



Macroeconomic Outlook of the UAE

Presentation to the Commercial Counsellors' of the EU

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Chief Economist, DIFC Authority
April 21, 2010



Agenda

UAE : Macroeconomic Outlook

Trade & Investment Relations with the EU

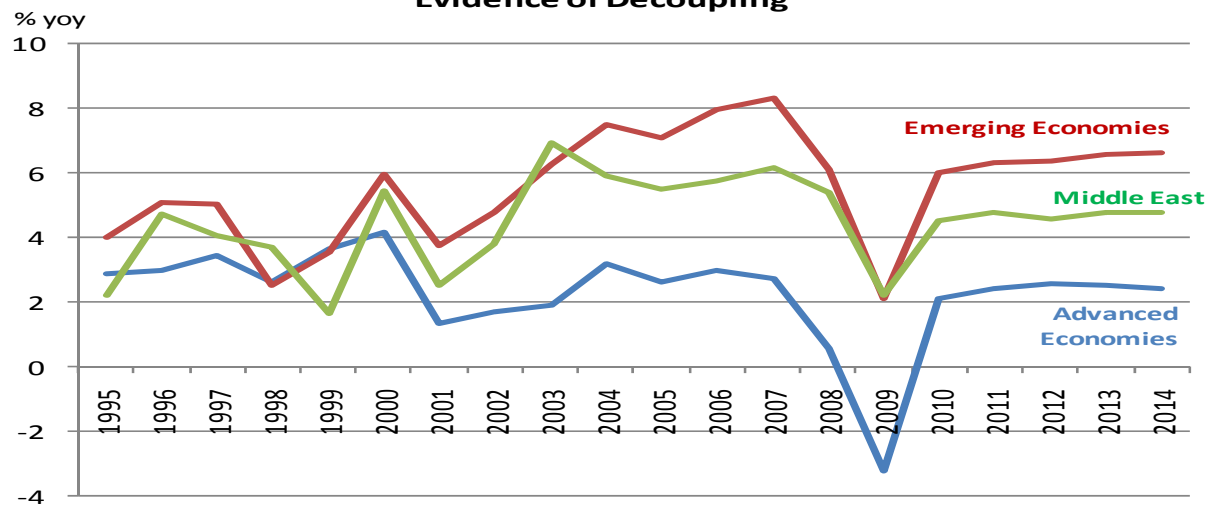
Impact of the Crisis on UAE/ GCC

Dubai Growth Model : Openness, Diversification & Economic Clustering

Dubai International Financial Centre: Marketplace for New Sources of Capital

World & GCC Economic Growth Outlook: delinking of Emerging Markets from Advanced economies

Evidence of Decoupling

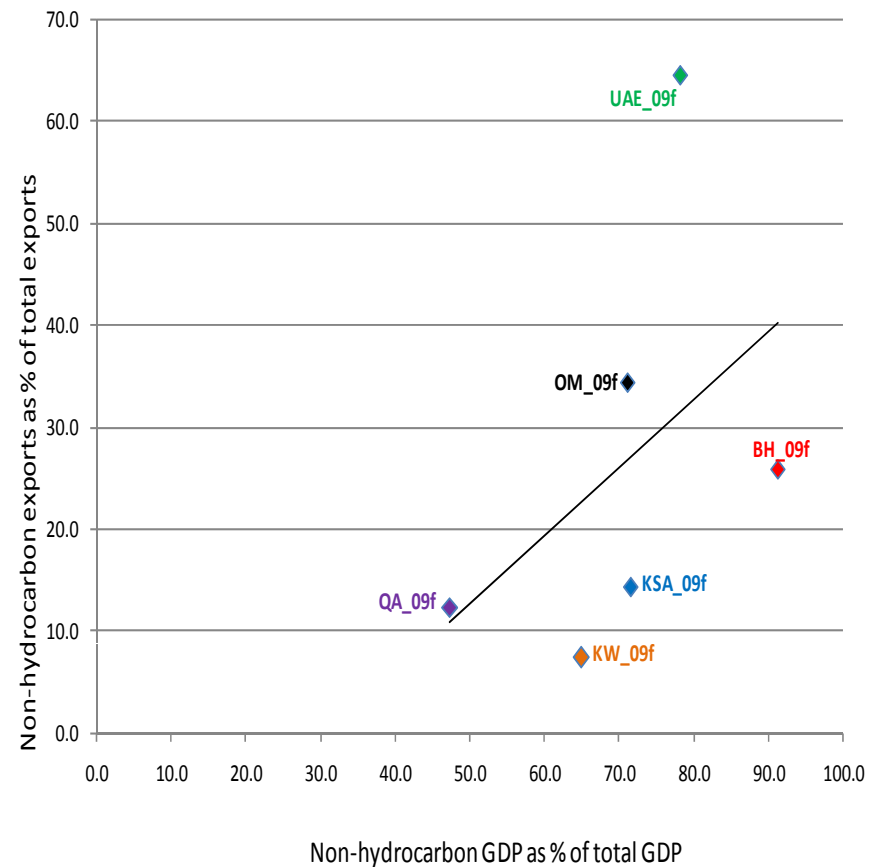
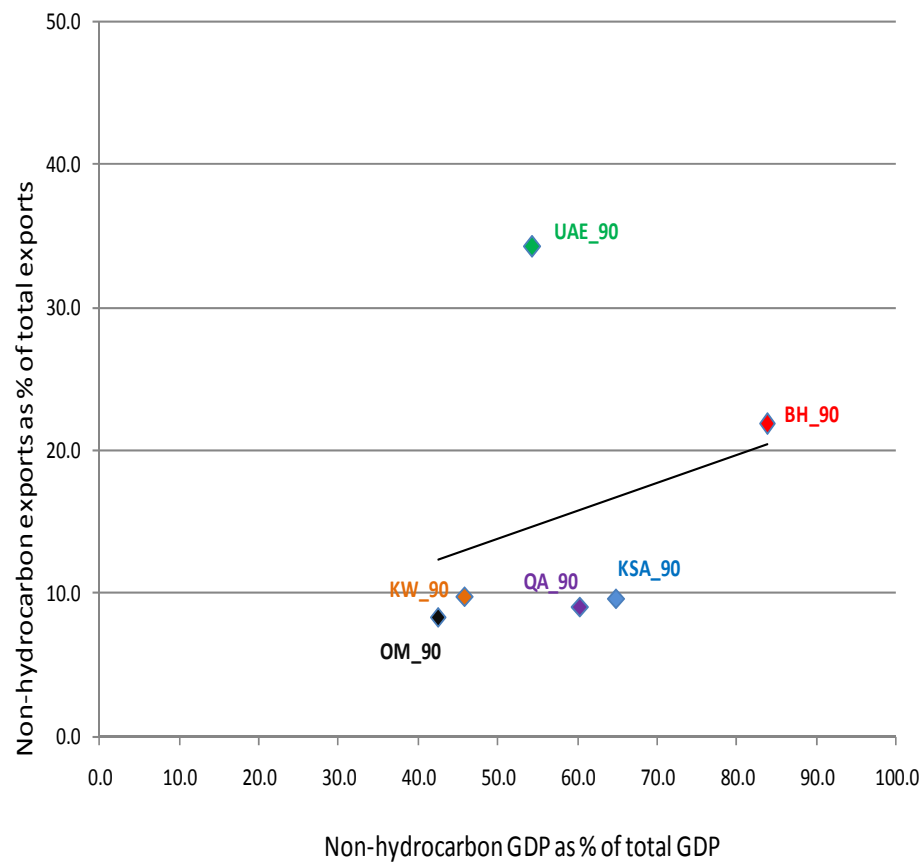


Real GDP growth (Annual change, %)

| | 2000–04 avg. | 2005 | 2006 | 2007 | 2008 | 2009f | 2010f |
|--------------|--------------|------------|------------|------------|------------|-------------|------------|
| Bahrain | 5.6 | 7.9 | 6.7 | 8.1 | 6.1 | 3 | 3.7 |
| Kuwait | 13.3 | 10.6 | 5.1 | 2.5 | 6.3 | -1.6 | 3.2 |
| Oman | 3.2 | 4.9 | 6 | 7.7 | 7.8 | 4.1 | 3.8 |
| Qatar | 8.9 | 9.2 | 15 | 15.3 | 16.4 | 11.5 | 18.5 |
| Saudi Arabia | 3.7 | 5.6 | 3.2 | 3.3 | 4.4 | -0.9 | 4 |
| UAE | 7.7 | 8.2 | 8.7 | 6.1 | 5.1 | -0.7 | 0.6 |
| GCC | 5.8 | 6.9 | 5.5 | 5 | 6.4 | 0.7 | 5.2 |

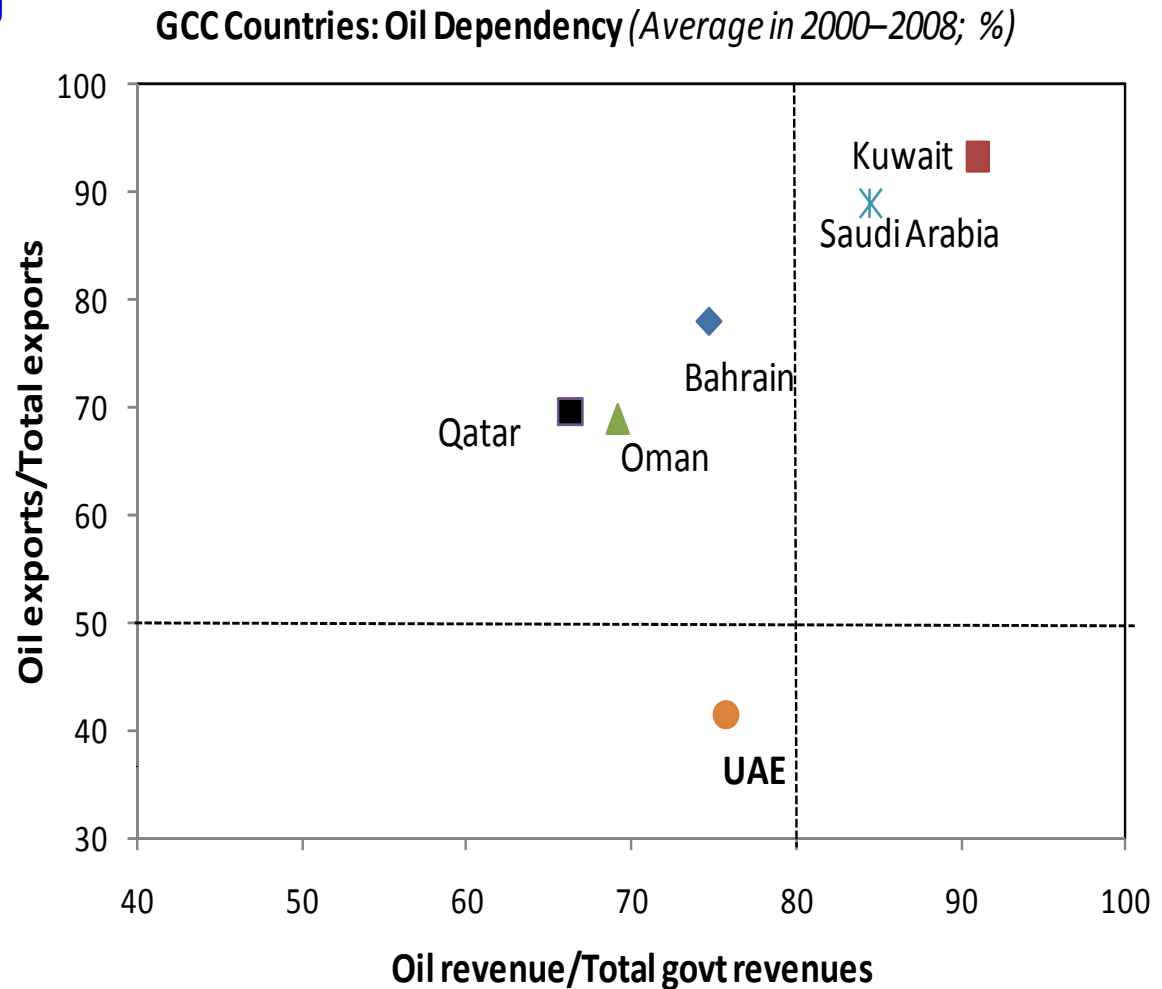
GCC Economic Diversification: 1990 vs. 2009

