



مركز الإحصاء
STATISTICS CENTRE

Banks Statistics

Emirate of Abu Dhabi based banks

2015
First quarter

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Introduction

This publication is based on data from the Central Bank of the UAE for Abu Dhabi Emirate (Abu Dhabi, Al Ain and Western regions). It includes data of Abu Dhabi based banks such as; the total production, number of employees and their compensation. Additional information such as the statement of earnings and interest rates on deposits, loans, and advances and gross interest paid and received from commercial and Islamic banks, are also provided.

The purpose of the publication is to identify the characteristics of bank activities in the Emirate and to present the necessary information in order to support the development of the banking and investment sectors in the Emirate of Abu Dhabi.

The last section of the publication contains technical notes and definitions gathered from the administrative data of the Central Bank of the United Arab Emirates.

Key Points

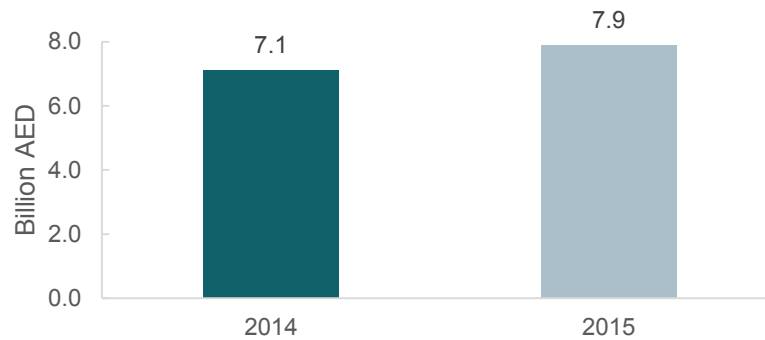
- Total net earnings for banks operating in the Emirate of Abu Dhabi increased by 11.2% to AED 7.9 billion in the first quarter of 2015 compared with AED 7.1 billion in the same quarter of 2013.
- Interest earned by banks accounted for the highest percentage of their main revenues in the first quarter of 2014, with a share of 65.3%.
- The annual average compensation per employee increased by 31.2% in the first quarter of 2015 compared with the same quarter of 2014 and by 1.2% compared with the fourth quarter of 2014.
- The total number of employees for Abu Dhabi Emirate based banks increased by 6.2% in the first quarter of 2015 compared with the same period in 2014 to 13.5 thousand employees.
- The interest on deposits decreased from 0.55% in the first quarter of 2014 to 0.54% in the first quarter of 2015.

Results Analysis

Statement of total net earnings

The total net earnings of commercial and Islamic banks increased by 11.2% to AED 7.9 billion during the first quarter of 2015 compared with AED 7.1 billion in the first quarter of 2014. In addition, the total net earnings of commercial and Islamic banks increased by 15.1% during the first quarter of 2015 compared with the fourth quarter of 2014.

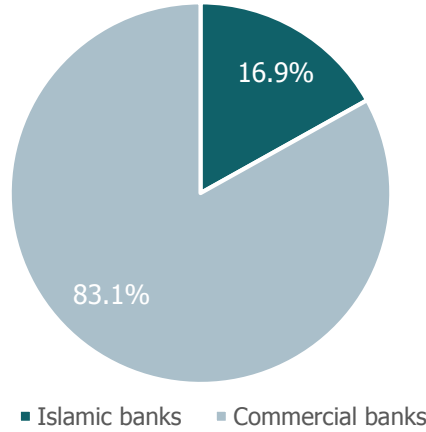
Figure 1: Total net earnings during the first quarter, 2014 and 2015



