Chinese demand could slow

Commodities ended 2009 on a high note, helped by the improving global economic outlook. Despite surpluses and large warehouse inventory, base metals continued to find support from Chinese demand, while energy prices remained robust. An **MF Global** report.

The energy complex remained firm last month as many parts of the northern hemisphere, particularly Europe and the US, suffered from heavy snowfall and a cold winter. Crude oil gained 14 per cent to US$79.92 a barrel (NYMEX near-month futures) and touched a 15-month high.

Heating oil was up 10 per cent to US$2.10 on month, while gasoline rose 12.50 per cent to US$2.07 and natural gas was up 11 per cent to US$5.73 per mmBtu. Speculative interest was also strong in these commodities, as the US CFTC report indicated that the non-commercial net long positions were a record, with the exception of natural gas.

In other developments, a project to help natural gas flow from Turkmenistan to China was completed. This project, along with the crude oil pipeline project from Russia's Serbia (underway) to China, has helped the latter to further its influence over the energy resources in Central Asia. Russia, a country heavily reliant on oil export, has been steadily engaged in diversifying its market, particularly to tap the lucrative Asian market and reduce its dependence on Europe. In December, a new oil export terminal in Kozmino on the country's far east coast was opened. This terminal, along with the planned pipeline, is expected to serve the Asian markets.

Coal (Ice futures) also increased steadily, getting support from improved demand from India, concerns about Indonesia restricting coal exports to meet its domestic market requirements and the possibility of a rise in demand from China as heavy snowstorms affected mining operations there.

Base metals continued to be on strong footing in hopes that demand from China, as well as economic recovery elsewhere, would keep prices supported. Metals, however, came off their highs following China's decision to increase its cash reserve ratio.

Copper gained nine per cent to US$7485 per tonne (LME three-month forward), ignoring bearish factors like the rise in stocks across Comex, LME and Shanghai warehouses or the restart of mines in Chuquicamata and Altonorte in Chile after a strike. Copper benefited on expectations that China was unlikely to reduce its public projects spending and would thus keep the demand strong during the year. Chinese imports during December also seemed to back the expectations as they grew by over 27 per cent on year.

Getting a boost

Zinc gained by over eight per cent to US$2489 per tonne, boosted by data showing that Chinese auto sales stood at around 13.50 million units. Improved auto sales in many Asian countries including India also helped improve the outlook on zinc used in galvanising.

Aluminum managed to close nearly one per cent higher, though lower than the four per cent gains seen intra-month. Aluminum has been showing strong resilience to calls for correction, despite record LME warehouse stocks and overcapacity. One of the reasons could be the fact that nearly 70 per cent of LME stocks are tied in financing deals (LME stock warrants have been used to raise debt) and will not be available for immediate delivery until much later. The biggest boost for aluminum has been sharp improvement in auto sales in Asian economies. This increase, along with marginal improvement reported in the US and Europe, could keep the outlook for aluminum demand firm.

In other developments for aluminum, Venezuela's power rationing move was seen as supportive of the metal, as it is likely to impact bauxite mining, a key ingredient in aluminum production. Growing concerns over political instability in bauxite-rich Guinea also helped aluminum.

A general buying interest in the entire base metals complex supported tin and lead. Tin gained 18 per cent to US$18,000 per tonne on reports of likely improvements in the electronics industry and Europe.

In the precious metals complex, gold remained a currency play, moving in the opposite direction of the US dollar. Year-end dollar demand resulted in gold correcting by nearly two per cent. But as dollar supplies eased with the start of the New Year, the greenback began to give away some of its gains, causing gold to gain two per cent on month to end at US$1142 per ounce. Silver gained even more sharply at eight per cent to US$18.58 per ounce, benefiting from both gold and the base metals rally.

Going forward, there are fears that imports from China may slow down in this month on account of the week-long lunar festival. Energy prices will remain supported as the US and Europe shiver from freezing temperatures. The performances of the US dollar and gold are likely to stay choppy with more concerns emerging from the Eurozone, as well as concerns over the stuttering growth of the US. MW

The information in this column is provided by MF Global. For further details, write to: customercaredubai@mfglobal.com or call +971 4 332 5052, +971 4 332 8894. ***Source:*** *Bloomberg, MF Global Commodities India.*

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%	1/2Yly
Skipton International Ltd	01481 727374	International US Dollar	None	$25,000	1.00%	Yly
Halifax International	Via website	International Web Server	None (H)	$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%	1/2Yly
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 (H)	€25,000	1.45%	Yly
Nationwide International	01624 696000	Tracker Premium	None	€50,000	1.10%*	Yly
No Notice Accounts						
Halifax International	01534 846555	International Bonus Server	None	£2,500	3.04%*	Mly
Anglo Irish Bank Corporation (International)	01624 698000	Privilege Access II	None	£5,000	2.82%	1/2Yly
Alliance & Leicester International	www.alil.co.im	eSaver Offshore 2	None (w)	£15,000	2.76%	Yly
Nationwide International	01624 696000	Base Rate Tracker Premium	None	£25,000	2.60%*	Yly
Bradford & Bingley International	01624 695000	Easy Saver	None	£5,000	2.50%	Yly
Notice Accounts						
Alliance & Leicester International	www.alil.co.im	eSaver Offshore Notice 50	50 Day (w)	£25,000	3.00%	Yly
Alliance & Leicester International	www.alil.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.alil.co.im	eSaver Flexible Income 1	60 Day (w)	£25,000	3.00%	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
Yorkshire (Guernsey)	01481 724353	Global 90	90 Day	£100,000	2.60%	Mly
Fixed Rates						
Clydesdale Bank International	01481 711102	Term Deposit	60 month Bond	£10,000	4.75% F	Yly
The Co-operative Bank	01481 710527	Fixed Term Deposit	36 month Bond	£5,000	4.50% F	OM
Skipton International Ltd	01481 727374	5 Year International Bond	24.1.15 (B)	£10,000	4.50% F	Yly
Anglo Irish Bank Corporation (International)	01624 698000	Privilege Fixed Interest	24 month Bond	£5,000	4.05% F	OM
Halifax International	01534 846555	International Web Saver	36 month Bond (H)	£1,000	4.00% F	Mly
Current Accounts						
Abbey International	01534 885000	Offshore Gold	None	£100,000	1.51%	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: January 14, 2010 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	0.00i 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: December 30, 2009 Source: Moneyfacts

