



**CENTRAL BANK OF THE
UNITED ARAB EMIRATES**

ECONOMIC BULLETIN

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Selected Economic Indicators 2000 - 2003

Item	Year			
	2000	2001	2002	2003
Population (In Thousands)	3,247	3,488	3,754	4,041
GDP, in Current Prices, (Bn. AEDs)	258.0	254.2	261.4	293.1
GDP at 1995 Fixed Prices (Bn. AEDs)	214.3	221.8	226.0	241.8
GDP Growth Rate at constant prices (%)	12.3	3.5	1.9	7.0
Variation in Consumer Price Index (%)	1.4	2.7	2.9	3.1
Employees (In Thousands)	1,736	1,929	2,091	2,191
Rate of Growth of Final Consumption (%)	11.7	4.2	9.8	8.1
Rate of Growth of Fixed Capital Formation (%)	6.5	4.8	0.6	4.2
Total Exports and Re-Exports (FOB) (Bn. AEDs) ¹	183.02	177.80	191.57	246.56
Crude Oil Exports (FOB) (Bn. AEDs)	79.46	65.20	61.25	81.22
Total Re-Exports (FOB) (Bn. AEDs) ²	55.12	58.89	67.36	86.06
Total Imports (CIF) (Bn. AEDs) ³	128.57	136.96	156.64	191.24
Trade Balance (FOB) (Bn. AEDs)	69.87	57.27	53.73	78.26
Current Account Balance (Bn. AEDs)	50.50	35.22	12.51	27.45
Capital & Financial Account Balance (Bn. AEDs)	-40.09	-33.44	-5.50	-14.74
Balance of Payments Overall Balance (Bn. AEDs)	10.41	1.78	-1.52	4.73
Average Oil Price (US\$ Per Barrel)	27.20	23.30	24.80	28.10
AED Exchange Rate for Each US Dollar ⁴	3.6725	3.6725	3.6725	3.6725

Source : – Central Bank of the UAE.

– Ministry of Planning.

– Customs Departments of Emirates Governments.

1) Including Free Zone Exports & Non-Monetary Gold Re-Exports.

2) Including re-exports of non-monetary gold.

3) Including Free Zone Imports, and Non-Monetary Gold.

4) Effective Nov. 1997, the AED Exchange Rate Has Been Adjusted to AED 3.6725 for each US Dollar.

Selected Monetary and Banking Indicators 2001 - June 2004

(In millions of AEDs)

Item	End of Period	2001	2002	2003	2004 June
Central Bank of the UAE					
- Total Assets / Liabilities		51,838	55,273	54,502	59,657
- Foreign Assets and Gold Holdings		51,641	55,075	54,221	58,459
- Currency Issued.		12,320	13,799	15,969	16,981
Liquidity Indicators *					
- Money Supply (M1)		39,464	47,054	58,262	71,044
- Private Domestic Liquidity (M2)		156,480	173,653	200,600	218,748
- Overall Domestic Liquidity (M3)		194,961	220,764	250,942	272,672
Banks ¹*					
- Total Assets/Liabilities.		297,781	331,550	366,908	397,114
- Foreign Assets		97,521	110,732	111,727	112,684
- Foreign Assets to Total Assets (%)		32.7	33.4	30.5	28.4
- Foreign Liabilities		28,789	28,247	30,294	36,573
- Foreign Liabilities to Total Liabilities (%)		9.7	8.5	8.3	9.2
Deposits ²*					
- Residents		172,848	198,244	226,338	246,985
- Non-Residents		10,045	11,403	11,219	11,691
Bank Credit (Net) ³					
- Residents		115,417	133,358	164,922	189,537
- Non-Residents		17,069	24,025	27,753	32,380
Total Number of National Banks & Branches ⁴					
- Head Offices		20	21	21	21
- Branches		304	324	346	354
Total Number of Foreign Banks & Branches ⁵					
- Head Offices		26	26	25	25
- Branches		83	86	87	87
Number of Workers in Banks (UAE.) ⁶					
		15,191	16,080	17,229	17,769

Source: Central Bank of the UAE.

* Including deposits of UAE Residents booked in overseas branches (including offshore units) and subsidiaries of national banks abroad.

1) Including Bank Intesa BCI-SPA (Restricted License Bank) upto 31/05/2003.

2) Not including inter-bank deposits.

3) Not including loans to banks and provisions.

4) Including pay offices, customer service units and automated branches.

5) Including a pay office and customer service units.

6) Excluding auxiliary staff.

PART ONE

**MONETARY AND BANKING
DEVELOPMENTS**

1. Monetary Survey

1.1 Liquidity

Monetary indicators rose during the first half of 2004. Money supply (M1) grew by 21.9%, compared to its level at the end of December 2003. Private domestic liquidity (M2) also increased by 9.0% while overall liquidity (M3) expanded by 8.7%.

The rise in these monetary aggregates was an outcome of increases in all of their major components, as monetary deposits increased by AED 11.78 billion (26.5%) to reach AED 56.25 billion. Currency with the public also rose by AED 1.01 billion (7.3%) to reach AED 14.79 billion. As a result of these developments, money supply (M1) rose by AED 12.78 billion to reach AED 71.04 billion by the end of June 2004.

Quasi-monetary deposits also rose during the first half of 2004 by AED 5.37 billion (3.8%) to reach AED 147.70 billion. As a result of the increase in both money supply (M1) and quasi-monetary deposits, private domestic liquidity (M2) rose by AED 18.15 billion, reaching AED 218.75 billion by the end of June 2004.

Overall liquidity (M3) grew by AED 21.73 billion to equal AED 272.67 billion by the end of the first half of 2004. This was mainly due to the increase in private domestic liquidity (M2), and a rise by AED 3.58 billion (7.1%) in government deposits which reached AED 53.92 billion.

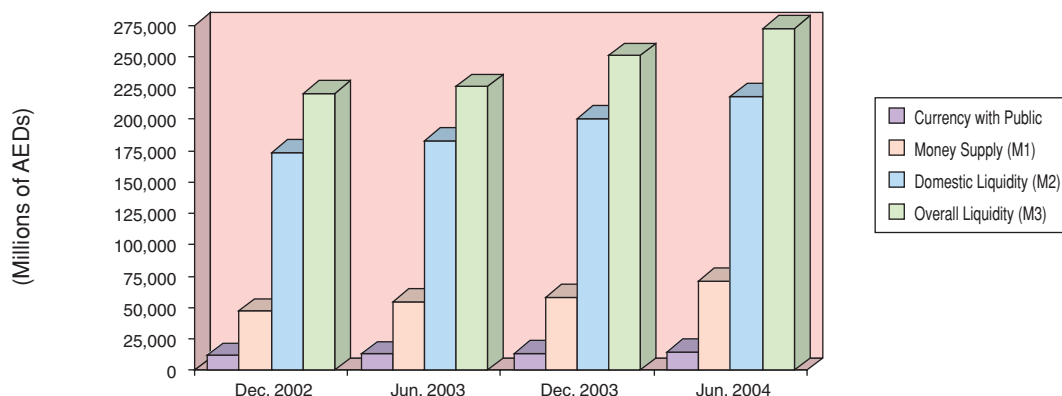
Table (1-1)
Monetary Indicators*

(In millions of AEDs)

Year	Month	Currency with the Public (1)	Monetary Deposits (2)	Money Supply (M1) (3)=(1)+(2)	Quasi Monetary Deposits (4)	Domestic Liquidity (M2) (5)=(3)+(4)	Overall Liquidity (M3) (6)=(5)+Govt. Deposits
2002	December	11,938	35,116	47,054	126,599	173,653	220,764
2003	March	13,160	38,045	51,205	128,742	180,947	222,263
	June	13,069	41,540	54,609	128,754	183,363	226,101
	September	12,612	43,565	56,177	133,765	189,942	236,528
	December	13,785	44,477	58,262	142,338	200,600	250,942
2004	March	14,443	50,938	65,381	147,891	213,272	261,885
	June	14,791	56,253	71,044	147,704	218,748	272,672

* Including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

Monetary Indicators



1.2 Net Foreign Assets

Net foreign assets sector decreased by AED 1.35 billion (1.0%) during the first half of 2004, reaching AED 135.25 billion, against a drop by AED 6.90 billion (5.2%) during the first half of 2003. The said decrease was due to the fact that foreign liabilities increased by AED 6.40 billion (20.9%) to stand at AED 37.05 billion, while foreign assets rose by AED 5.05 billion (3.0%) to reach AED 172.30 billion.

Table (1-2)
Factors Affecting Domestic Liquidity*

(In millions of AEDs)

Items	2002		2003			2004	
	Dec.	March	June	Sept.	Dec.	March	June
1- Net Foreign Assets	132,920	129,381	126,020	127,717	136,601	137,294	135,248
2- Net Domestic Credit	123,859	134,452	141,305	161,584	152,227	166,083	174,875
- Net Credit to Government	-32,615	-26,486	-27,789	-29,360	-30,232	-25,002	-28,003
- Credit to Official Entities	7,122	8,397	10,006	12,803	12,990	14,546	14,754
- Credit to Private Sector	145,660	148,219	154,791	161,248	165,218	171,475	182,638
- Credit to Non-Banking Financial Institutions	3,692	4,322	4,287	4,090	4,251	5,019	5,486
3- Net Other Factors	-83,126	82,886	83,962	-88,228	-88,228	-90,060	-91,375

* Including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

1.3 Net Domestic Credit

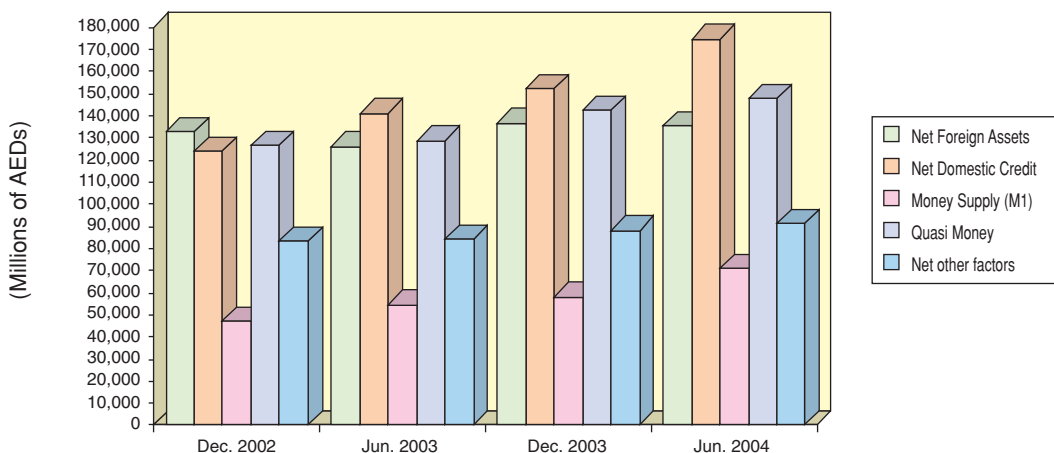
Net domestic credit reached AED 174.88 billion at the end of the first half of 2004, registering an increase of AED 22.65 billion (14.9%) above the end of 2003 level, against an increase of AED 17.45 billion (14.1 %) during the first half of 2003.

An analysis of the components of net domestic credit shows that net credit extended to the private sector rose by AED 17.42 billion (10.5%) to reach AED 182.64 billion. Likewise, credit extended to official entities increased by AED 1.76 billion (13.6%) to reach AED 14.75 billion. Credit extended to non- banking financial institutions also rose by AED 1.24 billion (29.1%) to reach AED 5.49 billion, and net credit extended to the government increased by AED 2.23 billion (7.4%), reaching AED –28.00 billion.