Source: Central Bank- UAE

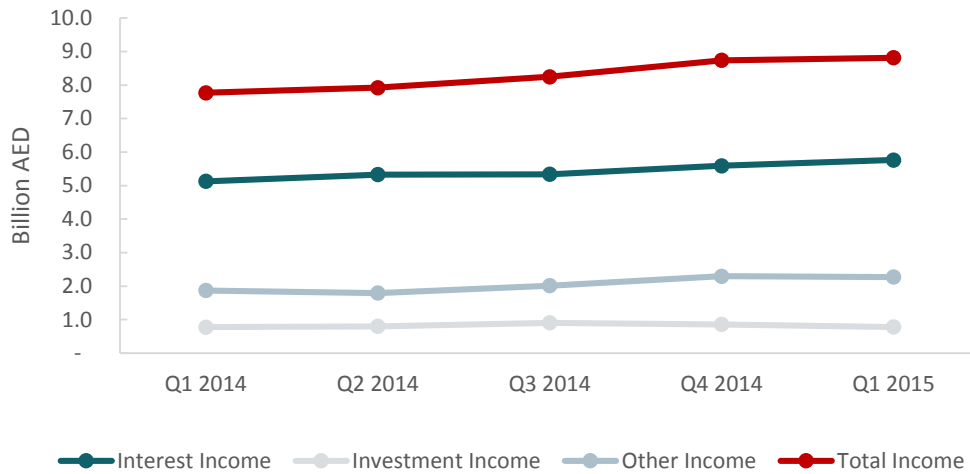
The gross interest income of commercial banks represented 83.1% of the total net earnings of all banks while Islamic banks gross interest income represented 16.9% (Figure 2), in the first quarter of 2015.

Figure 2 : Total net earnings of commercial and Islamic Banks, first quarter 2015



Source: Central Bank- UAE

Figure 3: Total quarterly gross interest income of commercial banks during 2014 and the first quarter of 2015



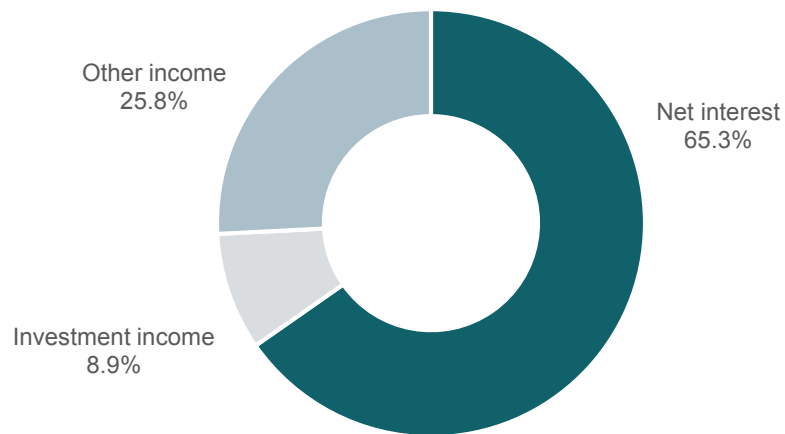
Source: Central Bank- UAE

The interest received by commercial banks increased by 5.2% in the first quarter of 2015 while interest paid decreased by 7.2% with a growth rate of 10.9% in gross interest income of commercial banks, compared with the first quarter of 2014. Islamic banks has achieved gross interest income growth of 12.4% in the first quarter of 2015 compared with the same quarter of 2014.

The interest received and interest paid decreased by 0.01% and 3.74% respectively during the first quarter of 2015 compared with the fourth quarter of 2014 resulting in a growth rate of 1.5% on gross interest income. Islamic banks recorded a gross interest income growth rate of 1.4%.

About two- thirds (65.3%) of the gross interest income of commercial banks in Abu Dhabi Emirate, was earned from net interest received in the first quarter of 2015, while 25.8% was from other income and 8.9% from investment.

Figure 4: Gross interest income of commercial banks during the first quarter of 2015

