



# هيئة الأوراق المالية والسلع SECURITIES & COMMODITIES AUTHORITY



# Annual Report

## Emirates Securities Market Performance & Summary of SCA Achievements 2013



شهادة الايزو 9001:2008 لنظم الجودة  
ISO 9001:2008 certified

جانزتي برنامج الشيخ خليفة للتميز الحكومي  
Sheikh Khalifa Government Excellence Awards



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# Foreword

This report highlights the reality of the UAE securities sector last year. It provides a comprehensive picture of the performance of this vital sector, SCA's most significant initiatives and efforts to develop the UAE's investment environment. Actually, the year 2013 will be remembered for the many achievements recorded in the securities and commodities sector.

Undoubtedly, the performance of the local markets last year was exceptional in terms of market value, volume of trade and the appreciation rate of the Emirates Securities Market (ESM) Index, as the Index ended the year at a high of about 68% to top the list of best performers in the Middle East in 2013, while the volume of trade in the same year rose high to beat the total of the last three previous years collectively. Similarly, the volume of trade of the Dubai Gold and Commodities Exchange (DGCX) appreciated by 43% to win the "Exchange of the Year 2013" in the Middle East and Africa award.

These figures reflect the great performance of the general economic index and the sustained efforts of the SCA working teams, under the supervision of the SCA board of directors led by its chairman, H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy.

During the year, SCA continued to enhance the legislation climate that governs the local capital market by issuing three new regulations – Regulation for IssueRights, Regulation for Investment Management and Regulation for Covered Warrants.

Furthermore, amendment were made on Regulation for Disclosure and Transparency, Regulation for Mutual Funds and Regulation for Margin Trading.

Perhaps the most significant of all SCA achievements last year is SCA's outstanding success in leading the ESM to be upgraded from "Frontier" to "Emerging Market" status by the Morgan Stanley Capital International (MSCI) Index, winning greater worldwide recognition for UAE markets' high standard, the strength of UAE market legislations and the great attraction of UAE markets' investment environment.

This report is but a reference that has documented all data and information related to the local securities and commodities market in 2013. The report covers the indices and rates of all the various sectors of the ESM indices, making it a rich source for researchers and experts.

Having implemented successfully all the initiatives outlined in the 2011 - 2013 Strategic Plan, the SCA has started implementing its 2014 – 2016 Strategic Plan, bubbling with great confidence and deep belief in its ability to achieve all the objectives targeted by that plan, which would enable the SCA succeed in leading the local markets, once again, a step further to attain the status of "Advances Market". We pray to Allah for greater success.



## The Emirate Securities Market (ESM) has witnessed many developments in 2013. Following is an overview of the major developments:

- The ESM index appreciated by 68.41% in 2013 to close at 4313.56 points.
- The market value of the shares of the local companies listed on the market amounted to about AED646billion by the end of the year 2013, representing an appreciation of 70.45% compared to the closing value of the previous year, 2012.
- The total volume of trading in 2013 amounted to about 178.68 billion shares valued at approximately AED244.50billion, compared to 56.85billion shares with a total value of AED70.70billion traded in 2012. The rate of surge in trading volume stood at 214.3%, while the rate of appreciation in traded value stood at 245.83%.
- The performance of almost all sectors appreciated except the “Insurance” sector which slipped slightly by 0.36%.
- There was an overall improvement in the performance of most of the sectors with the “Investment and Financial Services” sector topping the table with an appreciation rate of 161.78% by the end of last year to settle at 5311.479 points against 2028.964 recorded in the previous year. It was followed by the “Real Estate” sector which appreciated by 117.02% to settle at 5287.335 points compared to 2436.371 points. The “Banking” sector followed with an appreciation of 74.94% to settle at 2912.226 points compared to 1664.721 points recorded in 2012. The “Transport” sector followed with a rise of 70.50% to settle at 3653.379 points compared to 2142.708 points recorded in 2012, followed by the “Industry” sector with an appreciation rate of 61.06% to settle at 1109.932 points compared to 689.143 points in the previous year, then the “Telecom” sector which rose by 40.50% to settle at 2412.040 points in 2013 compared to 1716.720 points the previous year. The “Services” sector followed with a rise of 32.56% to settle at 1496.065 points compared to 1128.570 points in 2012, then the “Energy” sector which appreciated by 31.84% to settle at 170.355 points compared to 129.217 points in 2012. The “Consumer Staples” sector followed with an appreciation rate of 30.85% to settle at 1482.746 points compared to 1133.147 points recorded in 2012, while the “Insurance” sector trailed with a depreciation rate -0.36% to settle at 1597.00 points in 2013 compared to 1602.81 points recorded in 2012.
- During the year, One Kuwaiti company was listed, while four (4) public joint stock companies were delisted from the ESM, including two (2) local companies and two (2) Kuwaiti companies. This slashed the total number of listed companies from 123 companies by the end of 2012 to 120 companies by the end of December 2013.