1.4 Net Other Factors

Net other factors item rose during the first half of 2004 by AED 3.15 billion (3.57%) to reach AED 91.38 billion, against yet another increase by AED 836 million (1.0%) during the first half of 2003.

Monetary Survey



2. UAE Dirham Exchange Rate

Owing to the fixed exchange rate of the UAE dirham against the US dollar, the dirham depreciated as a result of the depreciation of the US dollar against most major currencies during the first half of 2004.

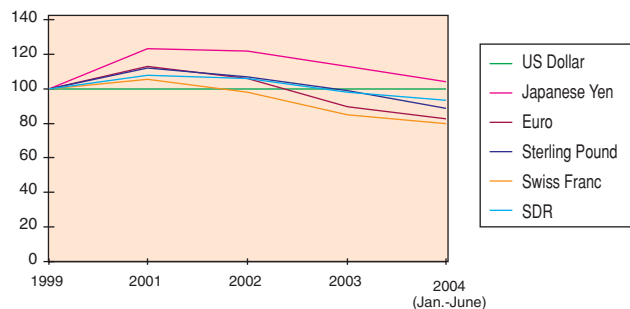
Table (1-3)
Index Numbers of the Dirham Exchange Rate
Against Major Currencies (1999 = 100)

Currency	1999	2000	2001	2002	2003	1st half of 2004
US dollar	100.0	100.0	100.0	100.0	100.0	100.0
Japanese Yen	100.0	105.0	123.0	121.8	112.9	104.1
Euro	100.0	109.4	113.0	106.1	89.5	82.4
Pound Sterling	100.0	106.3	112.0	106.8	98.7	88.6
Swiss Franc	100.0	106.4	105.6	98.0	85.0	79.9
SDR	100.0	104.0	107.8	106.0	98.1	93.2

Compared to its average rate at the end of 2003, the UAE dirham depreciated during the first half of 2004 by 7.9% against the Euro, 10.2% against the Pound Sterling, 6.0% against the Swiss Franc, 7.8% against the Japanese Yen, and by 5.0% against the SDR.

On the other hand, the dirham exchange rate remained unchanged against the currencies of GCC member states during the first half of 2004, compared to its level at the end of 2003.

Index Numbers of the Dirham Exchange Rate
Against Major Foreign Currencies
(1999 = 100)



3. Central Bank of the UAE

3.1 Central Bank Balance Sheet

The total assets /liabilities of the Central Bank grew by AED 5.16 billion (9.5%) to equal AED 59.66 billion at the end of June 2004, against AED 54.50 billion at the end of December 2003.

On the assets side, cash and bank balances increased from AED 421 million at the end of December 2003 to AED 9.48 billion at the end of June 2004. Held-To-Maturity securities also increased by AED 3.67 billion (32.8%) to stand at AED 14.87 billion. Loans and advances increased from AED 50 million to AED 500 million and fixed assets increased by AED 42 million (107.7%) to equal AED 81 million. Meanwhile, deposits dropped by AED 7.82 billion (18.5%) to reach AED 34.51 billion and other assets decreased by AED 108 million (34.0%) to reach AED 210 million.

On the liabilities side, the value of certificates of deposit increased by AED 1.30 billion (11.0 %) to reach AED 13.06 billion, current accounts and deposits by AED 2.58 billion (16.8%) to reach AED 17.96 billion, currency issued by AED 1.01 billion (6.3%) to reach AED 16.98 billion, and other liabilities by AED 265 million (252.4%) to equal AED 370 million.

Table (1-4)
Central Bank of the UAE Balance Sheet

(In millions of AEDs)

End of Period Items	2001	2002	2003			2004		
	Dec.	Dec.	March	June	Sept.	Dec.	March	June
Assets								
- Cash & Bank Balances	213	228	229	247	254	421	9,255	9,484
- Placements with Banks	50,896	48,968	42,911	43,687	41,400	42,326	45,228	34,508
- Securities available for sale	-	-	-	-	-	147	-	-
- Securities Held to Maturity	-	5,509	7,345	7,345	11,200	11,201	9,365	14,874
- Loans and Advances	50	50	50	500	50	50	50	500
- Gold Reserves	333	333	333	166	166	-	-	-
- Other Assets	324	165	175	505	435	318	169	210
- Fixed Assets	22	20	19	21	27	39	63	81
Total Assets	51,838	55,273	51,062	52,471	53,532	54,502	64,130	59,657
Liabilities								
- Current Accounts and Deposits	11,468	12,202	12,483	13,677	14,812	15,381	15,545	17,960
- Certificates of Deposit	16,779	12,489	12,224	12,318	10,833	11,762	16,560	13,061
- Permanent Deposit from Federal Govt.	9,399	9,557	9,557	9,557	9,557	9,725	9,725	9,725
- Currency Issued	12,320	13,799	15,053	14,964	14,474	15,969	16,517	16,981
- Other Liabilities	312	5,666	185	395	2,296	105	4,223	370
Total Liabilities	50,278	53,713	49,502	50,911	51,972	52,942	62,570	58,097
Capital								
- Issued and Fully Paid Capital	300	300	300	300	300	300	300	300
- General Reserve	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
- Special Reserve	60	60	60	60	60	60	60	60
Total Liabilities and Capital	51,838	55,273	51,062	52,471	53,532	54,502	64,130	59,657
Memoranda Accounts	851	375	1,002	277	703	483	9,296	10,055

3.2 Organization of the Banking and Other Financial Institutions

3.2.1 Organization of Banking

Pursuant to provisions of Union Law No. 10 of 1980 regarding the Central Bank, the monetary system and organization of banking, and within a context of continued efforts to organize banking activities, the Central Bank took several measures and issued a number of important directives during the first half of 2004, the most important of which, are summarized as follows:

- 1- Notice No. 336/2004, dated 15/2/2004, regarding change of name of Banque Libanaise Pour Le Commerce to "BLC Bank (France) S.A." effective 2/2/2003. The notice advised that this change applies to the branches in the UAE and that all assets, liabilities and claims on the bank in its previous name be carried over to the new name.
- 2- Notice No. 984/2004, dated 7/4/2004, regarding facilities for customers with special needs(Handicapped). The Central Bank had received a letter from a group of disabled individuals requesting that some facilities be provided to them given their special circumstances, particularly with respect to the use of ATMs. In response, the Central Bank called upon all banks around the country which have ATMs, to carry out the following:
 - a. Assign a special entrance for the disabled to avoid any obstacles.
 - b. Assign a special window inside the bank's hall for their transactions.
 - c. Provide an ATM with a low height for the disabled.
 - d. Allocate a special car parking in front of the bank for the disabled.
- 3- Notice No. 1850/2004 dated 14/6/2004, regarding loans and credit facilities to officers and staff of the General Head Quarters of the Armed Forces. In an attempt to clarify the relationship between banks and financing companies on the one hand and their borrower customers on the other, in the interest of both parties, the Central Bank discussed certain items relating to the above subject with the General Head Quarters of the Armed Forces, in the interest of officers and staff of the Armed Forces, those wanting to borrow from banks, as follows:
 - a. Personal consumer loans for the staff of the General Head Quarters of the Armed Forces shall be defined as "loans" extended to the officers and staff of the armed forces for specific purposes, secured by assigning salary and end of service gratuity.

It is prohibited to take the private houses of officers and staff of the Armed Forces as security for these loans, or take personal guarantees of UAE nationals as security when these loans are extended to non- national staff.

- b. The amount of a personal consumer loan should not exceed fifteen folds the monthly salary of a borrowing officer or staff of the General Head Quarters of the Armed Forces. Monthly installments must be in a reasonable proportion to the borrower's salary and the deducted amount should not exceed 25% of his gross salary.
- c. The period of a personal consumer loan as per this Notice should not exceed 60 months.
- d. No penalty of any sort should be imposed, if a borrowing officer or staff of the General Head Quarters of the Armed Forces chooses to prepay his loan.
- e. If any bank fails to honor its commitments towards the General Head Quarters of the Armed Forces in respect of services mentioned herein, the General Head Quarters of the Armed Forces shall transfer the salary of the officer or the staff concerned to any other bank without referring to the bank that extended the loan/ credit facilities.

3.2.2 Depository Institutions

The number of locally incorporated banks remained unchanged at 21 banks during the first half of 2004, compared to their number at the end of 2003. The number of branches and pay offices of these banks rose from 367 (330 branches and 37 pay offices) at the end of December 2003 to 375 (336 branches and 39 pay offices) at the end of June 2004.

Table (1-5)
The Number of Banks, Their Branches
and Pay Offices

	End of Dec. 2003		End of June 2004	
	Number of Head Offices	Number of Branches & Pay Offices	Number of Head Offices	Number of Branches & Pay Offices
Local Banks	21	367	21	375
Foreign Banks	25	112	25	112
Investment Banks	2	–	2	–

Compared to their numbers at the end of December 2003, the number of foreign banks operating in the country, their branches, pay offices and customer service units remained unchanged during the first half of 2004 at 25 head offices and 87 branches, including one cash office and 3 customer service offices.

3.2.3 Representative Offices

With one license cancelled and another issued, the number of representative offices of foreign banks or other foreign financial institutions licensed to operate in the country remained unchanged at the end of June 2004, compared to their number at the end of December 2003, at 48 offices.

Table (1-6)
New Representative Offices
Licensed During the First Half of 2004

Serial	Representative Office	Emirate/City
1.	Doha Bank	Dubai

3.2.4 Moneychangers

By the end of June 2004, the number of head offices of money-changing houses operating in the country reached 109, in addition to 171 branches, against 108 head offices and 166 branches at the end of December 2003.

Table (1-7)
Number and Geographical Distribution
of Licensed Moneychangers
(as at 30/6/2004)

Emirates	Head Offices	Branches	Total
Abu Dhabi	21	40	61
Dubai	68	71	139
Sharjah	10	31	41
Ras Al Khaimah	2	4	6
Fujairah	1	5	6
Ajman	2	3	5
Al Ain City	4	16	20
Khorfakkan City	1	1	2
Grand Total	109	171	280

3.2.5 Financial and Monetary Brokers

By the end of June 2004, the number of licensed brokers remained unchanged at 32 head offices, compared to their number at the end of December 2003.

3.2.6 Financial Investment Companies and Banking, Financial and Investment Consultation Establishments and Companies

The number of financial investment companies and banking, financial and investment consultation establishments and institutions increased from 18 companies at the end of December 2003 to 19 companies at the end of June 2004.

Table (1-8)

New Financial Investment Companies and Banking & Financial Consultation Companies and Establishments Licensed During the First Half of 2004

Serial	Company Name	Emirates/City
1.	Union National Financial Consultancy LLC	Dubai

3-2-7 Finance Companies

The number of licensed finance companies increased from 6 companies at the end of December 2003 to 7 companies at the end of June 2004.