€URO 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	0.50	Yly	No
Anglo Irish Bank (Corporation) International	01624 698000	Private Access	2.25	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	Advantage	-	0.00	0.00	0.00	0.00	0.00	Mly	No
	01624 643270	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		Accumulation	-	0.10	0.10	0.10	0.10	0.10	On closure	Yes
		High Interest Accumulation	-	-	-	-	0.00a	0.25b	On closure	No
	01624 645000	Reserve	-	0.10	0.10	0.10	0.10	0.10	Qly	Yes
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	Offshore Reserve	0.15	0.10	0.10	0.10	0.10	0.10	Half Yly	No
	01534 881188	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	-	-	0.10	0.10	0.10	0.10	Qly	No
Zurich International Ltd	01624 671666	Zurich Euro Reward	1.00	1.00	1.00	1.00	1.00	1.00	Yly	No
		Easy Access Deposit	0.00	0.00	0.00	0.00	0.00	0.00	Qly	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.

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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	Advantage	-	0.00	0.00	0.00	0.00	0.00	Mly	No
	01624 643270	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	-	-	-	-	0.00	0.00	On Closure	No
		Reserve	-	0.00	0.00	0.00	0.00	0.00	Qly	Yes
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	0.10h	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 Int Ltd	01534 286850	Royalties International	0.05	0.05	0.05	0.05	0.05	0.05	Qly	No
Skipton International Ltd.	01481 727374	International US Dollar	-	-	1.00	1.00	1.00	1.00	Yly	No
Standard Bank	01534 881188 /	Offshore Reserve	0.10	0.10	0.10	0.10	0.10	0.10	Half Yly	No
	01624 643643	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	0.25	0.25	0.25	0.25	0.25	0.25	Qly	No
		Easy Access Deposit	0.00	0.00	0.00	0.00	0.00	0.00		

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: December 30, 2009 Source: Moneyfacts

EXPATRIATE MORTGAGE TERMS - FEBRUARY 2010

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.

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 then the amount due with no increse 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 Tawarruq	Up to 16-17 times of salary	3,000 for Nationals 5,000 foe expats	Up to 60 months	Murabaha and Tawarruq schemes are Shari'ah compliant.	800 124 0006 www.alfransi.com.sa
National Commercial Bank	Tayseer Al Ahli (Cash) Murhaba Al Ahli (Goods)	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 Tawarruq concept). No guarantor required. Outstanding loan waived in case of death.	800 124 5557 www.sabb.com.sa
SAMBA	Personal Finance Al Khair Personal Finance	Up to 15 times monthly salary	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 Car Lease	3.99 - 5.49% 10.5%	Up to 60 months Up to 60 months	10% None	Approved companies only. Must have been with current employer for six months. Minimum salary SAR3,000.	800 124 4141 www.alrajhibank.com.sa
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 *Note: Temporarily suspended all new loans*	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 10 times of monthly salary	8,500	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.qatar.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 *Note: Temporarily suspended all new cards.*	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 - 4,000, Gold Plus 7,500 Platinum - 15,000 Diners club - 7,500	2.75% 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 qgirc-tec@qatar.net.qa
Qatar Insurance Company HomeCare Household Insurance	500 650 750 750 + 0.50%	250	50,000 (minimum per policy) 75,000 100,000 Above 100,000	Household possessions against damage or theft ; all platinum, gold and silver articles, jewelry and furs will be limited to 20 per cent of the total sum insured on contents; option for risk extension cover to insure valuable items while traveling locally or internationally (rates for above QAR100,000: Qatar - 2.5 per cent and worldwide - 4 per cent on the value)	+974 449 0476 www.qatarinsurance.com onestop@qic.com.qa
Qatar Islamic Insurance Company Household Comprehensive	500 to 700	250	50,000	Cover against fire, burglary, allied perils; extra charge for jewelry and personal belongings, covered in Qatar home only	+974 465 8880 www.qiic.net

Discounts are offered for listed companies, brokers and online applications. For more details, check with the provider. These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. ***Disclaimer:*** These listings are **NOT** meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during January 2010. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, **MONEY***works* recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. All information contained above is freely available and was obtained directly from provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider direct for further information.