**Table No. (1)**

### The companies which delisted from the ESM in 2013

S. No.	Sector	Company's Name	Company's ID
01	Industry	Arab Heavy Industries	UAE
02	Investment and Financial Services	Kuwait International Investment Company	Kuwait
03	Investment and Financial Services	International Investment Group	Kuwait
04	Real Estate	SurouhReal Estate	UAE

Source: Securities and Commodities Authority



## Performance of ESM from 2001 to 2013

Table No. (2) below shows the advancement of ESM index, market value (capitalization), trading volume, trading value, number of trades and number of listed companies from 2001 to 2013.

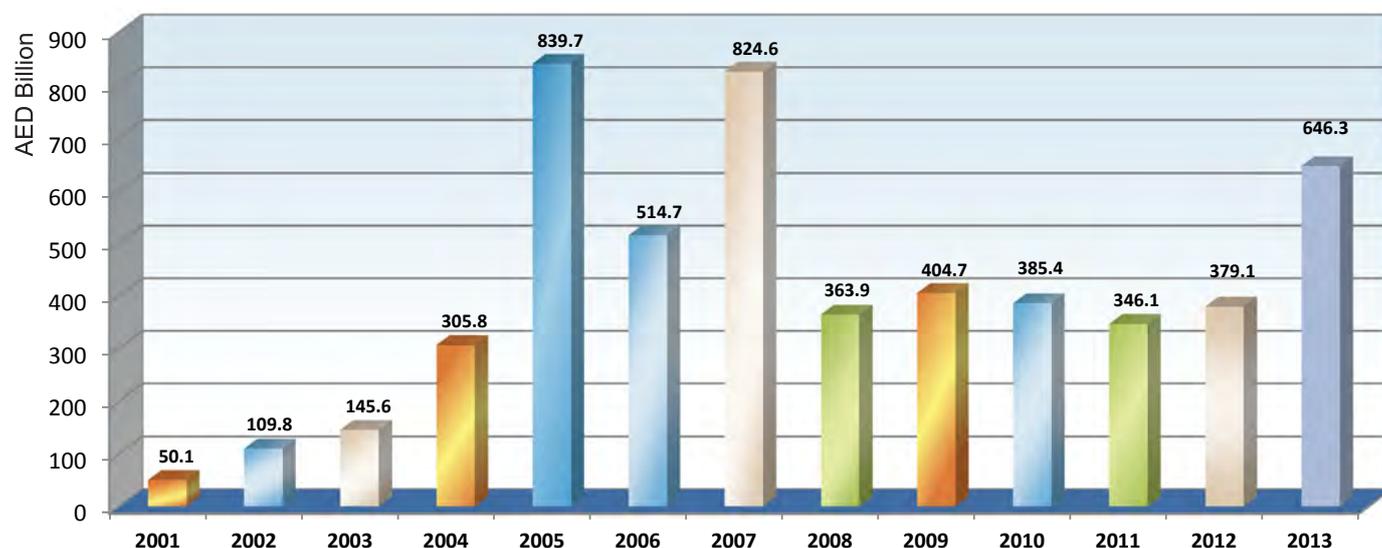
**Table No. (2)**  
**The companies which delisted from the ESM in 2013**

Year	ESM Index	Market Cap. (AED)	Traded Volume (Share)	Traded Value (AED)	No. of Trades	No. of Listed Co.
2001	1,116.68	50,130,930,613	77,253,923	1,515,071,809	19,334	27
2002	1,253.36	109,784,090,882	209,230,202	3,861,378,020	36,341	37
2003	1,657.24	145,631,820,623	561,439,842	7,457,778,820	50,712	44
2004	3,251.57	305,803,235,070	6,069,276,451	66,786,465,772	299,280	53
2005	6,839.97	839,683,136,512	33,811,933,303	509,868,016,048	2,300,452	89
2006	4,031.01	514,697,464,200	50,939,871,239	418,149,306,407	3,138,749	106
2007	6,016.21	824,629,199,856	157,318,141,814	554,333,583,214	3,354,617	120
2008	2,552.23	363,872,030,000	126,439,280,603	537,134,415,081	3,257,450	130
2009	2,771.56	404,702,513,093	148,297,352,509	243,489,889,472	2,728,964	133
2010	2,655.32	385,429,934,198	56,003,360,875	103,804,933,675	1,158,505	129
2011	2,341.42	346,135,787,877	40,995,866,992	56,819,194,126	728,097	128
2012	2,561.21	379,062,031,092	56,858,376,402	70,705,517,247	880,087	123
2013	4,313.56	646,270,799,980	178,682,361,983	244,504,710,417	1,894,030	120