Non-hydrocarbon exports as % of total exports compared to Non-hydrocarbon GDP as % of total GDP



Despite diversification GCC Gov Budgets are oil-dependent

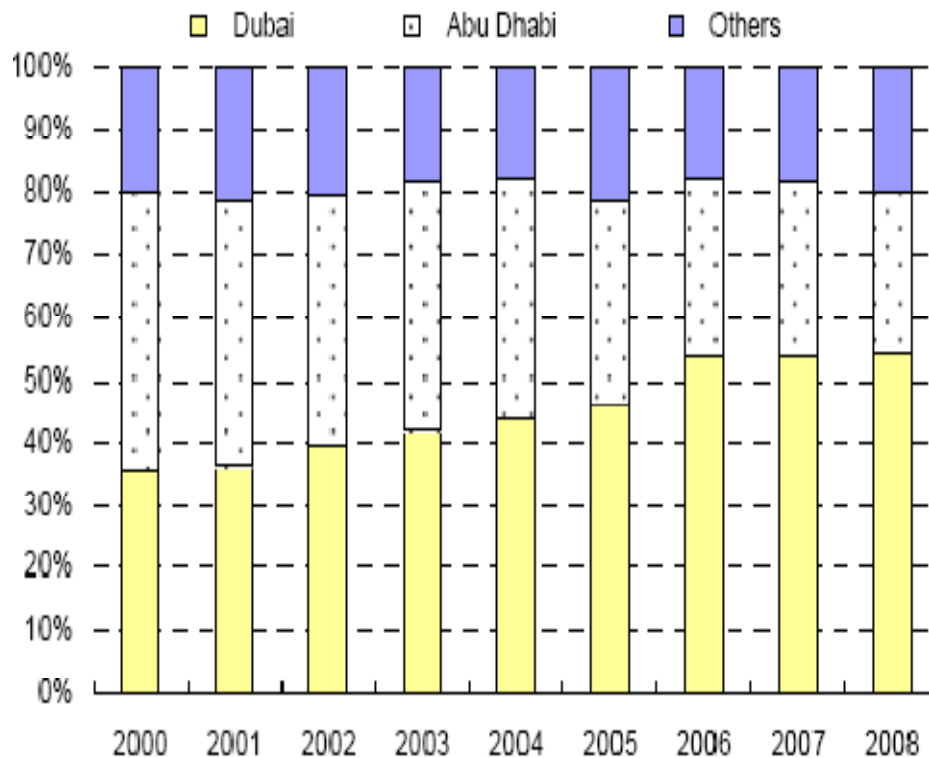
- Oil price boom led to strong fiscal and external balance surpluses in GCC
- Surpluses provided the fiscal space to promote economic diversification.
- Oil proceeds have been used to modernize infrastructure, create employment, and improve social indicators.
- But, fiscal policy has been constrained by the still-heavy dependence of government revenues on volatile oil export receipts



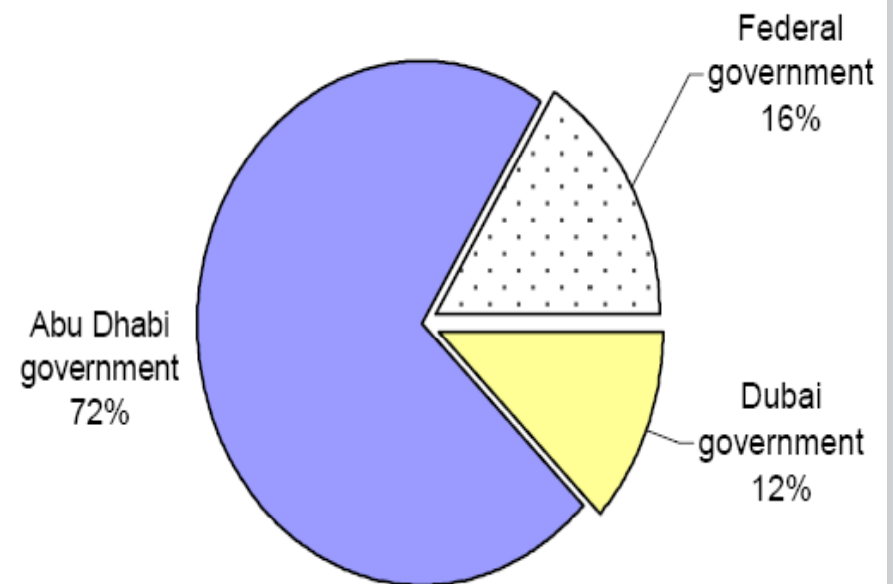
UAE: Diversification & Oil Revenues

- The emirate of Dubai has led the diversification effort away from hydrocarbons;
- But, overall fiscal policy remains reliant on oil revenue from Abu Dhabi which has 95% of reserves.

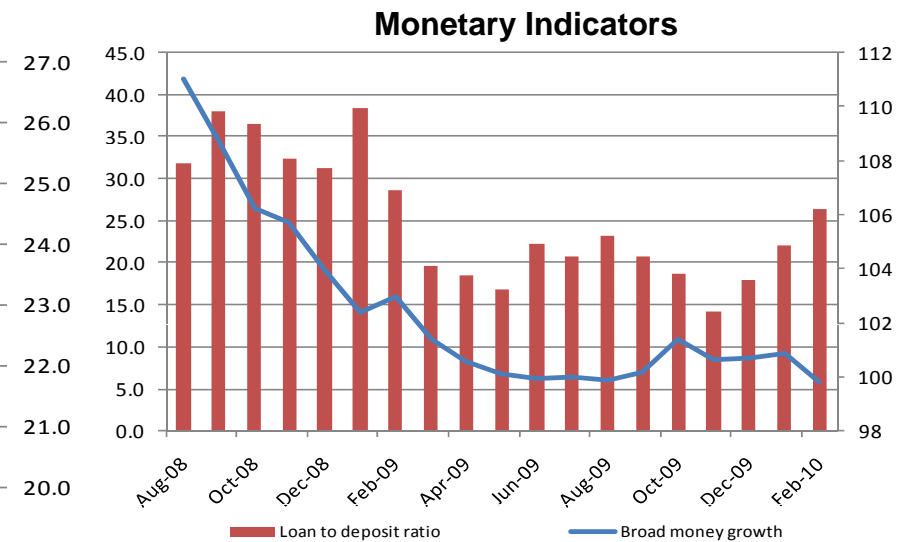
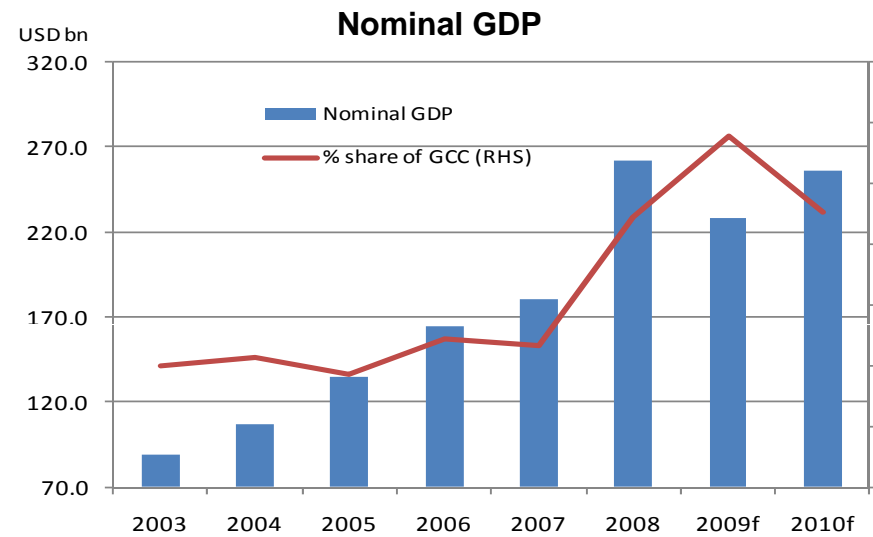
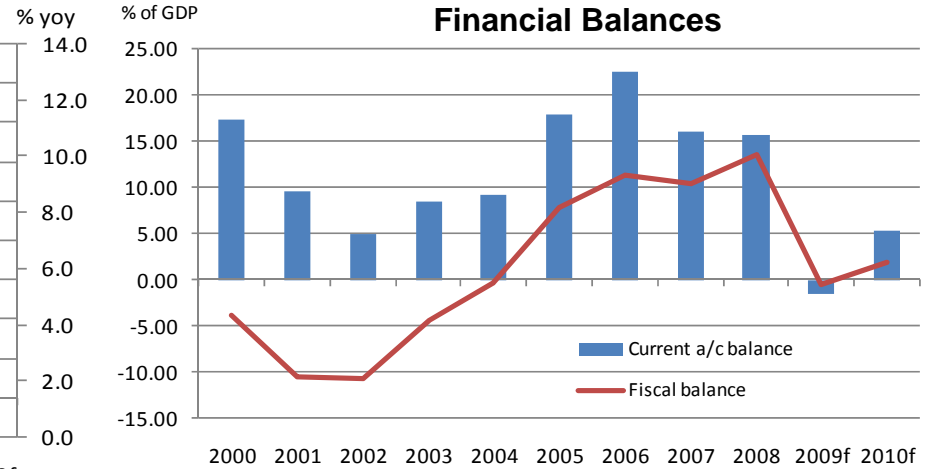
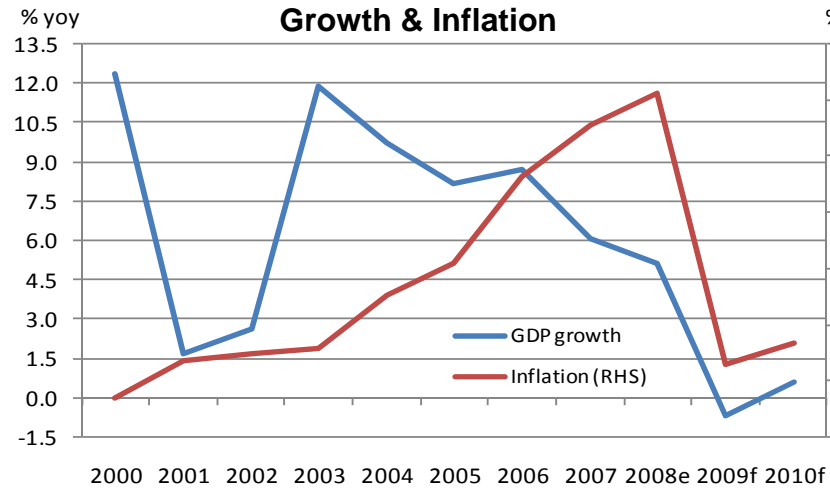
Emirates' shares in non-oil GDP



U.A.E. Consolidated Budget: Expenditure Shares, 2007



UAE Economic Snapshot: Crisis & Recovery



Dubai Shines as Foreign Direct Investment Destination

- Global FDI projects increased by 30% in 2008; Asia- Pacific received the largest proportion of projects of all world regions.
- China received 10% of new projects, 8% of capital investment and 12% of new jobs created in 2008.
- **Dubai became the top destination city in 2008** - number of FDI projects and capital investment grew by an impressive 59% and 122% respectively.
- The top five destination cities accounted for 8% of total number of FDI projects, 5% of total capital expenditure and 7% of total new jobs created globally in 2008.