Medical Insurance — QATAR

INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (QR)	EXCESS	COVER	COVER INCLUDES	CONTACT
AXA Insurance *In reference to ages 0-10, cheaper premium for ages 11-20 by up to 500 depending on plan	**Global Area 1:** From 10,801 (ages 11-21) to 29,098 up to age 65. **Global Area 2:** From 3,638 (ages 11-21) to 9,541 up to age 65. **Regional Plus:** From 2,078 (ages 11-21) to 5,433 up to age 65. **Regional:** From 1,787 (ages 11-21) to 4,673 up to age 65		**Global Area 1:** QAR5 million **Global Area 2:** QAR2.5 million **Regional Plus:** QAR1 million **Regional:** QAR500,000	**Global Area 1:** Worldwide **Global Area 2:** Worldwide excluding USA , Singapore, Japan, Hong Kong & Switzerland **Regional Plus:** Regional cover plus India, Pakistan, Sri Lanka, Bangladesh, Korea, the Philippines, Indonesia, Nepal & Bhutan **Regional: AGCC:** Arabian Gulf Cooperation Council member countries being Saudi Arabia, Kuwait, Bahrain, Qatar, UAE and Oman	+973 17 210 778 www.axa-gulf.com
Qatar General Insurance and Reinsurance Company Interglobal Healthcare Plan MedicalCare Health Insurance Plan	**Interglobal Healthcare Plan** **Ultracare Plus:** From 3,298 (child) to 107,663 up to ages 70-74 **Ultracare Comprehensive:** From 2,565 (child) to 87,710 up to ages 70-74 **Ultracare Select:** From 2,341 (child) to 79,599 up to ages 70-74 **Ultracare Standard:** From 1,616 (child) to 55,211 up to ages 70-74 **MedicalCare Health Insurance Plan** (up to 65 years old only) In-patient treatment: 399, In-patient and out-patient treatment: 899	**Interglobal Healthcare Plan** Standard Excess US$42.50, Nil Excess 10% overload, US$85, US$170, US$425, US$850, US$1,700, US$4,250, US$8,500 **MedicalCare Health Insurance Plan** In-patient treatment: 10% of claim amount for each and every claim Out-patient treatment: QAR25 per visit	**Interglobal Healthcare Plan** **Ultracare Plus:** US$3.4 million Ultracare **Comprehensive:** US$1.7 million **Ultracare Select:** US$1,275,000 **Ultracare Standard:** US$850,000 **MedicalCare Health Insurance Plan** In-patient: QAR100,000 Out-patient: QAR50,000	**Interglobal Healthcare Plan** *With optional coverage of Australia and New Zealand, Europe, Worldwide not including the USA or Worldwide. **Ultracare Plus:** Extended in and out-patient benefits, 45 days emergency coverage outside chosen area, dental coverage. **Ultracare Comprehensive:** In and out-patient benefits, 45 days emergency coverage outside of chosen area. **Ultracare Select:** In-patient benefits. **Ultracare Standard:** Limited out-patient benefits, 30 days emergency coverage outside of chosen area **MedicalCare Health Insurance Plan** (selected hospitals and clinics in Qatar) **In-patient treatment:** Hospital accommodation, surgical, medical and nursing, services and supplies, private room and board, ambulance services. **Out-patient treatment:** Consultation (general medicine, pediatric, obstetrics and gynecology, ophthalmology and dermatology), lab tests, 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 qiic@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 simply an overview of how much an individual has to pay for an insurance plan for various age ranges. Discounts are available for those who would like to purchase plans by groups or companies. Premium rates quoted in US$ are converted to QAR using the 3.68 conversion rate for consistency purposes. Please contact the insurance providers for more information. These listings are **NOT** meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during January 2010. 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	1756999
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 garantee 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.arabiainsurance.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 January 2010. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, **MONEY***works* 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 ser vices, 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.ihi.com
Interglobal Healthcare Plan	**Ultracare Plus:** From 332 (child) to 10,825 up to ages 70-74 **Ultracare Comprehensive:** From 258 (child) to 8,819 up to ages 70-74 **Ultracare Select:** From 235 (child) to 8,003 up to ages 70-74 **Ultracare Standard:** From 162 (child) to 5,551 up to ages 70-74	Standard Excess US$42.50, Nil Excess 10% overload, US$85, US$170, US$425, US$850, US$1,700, US$4,250, US$8,500	**Ultracare Plus:** US$3.4 million Ultracare **Comprehensive:** US$1.7 million **Ultracare Select:** US$1,275,000 **Ultracare Standard:** US$850,000	*With optional coverage of Australia and New Zealand, Europe, Worldwide not including the USA or Worldwide **Ultracare Plus:** Extended in and out-patient benefits, 45 days emergency coverage outside chosen area, dental coverage **Ultracare Comprehensive:** In and out-patient benefits, 45 days emergency coverage outside of chosen area **Ultracare Select:** In-patient benefits **Ultracare Standard:** Limited out-patient benefits, 30 days emergency coverage outside of chosen area	Protection Insurance Services W.L.L . +973 1721 1700 www.alhimaya.com www.interglobalpmi.com **Bahrain National Life** +973 1758 7333 www.bnhgroup.com bnl@bnhgroup.com
AXA Insurance	* In reference to ages 0-10, cheaper premium for ages 11-20 by up to 50 depending on plan **Global Area 1:** From 1,080 (ages 11-21) to 2,909 up to ages 60-65 **Global Area 2:** From 363 (ages 11-21) to 954 up to ages 60-65 **Regional Plus:** From 207 (ages 11-21) to 543 up to ages 60-65 **Regional:** From 179 (ages 11-21) to 467 up to ages 60-65		**Global Area 1:** BHD500,000 **Global Area 2:** BHD250,000 **Regional Plus:** BHD100,000 **Regional:** BHD50,000	**Global Area 1:** Worldwide **Global Area 2:** Worldwide excluding USA , Singapore, Japan, Hong Kong & Switzerland **Regional Plus:** Regional cover plus India, Pakistan, Sri Lanka, Bangladesh, Korea, the Philippines, Indonesia, Nepal & Bhutan **Regional:** AGCC: Arabian Gulf Cooperation Council member countries being Saudi Arabia, Kuwait, Bahrain, Qatar, UAE and Oman	+973 17 210 778 www.axa-gulf.com
Bahrain Kuwait Insurance Company	**Shefa'a Gold:** From 520 (child) to 1,636 up to ages 60-65 **Shefa'a Max:** From 305 (child) to 957 up to ages 60-65 **Shefa'a Plus:** From 190 (child) to 598 up to ages 60-65 **Shefa'a:** From 44 (child) to 141 up to ages 60-65		Shefa'a Gold: BHD50,000 Shefa'a Max: BHD35,000 Shefa'a Plus: BHD10,000 Shefa'a: BHD10,000	**Shefa'a Gold:** In-patient and out-patient treatment, family doctor treatment, prescription medication , home nursing, maternity, dental and optical treatment; Elective treatment worldwide except Canada or USA **Shefa'a Max:** Out-patient consultations, diagnostic tests and in-patient hospital treatment; Elective treatment worldwide except in Europe, Canada or USA **Shefa'a Plus:** In-patient and daycare treatment as well as out-patient consultations in Bahrain **Shefa'a:** In-patient and daycare treatment in Bahrain	+973 1753 1555 www.bkic.com info@bkic.com