Table (1-9)

New Finance Companies Licensed During The First Half of 2004

Serial	Broker Name	Emirates/City
1.	Finance House (Public JSC)	Dubai

4. Bank Activities

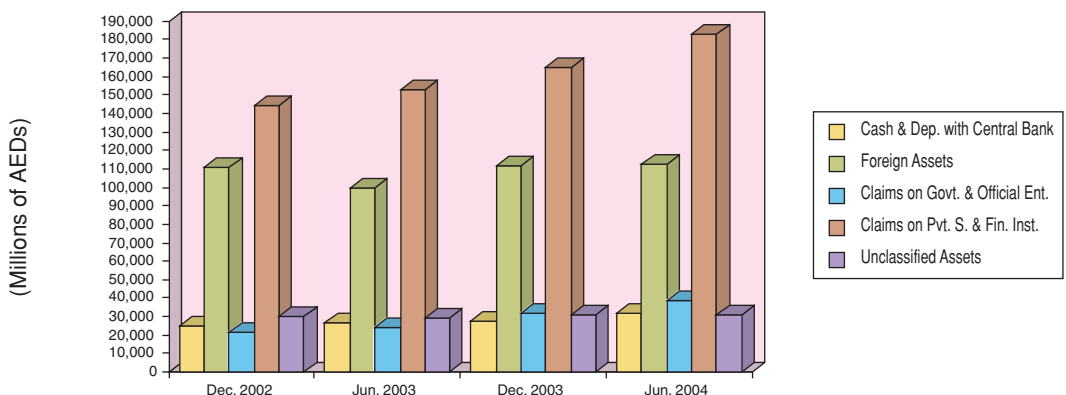
4-1. The Aggregated Balance Sheet

The total assets/liabilities of banks operating in the country, including inter-bank transactions, equaled AED 397.11 billion at the end of June 2004, hence recording an increase of AED 3.02 billion (8.2%) above the end of December 2003 level, against an increase of AED 1.51 billion (0.5%) during the same period in 2003.

Monetary deposits increased by AED 11.78 billion (26.5%) to reach AED 56.25 billion by the end of June 2004, foreign liabilities also increased by AED 6.28 billion (20.7%) to reach AED 36.57 billion and quasi-monetary deposits grew by AED 5.37 billion (3.8%), reaching AED 147.70 billion. Similarly, capital and reserves increased by AED 2.73 billion (6.1%) to reach AED 47.19 billion. Balances Due To Central Bank grew to AED 758 million, against AED163 million at the end of December 2003. Unclassified liabilities also increased by AED 1.37 billion (2.9%) to reach AED 48.50 billion.. Meanwhile, Due To resident banks declined by AED 1.73 billion (9.6%) to reach AED 16.17 billion and government lending funds dropped by AED 2.0 million (8.7%) to reach AED 21 million.

Following these changes, the relative significance of private sector deposits in the sources of banks' funds rose from 50.9 % at the end of December 2003 to 51.4% by the end of June 2004, that of foreign liabilities from 8.3% to 9.2%, and of government deposits from 10.9% to 11.1%. Meanwhile, the relative significance of capital and reserves dropped from 12.1% to 11.9%.

Aggregated Balance Sheet (Assets)



On the uses of funds side, meanwhile, domestic credit and investments grew by AED 25.64 billion (12.6%), reaching AED 229.43 billion. Cash and deposits with the Central Bank also rose by AED 4.24 billion (15.5%) to reach AED 31.52 billion, and unclassified assets by AED 845 million (9.7%), to reach AED 9.59 billion, and foreign assets by AED 957 million (0.9%) to reach AED 112.68 billion. Meanwhile, placements with resident banks dropped by AED 1.48 billion (9.6%) to reach AED 13.89 billion

As a result of these changes, the relative significance of domestic credit and investments rose from 55.5% to 57.8%, while that of foreign assets dropped from 30.5% at the end of December 2003 to 28.4% at the end of June 2004.

Aggregated Balance Sheet (Liabilities)

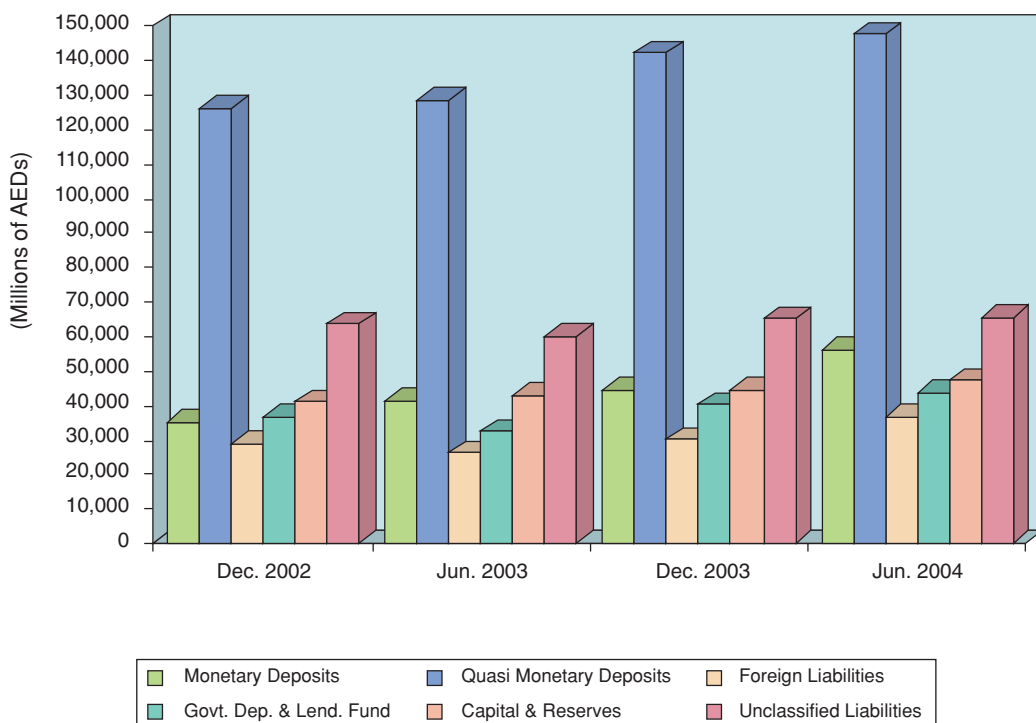


Table (1-10)
Structure of the Aggregated Balance Sheet of Banks ¹

(In percent)

End of Period Items	2002		2003			2004	
	Dec.	March	June	Sep.	Dec.	March	June
Assets							
- Cash & Deposits with Central Bank	7.7	7.7	7.9	7.4	7.4	8.5	7.9
- Credit to Residents ²	51.9	53.5	55.2	56.3	55.5	57.2	57.8
of which : (Private Sector)	(42.6)	(43.7)	(45.0)	(45.1)	(44.4)	(44.8)	(45.4)
- Foreign Assets	33.7	32.5	30.6	29.8	30.5	28.6	28.4
- Unclassified Assets ³	7.0	6.3	6.3	6.5	6.6	5.7	5.9
Total Assets/ Liabilities	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Liabilities							
- Monetary Deposits	10.5	11.5	12.4	12.5	12.1	13.5	14.2
- Quasi Monetary Deposits	38.0	39.2	38.5	38.3	38.8	39.2	37.2
- Foreign Liabilities	9.0	9.1	8.7	8.3	8.3	8.4	9.2
- Government Deposits	11.1	9.5	9.7	10.5	10.9	10.3	11.1
- Capital and Reserves	12.3	12.7	12.8	12.5	12.1	12.3	11.9
- Unclassified Liabilities ⁴	19.1	18.0	17.9	17.9	17.8	16.3	16.5

1) Including balance sheet of the restricted license bank up to 31/5/2003 and resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

2) Including securities and domestic investments.

3) Including Due From resident banks.

4) Including Due To Central Bank and resident banks.

4.2 Free Reserves and Banks' Net Position

Banks' actual reserves with the Central Bank rose by AED 1.96 billion (15.4%), reaching AED 14.75 billion in June 2004, against AED 12.79 billion in December 2003. At the same time, required reserves grew by AED 1.85 billion (15.1%) to reach AED 14.05 billion. Accordingly, excess reserves expanded by AED 118 million (20.2%), to record a balance of AED 703 million, against AED 585 million at the end of December 2003.

Table (1-11)
Free Reserves and Banks Net Position
with the Central Bank¹
(daily average)

(In millions of AEDs)

Year	Month	Actual	Required ²	Excess	Net Overall Position ³
2002	December	10,288	9,828	460	12,518
2003	March	10,794	10,478	316	12,847
	June	11,391	11,115	276	12,623
	September	12,023	11,720	303	11,316
	December	12,785	12,200	585	12,232
2004	March	13,312	12,764	548	17,287
	June	14,749	14,046	703	15,293

1. *Comprising DMBs, the RLBs up to 31/5/2003 and resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.*

2. *Including Reserve Requirements in dirham and foreign currencies.*

3. *Including Certificates of Deposit.*

Banks' net credit position with the Central Bank recorded an increase of AED 3.06 billion (25.0%), reaching AED 15.29 billion at the end of June 2004, against AED 12.23 billion at the end of December 2003.

4.3 Money Market

Inter-bank transactions in the local money market declined during the first half of 2004, owing to a decrease in total balances with resident banks, which dropped from AED 15.49 billion at the end of December 2003 to AED 14.07 billion at the end of June 2004. Accordingly, the ratio of these balances to banks' total assets decreased from 4.4% to 3.7%.

Table (1-12)
Inter-Bank Market and
Assets of Banks ¹

(In millions of AEDs)

Year	Month	Inter-Bank Funds ²	Total Assets ³	Percent of _{3/2}
2002	December	16,085	315,460	5.1
2003	March	12,918	315,053	4.1
	June	13,059	318,901	4.1
	September	14,269	335,167	4.3
	December	15,486	351,423	4.4
2004	March	12,073	365,461	3.3
	June	14,070	383,044	3.7

1. Including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

2. Including inter-branch transactions measured from the assets side.

3. Excluding inter-banks transactions.

4.4 Bank Credit

Total bank credit extended to residents and non-residents amounted to AED 255.47 billion at the end of June 2004, i.e., an increase of AED 29.46 billion (13.0%) during the first half of 2004, against an increase of AED 11.90 billion (6.2%) during the first half of 2003. Credit to residents rose during the first half of 2004 by AED 24.84 billion (12.6%) to equal AED 221.75 billion, while credit to non-residents rose by AED 4.62 billion (15.9%) to equal AED 33.73 billion.

Distribution of credit to residents by economic activity shows an increase in the credit extended to the government sector by AED 5.62 billion (28.6%) to reach AED 25.27 billion, to the trade sector by AED 8.42 billion (14.8%), reaching AED 65.48 billion, to the construction sector by AED 3.48 billion (13.0%) to equal AED 30.33 billion, to the manufacturing industries by AED 1.94 billion (17.5%) to equal AED 13.03 billion, to the

agriculture sector by AED 26 million (3.1%) to reach AED 856 million, to the transportation, storage and communication sector by AED 18 million (0.3%) to equal AED 6.34 billion, to other activities by AED 5.31 billion (7.3%) to reach AED 78.36 billion, and to the mining sector by AED 19 million (0.9%) to reach AED 2.10 billion.

Following these developments, the relative significance of the trade sector, which ranked first in terms of its share in domestic credit, rose to 29.5% by the end of June 2004, compared to 28.9% in December 2003. The relative significance of the construction sector also increased from 13.6% to 13.7%, of the government sector from 10.0% to 11.4%, of the manufacturing industries sector from 5.6% to 5.9%, while the relative significance of the mining sector dropped from 1.1% to 0.9% and of other activities sector from 37.1% to 35.3%.