TOP FIVE GLOBAL DESTINATION COUNTRIES, 2008

| DESTINATION COUNTRY | TOTAL PROJECTS | DESTINATION COUNTRY | CAPEX (\$BN) | DESTINATION COUNTRY | NEW JOBS CREATED |
|---------------------|----------------|---------------------|--------------|---------------------|------------------|
| China | 1483 | China | 124 | China | 483,241 |
| India | 958 | US | 90 | India | 345,073 |
| US | 931 | India | 78 | Russia | 255,619 |
| UK | 845 | Russia | 62 | Romania | 213,690 |
| France | 668 | Vietnam | 60 | Vietnam | 171,410 |

Source: fDi Markets

TOP FIVE GLOBAL DESTINATION CITIES, 2008

| DESTINATION CITY | TOTAL PROJECTS | DESTINATION CITY | CAPEX (\$BN) | DESTINATION CITY | NEW JOBS CREATED |
|------------------|----------------|------------------|--------------|------------------|------------------|
| Dubai | 342 | Dubai | 21 | Bucharest | 86,173 |
| London | 287 | London | 17 | Dubai | 58,161 |
| Shanghai | 264 | Shanghai | 16 | Shanghai | 48,605 |
| Beijing | 206 | Tunis | 15 | Moscow | 44,985 |
| Paris | 190 | Bucharest | 13 | St Petersburg | 44,558 |

Source: fDi Markets

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UAE : Macroeconomic Outlook

Trade & Investment Relations with the EU

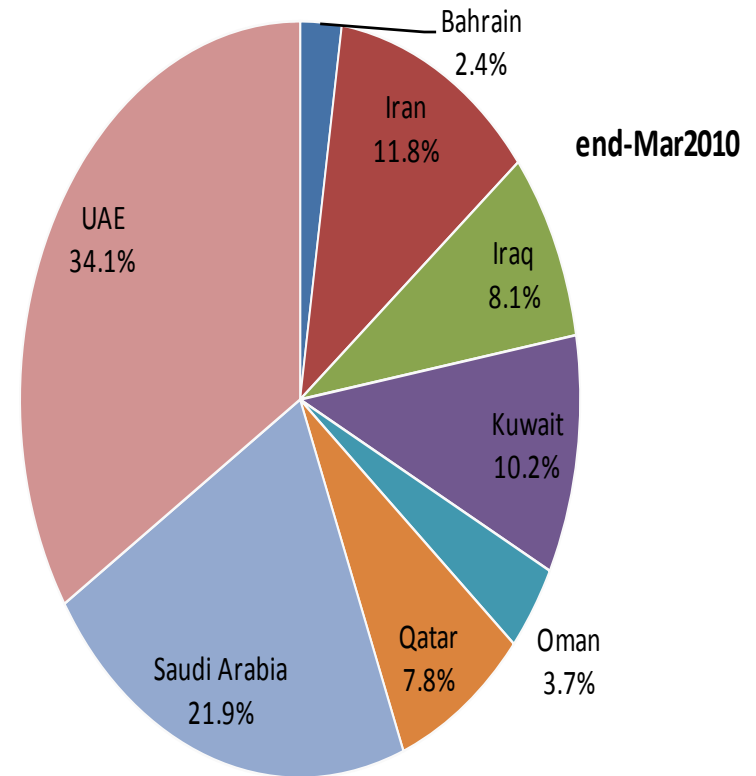
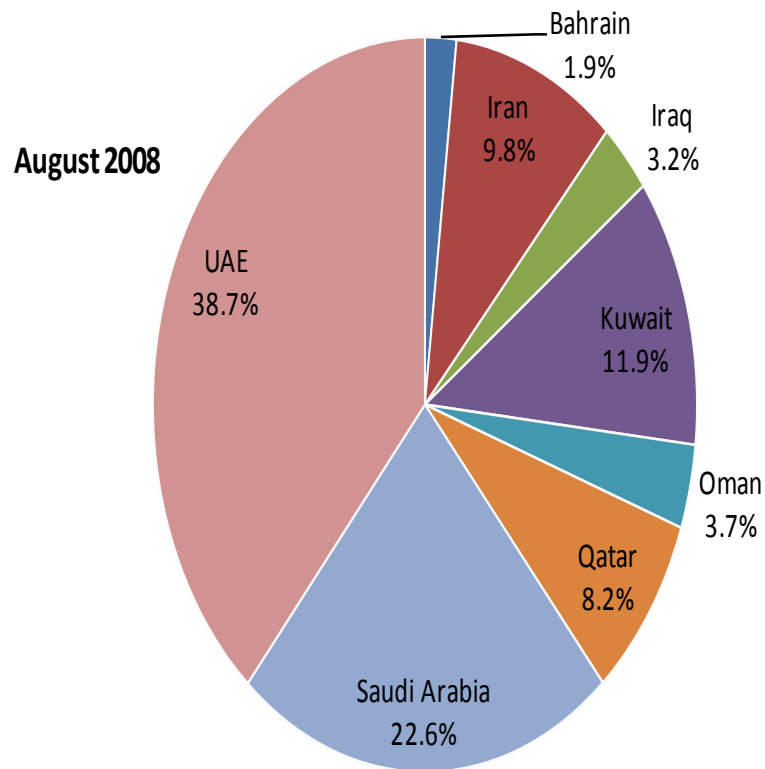
Impact of the Crisis on UAE/ GCC

Dubai Growth Model : Openness, Diversification & Economic Clustering

Dubai International Financial Centre: Marketplace for New Sources of Capital

Gulf Infrastructure Projects by Sector & Country

- The total value of projects planned, under way or completed in the Gulf region was US\$2.84 trillion (MEED Project Tracker, Mar 30th, 2010)
- It was reported for the week ending 30th Mar that total of \$621.5 bn worth of projects were put on hold across the GCC.



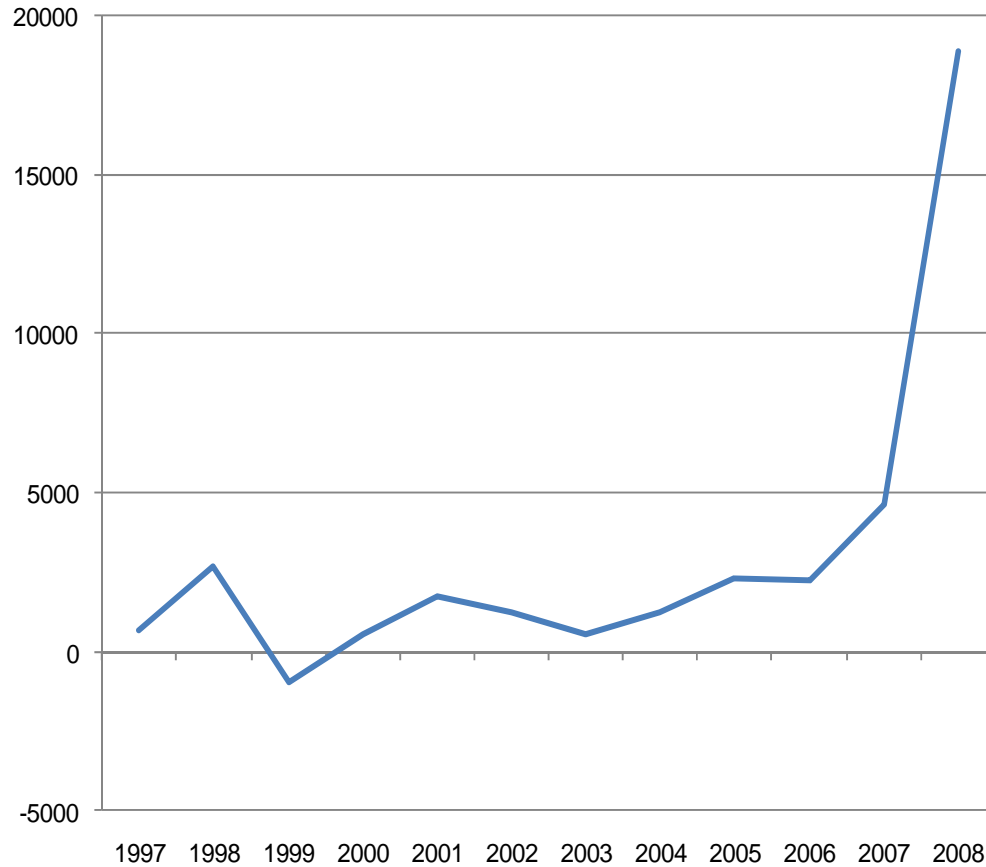
EU FDI Outflows to Gulf Arabian Countries

EU direct investment outward flows by country of destination
(EUR mn)

| | Gulf Arabian Countries | All countries of the world | % share in total |
|------|------------------------|----------------------------|------------------|
| 1997 | 656.0 | 206573.0 | 0.32 |
| 1998 | 2710.0 | 368197.0 | 0.74 |
| 1999 | -946.0 | 738674.0 | -0.13 |
| 2000 | 528.0 | 1126286.0 | 0.05 |
| 2001 | 1720.0 | 633969.0 | 0.27 |
| 2002 | 1230.0 | 496095.0 | 0.25 |
| 2003 | 538.0 | 406087.0 | 0.13 |
| 2004 | 1214.0 | 369134.0 | 0.33 |
| 2005 | 2314.0 | 667979.0 | 0.35 |
| 2006 | 2272.0 | 884162.0 | 0.26 |
| 2007 | 4640.0 | 1238237.0 | 0.37 |
| 2008 | 18853.0 | 887999.0 | 2.12 |

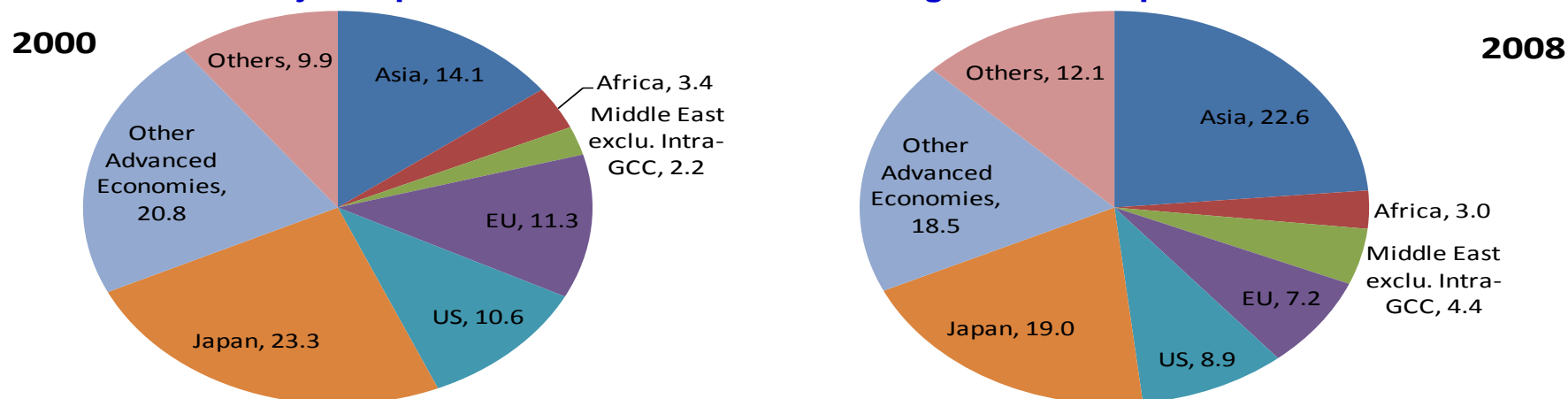
mn EUR

EU direct investment outward flows to Gulf Arabian Countries (AE, BH, IQ, KW, OM, QA, SA, YE)