Disclaimer: All medical insurance policies include the standard in-patient and out-patient services generally provided by insurance companies. Covers specified are those deemed to be significant only as point of comparison among the plans. The annual premiums listed are simply an overview of how much an individual has to pay for an insurance plan for various age ranges. Discounts are available for those who would like to purchase plans by groups or companies. Premium rates quoted in US$ are converted to BHD using the 0.37 conversion rate for consistency purposes. Please contact the insurance providers for more information.

Personal Finance — KUWAIT

PROVIDER	PRODUCT	INTEREST RATE	MAX. LOAN AMOUNT (KWD)	MIN. SALARY (KWD)	PAYMENT TERMS	CONTACT
Bank of Kuwait and Middle East *Note: Temporarily stopped Personal loans*	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 10 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	0.95% 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 50, 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 Titanum, Black Visa	Free for first year. Classic - 30, Gold - 40, Platinum - 100 Internet Shopping Card - 5, DinersClub - 40, Visa pre-paid - 5, Master Lucky Titanum - 50, Black Visa (By inviation)	Classic - 250 Gold - 750 Platinum - 1,000 DinersClub - 600 Master Lucky Titanum 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 January 2010 and was correct at the time of going to press. Please note: information is subject to change without notice. Any errors or omissions are regretted. Corrections, if any, should be forwarded by fax to 04 391-2173, or by email to info@moneyworks.ae. All information contained is freely available from bank/provider printed information and websites, as well as direct from bank/provider helplines and/or call-centres. Note: Many banks operating in the GCC require you be an account holder before approving personal loan applications. In many cases a salary transfer is compulsory and, where not possible, an assignment letter of salary and benefits may also be necessary. For further information, check with your chosen bank/provider direct. Don't forget to watch out for special deals available.

Medical Insurance — UAE

PROVIDER	STANDARD ANNUAL PREMIUM (AED)	EXCESS	COVER	COVER INCLUDES	CONTACT
AXA/Norwich Union Insurance (Gulf) BSC(c)	**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:** AED200/150, **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 check-ups, 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, out-patient surgery and organ transplants **Foundation:** Includes all coverage provided by Major Medical, with the addition of full out-patient benefits, including primary care consultations, alternative medicines and out-patient 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 **Plus:** 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.interglobalpmi.com
National General Insurance Co. PSC	*Higher premium for females than males except for ages 1-16, which have same rate **Emirates Plan:** From 1,603 (1-16) to 3,018 up to age 55 **Emirates Plus Plan:** From 1,775 (1-16) to 3,353 up to age 55 **International Plan:** From 1,978 (1-16) to 5,780 up to age 55 **Global Plan:** From 2,750 (1-16) to 9,741 up to age 55	AED40-75 on medical services	**Emirates Plan:** AED100,000 **Emirates Plus Plan:** AED250,000 **International Plan:** AED1 million **Global Plan:** AED2 million	**Emirates Plan:** UAE **Emirates Plus Plan:** UAE and up to 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 (ages1-15) 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 oicem@tameen.ae www.tameen.ae
Royal & SunAlliance UAE	*Higher premium for females aged 16-60 than males and lower premium for males aged 66-99 by up to 800 depending on plan **Visit www.fasterquote.ae for personalised quote. **Columbus:** From 2,727 (ages 0-20) to 14,879 up to age 99 **Ulysses:** From 2,353 (ages 0-20) to 12,631 up to age 99 **Marco Polo:** From 2,040 (ages 0-20) to 10,756 up to age 99 **Local Health:** From 1,991 (ages 0-20) to 10,457 up to age 99	AED50 deductible on physician's consultation	**Columbus:** AED1 million **Ulysses:** AED500,000 **Marco Polo:** AED300,000 **Local Health:** AED100,000	**Columbus:** Worldwide **Ulysses:** Worldwide exc. USA and Canada **Marco Polo:** UAE, Arab Countries, South East Asia, Iran and Afghanistan **Local Health:** UAE, South East Asia, Iran and Afghanistan	04 334 4474 fasterquote@notes.royalsun.com www.royalsunalliance.ae www.fasterquote.ae

Disclaimer: All medical insurance policies include the standard 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 Karaoglan 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 January 2010. All information included tables is subject to confirmation and is provided as an overview only. As with all financial decisions **MONEY***works* recommends that you make enquiries and, if necessary, take appropriate advice before entering into any transactions. All rates were checked prior to publication and are subject to change without notice. This list is not an exhaustive list, Any errors and/or omissions are regretted. Additions/corrections, if any, should be forwarded by fax to 00971 4 391 2173, or by email to info@moneyworks.ae. All information contained above is freely available and was obtained directly from provider printed materials and websites, as well as direct from helplines and/or call centres. Please call your chosen provider direct for further information.

