



مركز الإحصاء  
STATISTICS CENTRE

# Banks Statistics

# 2015

Fourth Quarter

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## Key Points

- Net earnings for banks operating in the Emirate of Abu Dhabi increased by 0.7% to AED 7.8 billion in the fourth quarter of 2015 compared with the fourth quarter of 2014.
- The annual average compensation per employee decreased by 9.3% in the fourth quarter of 2015 compared with the same quarter of 2014 and by 17.1% compared with the second quarter of 2015.
- The total number of employees for Abu Dhabi Emirate based banks increased by 0.9% in the fourth quarter of 2015 compared with the same period in 2014 to 14.2 thousand employees.

## Introduction

This publication is based on data from the Central Bank of the UAE for Abu Dhabi Emirate (Abu Dhabi, Al Ain and Al-Gharbia) about the fourth quarter 2015 data. 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 information which support the development of the banking and investment sectors in the Emirate of Abu Dhabi.

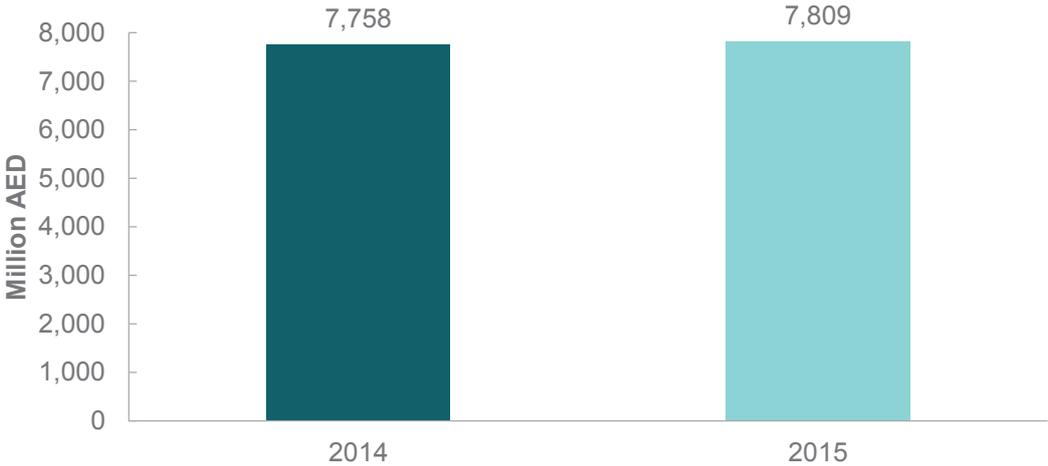
The last section of the publication contains technical notes and definitions gathered from the administrative data of the Central Bank of the United Arab Emirates.

# Results Analysis

## Statement of total net interest earnings

Net earnings of commercial and Islamic banks increased by 0.7% to AED 7.8 billion during the fourth quarter of 2015 compared with the fourth quarter of 2014.

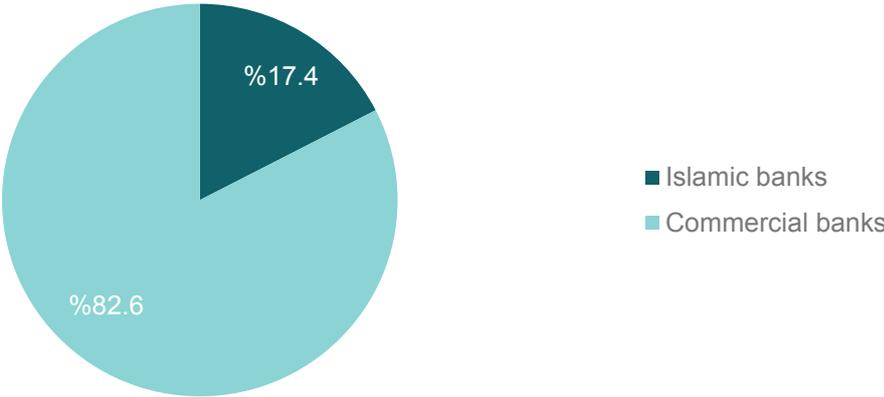
**Figure 1: Total net interest earnings during the fourth quarter, 2014 and 2015**



Source: Central Bank- UAE

The net interest income of commercial banks represented 82.6% of the net earnings of all banks while Islamic banks net interest income represented 17.4% in the fourth quarter 2015 (Figure 2).