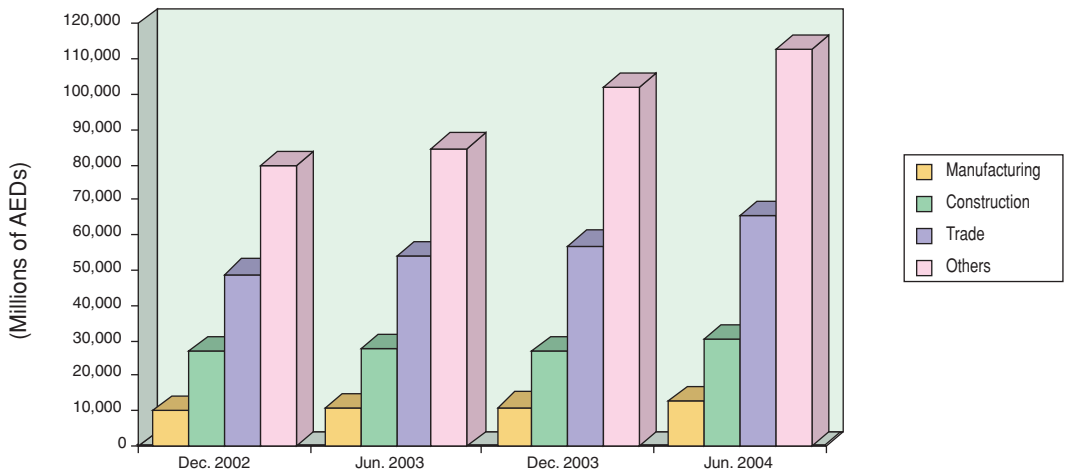
Table (1-13)
Bank Credit to Residents by Economic Activity

(In percent)

Items	End of Period	2002		2003			2004	
		Dec.	March	June	Sep.	Dec.	March	June
- Agriculture		0.7	0.6	0.5	0.4	0.4	0.4	0.4
- Mining and Quarrying		1.3	1.3	1.3	1.1	1.1	1.0	0.9
- Manufacturing		6.0	6.5	6.2	6.0	5.6	5.7	5.9
- Construction		16.3	15.7	15.6	14.5	13.6	14.0	13.7
- Trade		29.5	29.3	30.4	29.5	28.9	29.8	29.5
- Transport, Storage and Communication		3.1	3.6	3.0	3.0	3.2	2.9	2.9
- Government		9.2	9.2	8.2	9.0	10.0	11.1	11.4
- Other Activities *		33.8	34.2	34.8	36.5	37.1	35.1	35.3

* Including electricity, gas, water and other financial institutions, in addition to credit extended to individuals and non-profit institutions.

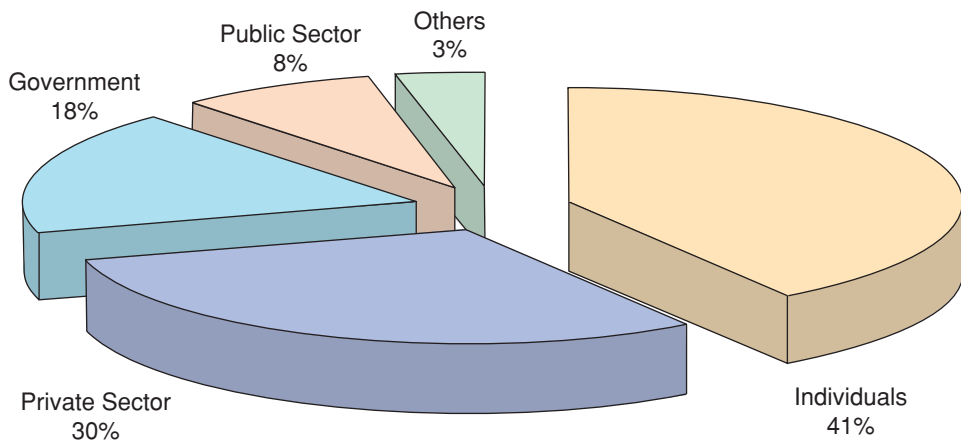
Bank Credit to Residents by Economic Activity



4.5 Deposits

Total deposits with banks operating in the country reached AED 258.68 billion by the end of June 2004, hence registering an increase of AED 21.12 billion (8.9%) during the first half of 2004, against an increase of AED 3.62 billion (1.7%) during the first half of 2003.

Ownership of Resident Deposits as at June 2004



The structure of deposits shows that the increase in deposits during the first half of 2004 was mainly concentrated in resident deposits, which rose by AED 20.65 billion (9.1%). Non-resident deposits also rose by AED 472 million (4.2%). Within resident deposits, individuals deposit rose by 11.0%, private sector deposits by 9.6%, other deposits by 14.4% and government deposits by 9.5% while public sector deposits dropped by 3.2%.

Table (1-14)
Total Deposits with Banks
(by ownership) ¹

(In millions of AEDs)

Sector	End of Period	2002		2003		2004		
		Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.
Total Deposits		210,529	210,529	213,268	224,427	237,557	247,844	258,676
A. Residents.		198,244	198,653	202,261	213,306	226,338	236,711	246,985
1. Government		36,972	31,568	32,492	36,538	40,133	38,709	43,948
2. Sector		10,963	13,848	13,384	17,506	20,621	19,697	19,961
3. Private Sector ²		59,726	57,913	59,958	63,015	67,657	71,828	74,135
4. Individuals		83,546	86,068	89,116	87,762	90,360	97,130	100,282
5. Others		7,037	9,256	7,311	8,485	7,567	9,347	8,659
B. Non - Residents		11,403	11,876	11,007	11,121	11,219	1,113	11,691

1) Including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

2) Including the business sector, industry and financial institutions.

Analysis of private deposits according to type shows that current accounts rose during the first half of 2004 by AED 13.47 billion (23.3%) to reach AED 71.33 billion. Savings accounts also increased by AED 2.02 billion (12.7%) to reach AED 17.87 billion and time deposits rose by AED 1.40 billion (1.2%), equaling AED 121.47 billion. Accordingly, the relative significance of current accounts in total private deposits rose from 29.9% at the end of December 2003 to 33.9% at the end of June 2004, and that of savings accounts from 8.2% to 8.5%, while the relative significance of time deposits dropped from 62.0% to 57.7%.

Table (1-15)
Total Deposits with Banks
(by type and currency) ¹

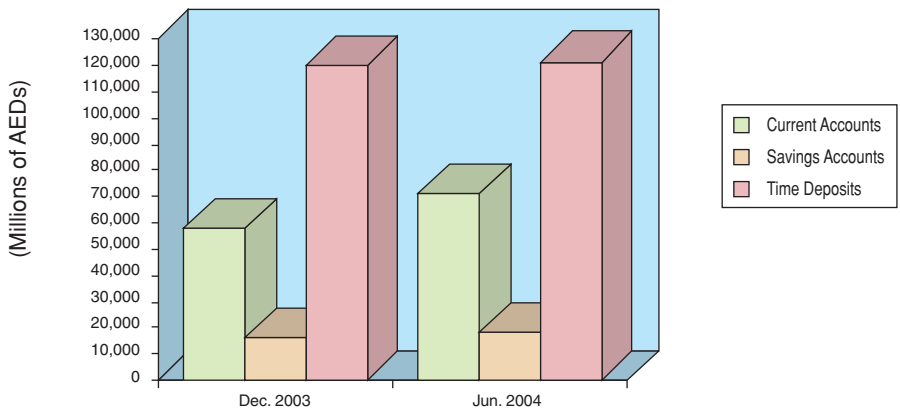
(In millions of AEDs)

Sector	End of Period	2002		2003			2004	
		Dec.	Mar.	Jun.	Sept.	Dec.	Mar.	Jun.
1) Type of Deposit								
- Current Accounts		46,602	49,878	53,111	57,587	57,856	65,721	71,328
- Savings Accounts		13,413	14,281	15,132	15,067	15,855	16,958	17,870
- Time Deposits		110,031	112,037	109,419	111,971	120,068	122,501	121,465
Total		170,046	176,196	177,662	184,625	193,779	205,180	210,663
2) Type of Currency								
- Local		119,278	121,974	126,567	129,304	134,992	142,573	147,948
- Foreign		50,768	45,222	51,095	55,321	58,787	62,607	62,715
Total		170,046	176,196	177,662	184,625	193,779	205,180	210,663

1) Excluding government deposits but including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

Distribution of private deposits according to type of currency shows that deposits in UAE dirham rose by AED 13.0 billion (9.6%) during the first half of 2004, while private deposits in foreign currencies increased by AED 3.93 billion (6.7%). Accordingly, deposits in UAE dirham formed 70.2% of total private deposits by the end of the first half of 2004, while deposits in foreign currencies accounted for 29.8%.

Deposits by Type



4.6 Memoranda Accounts

The total balance of memoranda accounts of banks operating in the country increased during the first half of 2004 by AED 53.18 billion (12.9%) to reach AED 465.38 billion, against an increase of AED 62.5 billion (18.7%) during the first half of 2003. Accordingly, the ratio of memoranda accounts to banks' total assets reached 117.2% by the end of June 2004.

The structure of memoranda accounts shows that forward exchange contracts for sale and purchase of currencies increased by AED 22.50 billion (15.9%) during the first half of 2004. Other memoranda accounts also rose by AED 17.30 billion (13.7%), guarantees and other endorsements by AED 7.17 billion (8.1%), acceptances by AED 1.79 billion (23.8%) and documentary credit by AED 4.42 billion (9.0%).

Table (1-16)
Memoranda Accounts ¹

Year	Month End	Total Amount (In Mn. of AEDs)	% of Total Assets
2002	December	334,635	100.42
2003	March	403,213	121.86
	June	397,105	118.63
	September	442,522	126.64
	December	412,193	112.34
2004	March	461,875	112.34
	June	465,377	117.19

1) Including the restricted license bank up to 31/5/2003.

4.7 Interest Rates

Interest rates on deposits have been contracting during the period from December 2003 and end of June 2004. The weighted average interest rate on time deposits fell from 1.37% at the end of December 2003 to 1.33% at the end of June 2004. The weighted average interest rate on lending also dropped from 5.06% at the end of December 2003 to 4.89% at the end of June 2004.

Table (1-17)
Interest Rates on Lending and Time Deposits *

(In percent)

Year	Month End	Lending		Time Deposits	
		Weighted Average Rate (% p.a.)	Index (December) (1995 = 100)	Weighted Average Rate (% p.a.)	Index (December) (1995 = 100)
2002	December	5.80	76	1.61	32
2003	March	5.56	73	1.43	28
	June	5.36	71	1.38	28
	September	5.24	69	1.26	25
	December	5.06	67	1.37	27
2004	March	4.97	65	1.31	26
	June	4.89	64	1.33	27

* Including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

4.8 Structure of Interest Rates

The first half of 2004 witnessed changes in the structure of interest rates on both deposits and lending. With regard to loans extended by banks to residents, the relative significance of loans subject to an interest rate of 12% and above dropped from 7.2% in December 2003 to 6.5% in June 2004. The relative significance of loans charged an interest rate of 8% and above also dropped from 27.4% to 25.0%. Likewise, the relative significance of loans charged an interest rate of 4% and above decreased from 44.0% to 41.8% and of loans subject to an interest rate of less than 4% increased from 56.0 to 58.2%.

On the other hand, the structure of time deposits has also witnessed some changes, as the relative significance of deposits earning an interest rate of less than 4% decreased from 99.5% to 98.9%. However, it increased with respect to deposits earning interest rate of 8% and above from 0.01% to 0.08 and from 0.5% to 1.1% in respect of deposits earning an interest rate of 4% and above.

Table (1-18)
Structure of Interest Rates *

(In percent)

Interest Rates (% p.a.)	Lending														
	2002				2003				2004						
	Dec	March	June	Sept	Dec	March	June	Sept	Dec	March	June	Sept			
16 & above	1.8	1.9	1.8	1.8	1.8	1.9	1.9	1.9	—	—	—	—	—	—	—
12 & above	10.5	9.4	8.6	8.0	7.2	6.9	6.5	6.5	—	—	—	—	—	—	—
8 & above	36.5	31.6	30.6	29.4	27.4	26.4	25.0	25.0	0.52	—	—	—	—	0.01	0.08
4 & above	49.5	47.3	47.1	46.2	44.0	43.1	41.8	41.8	1.0	0.02	0.7	0.5	0.5	0.6	1.1
Less than 4	50.5	52.7	52.9	53.9	56.0	56.9	58.2	58.2	99.0	99.3	99.3	99.5	99.5	99.4	98.9

* Including resident deposits with external branches of national banks (including off-shore units) and their subsidiaries abroad.