Home Contents Insurance — UAE

INSURER/ PRODUCT	STANDARD ANNUAL PREMIUM (AED)	EXCESS (AED)	COVER (AED)	COVER INCLUDES	CONTACT DETAILS
Abu Dhabi National Insurance Company – Householders Comprehensive Insurance	350 minimum	None	50,000	Cover against loss or damage caused by fire, theft, water damage, earthquake and other allied perils; excluding jewelry and money	02 626 4000 www.adnic.ae
Al Dhafra Insurance – Householder's contents policy	500 minimum, 350 in special cases, depends on the value	500	50,000	Contents while contained in the buildings against the risks of fire, lightning, explosion, thunderbolt, subterranean fire, earthquake, volcanic eruption, aircraft or other aerial devices or articles dropped, bursting or overflowing of water tanks, apparatus or pipes, theft, Impact by any third party road vehicles, horses or cattle, storm, tempest, flood or overflow of the sea; all kinds of declared household items and jewelry; contents temporarily removed from the building while in any bank safe deposit or private dwellings where the insured or members of his family are residing or employed are covered; reasonable costs of the alternative accommodation in the event of building being rendered uninhabitable; standard policy may be extended to cover legal liability to landlord and third parties	02 672 1444 www.aldhafrainsurance.com
Al Ittihad Al Watani General Insurance Company – Householders Comprehensive Insurance	1,500-2,000	250	50,000	Cover against fire and perils. 10,000 limit on money are jewellery	04 282 3266 www.unic.ae
Arab Orient Insurance Company – Home Contents Insurance	750 minimum	1,500 for every claim	50,000	Furniture, fixtures, AC; optional – clothing, jewellery (2,500 for each item), excluding cash	04 209 3705 www.insuranceuae.com
AXA – 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 4845 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 TV's/Hi-Fi's/Videos/home computers/fixed glass/ceramic hobs, deterioration of food in freezer if it breaks down but not if more than 10 years old, legal liability as occupier for injury to other people or damage to their property, liability to domestic servants, contents temporarily in the garden excluding damage caused by storm and flood, replacement of external locks in your home if your keys are stolen and **(2) Extra damage option** – including accidental damage; policy can extend to personal belongings you take outside the house (1.4 per cent) such as unspecified valuables, clothing, personal effects up to AED2,500, money up to AED1,500, credit cards, specified items for items worth more than AED2,500 individually, sports equipment up to AED4,000, pedal cycles that are securely locked while unattended, small boats against loss or damage anywhere in UAE and up to 60 days anywhere in the world	04 324 2345 www.wisgroup.com

Discounts are offered for listed companies, brokers and online applications. For more details, check with the provider. These tables are compiled using specific criteria widely considered by consumers as important when choosing a specific financial product. ***Disclaimer:*** These listings are **NOT** meant as a recommendation of a particular provider; listings are simply in alphabetical order and updated during January 2010. Information contained in these tables is subject to confirmation and is provided for information only. As with all financial decisions, **MONEY***works* 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, Classic Platinum, 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, afterthat 2.35% on retail purchases; 2.75% on cash withdrawals	25 days	04 213 0000 www.rakbank.ae
SAMBA	Visa-Master 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.unb.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, UAEGold, Gold Rainbow, Charge Cards: Green, Gold, Platinum and Black Centurian	DDF - 175, AMEX Blue -250, AMEX Gold-395, UAEGold-395, Gold Rainbow - AED395, Charge Cards: Green-US$95, 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, Millenium 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)	Prefered 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 signup 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	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.dubaifirst.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, Platinum - 700, Infinite - 1,500, EmiratesDIC-200 Diners club - 200 **NBD cards**: Classic - 150, Gold - 400, Platinum - 700, NBD-Dnata MasterCard - Silver-200, 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.	Toll-free: 600 540000 www.emiratesnbd.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 jeanneau 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@surfer card, Visa Dubai E-government Prepaid Card	Classic and Gold are free for life, Platinum -1,000, nbad@surfer 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; RAKfeast 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 Ameera 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 Wadi, 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 instaments at 0.99%. NRI card: points redeemable for domestic flights in India, 5% cash back on flights to India, discounts domestically; Al Ameera: 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