**Figure 2: Net earnings of commercial and Islamic Banks, fourth quarter 2015**



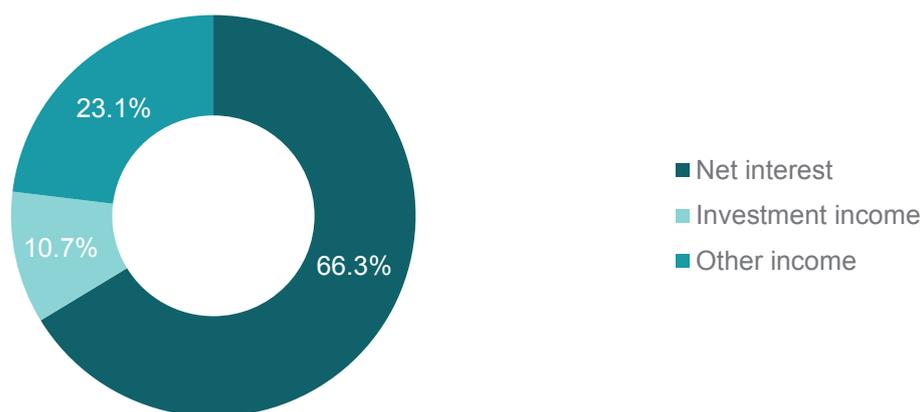
Source: Central Bank- UAE

The quarterly net interest income for Abu Dhabi based banks in the fourth quarter of 2015 was AED 7.8 billion. The interest received by commercial banks increased by 7.5% in the fourth quarter of 2015 compared with the fourth quarter of 2014, while interest paid increased by 26.0%. As a result, the net interest income of commercial banks rose by 0.03%. The net interest income of Islamic banks decreased by 3.7% in the fourth quarter of 2015 compared with the same quarter of 2014.

The gross interest received and interest paid increased by 4.6% and 16.7% respectively during the fourth quarter of 2015 compared with the third quarter of 2015 resulting in a 0.7% decrease in net interest income. On the other hand, the net interest income of Islamic banks decreased by 9.5% compared with the third quarter of 2015.

Net interest received contributed 66.3% to the gross income of commercial banks in the Emirate of Abu Dhabi, followed by other income with 23.1% and investment income with 10.7%, as shown in figure (3).