Source: Securities and Commodities Authority

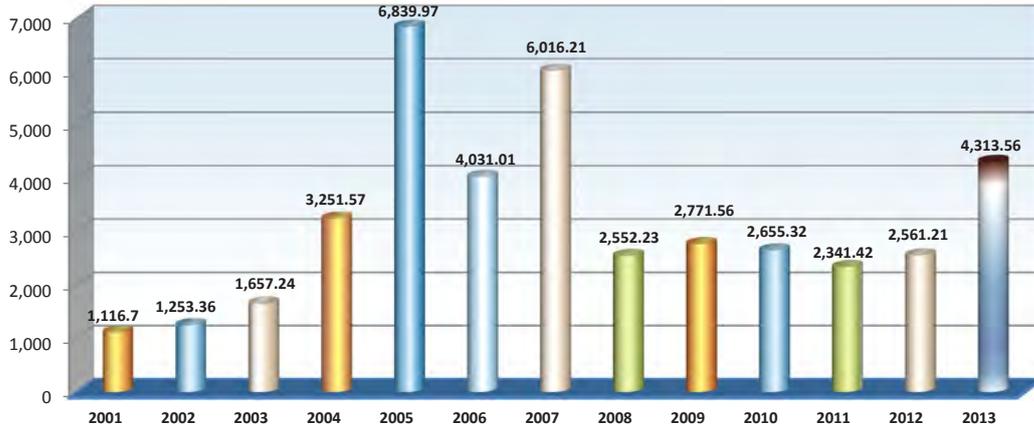
## Summary of ESM performance in the past years up to the end of December 2013

**Chart No. (1)**  
**Market Capitalization in AED (2001 to 2013)**



**Chart No. (2)**

**Annual development of ESM index movement since inception up to 2013**



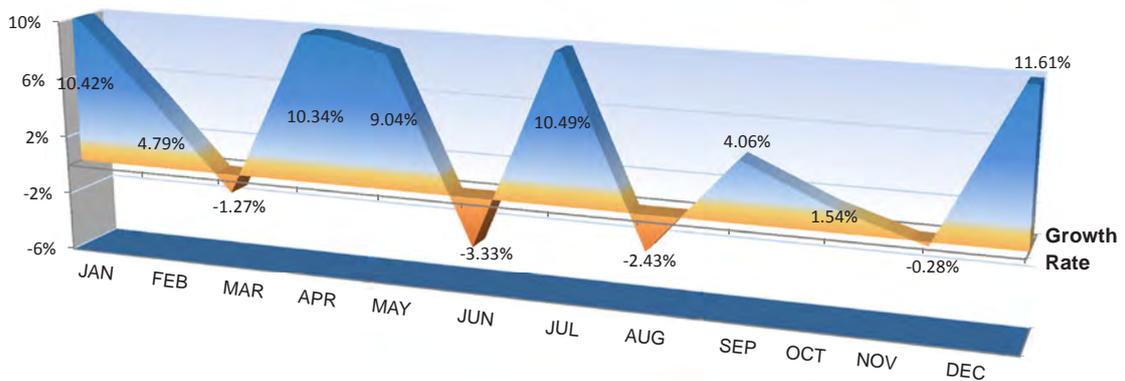
**Chart No. (3)**

**It shows index movement in 2013 on a monthly basis**



**Chart No. (4)**

**It shows the monthly growth rate of the index in 2013**



## Foreign Investment in 2013

The local markets of the United Arab Emirates has witnessed remarkable trading activities by foreign investors in 2013. The total purchase value by foreigners amounted to about AED 101.38 billion, while the total sales value by foreigners amounted to AED 97.68 billion, with a net foreign investment of AED 3.7 billion, i.e. more than double the figure recorded in 2012 which stood at AED1.46 billion.