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	New cars: 4.25 - 5.5% Used cars: 4.99 - 5.99%	Up to AED500,000	New cars: Nil Used cars: Depends on the car	60 months	5,000 with salary transfer otherwise 8,000	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 AED400,000 with salary transfer, otherwise AED350,000	New cars: Nil Used cars: 5%	New cars: 60 months Used cars: 48 months	5,000	No
Al Hilal Bank	Murabaha	New cars: 4.99% Used cars: 6.5%	Up to AED500,000	New cars: 10% Used cars: 20%	Up to 48 months with salary transfer, otherwise 60 months	New cars: 7,000 Used cars: 8,000	No
Arab Bank	Car Loan	New cars: 4.5% Used cars: 5.5%	Depends on salary	New cars: Nil Used cars: 15%	60 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	8,000	No
Dubai Islamic Bank	Al Islami Auto Finance	New cars: 5% Used cars: 5.5 - 5.59% (Depends on model of the car)	Up to AED250,000	Depends on the salary	New cars: 60 months Used cars: 48 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 5.35% Used cars: with salary transfer 5.50%, otherwise 5.75%	Up to 250,000	10-25%	New cars: 72 months Used cars: Depends on the model	With salary transfer - 5,000 otherwise 6,000	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 8 times of monthly salary	10%	Up to: 84 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		
National Bank of Abu Dhabi	Motori	New cars: 4.75% with salary transfer, otherwise 5.50% Used cars: 5% with salary transfer, otherwise 6%	Up to AED350,000 with salary transfer, otherwise AED200,000	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 AED400,000	New cars - Nil Used cars - 15 -20%	Up to 60 months	5,000	No
RAKBANK	Auto Loan	New cars: 4.99% Used cars: 6.25%	Up to AED250,000	New cars - Nil Used cars - 10%	New cars: up to 60 months Used cars: 84 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 60 months	10,000	Yes
Al Hilal Bank	Goods Finance only for Nationals	Profit rate: 8.99%	Up to AED150,000	No	Up to 48 months with salary transfer, otherwise 36 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 72 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	Imtalik	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 2000 model or newer	No	Nil		No processing fee	Toll-free: 800 666666 www.alhilalbank.ae
Used cars must be 2007 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	AED500 processing fee	Toll-free: 800 5555 www.dubaibank.ae
Used cars must be 2001 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.cbiuae.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/used cars: AED500 Processing fee: AED500	Toll-free: 600 540000 www.emiratesnbd.com
Used cars must not be older than 4 years. Loan only applies to Japanese cars	No	3% outstanding value of the loan		Processing fee: AED250	Toll-free: 800-2211 www.nbad.com
Used cars must be 2004 model or newer	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. 0.75% charged as insurance.	Toll-free: 800 2030 www.adcb.com
Company you work for needs to be on bank's approved list. Must provide three to six months bank statement, original passport, salary certificate and a quotation of the goods that need financing.	Rewarded for early redemption	Intallment postponement available, subject to bank's approval	No processing fees. Shari'ah compliant and Murabaha structure.	Toll-free: 800 2288 www.adib.ae
Approved companies only. Need to provide salary certificate, bank statement and original passport. The applicant should be atleast 21 years old.	None		No processing fee	Toll-free: 800 666666 www.alhilalbank.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.	AED500 as processing fee	Toll-free: 800 4792 www.hsbcamanah.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 January 2010 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 otherwise 8.25%	Minimum AED10 million Loan-to-value (LTV): Up to 90% with salary transfer otherwise 85%	Up to 65% for all	15% for ready properties with salary transfer, otherwise 20% 20% for under construction properties with salary transfer, otherwise 25%
Abu Dhabi Finance	UAE nationals and UAE residents	Up to 30 years	70 years	8.25 - 9%	Depends on salary	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 (Shari'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 eligibity 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, AED6 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	30% for villas 45% for apartments
Dubai Bank (Mulki Property Finance)	UAE nationals, expats	Up to 25 years	65 years for nationals 60 years for expats	9.15% on reducing balance rate	Up to AED4-6 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	10%
Emirates-NBD	UAE nationals, expats and non-residents	25 years for nationals, 21 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 milliion	Residents: Up to 60% Non-residents: Up to 50%	20% for ready properties, otherwise 25%
Emirates Islamic Bank	UAE nationals	Up to 10 years for Murabaha Up to 25 years for Ijara	65 years	8.25%	Up to AED3 million	Not more than 50% of the salary	10%
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%
HSBC 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	7.5% on reducing balance basis	Up to AED8 million	55% including all loans	25%
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	8.5%	Up to AED5 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 75% for other emirates
RAKBANK	UAE nationals, expats and non-residents	25 years	60 years unless specified	8.5-10.35%	Up to AED13 million LTV: Upto 85% Abu Dhabi/Al Alin 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 (Shari'ah compliant) *****NOTE** Temporarily stopped new mortgage lending.***	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	8.4% 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	7.4% for the first year, thereafter 8.5% Financing for ready properties only.	Up to AED5 million	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

NOTE: Some more UAE banks are actively lending in the market, although mortgage finance products are yet to be officially launched. It's also possible to finance properties on The Palm (for up to 10 years) directly from Nakheel. ***Documentation requirements*** vary from bank to bank. But, in general, the requirements are Passport, Labour Card, Khulasat Qaid (ID card), salary certificate, six months salary bank account statements, other income documents, copy of sale/purchase agreement, proof of downpayments, cheque for loan processing fee and application form. For business owners/directors - trade licence & audited company financials. Please check with your chosen mortgage provider for more details.

UAE

INSURANCE REQUIREMENTS	MINIMUM SALARY (AED)	BANK ACCOUNT NECESSARY	SALARY TRANSFER	CHARGES	PROPERTIES FINANCED	PREMIUM FINANCE	BUY-TO-LET	CONTACT
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: 0.8% 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	Abraj (Ras Al Khaimah), Green Emirates, RAK Properties, ALDAR, Sorouh, TDIC, 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:** Sourouh, 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.amlakfinance.com
Life and property insurance	20,000	Yes	Yes	1% processing fee. Registration fees to be borne by the customer	Emaar, Nakheel, Deyaar, Union Properties, Damac, Dubai Properties and Ishraquaa	Yes	Yes	Toll-free: 800 27224 www.arabbank.ae
Property insurance	10,000	Yes	Yes	Processing fee is 1% of loan amount, maximum AED7,500. 1% of outstanding loan amount incase of repayment by own sources, 2% for bank buyout	Emaar, Nakheel, Damac and more	Yes	No	04 313 6666 www.bankofbarodauae.ae
Life and building insurance	Depends on criteria	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	Yes	Yes	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	Yes	No	1% processing fee or AED5,000, whichever is higher. 1% of pre-paid amount for pre-payment charge for cash and 2% for bank buyout	**Abu Dhabi:** ALDAR, Sorouh **Dubai:** Emaar, Nakheel and Dubai Properties	No	Yes	600 550000 www.emiratesnbd.com
Life and property insurance	25,000	No	No	1.5% 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: 600 525500 www.firstgulfbank.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 Nahkeel projects only; Green Community, Istithmar, Golf Real Estate, The Pad by Omniyat 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 Mirdif), 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, 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:** Surouh (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.unb.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 January 2010 for MONEY*works* 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 re-payment. Please note: information is subject to change without notice. Any errors or omissions are regretted. Corrections, if any, should be forwarded by fax to 04 391 2173, or by email to info@moneyworks.ae. All information contained is freely available from bank/provider printed information and websites, as well as direct from bank/provider helplines and/or call-centres.

Independent Financial Advisers

UAE

Licence: The UAE Central Bank

Name	Address	Telephone	Fax	E-mail	Website
Acuma Wealth Management	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.alsael.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@jdvinsurance.ae	www.jdvinsurance.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
Citco Dubai	P O Box 58066, Dubai, UAE	+971-4-3432666	+971-4-3436613	fdsouza@citco.ae	www.citco.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: DIFC (Dubai International Financial Centre)

Name	Address	Telephone	Fax	E-mail	Website
Killik & Co (Middle East & Asia)	PO Box 506606, Dubai, UAE	+971-4-4273960		Dubai@killik.com	www.killik.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 despite repeated attempts to contact each organisation.