**Figure 3: Gross income of commercial banks during the fourth quarter of 2015**

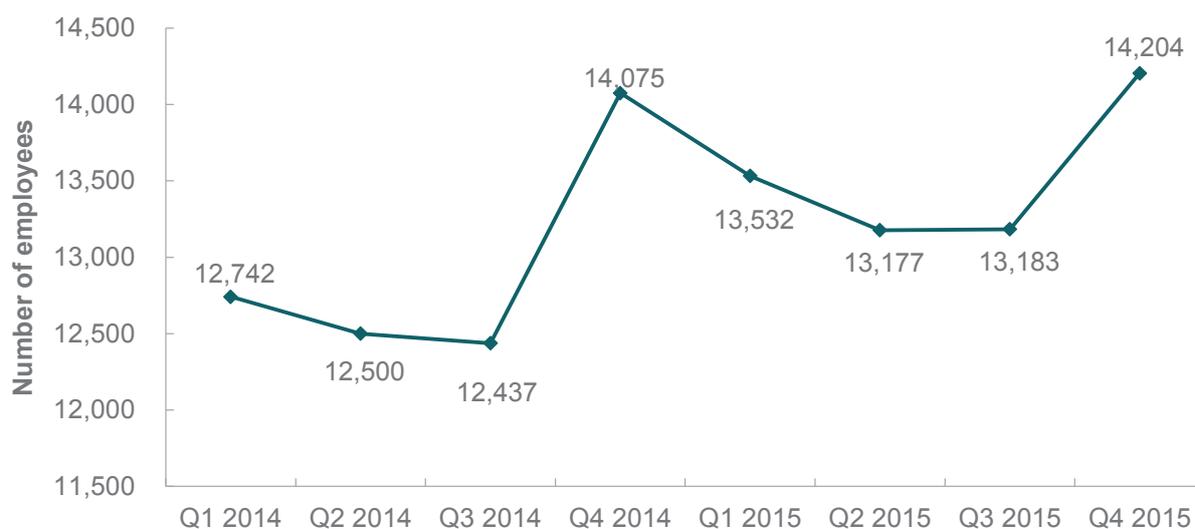


Source: Central Bank- UAE

### Number of employees

The total number of employees increased by 0.9% from the fourth quarter of 2014 to the fourth quarter of 2015 to 14,204 employees for all banks, including commercial and Islamic. The number of employees increased by 7.7% in the fourth quarter of 2015 compared with the third quarter of 2015. Figure (5) below shows the change in the quarterly number of employees during 2014 and 2015.

**Figure 4: Quarterly number of employees at banks during the quarters of 2014 and 2015**

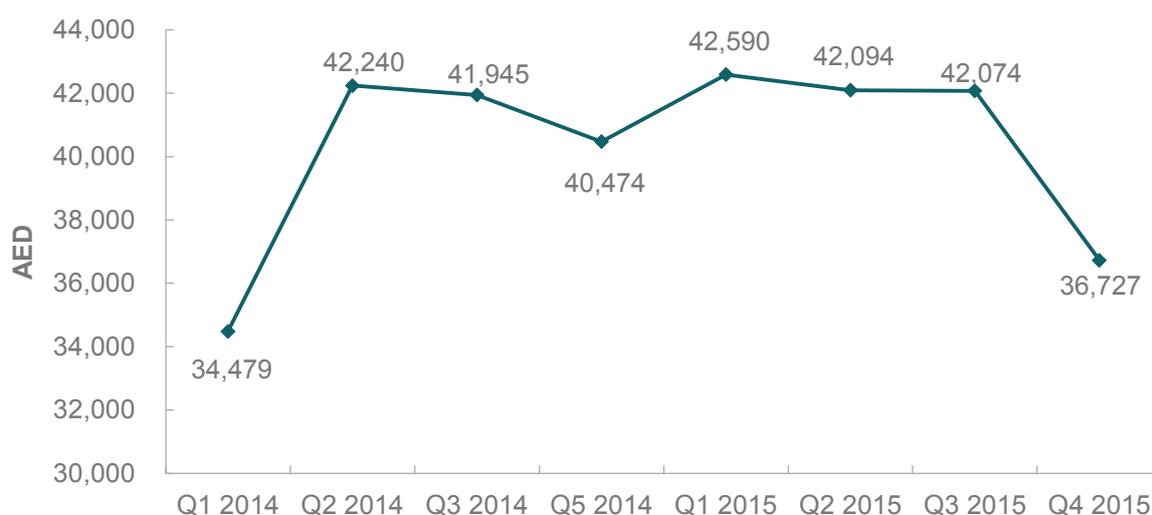


Source: Central Bank- UAE

### Compensation of employees

Annual average compensation per employee in Abu Dhabi based banks increased by 92.4% in the fourth quarter of 2015 compared with the same quarter of 2014. The following figure shows the average compensation per employee in the quarters of 2014 and 2015. It reflects 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 5: Quarterly average compensation of employees in the quarters of 2014 and 2015**