**Table No. (3)**

### Total trading by foreign investors in 2013

Market	Foreigners Total Purchase Value (AED)	Foreigners Total Sale Value (AED)	Net Foreign Investment (AED)	Foreigners Trading Rate %
ADX	32,405,542,682	30,398,367,151	2,007,175,531	36.96%
DFM	68,975,593,060	67,282,170,222	1,693,422,838	42.61%
<b>Total</b>	<b>101,381,135,742</b>	<b>97,680,537,373</b>	<b>3,700,598,369</b>	<b>40.65%</b>

Source: SCA, ADX & DFM

## Net Foreign Investment on UAE Markets

**Table No. (4)**

### Comparison between net foreign investment for the years 2009 up to 2013.

year	2009	2010	2011	2012	2013
Net foreign investment (AED) Million	2,636	-54	224	1,456	3,701

Source: SCA, ADX & DFM

The information above clearly shows a surge in the inflow of foreign investment to ADX and DFM as net foreign investment inflow reached AED 3.701 billion in 2013, compared to 2012 which recorded a AED 1.457 million. Foreign traders (non-Emiratis) accounted for 40.65% of the total trading value in 2013, down from 45.18% in 2012 as more local participate in the stock market.

**Table No. (5)**

### Net foreign investment on ADX and DFM in 2013 compared to 2012

Market	Net Foreign Investment 2012	Net Foreign Investment 2013	Change
ADX	995,453,387	2,007,175,531	1,011,722,144
DFM	461,156,945	1,693,422,838	1,232,265,893
<b>Total</b>	<b>1,456,610,332</b>	<b>3,700,598,369</b>	<b>2,243,988,037</b>

Source: SCA, ADX & DFM

## Detailed Statistical Bulletin of ESM Performance in 2013

Market trading has witnessed an upward trend in share prices of listed companies. The number of companies which closed with a rise in share prices by the end of trading sessions of 2013 – compared to the closure in the previous year – was 91 companies out of 107 companies whose shares were traded. Meanwhile, the closing share prices for 15 companies declined and the closing share prices of 15 companies remained stable, while the shares of 15 other firms were not traded. It's worth noting here that a total of 123 companies were listed on the ESM at the end of 2012 (See Table 6). The number decreased at the end of 2013 to 120 following the delisting of five (4) companies and the listing of one new foreign company. Meanwhile, the number of listed local companies currently stands at 105, while the number of foreign ones is 15.

Table No. (6)

Companies	Numbers
Increased	91
Decreased	15
No Change	15
Traded	107
Non-Traded	15
Listed in 2013	1
Delisted	4
Listed as on 2013	120
Listed as on 2012	123
Local	105
Foreign	15

## Benchmark Indices

There has been significant improvement in the performance of most sectors with the Investment and Financial Services sector topping the chart with appreciation rate of 161.78% at the end of last year to settle at 5311.479 points compared to 2028.964 points in 2012. The real estate sector followed with an appreciation rate of 117.02% to settle at 5287.335 at the end of 2013, compared to 2436.371 points recorded in the previous year, then the banking sector which rose by 74.94% to settle at 2912.226 points in 2013 compared to 1664.72 points recorded the previous year. The transport sector followed with an appreciation of 70.50% to settle at 3653.379 points compared to 2142.708 points recorded in 2012, then the industry sector which appreciated by 61.06% to settle at 1109.932 points compared to 689.143 points in 2012. The telecom sector followed with a rise of 40.50% to settle at 2412.040 points compared to 1716.720 points in 2012. The services sector followed with an appreciation rate of 32.56% to settle at 1496.065 points compared to 1128.570 points recorded in 2012, followed by the energy sector with an appreciation rate of 31.84% to settle at 170.355 points compared to 129.217 points recorded in 2012. It was followed by the consumer staples sector which appreciated by 30.85% to settle at 1482.746 points in 2013 compared to 1133.147 points in 2012. The insurance sector followed with a depreciation rate of -0.36% to settle at 1597.00 points in 2013 compared to 1602.81 points recorded in 2012.

Table No. (7)

Sectors	Closing by End of 2013	Closing by End of 2012	% of Annual Change	Annual Trading Value (AED)	Market Capitalization (AED)
<b>ESM Index</b>	<b>4,313.56</b>	<b>2,561.22</b>	<b>68.42%</b>	<b>244,504,710,417</b>	<b>646,270,799,980</b>
Banks	2,912.23	1,664.72	74.94%	48,825,363,721	315,958,029,216
Telecommunication	2,412.04	1,716.72	40.50%	9,614,636,375	122,947,552,283
Real estate	5,287.34	2,436.37	117.02%	118,889,618,136	95,464,707,840
Investment & Fin. Services	5,311.48	2,028.96	161.78%	30,466,742,586	35,475,704,379
Insurance	1,597.00	1,602.81	-0.36%	7,852,555,905	16,309,916,316
Industry	1,109.93	689.14	61.06%	2,723,842,761	15,258,497,462
Energy	170.36	129.22	31.84%	4,633,790,931	15,158,571,183
Transportation	3,653.38	2,142.71	70.50%	12,364,105,433	12,404,174,000
Services	1,496.07	1,128.57	32.56%	8,830,541,832	10,738,868,427
Consumer Staples	1,482.75	1,133.15	30.85%	303,512,737	6,554,778,875