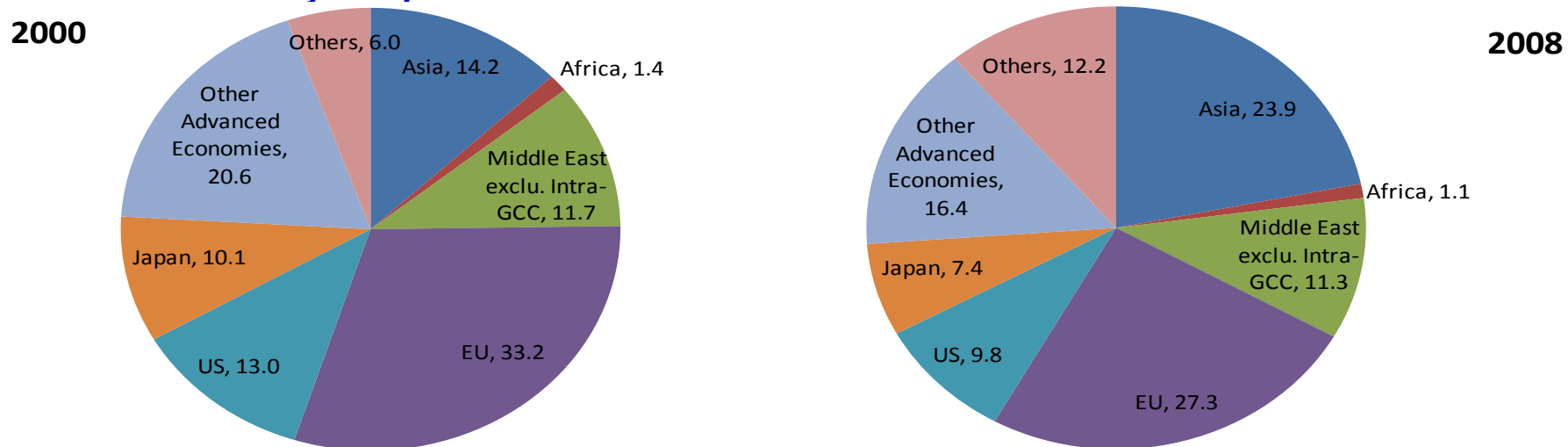


Major Trading Partners of the GCC: Asia dominant

GCC's Major Export Partners – Asia's increasing share in exports

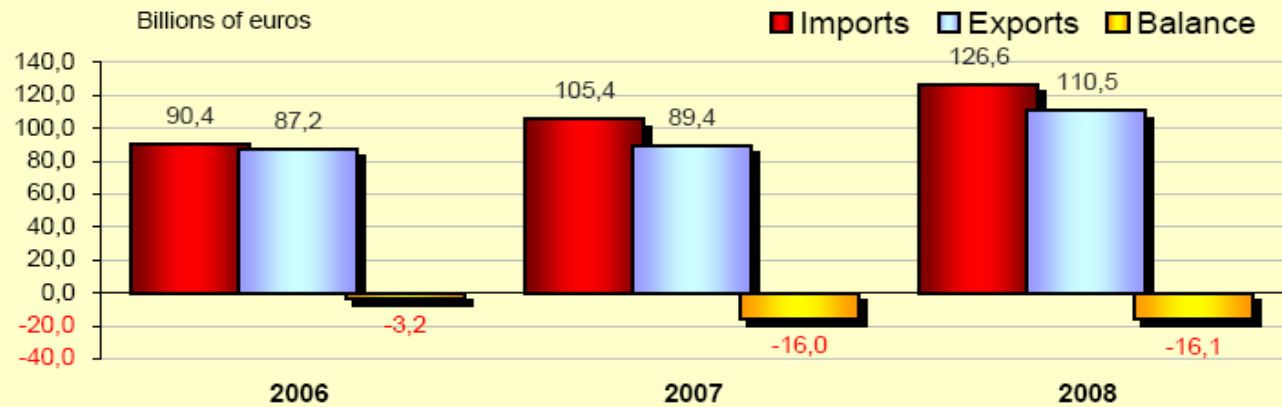


GCC's Major Import Partners – the EU and Asia dominate



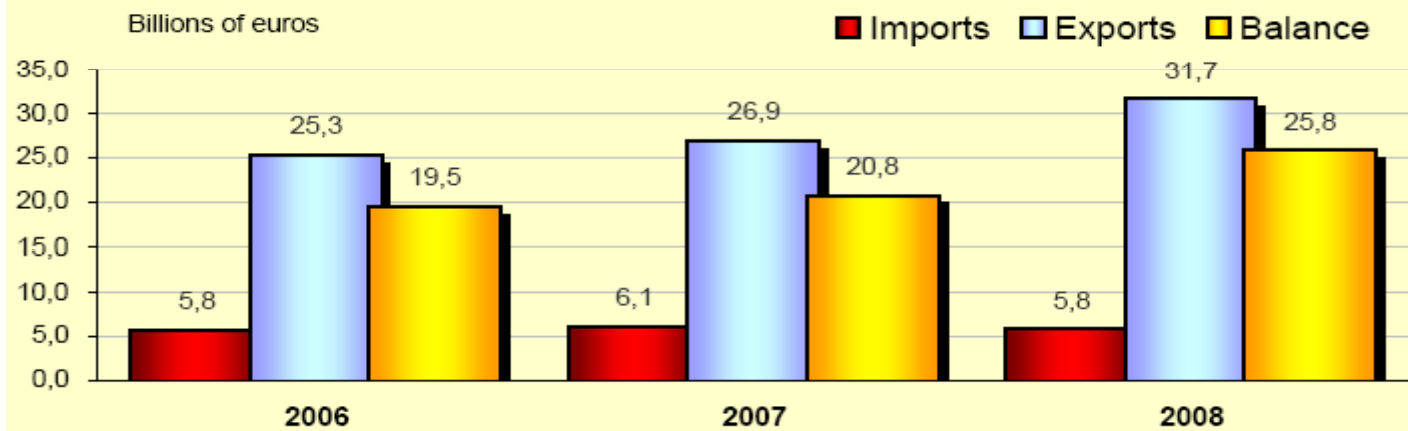
EU – UAE Trade Flows

UNITED ARAB EMIRATES WITH THE WORLD



Source: IMF (Direction of Trade Statistics)

EU27 WITH UNITED ARAB EMIRATES



Source: Eurostat, Statistical Regime 4

UAE's Top Trade Partners (2008)

The Major Imports Partners

| Rk | Partners | Mio euro | % |
|----|---------------|-----------|--------|
| | World | 126.566,4 | 100,0% |
| 1 | EU27 | 34.625,6 | 27,4% |
| 2 | China | 17.210,6 | 13,6% |
| 3 | India | 12.511,9 | 9,9% |
| 4 | United States | 11.778,5 | 9,3% |
| 5 | Japan | 8.142,5 | 6,4% |
| 6 | Turkey | 5.964,5 | 4,7% |
| 7 | South Korea | 3.275,7 | 2,6% |
| 8 | Singapore | 3.102,2 | 2,5% |
| 9 | Malaysia | 2.783,8 | 2,2% |
| 10 | Saudi Arabia | 2.610,0 | 2,1% |
| 11 | Australia | 2.445,7 | 1,9% |
| 12 | Thailand | 2.053,5 | 1,6% |
| 13 | Hong Kong | 2.032,1 | 1,6% |
| 14 | Pakistan | 1.897,9 | 1,5% |
| 15 | Qatar | 1.522,6 | 1,2% |

The Major Export Partners

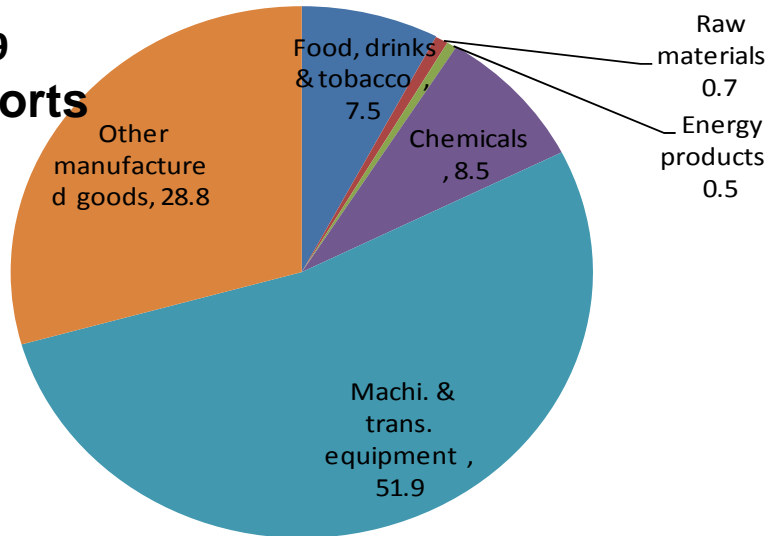
| Rk | Partners | Mio euro | % |
|----|--------------|-----------|--------|
| | World | 110.489,2 | 100,0% |
| 1 | Japan | 28.908,2 | 26,2% |
| 2 | South Korea | 9.775,6 | 8,8% |
| 3 | Thailand | 6.634,8 | 6,0% |
| 4 | India | 5.414,7 | 4,9% |
| 5 | EU27 | 5.313,7 | 4,8% |
| 6 | Iran | 4.182,3 | 3,8% |
| 7 | Singapore | 3.899,7 | 3,5% |
| 8 | Pakistan | 3.228,4 | 2,9% |
| 9 | China | 2.784,7 | 2,5% |
| 10 | Oman | 2.476,4 | 2,2% |
| 11 | Saudi Arabia | 1.787,9 | 1,6% |
| 12 | Australia | 1.377,4 | 1,2% |
| 13 | Malaysia | 1.081,0 | 1,0% |
| 14 | Hong Kong | 1.037,9 | 0,9% |
| 15 | Yemen | 1.035,7 | 0,9% |

The Major Trade Partners

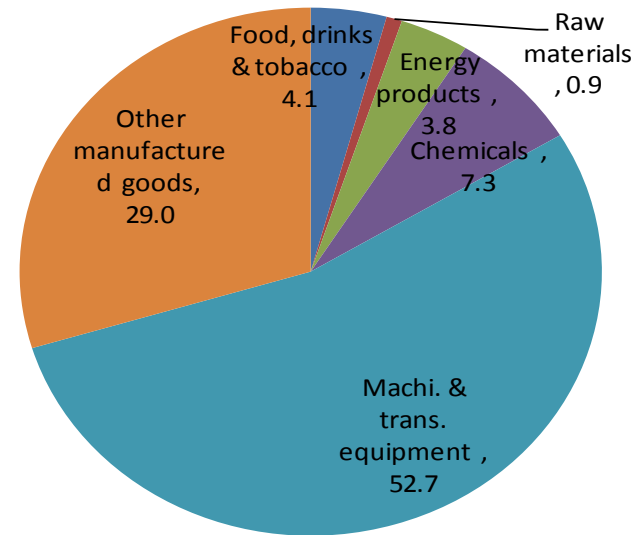
| Rk | Partners | Mio euro | % |
|----|---------------|-----------|--------|
| | World | 237.055,6 | 100,0% |
| 1 | EU27 | 39.939,2 | 16,8% |
| 2 | Japan | 37.050,7 | 15,6% |
| 3 | China | 19.995,3 | 8,4% |
| 4 | India | 17.926,6 | 7,6% |
| 5 | South Korea | 13.051,3 | 5,5% |
| 6 | United States | 12.611,4 | 5,3% |
| 7 | Thailand | 8.688,4 | 3,7% |
| 8 | Singapore | 7.001,9 | 3,0% |
| 9 | Turkey | 6.391,8 | 2,7% |
| 10 | Pakistan | 5.126,3 | 2,2% |
| 11 | Iran | 4.913,7 | 2,1% |
| 12 | Saudi Arabia | 4.397,9 | 1,9% |
| 13 | Malaysia | 3.864,8 | 1,6% |
| 14 | Australia | 3.823,1 | 1,6% |
| 15 | Hong Kong | 3.070,0 | 1,3% |

UAE-EU Composition of Trade

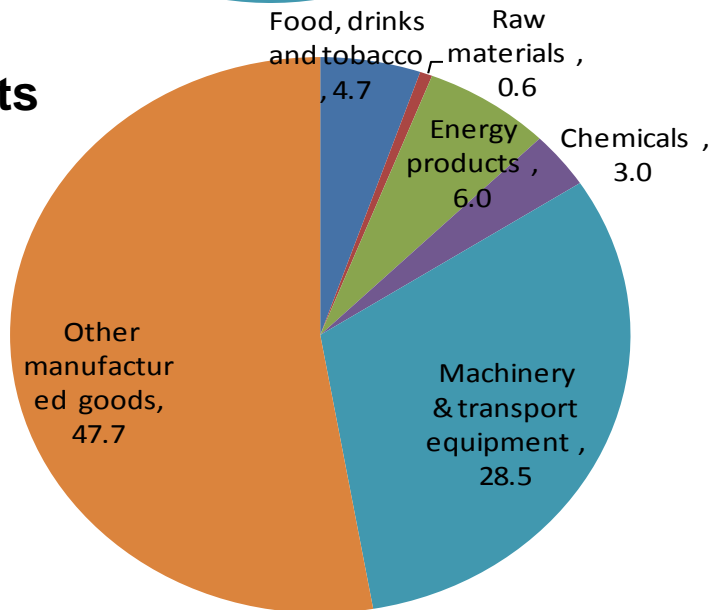
1999 Exports



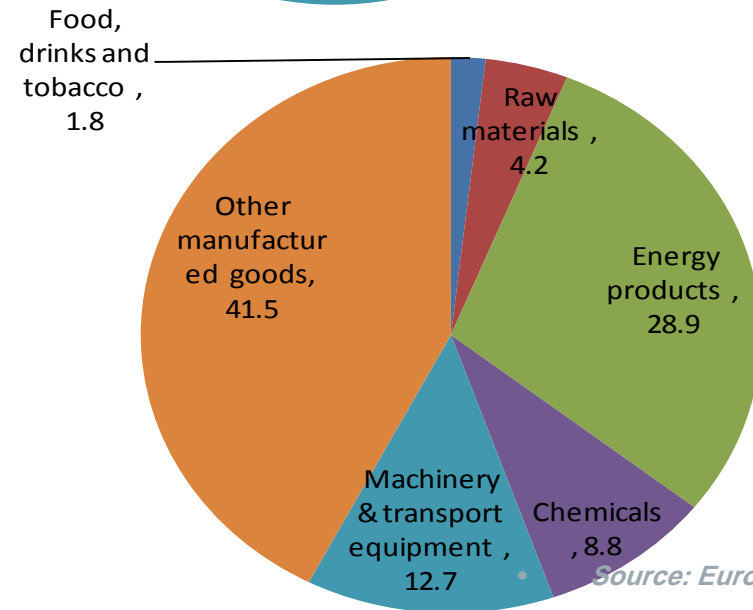
2008



1999 Imports



2008



Source: Eurostat

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UAE Crisis & Impact

Reeling from the crisis

During the global recession, financial markets demanded a higher risk premium on GCC sovereign debt and equity, and real estate prices dropped in the Gulf countries.