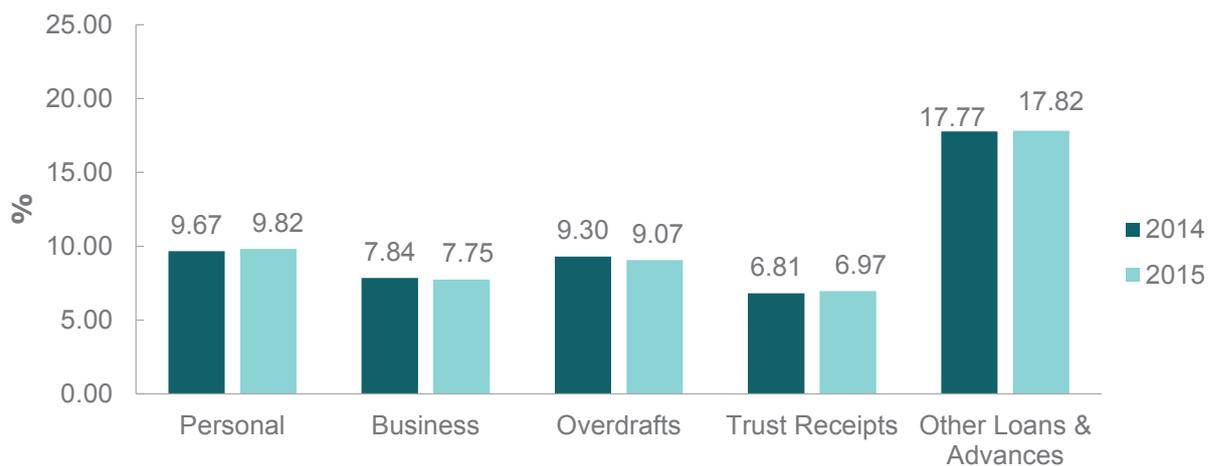


Source: Central Bank- UAE

### Interest rates on deposits, loans and advances

The interest rate on personal loans increased by 0.15 percentage points compared with the fourth quarter of 2014. In addition, the interest rate of business loans and overdrafts decreased by 0.09 and 0.23 percentage points respectively in the fourth quarter of 2015 compared with the fourth quarter of 2014.

**Figure 6: Interest rate on loans, fourth quarter of 2014 and 2015**



Source: Central Bank- UAE

## Statistical Table

**Table 1: Abu Dhabi based banks, quarterly data**

Type		2014				2015			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Savings deposit average annual rates	Savings Deposit	0.18	0.21	0.20	0.20	0.20	0.20	0.20	0.20
	Over 1 Year	1.08	1.09	1.06	1.06	1.06	1.09	1.08	1.09
	1 Year	0.80	0.83	0.79	0.79	0.79	0.79	0.78	0.79
	6 Months	0.76	0.78	0.75	0.75	0.75	0.74	0.74	0.74
	3 Months	0.67	0.69	0.66	0.66	0.66	0.65	0.64	0.65
	2 Months	0.55	0.55	0.54	0.54	0.54	0.55	0.54	0.55
	1 Month	0.35	0.35	0.34	0.34	0.34	0.35	0.35	0.35
	Up to 7 Days	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.02
Type		2014				2015			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Average annual interest rates on loans and advances	Personal Loans	9.71	9.80	9.74	9.67	9.74	9.82	9.82	9.82
	Business Loans	8.13	7.49	8.13	7.83	8.13	7.64	7.75	7.75
	Overdrafts	9.69	8.87	9.55	9.30	9.55	8.99	9.07	9.07
	Trust Receipts	6.90	6.99	6.94	6.80	6.94	6.98	6.97	6.97
	Other Loans & Advances	17.78	17.89	17.77	17.77	17.77	17.85	17.82	17.82
Type		2014				2015			
		Million AED	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Cumulative Interest as at the end of the quarter	Gross interest collected	8,620	17,540	26,216	35,283	9,066	19,776	27,507	37,258
	Gross interest paid	2,720	5,511	7,950	10,571	2,523	2,695	8,048	11,350
	Net interest income of commercial banks	5,900	12,029	18,266	24,712	6,543	17,081	19,459	25,908
	Net interest income of Islamic banks	1,184	2,386	3,704	5,016	1,331	2,448	3,952	5,313
Type		2014				2015			
		Million AED	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Quarterly figures	Gross interest received	8,620	8,920	8,676	9,067	9,066	10,710	9,323	9,751
	Gross interest paid	2,720	2,791	2,439	2,621	2,523	2,695	2,830	3,302
	Net interest income of commercial banks	5,900	6,129	6,237	6,446	6,543	8,015	6,493	6,448
	Net interest income of Islamic banks	1,184	1,202	1,318	1,312	1,331	1,117	1,504	1,361
	Total net interest earnings	7,084	7,331	7,555	7,758	7,874	9,132	7,997	7,809

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 total 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 by the company 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 2015.
- Interest rates on loans and advances in the quarters of 2014 and 2015.
- Interest rates deposit in dirhams in the quarters of 2014 and 2015.
- The total number of employees and their compensation in the quarters of 2014 and 2015.

## Technical notes

### Scope:

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

### The reference period:

- From 01/10/2015 to 31/12/2015.

### Disclaimer

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