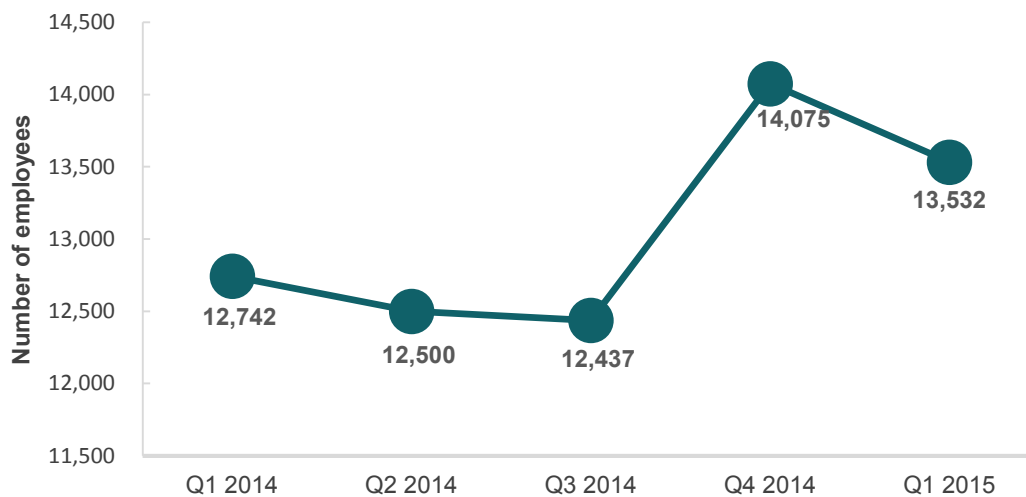


Source: Central Bank- UAE

Number of employees

The total number of employees increased by 6.2% in the first quarter of 2015 to 13,532 employees for all banks, whether commercial or Islamic. However, the number of employees decreased by 3.9% in the first quarter of 2015 compared with the fourth quarter of 2014. Figure (5) below shows the change in the quarterly number of employees during 2014 and the first quarter of 2015.

Figure 5: Quarterly number of employees at banks during 2014 and the first quarter of 2015



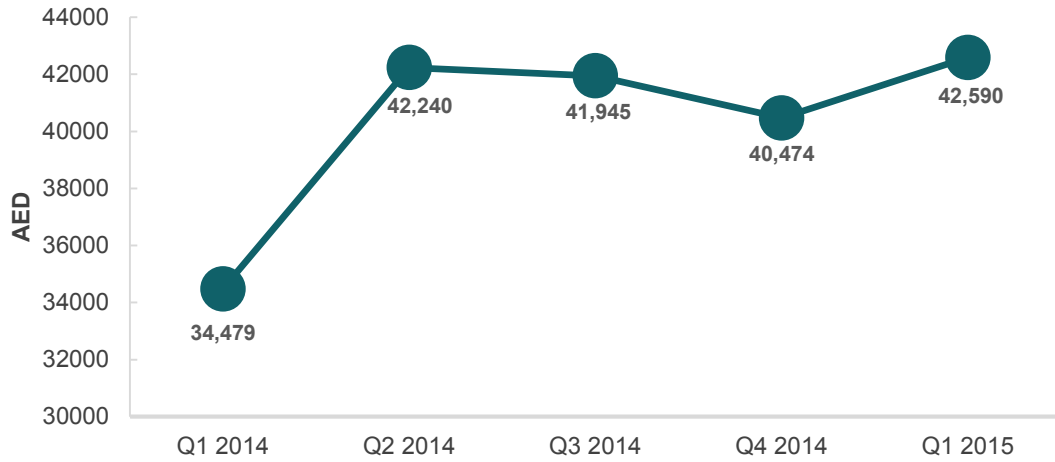
Source: Central Bank- UAE

Compensation of employees

Annual average compensation per employee in Abu Dhabi based banks increased by 31.2% in the first quarter of 2015 compared with the same quarter of 2014.

The following figure shows the change in the average compensation per employee in the quarters of 2014 and the first quarter of 2015. It reflect the trend in the average compensation per employee based on two variables: the compensation of employees and the number of employees in each quarter.

Figure 6 : Quarterly average compensation of employees per worker in 2014 and the first quarter of 2015

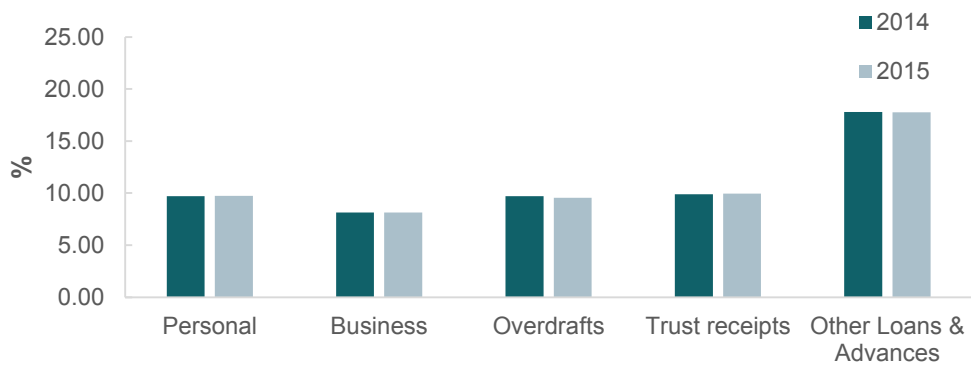


Source: Central Bank- UAE

Interest rates on deposits, loans and advances

The interest rate on deposits decreased from 0.55% in the first quarter of 2014 to 0.54% in the first quarter of 2015. The interest rate on personal loans increased from 9.71% to 9.74% over the same period. In addition, the interest rate on overdrafts decreased from 9.69% in the first quarter of 2014 to 9.55% in the first quarter of 2015.