| | CDS spreads (basis points) | | | | Stock market change (percent) | |
|---|-------------------------------|-----------------------------|--------------------------------|--------------------|----------------------------------|--------------------|
| | Minimum level during period | Maximum level during period | Maximum increase during period | Change over period | Maximum drop during period | Change over period |
| Impact of crisis prior to the Dubai events ¹ | | | | | | |
| Bahrain | 92 | 716 | 624 | 79 | -50 | -50 |
| Kuwait | n.a. | n.a. | n.a. | n.a. | -59 | -55 |
| Oman | 252 | 483 | 231 | 274 | -65 | -45 |
| Qatar | 43 | 379 | 335 | 49 | -66 | -40 |
| Saudi Arabia | 30 | 333 | 303 | 74 | -58 | -34 |
| Dubai | 114 | 944 | 830 | 200 | -75 | -63 |
| Abu Dhabi | 42 | 446 | 404 | 55 | -58 | -43 |
| Impact of Dubai events ² | | | | | | |
| Bahrain | 172 | 260 | 88 | 6 | -2 | 2 |
| Kuwait | n.a. | n.a. | n.a. | n.a. | -2 | 4 |
| Oman | 275 | 277 | 3 | -30 | -7 | 0 |
| Qatar | 94 | 120 | 26 | -1 | -9 | -7 |
| Saudi Arabia | 74 | 107 | 34 | 9 | -5 | 1 |
| Dubai | 317 | 634 | 316 | 123 | -27 | -22 |
| Abu Dhabi | 100 | 175 | 75 | 38 | -15 | -9 |

Sources: Markit, Bloomberg, and IMF staff estimates.

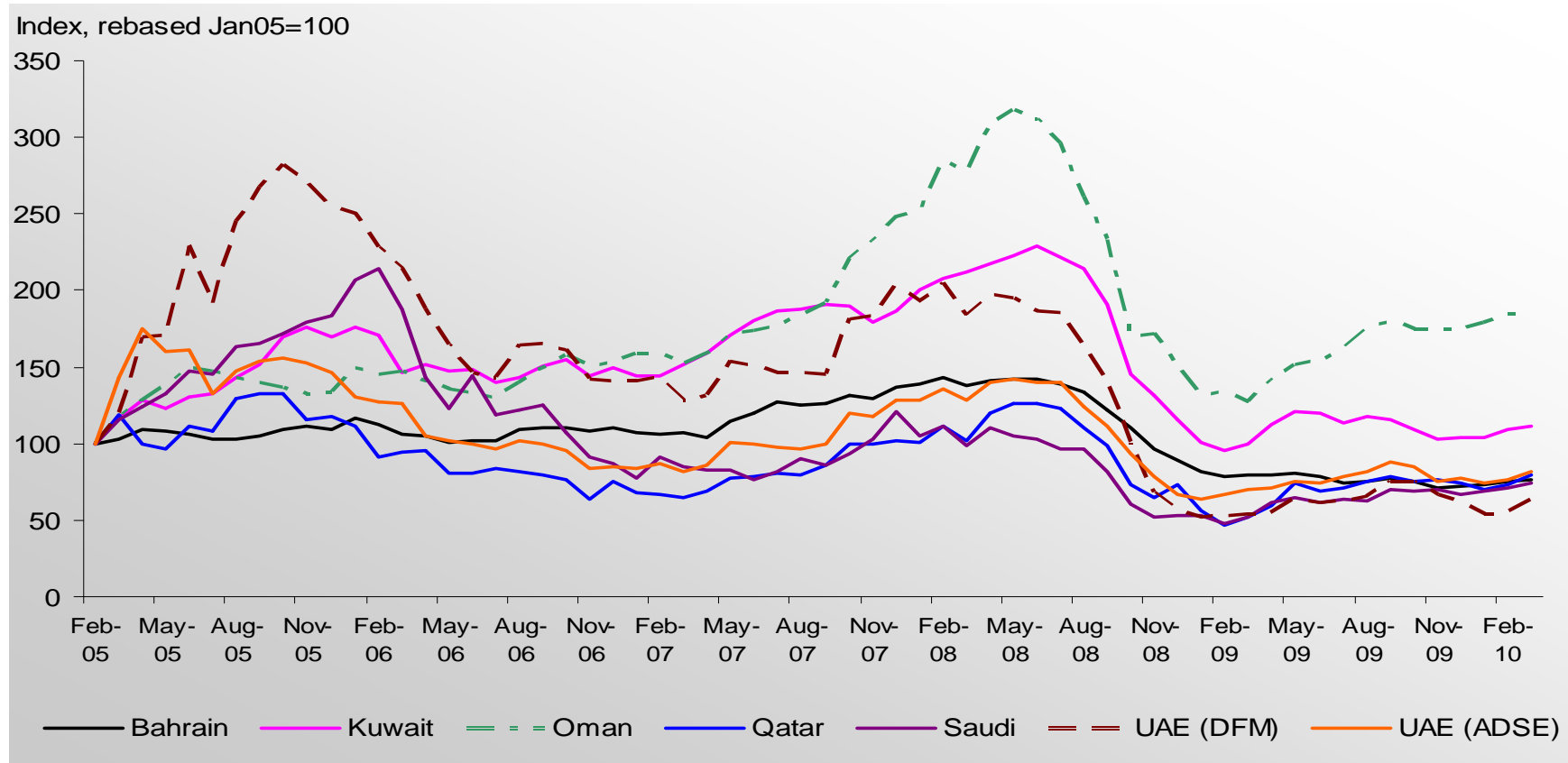
Note: A credit default swap (CDS) is a derivative contract that promises a payout if a credit event such as a default occurs. It is similar to an insurance policy. The CDS spread is the difference in basis points (a basis point is 1/100th of a percentage point) between a reference rate (such as on a U.S. Treasury Security) and the CDS rate. The spread is, in essence, an insurance premium, and as risk perceptions rise, so do premiums (spreads).

¹June 1, 2008–November 22, 2009.

²November 23, 2009–January 21, 2010.

Equity Markets

- GCC markets went south post-Lehman
- Strong economic and financial fundamentals should restore investor confidence in the medium-term.



UAE NFA position one of highest on a global basis

Text Table 1. Cross-Country Perspective on Wealth and Reserve Adequacy, 2008 or Latest

| | Norway | Singapore | Australia | Bahrain | U.A.E. |
|--|---|-----------|-----------|---------|---------|
| | (In billions of U.S. dollars, unless otherwise indicated) | | | | |
| Central bank reserves | 45 | 176 | 40 | 4 | 30 |
| IIP assets 1/ | 920 | 941 | 702 | 217 | 437 |
| IIP liabilities 1/ | 682 | 749 | 1196 | 202 | 132 |
| Net assets | 238 | 192 | -494 | 15 | 305 |
| GDP | 455 | 183 | 985 | 18 | 230 |
| Nationals (in millions) | 4.8 | 4.6 | 21.0 | 0.5 | 1.2 |
| Net assets/GDP | 52% | 105% | -50% | 83% | 132% |
| <i>Of which: net assets of central bank</i> | 10% | 96% | 4% | 22% | 13% |
| Net assets per national (in U.S. dollars) 2/ | 50,000 | 40,000 | -20,000 | 30,000 | 250,000 |

Sources: IFS, BIS, authorities and Fund staff estimates.

UAE Policy Measures allow it to weather the 'Tsunami'

- **Government blanket, unlimited guarantee of all bank deposits & deposits, including inter-bank.**
- **UAE CB reduced the repo rate to 1.0% and set-up a Dollar-Dirham swap facility resulting in an easing of inter-bank rates.**
- **UAE CB provided a credit facility of Dhs50 billion, supplemented by a government deposit of Dhs70 billion in banks ; by mid-Feb 09, the banks were no longer borrowing funds from the emergency facility, implying no more credit shortage in the market.**
- **UAE/Dubai maintaining expenditure on infrastructure public works and development projects**
 - ✓ **Total outlay of UAE 2010 budget at Dh 43.6bn => Dh7.6 billion or 17.5% of the total has been set for infrastructure development projects.**
 - ✓ **Dubai budget 2010: total expenditure at Dh 35.4bn => almost one third of total public spending is allocated to developing infrastructure**
- **Latest measures include:**
 - ✓ **Dubai launched a \$20 bn bond programme; Abu Dhabi injected \$4.4 bn to recapitalize five banks.**
 - ✓ **The Central Bank extended the length of the repo facility to one month**
 - ✓ **An official benchmark for the dirham's offered rate EIBOR was set up in Sep09**
 - ✓ **Central bank cut interest rate on its liquidity support facilities to banks to 1.5% from 2.5% earlier.**
 - ✓ **Post-Dubai World restructuring announcement, UAE CB pledged a new liquidity facility for local banks**

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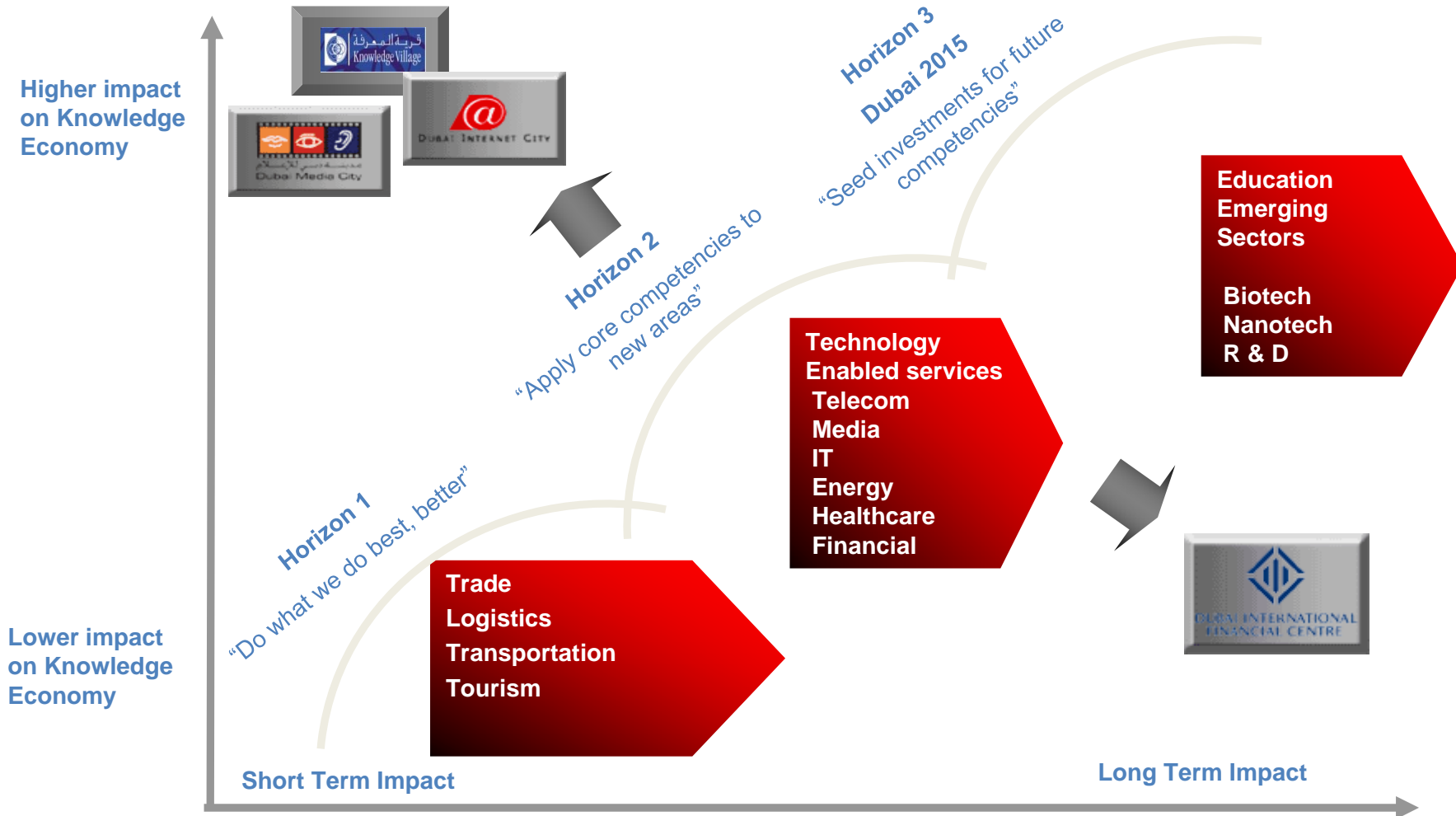
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Dubai Strategic Planning