PART TWO

**FOREIGN TRADE
AND
BALANCE OF PAYMENTS**

1. The Balance of Payments *

The balance of payments achieved an overall surplus of AED 4.7 billion in 2003, against a deficit of AED 1.5 billion in 2002. Both the trade balance and the current account reflected higher surpluses. However, the negative balance of the capital and financial account increased.

The surplus in the trade balance (FOB) rose by 45.7% in 2003, compared to 2002, to reach AED 78.3 billion, against AED 53.7 billion in 2002. The said increase in the surplus in the trade balance was due to the increases in value of exports of the hydrocarbon sector, other exports and re-exports, despite an increase of total imports. The value of total exports and re-exports (FOB) grew from AED 191.6 billion in 2002 to AED 246.6 billion in 2003.

The increase in the value of exports of the hydrocarbon sector was mainly due to increased production volumes resulting from the increase in refining capacity, gas production capacity and the expansion in production of condensates on the one hand, and to the increase in oil prices and hence prices of gas, condensates and petroleum products, during 2003 compared to 2002, on the other. The weighted average price of oil rose from US \$ 24.7 a barrel in 2002 to US \$ 28.1 a barrel in 2003 (13.8%) causing the value of exports of oil (including condensates which are not included in the country's production quota set by OPEC) to increase from AED 61.3 billion in 2002 to AED 81.2 billion in 2003 (32.6%) and the value of exports of gas to increase by 19.4% in 2003, compared to 2002, to reach AED 14.4 billion. The value of exports of petroleum products also increased to AED 13.0 billion in 2003, against AED 11.9 billion in 2002 (9.1%).

As a result of established government policy of diversifying sources of income through creation of a favourable environment for the industrial sector and owing to the role of the Industrial Bank in providing financing at reasonable terms, the value of other goods exports continued to rise over the past few years, reaching AED 10.6 billion in 2003 against AED 8.7 billion in 2002 (22.4%). The value of exports of the free zones also increased from AED 30.4 billion in 2002 to AED 41.3 billion in 2003. Moreover, the value of re-exports (including

* Some amendments have been introduced to the structure of the UAE balance of payments in order to meet the requirements of the 5th edition of the IMF "Balance of Payments Manual".

exports of non-monetary gold) also rose to AED 86.1 billion in 2003, against AED 67.4 billion in 2002 (27.8%). A substantial portion of the increase in the value of re-exports reflects the trade activity as a result of the reconstruction of Iraq.

On the other hand, the value of total imports - FOB (including free zone imports and imports of non-monetary gold) registered a new record , reaching AED 168.3 billion in 2003, against AED 137.8 billion in 2002 (22.1%). This may be attributed to population increase, the need to meet the requirements of re-exports and a higher propensity to spend among individuals in addition to the role of commercial festivals held at various times of the year in invigorating commercial activity.

The estimated value of net imports CIF (minus estimated total value of re-exports and exclusive of imports of free zones) rose by 11.6% in 2003 to reach AED 61.9 billion. However, imports per capita rose only slightly by 3.7%, compared to 2002, due to an increase in population by 7.6%.

The geographical distribution of the total value of imports shows that most country groups have maintained the levels achieved in 2002, except for the group of Arab countries whose share rose from 6.6% in 2002 to 7.7% in 2003, and that was at the expense of the Americas countries' share which dropped from 10.2% in 2002 to 8.9% in 2003.

Table (2-1)
Estimates of the Balance of Payments

(In billions of AEDs)

	2002*	2003*
Current Account	12.51	27.45
- Trade Balance (FOB)	53.73	78.26
- Total Exports of the Hydrocarbon Sector	85.18	108.57
- Crude Oil Exports	61.25	81.22
- Exports of Petroleum Products	11.91	12.99
- Gas Exports	12.03	14.36
- Total Goods Exports (FOB)	39.03	51.16
- Free Zone Exports	30.38	41.34
- Other Exports ⁽¹⁾	8.65	10.59
- Re-Exports ⁽²⁾	67.36	86.06
- Total Exports and Re-Exports (FOB)	191.57	246.56
- Total Imports (FOB)	-137.84	-168.29
- Total Imports (CIF)	-156.64	-191.24
- Other Imports ⁽³⁾	-122.80	-147.93
- Free Zone Imports	-33.84	-43.31
- Services (Net)	-28.36	-33.27
- Travel	-8.52	-9.25
- Transportation	-1.12	-1.19
- Government Services	0.08	0.11
- Freight & Insurance	-18.80	-22.95
- Investment Income (Net)	3.40	-0.42
- Banking Sector ⁽⁴⁾	2.48	1.61
- Non-Banking Private Sector	0.45	0.19
- Public Sector Institutions	8.12	7.07
- Foreign Companies in the Hydrocarbon Sector	-7.66	-9.30
- Transfers (Net)	-16.25	-17.12
- Government Transfers	-1.05	-1.00
- Workers Remittances	-15.20	-16.12

1) Including estimates of other exports for each emirate in the country.

2) Including re-exports of non-monetary gold.

3) Including estimates of imports of all emirates plus imports of non-monetary gold.

4) The Central Bank and all banks.

* Preliminary estimates subject to revision.

Contd. Table (2-1)
Estimates of the Balance of Payments

(In billions of AEDs)

	2002*	2003*
Capital & Financial Account	-5.50	-14.74
- Capital Account ⁽⁵⁾	-	-
- Financial Account	-5.50	-14.74
- Private Sector Institutions	-7.86	7.61
- Direct Investment	-1.27	0.30
- Abroad	-1.62	-0.40
- Domestic	0.35	0.70
- Portfolio Investments	0.92	-
- Banks	-13.75	1.05
- Securities	-6.77	-6.55
- Other Investments	-6.98	7.60
- Non-Banking Private Sector	6.25	6.26
- Public Sector Institutions	2.36	-22.35
Net Errors and Omissions	-8.53	-7.98
Overall Surplus (+) or Deficit (-)	-1.52	4.73
Changes in Reserves {(-) Indicates Increase}	1.52	-4.73
- Net Foreign Assets with the Central Bank	1.84	-4.59
- Reserve Position with IMF	-0.32	-0.14

5) Data not available at present.

* Preliminary estimates subject to revision.

The balance of the current account rose by 119.4% in 2003, compared to 2002, to reach AED 27.5 billion. Within its items which are not indicated above, the total negative value of components of the services item increased from AED 28.4 billion in 2002 to AED 33.3 billion in 2003. The value of freight and insurance constantly forms more than 66% of the total value of services. The value of this item rose in line with the increase in value of imports and the increase in freight and insurance charges which grew from AED 18.8 billion in 2002 to AED 22.9 billion in 2003.

The investment income item reflected a transformation from a positive balance of AED 3.40 billion in 2002 to a negative balance of 0.42 billion in 2003 as a result of the decline in the investment incomes of both public and private sector institutions, including the banking sector, which in turn resulted from the decline in interest rates on the one hand and the increase in the investment income of the foreign companies in the hydrocarbon sector, due to the increase in value of oil and gas exports, on the other.

The negative value of the capital and financial account increased from AED 5.5 billion in 2002 to AED 14.7 billion in 2003. This figure, however, reflects developments in the financial account only, as data on the capital account are not available at present. Those developments were due to the outflow of AED 22.4 billion that occurred in 2003 and appeared under the public sector institutions item, against an inflow of AED 2.4 billion in 2002. The private sector institutions figures reflect an inflow of AED 7.6 billion in 2003, against an outflow of AED 7.9 billion in 2002.

2. Non Oil Exports

The estimated value of total non-oil exports (including exports of free zones , estimates of exports of petroleum products produced by ADNOC refineries and other exports) rose in 2003 by 27.5% compared to its 2002 level, reaching AED 64.9 billion.

Exports of the free zones accounted for nearly 60% of the estimated value of non-oil exports, followed by exports of petroleum products which constituted 23.7%, while other exports recorded a ratio of 16.3%. Other exports included Aluminum, ready-made garments, foodstuff and others.

Data on the structure of registered goods exports (exclusive of free zones exports and petroleum products) show that intermediary goods ranked first in 2003, with a ratio of 68.5%, against 30.2% for consumer goods.

Table (2-2)
Commodity Classification of Exports ¹

(In millions of AEDs)

Major Groups	2000	2001	2002	2003
Consumer Goods	5,545	5,836	5,984	6,518
Intermediary Goods ²	7,941	10,376	13,410	14,775
Capital Goods	205	271	215	274
Total	13,691	16,483	19,609	21,567

(1) Including Abu Dhabi, Dubai and Sharjah (recorded) exports only, and exclusive of exports of crude oil and gas, of free zones, of non-monetary gold and estimated other exports.

2) Including estimates of values of petroleum products originating from Abu Dhabi.

3. Re-Exports

The estimated value of registered re-exports rose to AED 45.4 billion. If overall exports to neighboring countries are considered, the value of re-exports would be estimated to have reached AED 86.1 billion in 2003, against AED 67.4 billion in 2002, hence further consolidating the country's position in re-export trade, owing to its capabilities in this field.

Table (2-3)
Structure of Recorded Re-Exports

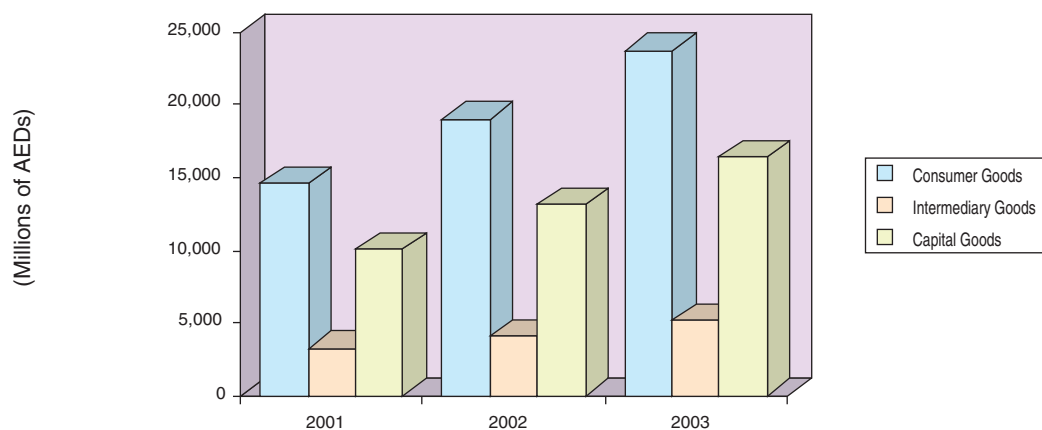
(In millions of AEDs)

Groups	2000		2001		2002		2003	
	Amount	%	Amount	%	Amount	%	Amount	%
Consumer Goods of which:	11,541	52.0	14,598	52.2	19,022	52.5	23,774	52.4
(foodstuff & tobacco)	(2,841)	(12.8)	(3,663)	(13.1)	(4,855)	(13.4)	(6,034)	(13.3)
Intermediary Goods	2,686	12.1	3,272	11.7	4,094	11.3	5,172	11.4
Capital Goods	7,968	35.9	10,095	36.1	13,117	36.2	16,424	36.2
Total	22,195	100	27,965	100	36,233	100	45,370	100

Source: Customs Departments of Abu Dhabi, Dubai and Sharjah.