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

Licensed Financial Intermediaries

UAE

Note: Financial intermediaries are licensed to undertake brokerage in currencies, commodities and to deal with money market transactions, as per licence from the Central Bank. Main activities at present are brokerage in foreign exchange, futures, options and Contracts for Difference (CFDs) in global stock indices, major stocks, treasury notes and commodities.

Name	Address	Telephone	Fax	E-mail	Website
Century Financial Brokers LLC	P.O. Box 9126, Dubai, U.A.E	+971-4-3516112	+971-4-3559876	cfbinfo@centurybrokers.com	www.centurybrokers.com
Eastern Trust LLC	P.O. Box 25404, Dubai, U.A.E	+971-4-2283003	+971-4-2237237	eastrust@emirates.net.ae	www.easterntrustllc.com
Leader Middle East LLC	P.O. Box 21416, Dubai, U.A.E	800-4446/04 2692848	+971-4-2686844	info@lmedubai.com	www.lmedubai.com
Orient Financial Brokers	P.O. Box 2495, Dubai, U.A.E	+971-4-3514900	+971-4-3524996	info@orientfinance.com	www.orientfinance.com
Sterling Financial Brokers	P.O. Box 26652, Dubai, U.A.E	+971-4-2213949	+971-4-2243271	info@sfbme.com	www.sfbme.com
World Index Investment LTD	P.O. Box 111012, Dubai, U.A.E	+971-4-3598882	+971-4-3599030	info@world-index.com	www.world-index.com

Related Services

UAE

Name	Address	Telephone	Fax	E-mail	Website
Just Wills Al Wasiyya JLT	P O Box 75671, Dubai, UAE	+971-4-3116592	+971-4-3328810	mohammad@just-wills.net	www.just-wills.net
Expat Wills	P O Box 213408, Dubai, UAE	+971-4-3045085	+971-4-3311499	info@expatwills.net	www.expatriatewills.com

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,

In the summer of 2008, I was advised by an expert to purchase a gold coin every week and diversify some of my investments and savings. Earlier, I used to save mostly through bank deposits, mutual funds and insurance policies. Mutual fund investments comprised nearly 30-40 per cent of my savings when markets crashed. It shook me up. So I took expert advice. One of the suggestions was to invest in gold every week. I found it to be a sound suggestion and I have been mostly in profit since then. Recently, however, I feel uncertain about gold. Should I continue to invest in gold or should I wait until there is more clarity in which direction the precious metal is going to move? Ed, Dubai

I find the expert advice to be a common sense approach to diversifying your assets. An investment in physical gold is always a good thing to do, especially in times like these when financial markets remain highly volatile. The approach suggested by your financial advisor is that of averaging your investments so that a heavy fall in the price would not hurt you. You may not make sudden, dramatic gains on your investments, but this approach ensures that your wealth is generally protected, and there is a potential healthy upside over a period of time. I personally feel that gold is always a good buy at any point in time, albeit in small quantities.

Cutting your healthcare costs

James Thomas on how to keep your health insurance premiums down and avoid being overcharged by medical practitioners.

"I want to know what recourse I have if my health insurer refuses to honour my medical expenses on flimsy grounds, like overcharging by medical practitioners or hospitals. Also, I fear that my health insurance premiums are likely to go up drastically because hospitals in the UAE are planning to raise their charges and fees by nearly 50 per cent. What does one do in these circumstances?"

This subject is a very emotive one and can raise a lot of anger if the situation is not dealt with in the right manner. Regarding the first part of your question, you have various means of recourse if you feel you have been unfairly treated. As to the second part of your query, there are a number of ways to protect yourself from any future increases in medical costs.

If your insurer tries to avoid honouring a claim, you should put your grievance in writing and send it to the company's claims department. Then you can work your way up its chain of command until you get a satisfactory response. If this doesn't work, you should contact the ministry of economy, which has a complaints department and can assist with your query.

I would now like to look at the background of medical insurance and how plans work here. Medical insurance is essential in a country like the UAE to cover your medical bills if you become ill or require emergency treatment in case of an accident.

Medical insurance is part of one's overall financial planning and is one of the safety nets that need to be in place to protect you from the "what if" situations, along with life insurance and critical illness cover. Much like any form of insurance, you hope not to have to claim upon the policy, but it gives you peace of mind to know it is there.

There are many different types of policies that can be tailored to meet your requirements and budget. The major differences that can be seen include the region of coverage (from single country to region to full international coverage), the level of cover (from in-patient only to both in- and out-patient coverage) and the many add-on benefits like routine dental treatment and maternity cover.

The geographical area of cover you select will generally depend on where you feel comfortable having treatment. You need to consider whether you would want to go for treatment in your home country if you became seriously ill.

The most basic types of medical insurance will cover you for in-patient treatment only, meaning that if you need to visit the doctor for a minor ailment or need a course of antibiotics, you will be liable for the cost. If you include out-patient treatment as well, then such visits for minor ailments will be covered. However, the premium you pay will increase, as statistically you are much more likely to need to claim for this type of situation than for a more serious illness or injury that requires admission to a hospital.

Extra benefits, such as routine maternity cover and dental treatment, can also be added to a policy for a higher premium. Again, the reason for the additional cost is that if these benefits are included, then it has been proven that claims will be made for these options.

By now, you have probably realised that for comprehensive medical cover, you will have to pay for the cover. This is one of the realities of residing in a country where there is little or no public health service available to expatriates. The flip side is, of course, that you can choose exactly what cover you need and only pay for that, rather than paying income tax.