“Dubai Model” of Economic Growth & Development

Diversification

- Low dependence on oil
- High contribution of Service sector to GDP (annual growth rate: 21% since 2000)
- Pro-business Government
- Dynamic Business environment

Openness & Reform

- Business Climate: One of the top 10 reformers in WB's Ease in Doing Business 2010
- Property law reform
- Favourable Tax Structure
- 100% foreign ownership in Free Zones



Infrastructure & Demographics

- Young fast-growing population
- Liberal labour migration policy
- Major emphasis on Infrastructure (more than 30% of budget expenditure)
- World-class infrastructure & logistics

Economic Clustering

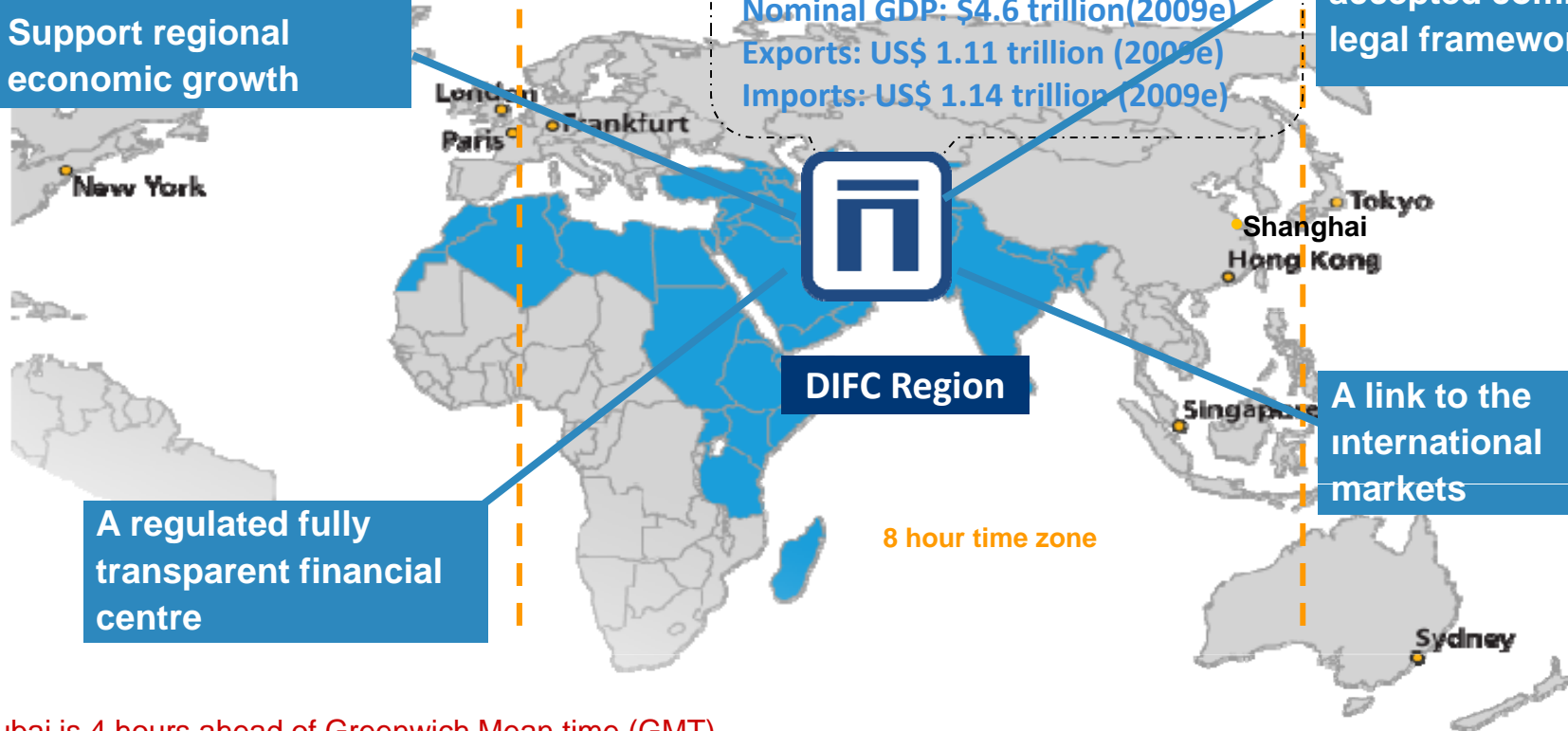
- Free Zones resulted in: Competition, FDI & Economies of Scale
- 18 operational Free Zones (including the DIFC)
- Advantageous Time Zone

Why Create A New International Financial Centre?

Deployment channel for the new wealth & Support regional economic growth

The DIFC region:
 42 countries ; Population: 2.25 bn
 Nominal GDP: \$4.6 trillion(2009e)
 Exports: US\$ 1.11 trillion (2009e)
 Imports: US\$ 1.14 trillion (2009e)

Internationally-accepted common legal framework



A regulated fully transparent financial centre

DIFC Region

A link to the international markets

8 hour time zone

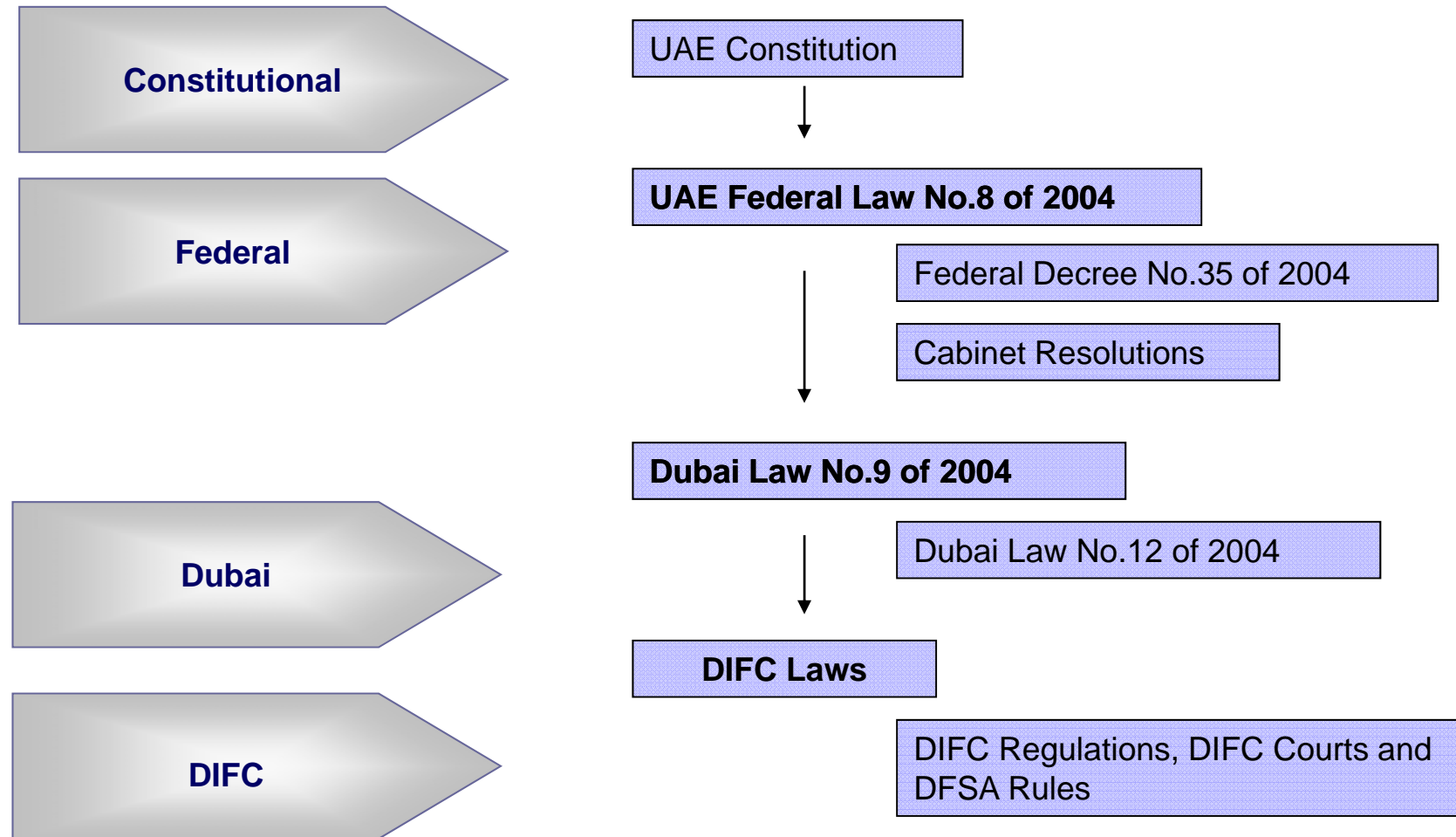
Dubai is 4 hours ahead of Greenwich Mean time (GMT)