The value of re-exports of consumer goods continued to account for more than half the total value of re-exported goods although its share dropped to 52.4% in 2003, against 52.5% in 2002. The share of capital goods remained unchanged at 36.2% in 2002 and 2003. In contrast, the share of intermediary goods rose from 11.3% in 2002 to 11.4% in 2003. It is noteworthy that electrical appliances, electronics, textiles and machinery are among the leading items in the re-export trade.

Re-Exports by Major Categories



An equivalent of 21.0% of the total value of re-exports headed to Iran, which ranked first among receivers of the country's re-exports, followed by India and Saudi Arabia with shares reaching 6.9% and 4.3%, respectively. Kuwait and Bahrain followed next with shares of 3.0% and 2.6% respectively. A significant portion of re-exports heads to Oman but a good part of this trade goes unrecorded.

Table (2-4)
Destination of Non-Oil Re-Exports

(In millions of AEDs)

Countries	2000		2001		2002		2003	
	Amount	%	Amount	%	Amount	%	Amount	%
Iran	4,812	21.7	5,922	21.2	8,576	23.7	9,527	21.0
India	1,126	5.1	1,790	6.4	2,350	6.5	3,140	6.9
Saudi Arabia	1,178	5.3	1,448	5.2	2,168	6.0	1,941	4.3
Qatar	535	2.4	632	2.3	919	2.5	844	1.9
Kuwait	861	3.9	1,133	4.0	1,193	3.3	1,340	3.0
Bahrain	281	1.2	582	2.1	688	1.9	1,187	2.6
Germany	214	1.0	239	0.8	258	0.7	382	0.8
Singapore	269	1.2	476	1.7	270	0.7	218	0.5
Others	12,919	58.2	15,743	56.3	19,811	54.7	26,791	59.0
Total	22,195	100	27,965	100	36,233	100	45,370	100

Source: Customs Departments of Abu Dhabi, Dubai and Sharjah.

4. Imports

The value of total imports (including estimated imports, imports of free zones and imports of non-monetary gold) on CIF basis, recorded a substantial increase, reaching AED 191.2 billion in 2003, against AED 156.6 billion in 2002.

The value of total goods imports (except for free zone imports) – on CIF basis – continued to rise from AED 122.8 billion 2002 to AED 147.9 billion in 2003, while its value on (FOB) basis rose from AED 108.1 billion in 2002 to AED 130.2 billion in 2003.

The value of imports of free zones- on CIF basis - increased from AED 33.8 billion in 2002 to AED 43.3 billion in 2003, while its value on FOB basis rose from AED 29.8 billion in 2002 to AED 38.1 billion in 2003.

Table (2-5) Imports Development

(In millions of AEDs)

Year	Imports ¹	Net Free Zone Imports ²	Total Estimated Imports
1996	101,180	11,017	112,197
1997	112,318	12,892	125,210
1998	106,507	13,174	119,681
1999	103,002	13,493	116,495
2000	108,064	20,510	128,574
2001	112,375	24,586	136,961
2002	122,803	33,838	156,641
2003	147,932	43,309	191,241

1) Including imports recorded at the Customs Departments in Abu Dhabi, Dubai and Sharjah plus estimates of imports of other emirates and imports of non-monetary gold.

2) Imports to the Free Zones minus imports to Dubai through the Free Zones.

The value of registered imports increased by 21.3% in 2003, while the value of net free zone imports rose by 28.0%, compared to 2002 levels.

The value of imports through emirate of Abu Dhabi recorded an increase by 19.4% in 2003, compared to its level in 2002, reaching AED 26.9 billion. Abu Dhabi share in total imports dropped from 18.9% in 2002 to 18.6% in 2003. Likewise, Dubai share dropped from 75.5% in 2002 to 75.0% in 2003, reaching AED 108.7 billion. Meanwhile, the share of emirate of Sharjah increased from 5.6% in 2002 to 6.4% in 2003, recording AED 9.2 billion.

The value of transit trade dropped to AED 3.3 billion in 2003, against AED 3.8 billion in 2002. Abu Dhabi share in this trade rose to 69.2% in 2003, against 49.5% 2002. On the other hand, Sharjah share in transit trade dropped from 50.5% in 2002 to 30.8% in 2003.

Table (2-6)
Distribution of Imports Among Abu Dhabi, Dubai & Sharjah ¹

(In millions of AEDs)

Year	Abu Dhabi		Dubai ²		Sharjah		Total
	Value	%	Value	%	Value	%	Value
1986	5,577.9	23.6	15,478.3	65.7	2,518.9	10.7	23,575.1
1987	5,596.2	21.1	18,871.2	71.1	2,059.2	7.8	26,526.6
1988	6,667.3	21.3	22,473.6	71.8	2,148.8	6.9	31,289.7
1989	7,426.6	20.2	27,046.1	73.6	2,274.5	6.2	36,747.2
1990	8,747.0	20.8	31,041.5	73.7	2,325.2	5.5	42,113.7
1991	9,406.5	18.6	37,111.3	75.5	2,943.2	5.9	50,461.0
1992	12,681.5	19.8	47,547.3	74.4	3,700.2	5.8	63,929.0
1993	15,487.7	21.6	50,532.2	70.5	5,638.2	7.9	71,658.1
1994	19,297.3	25.0	52,232.2	67.7	5,651.1	7.3	77,180.6
1995	17,514.7	22.8	54,640.9	70.9	4,875.4	6.3	77,031.0
1996	16,674.9	20.0	61,795.1	74.4	4,631.9	5.6	83,101.9
1997	15,592.2	18.5	63,726.3	75.7	4,862.6	5.8	84,181.1
1998	18,715.6	20.6	67,155.7	73.9	4,951.1	5.5	90,822.4
1999	21,282.2	23.2	65,605.0	71.5	4,823.9	5.3	91,711.1
2000	20,629.7	21.0	72,392.5	73.8	5,097.3	5.2	98,119.5
2001	21,231.8	19.2	83,186.1	75.3	6,037.0	5.5	110,454.9
2002	22,535.6	18.9	90,257.0	75.5	6,695.8	5.6	119,488.4
2003	26,914.1	18.6	108,734.7	75.0	9,247.1	6.4	144,895.9

1) Excluding all free zone imports from the rest of the world.

2) Including Dubai imports through free zones.

**Distribution of Imports Among
Abu Dhabi, Dubai and Sharjah - 2003**

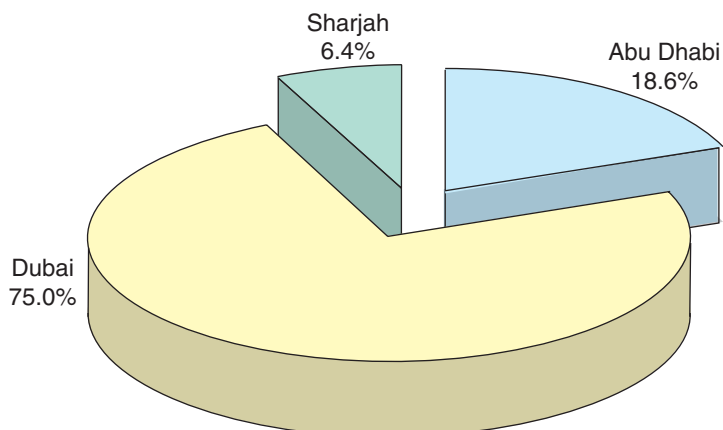


Table (2-7)
Total Imports and Transit Trade

(In percent)

Emirate	2000		2001		2002		2003	
	Imports	Transit Trade	Imports	Transit Trade	Imports	Transit Trade	Imports	Transit Trade
Abu Dhabi	21.0	43.0	19.2	40.7	18.9	49.5	18.6	69.2
Dubai	73.8	—	75.3	—	75.5	—	75.0	—
Sharjah	5.2	57.0	5.5	59.3	5.6	50.5	6.4	30.8
Total (Million AEDs)	98,119	3,506	110,455	3,991	119,488	3,844	144,896	3,285

Imports per capita on CIF basis (estimated total imports including freight and insurance cost minus value of free zones imports and re-exports) rose from AED 14.8 thousand in 2002 to AED 15.3 thousand in 2003, as a result of an increase in value of total imports at a rate substantially higher than the rate of population growth.

Table (2-8)
Net Imports and Per Capita Imports

	2000	2001	2002	2003*
Net Imports (In millions of AEDs) ¹	52,944	53,482	55,447	61,874
Population Estimates (In 000) ²	3,247	3,488	3,754	4,041
Per Capita Net Imports (In AEDs)	16,306	15,333	14,770	15,311
Annual Rate of Change in Per Capita Net Imports (%)	-4.3	-6.0	-3.7	3.7

1) *Net Imports = Total Estimated Imports (excluding free zone imports and imports of non-monetary gold) – Total Estimated Re-Exports.*

2) *Source : Ministry of Planning.*

* *Preliminary estimates.*

Data on imports recorded in 2003 show that imports of consumer goods continued to form the highest ratio in total imports, with a value of AED 72.7 billion and a share of 50.2%. Imports of capital and intermediary goods followed next with values equaling AED 55.5 billion and AED 16.7 billion, respectively.

Imports by Major Categories

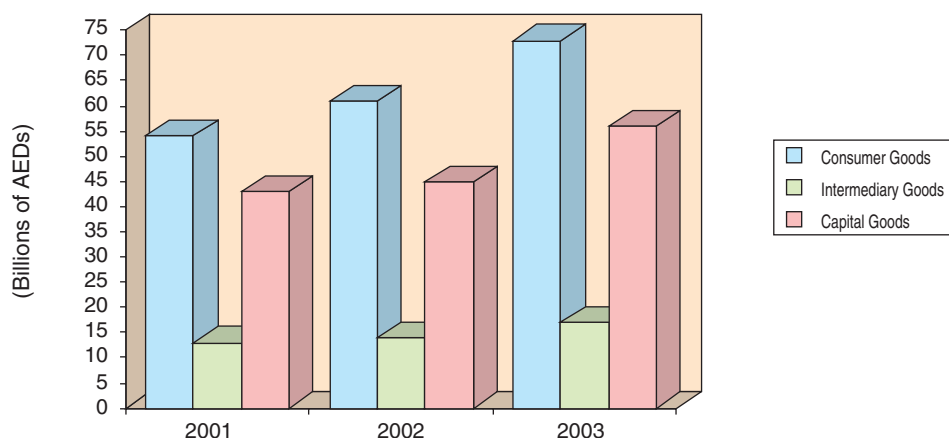


Table (2-9)
Commodity Classification of Imports ¹

(In billions of AEDs)

Major Groups	2000		2001		2002		2003	
	Amount	Rate of Change (%)	Amount	Rate of Change (%)	Amount	Rate of Change (%)	Amount	Rate of Change (%)
Consumer Goods	47.6	7.7	53.8	13.0	60.7	12.8	72.7	19.8
(Foodstuff & Tobacco)	(11.1)	(2.8)	(12.7)	(14.4)	(13.7)	(7.9)	(16.6)	(21.2)
Intermediary Goods	11.8	8.3	13.4	13.6	13.9	3.7	16.7	20.1
Capital Goods	38.7	5.7	43.3	11.9	44.9	3.7	55.5	23.6
Total	98.1	7.0	110.5	12.6	119.5	8.1	144.9	21.3

1) According to imports recorded at the Customs Departments of Abu Dhabi, Dubai and Sharjah.

With regard to sources of UAE imports, most countries maintained almost the same shares in 2003. The group of Asian countries ranked first with a share of 42.0%, of total imports, followed by the group of European countries with a share of 38.4% and American countries with a share of 8.9%.