It is also worth remembering that medical insurance providers, hospitals and clinics are all trying to make a profit. They are businesses, so their agendas are different from those of public-funded systems. This is not necessarily a bad thing, but you need to be aware of it.

While hospitals and clinics want to charge you as much as they can, medical insurance providers want to pay as little as possible. As such, they will generally negotiate group rates that will reduce their rates, which can then be passed on to the consumer. This is also why medical providers have networks, as they have agreed prices for treatment with those establishments. Therefore, if hospitals in the UAE did increase prices by 50 per cent, it is likely that they would be removed from insurance providers' networks and would thus lose a large amount of revenue.

It is, of course, possible that hospitals and clinics will increase their charges, but any increases are likely to be small. To avoid being overcharged, stay within the networks of your insurance provider. If your insurance provider's premiums increase dramatically, look around at other options with a different provider, as there are a wide range of products available in the market. Just remember that what may seem to be a relatively simple product is actually very complicated and needs to be thoroughly investigated to make sure that it is the right product for you.

James Thomas joined Acuma Wealth Management, a company licensed and registered by the Central Bank of the UAE, in 2004, having worked as an independent financial consultant in the UK for six years. He is fully qualified and is a member of the Chartered Insurance Institute of London. Contact James at jthomas@acuma.ae. This article is provided for information purposes only and should not be regarded as financial advice. Always remember that investments can go down as well as up.

SME market needs Nasdaq Dubai

Sultan Sooud Al-Qassemi on how Nasdaq Dubai could become a successful exchange by serving the needs of the local small and medium enterprise (SME) market.

Now that news of the consolidation of the Dubai Financial Market (DFM) and Nasdaq Dubai has been announced, it is time to reflect on the missed opportunity that the latter represented and lobby for the future entity to become more relevant to the emirate, country and region.

First, it is important to differentiate between the two, as their missions were quite different. The DFM targeted local and regional firms wanting to list and raise capital, while the Dubai International Financial Exchange (DIFX), Nasdaq Dubai's predecessor, set its eyes on the global arena, hoping to replicate the success of the US stock exchange with the same name.

When the US Nasdaq was launched in 1971, it took a completely new strategy by appealing to the general public, rather than to just the Wall Street bankers. For instance, Nasdaq ran advertisements informing the public about the savings they could make by trading in Nasdaq-listed stocks. In fact, Nasdaq became unpopular with some brokers because it emphasised the thin spread it offered that cut out much of these brokers' commissions. Nasdaq was able to emerge in less than four decades from a complete upstart to one of the leading stock exchanges in the world.

On the other hand, consider the Nasdaq Dubai experience. It was launched to be an elite organisation, targeting mostly institutional investors, rather than the general public. Its working hours and days reflected the fact that the regional audience was not its priority. Most brokerage firms where investors had accounts weren't eligible to trade. The listing criteria were very stringent and did not take into consideration that most businesses in the UAE are SMEs, which are precisely what the US Nasdaq attracted.

Nasdaq Dubai's only two listed stocks were mired in controversy even before they were listed. Their troubles only continued after the listing and are growing bigger by the day. DP World's listing caused Shuaa to be fined close to a million dollars by the Dubai Financial Services Authority for market manipulation in September 2008.[1] The only other major listed stock, Damas Jewellery, was seeking a standstill on up to AED4 billion in debt from 20 different banks.[2] It is worth noting that Damas encountered difficulties with the UAE federal ministry of economy, which was not satisfied with the valuations that the company had set for its assets[3], prompting the jeweller to seek a DIFX listing after a private placement.

It would be wise for Nasdaq Dubai to use the flexibility it showed Damas to transform itself into an SME stock market. After all, Tanmia, the national human resource development and employment authority of the UAE, estimates that around 85-95 per cent of all businesses in the UAE are made up of SMEs.[4] Clearly, that market is worth serving. The transformation would also be in keeping with the original spirit of the Nasdaq institution.

There are over 30 free zones in the country, many of which host an array of medium-sized enterprises that do not want to part with a large portion of their business and want a respectable local stock market to list in.

Businesses like Axiom Telecom of Dubai, media firms and a number of successful home-grown retail and restaurant chains would all benefit from having a Dubai-based stock market that specifically catered to the neglected SMEs in the UAE. Sadly, Nasdaq Dubai has been blind to that opportunity over the past few years, preferring instead to hold its breath for the likes of Emirates airline and Dubai Aluminium. The latter never came and Nasdaq Dubai is still the least active stock market in the region, despite its lavish name and title. It is time for Nasdaq Dubai to either evolve or be allowed to be swallowed wholesale by the DFM, an option that none of us want to see happen.

Because of the time-consuming bureaucracy of the UAE ministry of economy and the Emirates Securities and Commodities Authority, the regulatory body of the DFM and the Abu Dhabi Exchange, it is unlikely that the regulations governing stock market listings in either of the latter two will be addressed to make it more friendly for small and medium-sized businesses to list in the UAE.

Nasdaq Dubai could therefore transform itself into a stock market for at least medium-sized businesses and position itself as an avenue for them to raise cash rather than borrowing from banks. This would not only be a dignified end to a troubled journey, but also would allow Nasdaq Dubai to avail of an opportunity that has escaped the region's stock markets. MW

Footnotes
[1]http://www.arabianbusiness.com/532188-shuaa-capital-in-share-sale-probe
[2]http://www.thenational.ae/apps/pbcs.dll/article?AID=/20100116/BUSINESS/701169908/1041
[3]https://www.zawya.com/story.cfm/sidZAWYA20050609045338
[4]http://www.business24-7.ae/Articles/2009/12/Pages/22122009/12232009_0b28fc1784ce4cbab2aa5d1a8629d808.aspx

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.sultansq.blogspot.com. Opinions expressed in this article are those of the author and do not necessarily represent those of the MONEYworks group of magazines. This article should not be misconstrued as financial advice.