5pm Dubai = 9am New York

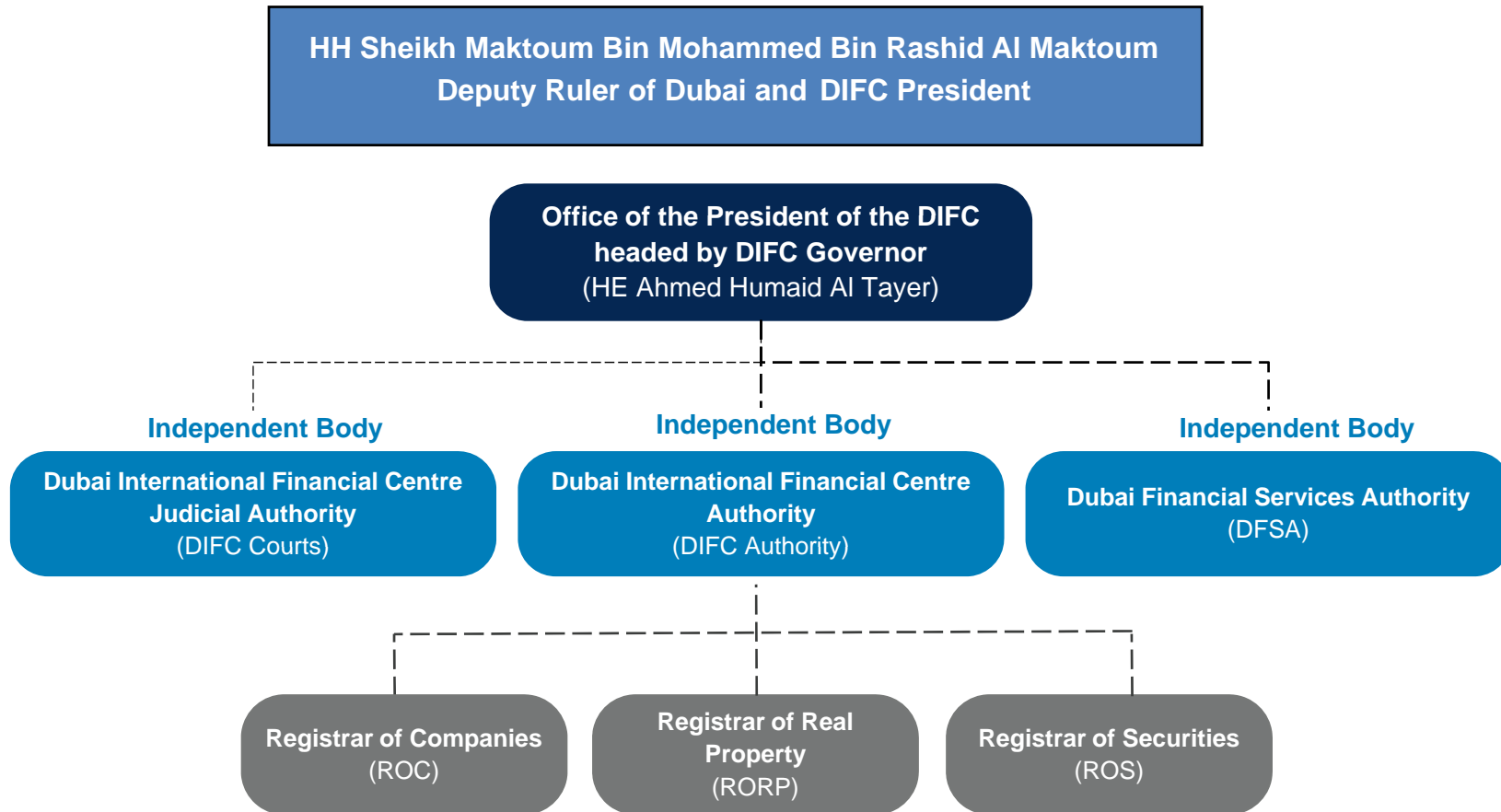
1pm Dubai = 9am London

9am Dubai = 1pm Hong Kong

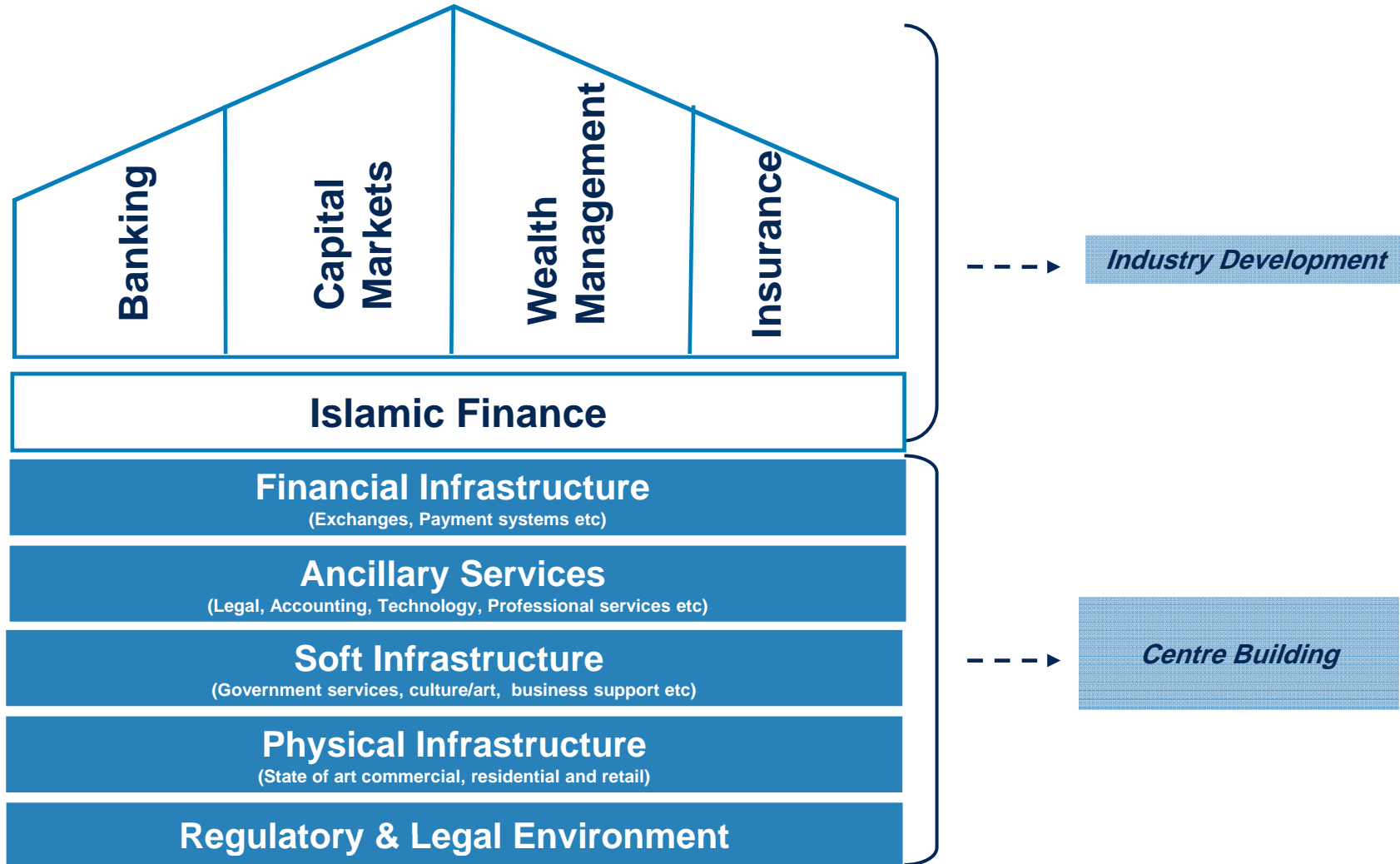
DIFC- Legal Foundations



DIFC Structure



DIFC: Ecosystem



Top SWFs by Assets

| Country | Fund Name | Assets \$Billion | Inception | Origin | SWF to Foreign Exchange Reserve Ratio | Linaburg-Maduell Transparency Index |
|------------------------|---|---------------------|-------------|---------------|--|---|
| UAE - Abu Dhabi | Abu Dhabi Investment Authority | \$627 | 1976 | Oil | 13.9 | 3 |
| Norway | Government Pension Fund – Global | \$445 | 1990 | Oil | 8.8 | 10 |
| Saudi Arabia | SAMA Foreign Holdings | \$432 | n/a | Oil | 1.1 | 2 |
| China | SAFE Investment Company | \$347.1 | | Non-Commodity | 0.2 | 2 |
| China | China Investment Corporation | \$288.80 | 2007 | Non-Commodity | 0.1 | 6 |
| Singapore | Government of Singapore Investment Corporation | \$247.50 | 1981 | Non-Commodity | 1.4 | 6 |
| Kuwait | Kuwait Investment Authority | \$202.80 | 1953 | Oil | 10.6 | 6 |
| Russia | National Welfare Fund | \$168.0 | 2008 | Oil | 0.4 | 5 |
| China | National Social Security Fund | \$146.50 | 2000 | Non-commodity | nil | 5 |
| China - Hong Kong | Hong Kong Monetary Authority Investment Portfolio | \$139.70 | 1993 | Non-Commodity | 1 | 8 |
| Singapore | Temasek Holdings | \$122 | 1974 | Non-Commodity | 0.7 | 10 |
| Libya | Libyan Investment Authority | \$70 | 2006 | Oil | 0.8 | 2 |
| Qatar | Qatar Investment Authority | \$65 | 2005 | Oil | 8.6 | 5 |

Opportunities for Debt Market Development

- Debt issuance at GCC and UAE/Dubai levels reflect the initiation of **an active counter-cyclical fiscal and financial policy response**
- **An efficient public debt management policy** would allow governments to smooth the boom and bust cycle induced by oil price fluctuations
- **Bonds provide Central Banks with monetary policy instruments**, enabling conduct of open market operations and more effective management & control of liquidity
- **Finance of Infrastructure & Public Works** projects in the GCC and Gulf region

DIFC Legal Infrastructure

| DIFC Law No. | Law/Regulation | Administrative Authority | | |
|----------------|---|--------------------------|------|-----|
| | | DIFCA | DFSA | DJA |
| No. 1 of 2004 | Regulatory Law | | ✓ | |
| No. 2 of 2004 | Companies Law | ✓ | | |
| No. 4 of 2004 | Law Relating to the Application of DIFC Laws | ✓ | | |
| No. 5 of 2004 | Limited Liability Partnership Law | ✓ | | |
| No. 6 of 2004 | Contract Law | ✓ | | |
| No. 7 of 2004 | Insolvency Law | ✓ | | |
| No. 10 of 2004 | Courts Law | | | ✓ |
| No. 11 of 2004 | General Partnership Law | ✓ | | |
| No. 12 of 2004 | Markets Law | | ✓ | |
| No. 13 of 2004 | Law Regulating Islamic Financial Business | | ✓ | |
| No. 4 of 2005 | Employment Law | ✓ | | |
| No. 5 of 2005 | Law of Obligations | ✓ | | |
| No. 6 of 2005 | Implied Terms in Contracts and Unfair Terms Law | ✓ | | |
| No. 7 of 2005 | Law of Damages and Remedies | ✓ | | |
| No. 8 of 2005 | Law of Security | ✓ | | |
| No. 9 of 2005 | Personal Property Law | ✓ | | |
| No. 10 of 2005 | Law on the Application of Civil and Commercial Laws | ✓ | | |
| No. 11 of 2005 | Trust Law | | ✓ | |
| No. 1 of 2006 | Collective Investment Law | | ✓ | |
| No. 3 of 2006 | Companies Law | ✓ | | |
| No. 4 of 2006 | Limited Partnership Law | ✓ | | |
| No. 5 of 2006 | Investment Trust Law | | ✓ | |
| No. 1 of 2007 | Data Protection Law | ✓ | | |
| No. 4 of 2007 | Real Property Law | ✓ | | |
| No. 5 of 2007 | Strata Title Law | ✓ | | |
| No. 1 of 2008 | Arbitration Law | ✓ | | |
| No. 1 of 2009 | Payment System Settlement Finality Law | ✓ | | |

DIFC Regulations

1. Non Financial Anti Money Laundering/Anti Terrorist Financing (AML/CFT) Regulations
2. Real Property Regulations
3. Strata Title Regulations
4. Data Protection Regulations
5. Limited Partnership Regulations
6. Security Regulations
7. Dematerialized Investments Regulations
8. DIFC Insolvency Regulations
9. Preferential Creditor Regulations
10. Companies Regulations
11. Single Family Office Regulations
12. General Partnership Regulations
13. Limited Liability Partnership Regulations
14. DIFCA Operating Regulations
15. Special Purpose Company Regulation
16. Special Purpose Company Fee Regulation

DIFC Entities

- DFSA
- DIFC Courts
- Arbitration Centre
- Borse Dubai
 - DFM
 - Nasdaq Dubai
- Dubai Mercantile Exchange
- RAPID
- Hawkamah Institute for Corporate Governance
- Mudara Institute of Directors
- Centre of Excellence
- Registrar of Companies
- Registrar of Security
- Registrar of Land

Features of the DFSA

Domestically

- Sole financial regulator within DIFC
- Risk-based regulator
- AML co-operation with UAE Central Bank
- Administrative and civil rule making and enforcement (Criminal Enforcement conducted by the UAE)

Internationally

- IOSCO (including multilateral MOU)
- IAIS (Technical Committee)
- IFSB
- AAOIFI

MoU's signed by the DFSA



48 Bi-lateral MoUs Signed as of 30th March 2010

| | | |
|----|-------------------|--|
| 1 | Australia | Australian Securities and Investments Commission (ASIC) |
| 2 | Belgium | Banking, Finance and Insurance Commission (CBFA) |
| 3 | China | China Banking Regulatory Commission (CBRC) |
| 4 | China | China Securities Regulatory Commission (CRSC) |
| 5 | Cyprus | Securities and Exchange Commission (SEC) |
| 6 | Dubai | Dubai Police |
| 7 | Dubai | Public Prosecution Department |
| 8 | Egypt | Capital Markets Authority (CMA) |
| 9 | France | Banque de France |
| 10 | France | Autorité des marchés financiers of France (AMF) |
| 11 | Germany | Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) |
| 12 | Greece | Hellenic Capital Market Commission (HCMC) |
| 13 | Guernsey | Financial Services Commission (FSC) |
| 14 | Hong Kong | Securities and Futures Commission (SFC) |
| 15 | Iceland | The Financial Supervisory Authority (FME) |
| 16 | India | Securities and Exchange Board of India (SEBI) |
| 17 | Ireland | Irish Financial Services Regulatory Authority |
| 18 | Isle of Man | Financial Supervision Commission (FSC) |
| 19 | Isle of Man | Insurance and Pensions Authority (IPA) |
| 20 | Japan | Japan Financial Services Authority (JFSA) |
| 21 | Jersey | Financial Services Commission (JFSC) |
| 22 | Jordan | Insurance Commission (IC) |
| 23 | Jordan | Central Bank of Jordan |
| 24 | Korea | Financial Supervisory Commission (FSC) |
| 25 | Luxembourg | Commission de Surveillance du Secteur Financier (CSSF) |

MoU's signed by the DFSA (Contd).