Table (2-10)
Sources of Imports ¹

(In millions of AEDs)

Groups	2000		2001		2002		2003	
	Amount	%	Amount	%	Amount	%	Amount	%
Arab Countries	6,280	6.4	7,180	6.5	7,886	6.6	11,130	7.7
Asian Countries	41,014	41.8	46,391	42.0	50,320	42.1	60,873	42.0
Europe	37,776	38.5	42,857	38.8	45,868	38.4	55,702	38.4
The Americas	10,302	10.5	11,156	10.1	12,188	10.2	12,835	8.9
Oceania	1,962	2.0	2,098	1.9	2,270	1.9	2,790	1.9
Africa	785	0.8	773	0.7	956	0.8	1,566	1.1
Total	98,119	100	110,455	100	119,488	100	144,896	100

1) According to imports recorded at the Customs Departments of Abu Dhabi, Dubai and Sharjah.

5. Trade with GCC Countries

UAE trade with the rest of GCC countries remained relatively limited, compared to the volume of UAE foreign trade with various countries in the world, forming 7.2% of total foreign trade in 2003.

The UAE imports from GCC countries grew by 27.2% in 2003, compared to 2002 levels. Nevertheless, these imports constituted only 5.0% of the country's total imports from the rest of the world.

UAE non-oil exports to GCC countries rose by 39.9%, forming 5.6% of the country's total non-oil exports.

The value of UAE re-exports to GCC countries, however, dropped by 1.5% in 2003, compared to its level in 2002, accounting for 12.7% of total re-exports.

5.1 Goods Imports

The total value of UAE imports from GCC countries reached AED 7.3 billion in 2003, forming 5% of total imports. The most important goods imported from this group of countries include base metals such as iron and steel, paper of all types, dyeing materials, precious stones, jewelry, consumer goods and other miscellaneous items.

Distribution of Imports by Country of Origin

Saudi Arabia ranked first among GCC exporters to the UAE in 2003, with the value of imports originating from this country reaching AED 5.0 billion, forming 68.3% of total UAE imports from GCC countries. Bahrain ranked second with a share of 12.4% followed by Qatar (9.1%) and Kuwait (8.9%) as shown in table 2-11 below.

Table (2-11)
Imports from Other GCC Countries
According to Country of Origin

(In millions of AEDs)

Countries	2000		2001		2002		2003	
	Value	%	Value	%	Value	%	Value	%
Bahrain	447	9.9	559	10.9	596	10.4	906	12.4
Saudi Arabia	3,381	75.0	3,589	69.9	4,112	71.6	4,988	68.3
Oman	12	0.3	99	1.9	88	1.5	93	1.3
Qatar	351	7.8	510	9.9	531	9.2	664	9.1
Kuwait	315	7.0	382	7.4	417	7.3	652	8.9
Total	4,506	100	5,139	100	5,744	100	7,303	100
Ratio of Imports from GCC Countries to Total Imports	4.6%		4.7%		4.8%		5.0%	

Source: Customs Departments in Abu Dhabi, Dubai and Sharjah.

5.2 Goods Exports

The value of UAE goods exports to the rest of GCC countries rose by 40% in 2003 compared to 2002, to equal AED 1244 million. UAE exports to the rest of GCC countries formed 4.8% of its total non-oil exports (including exports of petroleum products). The most important goods exported to GCC countries include building materials, paints, cement, plastic products, mineral water and other miscellaneous items.

Distribution of Non-Oil Exports by Country

Saudi Arabia ranked first, as the value of exports to this country reached AED 459 million in 2003, forming 37% of total exports to GCC countries. Kuwait ranked second, with the value of exports to this country reaching AED 331 million, accounting for 27% of total exports to GCC countries. Qatar followed next with a value of AED 219 million and a ratio of 17%, followed by Bahrain with a value of AED 184 million and a ratio of 15% and finally Sultanate of Oman with a value of AED 51 million and a ratio of 4.1%.

Table (2-12)
Non-oil Exports to Other GCC Countries

(In millions of AEDs)

Countries	2000		2001		2002		2003	
	Value	%	Value	%	Value	%	Value	%
Bahrain	111	16	143	16	199	22	184	14.8
Saudi Arabia	173	25	242	28	262	30	459	36.9
Oman	138	20	81	9	34	4	51	4.1
Qatar	178	25	249	28	159	18	219	16.6
Kuwait	96	14	169	19	235	26	331	26.6
Total	696	100	884	100	889	100	1244	100

Source: Customs Departments of Abu Dhabi, Dubai and Sharjah.

5.3 UAE Recorded Re-Exports to GCC Countries

The value of UAE recorded re-exports to GCC countries declined by 1.4% in 2003, compared to its level in 2002, reaching AED 5.8 billion. Major re-exported items included fresh fruits and vegetables, poultry, cereals, sugar, rice, nuts, confectionery, manufactured goods, vehicles, spare parts, iron, steel, pipes, tires, lumber, carpets, perfumes, cosmetics and chemicals.

Distribution of Re-Exports by Country

Saudi Arabia ranked first with total re-exports to it forming 33% of total re-exports to GCC countries in 2003. Kuwait followed next with a ratio of 23%, then Bahrain with a ratio of 20% followed by Qatar and Sultanate of Oman with ratios of 15% and 9%, respectively.

Table (2-13)
UAE Re-Exports to Other GCC Countries
And Their Respective Relative Significance

(In millions of AEDs)

Countries	2000		2001		2002		2003	
	Value	%	Value	%	Value	%	Value	%
Bahrain	281	8	582	13.0	688	11.6	1,187	20.3
Saudi Arabia	1,178	33	1,447	32.2	2,168	36.5	1,941	33.2
Oman	819	22	697	15.5	968	16.3	534	9.1
Qatar	535	14	632	14.1	919	15.5	844	14.5
Kuwait	861	23	1,133	25.2	1,192	20.1	1,340	22.9
Total	3,674	100	4,491	100	5,935	100	5,846	100
Ratio of Imports from GCC Countries to Total Re-Exports	14.5%		16.1%		16.4%		12.9%	

Source : Customs Departments of Abu Dhabi, Dubai and Sharjah.

5.4 Trade Balance

The UAE trade balance with GCC countries reflected a deficit of AED 213 million in 2003, against a surplus of AED 1080 million in 2002, mainly as a result of widening of the deficit in the trade balance with Saudi Arabia.

Table (2-14)
Trade Balance with Other GCC Countries
1999 - 2003

(In millions of AEDs)

Countries	Items	1999	2000	2001	2002	2003
Bahrain	Exports*	410	392	725	887	1,317
	Imports	390	447	559	596	906
	Trade Balance	20	-55	166	291	465
Saudi Arabia	Exports*	1,070	1,351	1,689	2,430	2,400
	Imports	3,316	3,381	3,589	4,112	4,988
	Trade Balance	-2,246	-2,030	-1,900	-1,682	-2,588
Oman	Exports*	598	957	778	1,002	585
	Imports	9	12	99	88	93
	Trade Balance	589	945	679	914	492
Qatar	Exports*	547	713	881	1,078	1,063
	Imports	488	351	510	531	664
	Trade Balance	59	362	371	547	399
Kuwait	Exports*	876	957	1,302	1,427	1,671
	Imports	367	315	382	417	652
	Trade Balance	509	642	920	1,010	1,019
TOTAL	Exports*	3,501	4,370	5,375	6,824	7,090
	Imports	4,570	4,506	5,139	5,744	7,303
	Trade Balance	-1,069	-136	236	1,080	-213

Source : Customs Departments of Abu Dhabi, Dubai and Sharjah.

* Including Re-exports.

PART THREE

PUBLIC FINANCE

The Consolidated Government Financial Account

1. Revenues

As a result of the increase in oil and gas export earnings, total revenues increased by 31.7% in 2003 to reach AED 75.3 billion, compared to AED 57.2 billion in 2002.

– Tax Revenues

Tax revenues (customs duties fees and other charges) dropped by 4.4% in 2002 to reach AED 6.6 billion, against AED 6.9 billion in 2002, forming 8.7% of total revenues. The said decline mainly occurred in other tax revenues which decreased by AED 946 million (18.1%). On the other hand, customs revenues rose by AED 640 million to reach AED 2.3 billion following application of the unified custom tariff since 1/1/2003.

– Non-Tax Revenues

Non-tax revenues increased by 36.6% in 2003, reaching AED 68.8 billion, against AED 50.3 billion at the end of 2002, forming 91.3% of total revenues. Such increase was mainly due to an increase by AED 15.6 billion (38.2%) in receipts of oil and gas exports, which reached AED 56.6 billion in 2003, against AED 40.9 billion in 2002. Other non-tax revenues also increased by 56.7% to reach AED 9.5 billion in 2003, against AED 6.1 billion in 2002. On the other hand, profit of joint- stock companies declined by AED 636 million to reach AED 2.7 billion.

2. Expenditures

Expenditures rose by AED 2.2 billion (2.5%) in 2003, reaching AED 88.8 billion, against AED 86.6 billion in 2002.

– Current Expenditures

Current expenditures constituted 82.5% of total expenditures in 2003, reaching AED 73.2 billion, against AED 72.6 billion in 2002.

Expenditures on salaries and wages rose by AED 203 million (1.4%) in 2003 to reach AED 14.8 billion. Expenditures on goods and services also rose by AED 1.3 billion, reaching AED 23.5 billion. Other unclassified current expenditures also increased by AED 3.5 billion (16.8%) to reach AED 24.5 billion. On the other hand, expenditures on subsidies and transfers dropped by AED 4.4 billion (29.9%) to stand at AED 10.4 billion.

– **Development Expenditures**

Development expenditures increased by 20.1% to reach AED 15.0 billion in 2003, against AED 12.5 billion in 2002.

– **Loans and Equity Participations**

Loans and equity participations decreased by 61.5% in 2003, compared to their 2002 level, reaching AED 595 million.

3. The Deficit

The deficit narrowed by 54.2% in 2003 to stand at AED 13.5 billion, against a deficit of AED 29.4 billion in 2002. The bulk of this deficit (82.3%) was financed by returns of Government investments.

The Consolidated Government Financial Account

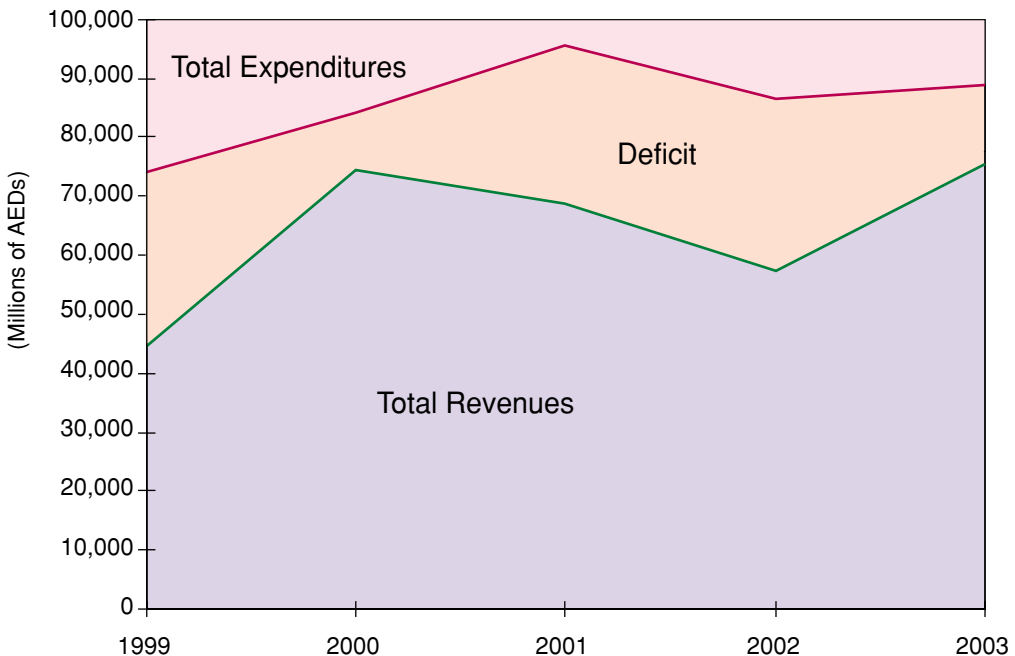


Table (3-1)
The Consolidated Government Financial Account

(In millions of AEDs)

Items	2002*	2003**
Revenues	57,218	75,335
Tax Revenues	6,881	6,575
Customs	1,663	2,303
Others	5,218	4,272
Non-Tax Revenues	50,337	68,760
Oil and Gas	40,926	56,550
Profit of Joint Stock Corporations	3,357	2,721
Others	6,054	9,489
Expenditures	86,616	88,800
Current Expenditures	72,602	73,234
Salaries and Wages	14,612	14,815
Goods and Services	22,187	23,512
Subsidies and Transfers	14,782	10,360
Others Unclassified	21,021	24,547
Development Expenditures	12,470	14,971
Loans and Equity Participation	1,544	595
Local	592	-1,156
Foreign	952	1,751
Surplus (+) or Deficit (-)	(-) 29,398	(-) 13,465
Financing	29,398	13,465
Variation in net government deposits with banks (- indicates an increase)	-4,339	2,383
Others ¹	33,737	11,082

Source: Ministry of Finance and Industry, Emirate Governments Finance Departments.