Figure 7 : Interest rate on loans, fourth quarter of 2014 and first quarter of 2015



Source: Central Bank- UAE

Statistical Table

Table 1 : Abu Dhabi based banks

Type		Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Savings deposit average annual rates	Savings Deposit	0.18	0.21	0.20	0.20	0.20
	Over 1 Year	1.08	1.09	1.06	1.06	1.06
	1 Year	0.80	0.83	0.79	0.79	0.79
	6 Months	0.76	0.78	0.75	0.75	0.75
	3 Months	0.67	0.69	0.66	0.66	0.66
	2 Months	0.55	0.55	0.54	0.54	0.54
	1 Month	0.35	0.35	0.34	0.34	0.34
	Up to 7 Days	0.02	0.02	0.02	0.03	0.02
Type		Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Average annual interest rates on loans and advances	Personal Loans	9.71	9.80	9.74	9.67	9.74
	Business Loans	8.13	7.49	8.13	7.83	8.13
	Overdrafts	9.69	8.87	9.55	9.30	9.55
	Trust Receipts	6.90	6.99	6.94	6.80	6.94
	Other Loans & Advances	17.78	17.89	17.77	17.77	17.77
Type		Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Cumulative Interest and dividends as at the end of the quarter	Gross interest collected (million AED)	8,620	17,540	26,216	35,283	9,066
	Gross interest paid (million AED)	2,720	5,511	7,950	10,571	2,523
	Net interest income of commercial banks (million AED)	5,900	12,029	18,266	24,712	6,543
	Net interest income of Islamic banks (million AED)	1,184	2,386	3,704	5,016	1,331
Type		Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Quarterly figures	Gross interest receive (million AED)	8,620	8,920	8,676	9,067	9,066
	Gross interest paid (million AED)	2,720	2,791	2,439	2,621	2,523
	Net interest income of commercial banks (million AED)	5,900	6,129	6,237	6,446	6,543
	Net interest income of Islamic banks (million AED)	1,184	1,202	1,318	1,312	1,331
	Total net interest earnings (Million AED)	7,084	7,331	7,555	7,758	7,874

Source: Central Bank- UAE

Explanatory Notes

Glossary:

Net interest income of commercial banks: income generated by subtracting the interest paid from the total interest received.

Net interest income of Islamic banks: the difference between the revenues generated for the bank from investment in various forms of assets (e.g. joint venture, murabahah and mudharabah and others) and payments to clients in the form of dividends on deposits.

Total net interest earnings: the gross interest income of commercial banks and Islamic banks

Number of employees: the number of employees (citizens and non-citizens) during the period under study.

Gross income: includes net interest (difference between interest received and interest paid) plus income from investments and other income.

Employee's compensation: wages and salaries and cash bonuses and benefits in kind granted to workers by the company for its workers.

Murabahah: is a particular kind of sale, compliant with shariah, where the seller expressly mentions the cost he has incurred on the commodities for sale and sells it to another person by adding some profit or mark-up thereon, which is known to the buyer.

Mudharabah: is a contract, with one party providing 100 percent of the capital and the other party providing its specialized knowledge to invest the capital and manage the investment project. Profits generated are shared between the parties according to a pre-agreed ratio.

Data source

- Statistics obtained from the UAE Central Bank:
 - Income statement for banks (commercial and Islamic) headquartered in the Emirate of Abu Dhabi.
 - The total interest paid and received in the quarters of 2014 and the first quarter of 2015.
 - Interest rates on loans and advances in the quarters of 2014 and the first quarter of 2015.
 - Interest rates deposit in dirhams in the quarters of 2014 and the first quarter of 2015.
 - The total number of employees and their compensation in the quarters of 2014 and the first quarter of 2015.

Scope:

- This publication covers statistics on administrative data obtained from the Central Bank about banks that located its headquarters in Abu Dhabi.

The reference period:

- From 1/1/2014 to 31/03/2015.

Disclaimer

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