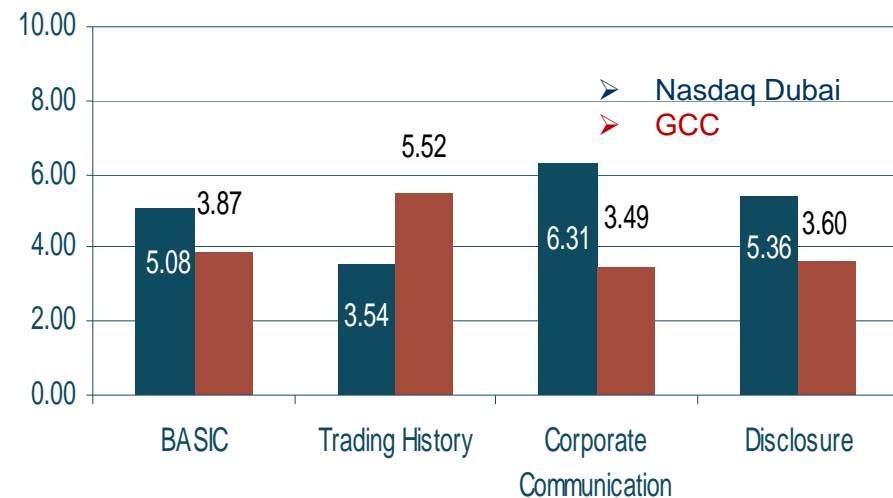
| | | |
|-----------|--------------------|---|
| 26 | Malaysia | Securities Commission (SC) |
| 27 | Malaysia | Bank Negara/the Central Bank |
| 28 | Malta | Malta Financial Services Authority |
| 29 | Netherlands | Authority for the Financial Markets (AFM) |
| 30 | Netherlands | De Nederlandsche Bank (DNB) |
| 31 | New Zealand | Securities Commission (SC) |
| 32 | Oman | Capital Market Authority (CMA) |
| 33 | Qatar | Qatar Financial Centre Regulatory Authority |
| 34 | Singapore | Monetary Authority of Singapore (MAS) |
| 35 | South Africa | Financial Services Board (FSB) |
| 36 | South Africa | Reserve Bank |
| 37 | Switzerland | Swiss Federal Banking Commission (SFBC) |
| 38 | Sweden | Finansinspektionen (FI) |
| 39 | Thailand | Securities and Exchange Commission (SEC) |
| 40 | Taiwan | Financial Supervisory Commission of Chinese Taipei (FSC) |
| 41 | Turkey | Capital Markets Board (CMB) |
| 42 | Turkey | Banking Regulation and Supervision Board (BDDK) |
| 43 | UAE | Emirates Securities and Commodities Authority (ESCA) |
| 44 | UAE | Central Bank of the United Arab Emirates (CBUAE) |
| 45 | UAE | Anti-Money Laundering Suspicious Cases Unit of the Central Bank (AMLSCU) |
| 46 | UK | Financial Services Authority (FSA) |
| 47 | United States | Commodity Futures Trading Commission (CFTC) |
| 48 | United States | The Federal Reserve, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS). |

2 Multi-lateral MoUs as of 30th March 2010

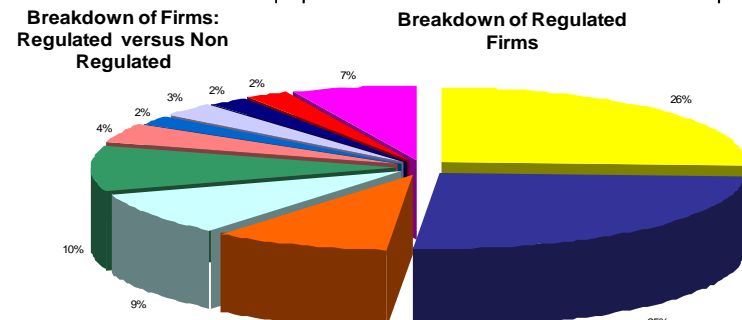
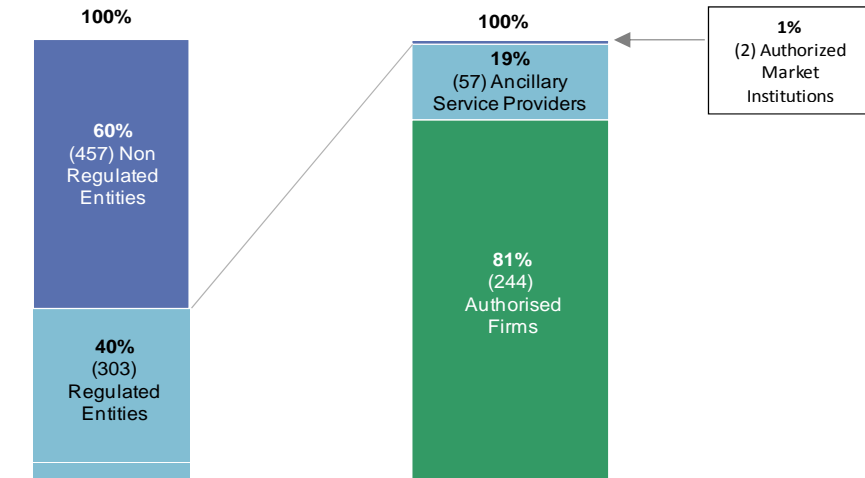
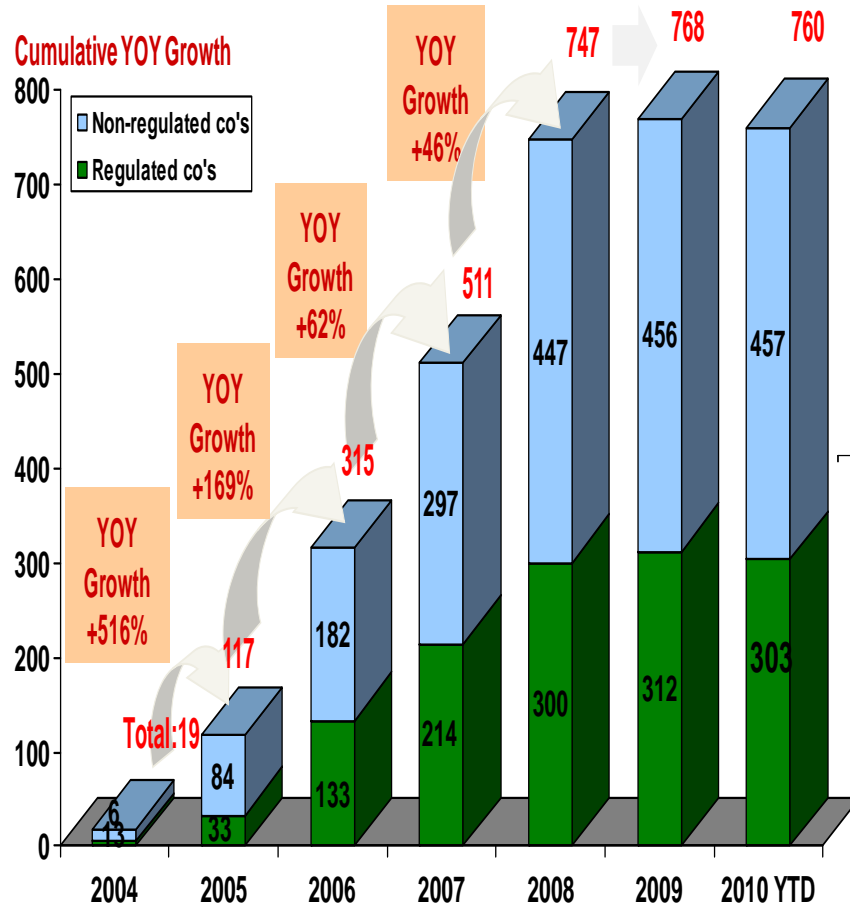
1. IOSCO (International Organisation of Securities Commissions)
2. The BOCA Declaration

Borse Dubai: Nasdaq Dubai and DFM

- Borse Dubai is the holding company for Dubai Financial Market (DFM) and Nasdaq Dubai (earlier DIFX).
- Borse Dubai created **to consolidate the two stock exchanges in Dubai (DFM & Nasdaq Dubai)** as well as current investments in other exchanges to expand Dubai's position as a capital market hub in the region.
- Nasdaq Dubai is a fully integrated electronic exchange and is now largest Bond/Sukuk Market in the ME
- **Nasdaq-Dubai listed companies rank highest in the GCC on transparency, disclosure and Corporate communication**



Development of DIFC as a Financial Hub



- Arranging Credit or Deals in Investments
- Advising on Financial Products
- Managing Assets
- Dealing in Investments as Agent
- Arranging Custody
- Dealing in Investments as Principal
- Fund Administration
- Providing Credit
- Accepting Deposits
- Insurance Intermediation
- Other

European Banks at the DIFC

More than one-fifth of the regulated companies registered at the DIFC are from Europe.

Some of the big names include:

- Julius Baer (Middle East) Limited
- Credit Suisse AG (formerly known as Credit Suisse)
- Bank Sarasin-Alpen (ME) Limited
- Merrill Lynch Bank (Suisse) S.A.
- Alpen Capital (ME) Limited
- Deutsche Bank Aktiengesellschaft
- EFG Bank Ltd (formerly known as EFG Bank)
- Sarasin-Alpen & Partners Limited
- Cisco Capital (Dubai) Limited
- Saxo Bank (Dubai) Limited
- Fortis Bank (Nederland) N.V
- BNP Paribas Investment Partners Asia Limited
- ABN AMRO Bank N. V.
- Dresdner Bank (DIFC) Limited

Dubai's status as a leading Global Financial Centre

The DIFC-KPMG “International Financial Centres Competitive Assessment Report” highlighted the status of DIFC as a leading financial centre. Overall, DIFC ranks 7th and Dubai/UAE ranks 10th amongst the selected 15 international and regional financial centres.

| Financial Centre (Country) | Overall Competitive Assessment Ranking | Ranking under Individual Pillars | | |
|-------------------------------|---|----------------------------------|-----------------------------------|-------------------------------------|
| | | Industry Opinion Pillar | Industry Performance Pillar | Capability Measurement Pillar |
| Singapore | 1 | 4 | 3 | 1 |
| London (United Kingdom) | 2 | 1 | 1 | 13 |
| New York (United States) | 3 | 2 | 2 | 9 |
| Hong Kong | 4 | 3 | 4 | 5 |
| Zurich (Switzerland) | 5 | 5 | 5 | 2 |
| Tokyo (Japan) | 6 | 6 | 6 | 15 |
| DIFC (United Arab Emirates) | 7 | 10 | 11 | 3 |
| Frankfurt (Germany) | 8 | 7 | 8 | 10 |
| Luxembourg | 9 | 8 | 10 | 7 |
| Dubai (United Arab Emirates) | 10 | 10 | 11 | 6 |
| Paris (France) | 11 | 9 | 7 | 14 |
| Dublin (Ireland) | 12 | 12 | 9 | 11 |
| Doha (Qatar) | 13 | 13 | 15 | 4 |
| Manama (Bahrain) | 14 | 13 | 14 | 8 |
| Riyadh (Saudi Arabia) | 15 | 15 | 13 | 12 |



Thank You!

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