* Adjusted data.

** Preliminary data.

1) Transfers from Returns of Government Investments.

PART FOUR

SUPPLEMENTARY LISTS

Table (4-1)
List of National Banks & Their Branches
(as at 30/6/2004)

NATIONAL BANKS		Abu Dhabi & Al Ain	Dubai	Sharjah	Ras-Al Khaimah	Ajman	Umm-Al Qaiwan	Al-Fujairah	Total	Pay Offices	Grand Total
1	National Bank of Abu Dhabi (P.L.C.)	31	6	5	2	1	1	2	48	11	59
2	Abu Dhabi Commercial Bank (P.L.C.)	23	6	2	1	1	–	2	35	5	40
3	Arab Bank For Investment & Foreign Trade	3	1	1	–	–	–	–	5	–	5
4	Union National Bank (P.L.C.)	15	10	1	1	1	–	1	29	3	32
5	The National Bank of Dubai (P.L.C.)	2	*21	1	1	1	1	1	27	7	35
6	Commercial Bank of Dubai (P.S.C.)	3	11	1	1	1	–	–	17	5	22
7	Dubai Islamic Bank (P.L.C.)	6	7	3	1	1	–	1	19	–	19
8	Emirates Bank International (P.L.C.)	2	18	3	–	–	–	–	23	6	29
9	Middle East Bank (P.L.C.)	3	4	1	1	–	1	1	11	–	11
10	Mashreq Bank (P.L.C.)	10	*15	*6	2	1	1	2	37	–	37
11	National Bank of Sharjah (P.L.C.)	1	1	7	–	–	–	–	9	1	10
12	Bank of Sharjah (P.L.C.)	1	1	1	–	–	–	–	3	–	3
13	United Arab Bank (P.L.C.)	2	3	2	1	1	–	–	9	–	9
14	Invest Bank (P.L.C.)	2	2	*3	–	–	–	–	7	–	7
15	The National Bank of Ras-Al Khaimah (P.S.C.)	2	4	1	5	–	–	–	12	1	13
16	Commercial Bank International (P.L.C.)	2	2	1	2	–	–	–	7	–	7
17	National Bank of Fujairah (P.S.C.)	1	2	1	–	–	–	2	6	–	6
18	National Bank of Umm-Al Qaiwain (P.L.C.)	2	2	1	–	2	2	1	10	–	10
19	First Gulf Bank (P.L.C.)	3	1	1	–	1	–	–	6	–	6
20	Abu Dhabi Islamic Bank (P.L.C.)	7	3	1	1	–	–	1	13	–	13
21	Dubai Bank	1	1	–	–	–	–	–	2	–	2
TOTAL		122	121	43	19	11	6	14	335	39	375

* Including Automated Branch/Customers Service Unit.

Table (4-2)
List of Foreign Banks & Their Branches
(as at 30/6/2004)

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

* Temporary Branch

** Including one pay office in Dubai.

Table (4-3)
List of Specialized Banks, Investment Institutions, Finance Companies and Representative Offices
(as at 30/6/2004)

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

Table (4-3) (Cont.)

**List of Specialized Banks, Investment Institutions, Finance Companies and Representative Offices
(as at 30/6/2004)**

15. U.B.S. A.G.	(Dubai)	32. Towry Law (Asia) HK (Ltd.)	(Dubai)
16. Dresdner Bank A.G.	(Dubai)	33. Royal Bank of Canada	(Dubai)
17. Merrill Lynch Bank (Suisse) S.A.	(Dubai)	34. Kuwait Interests for Financial Investment	(Dubai)
18. Philippine National Bank	(Dubai)	35. HSBC Bank International Ltd.	(Dubai)
19. Clear Stream Banking S.A.	(Dubai)	36. Fidelity Investments International	(Dubai)
20. Bank of America -National Association	(Dubai)	37. Wachovia Bank National Association	(Dubai)
21. Bank of Bahrain and Kuwait (B.S.C.)	(Dubai)	38. West LB A.G.	(Dubai)
22. Union de Banques Arabes et Françaises	(Dubai)	39. Kotak Mahindra International Ltd.	(Dubai)
23. Bank Muscat (S.A.O.G.)	(Dubai)	40. HDFC Bank Ltd.	(Dubai)
24. Nationwide International (Ltd.)	(Dubai)	41. Deutsche Bank A.G.	(Dubai)
25. Société Générale Bank	(Dubai)	42. Bank of Beirut SAL	(Dubai)
26. Standard Bank London (Ltd.)	(Dubai)	43. UTI Mutual Fund	(Dubai)
27. State Street Bank & Trust Company	(Dubai)	44. Citigroup Global Markets Inc.	(Dubai)
28. Natexis Banque - BFCE	(Dubai)	45. Korea Exchange Bank	(Dubai)
29. Union Bancaire Privee (CBI-TDB)	(Dubai)	46. ICICI Bank Limited	(Dubai)
30. ED & F Man Investment Products Ltd.	(Dubai)	47. IndusInd Bank Limited	(Dubai)
31. Coutts & Co.	(Dubai)	48. Doha Bank	(Dubai)

Table (4-4)
List of Licensed Financial and Monetary Intermediaries
(as at 30/6/2004)

Intermediaries Dealing in Local Shares only

Sl. No.	Name of Brokers	Emirates	Branch	Sl. No.	Name of Brokers	Emirates	Branch
1.	Al Madinah Enterprises for Shares	Abu Dhabi	–	10.	United International Shares	Dubai	–
2.	Al Ain Center for Securities Brokerage	Abu Dhabi	–	11.	Damac Al Baraka Securities Co. (L.L.C.)	Dubai	–
3.	Al Wathba Shares and Bonds Center (L.L.C.)	Abu Dhabi	–	12.	Al Damman Securities Establishment	Dubai	–
4.	International Market Company for Financial Business (L.L.C.)	Abu Dhabi	–	13.	Al Sharhan Office for Shares and Bonds (L.L.C.)	Sharjah	–
5.	Al Nahdha for Shares and Bond Establishment	Abu Dhabi	–	14.	International Shares and Bonds Center	Al-Ain	–
6.	Abu Dhabi Securities Establishment	Abu Dhabi	–				
7.	Al Ramz Shares and Bonds Centre	Abu Dhabi	–				
8.	Shurooq for Shares and Bonds	Dubai	–				
9.	Al Taleea for Shares and Bonds	Dubai	–				

Table (4-4) (Cont.)
List of Licensed Financial and Monetary Intermediaries
(as at 30/6/2004)

Brokers in the Sale and Purchase of Domestic & Foreign Shares and Bonds			
Sl. No.	Name of Brokers	Emirates	Branch
1.	Emirates Commercial Centre for Shares and Bonds (L.L.C.)	Abu Dhabi	–
2.	Dubai International Securities Company (L.L.C.)	Dubai	–
3.	Barjeel for Shares and Bonds (L.L.C.)	Dubai	–
4.	Al Sahel Shares Centre	Sharjah	–
Brokers in the Sale and Purchase of Currencies, Commodities and Intermediaries in Money Market Operations			
1.	Royal Index (L.L.C.)	Abu Dhabi	–
2.	Leader Middle East (L.L.C.)	Dubai	–
3.	Century Financial Brokers (L.L.C.)	Dubai	–
4.	Sterling Financial Brokers	Dubai	–
5.	Orient Financial Brokers	Dubai	–
6.	Eastern Trust (L.L.C.)	Dubai	–
Brokers in Dealing in Local Shares, Currencies and Commodities as well as in Money Market Operations			
1	Forex International (LLC)	Abu Dhabi	Dubai
Brokers in Dealing in all Financial and Monetary Operations			
1.	National Financial Brokerage Company (L.L.C.)	Abu Dhabi	–
2.	Abu Dhabi Financial Services Co. (L.L.C.)	Abu Dhabi	–
3.	International Financial Services	Abu Dhabi	–
4.	National Financial Services (L.L.C.)	Dubai	–
5.	Wifco Financial Brokerage (L.L.C.)	Dubai	–
6.	Blue Ship Empire (L.L.C.)	Dubai	–
7.	Swiss Precious Metals Commodities	Dubai	–

Table (4-5)
List of Licensed Moneychangers, Financial Investment Companies and
Banking, Financial and Investment Consultation Establishments and Companies
(as at 30/6/2004)

Moneychangers			
EMIRATE/CITY	Head Office	Branches	Total
Abu Dhabi	21	40	61
Dubai	68	71	139
Sharjah	10	31	41
Ras Al-Khaimah	2	4	6
Fujairah	1	5	6
Ajman	2	3	5
Al Ain City	4	16	20
Khorfakkan City	1	1	2
Total	109	171	280

Financial Investment Companies		
SI.No.	Commercial Name	Head Office
1.	Oman & Emirates Investment Holding Company (S.A.O.G.)	Abu Dhabi
2.	The National Investor (Pv.J.S.C.)	Abu Dhabi
3.	Merrill Lynch International & Co. C.V. (Netherlands Antille Islands)	Dubai
4.	Emirates Financial Services (P.J.S.C.)	Dubai
5.	Shuaa Capital - PSC	Dubai
6.	Islamic Investment Company (Pv.J.S.C.)	Dubai
7.	HSBC Financial Services (Middle East) Limited	Dubai

Banking, Financial and Investment Consultation Establishments and Companies

SI.No.	Commercial Name	Head Office
1.	Synergy Financial (L.L.C.)	Abu Dhabi
2.	Elfina Financial Investment Consultancy	Dubai
3.	Landmark International Consulting Services	Dubai
4.	Professional Investment Consultants Co. (L.L.C.)	Dubai
5.	Regent Investment Consultants (L.L.C.)	Dubai
6.	Financial Consultancy Services Company - Partnership	Dubai
7.	Network Corporate Services (L.L.C.)	Dubai
8.	Mondial (Dubai) L.L.C.	Dubai
9.	Al Sahel Financial Advisory Est.	Dubai
10.	Continental Financial Services	Dubai
11.	Acumaa	Dubai
12.	Union National Financial Consultancy (L.L.C.)	Dubai