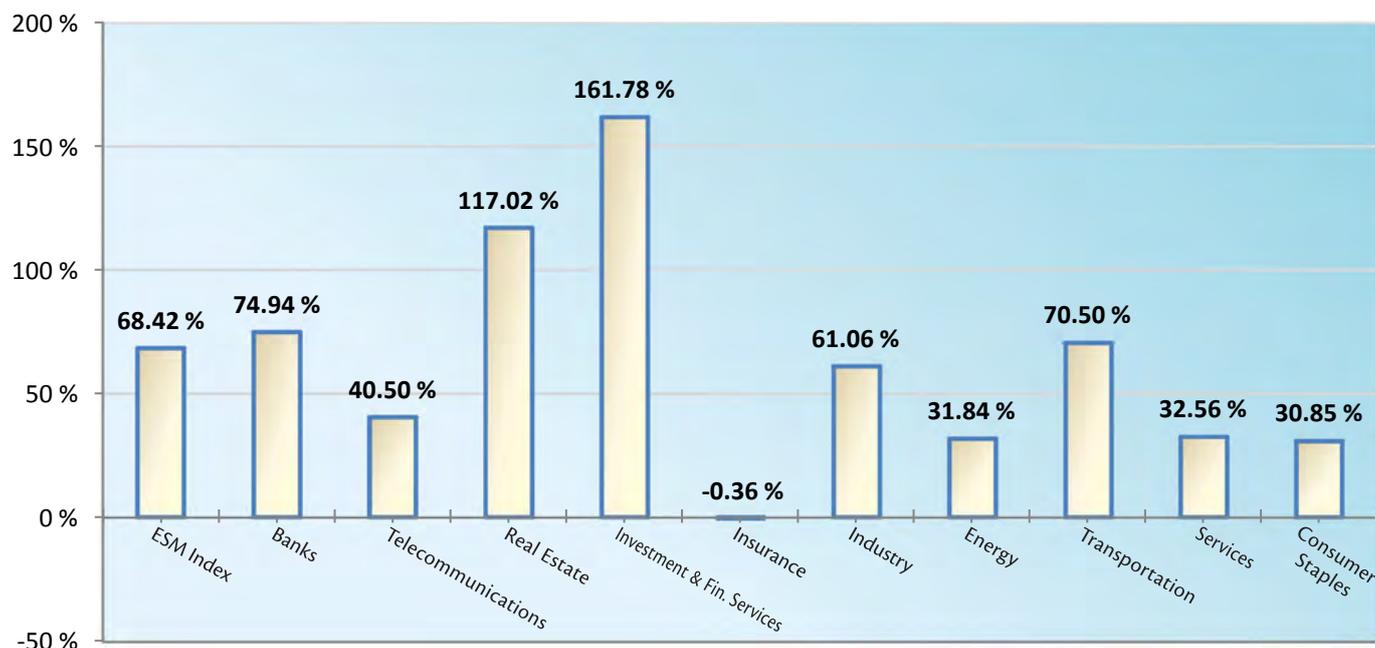
Source: Securities and Commodities Authority



Chart No. (5) illustrates the performance indices of the sectors represented on the ESM in 2013. As evidently clear in the chart, the indices of all sectors, with the exception of the Insurance sector, have appreciated during the period.

Chart No. (5)

Performance indices sector-wise in 2012



## Trading Activity on the Market

The total value of the shares traded in 2013 amounted to about AED 244.5billion. While the number of completed trades stood at about 1.89million trades, the number of shares in trade surged to approximately 1.78 billion shares during the same period.

Table No. (8) shows comparison of trading activities quarterly and semiannually in 2013.

Table No. (8)

Period in 2013	Value (AED)	Volume (Shares)	Trades	%
Quarter 1	33,514,363,654	26,375,462,925	318,655	14%
Quarter 2	59,896,485,374	41,174,187,688	473,792	24%
<b>First Half</b>	<b>93,410,849,028</b>	<b>67,549,650,613</b>	<b>792,447</b>	<b>38%</b>
Quarter 3	70,717,646,499	53,342,203,199	535,157	29%
Quarter 4	80,376,214,891	57,790,508,171	566,426	33%
<b>Second Half</b>	<b>151,093,861,389</b>	<b>111,132,711,370</b>	<b>1,101,583</b>	<b>62%</b>
<b>Total</b>	<b>244,504,710,417</b>	<b>178,682,361,983</b>	<b>1,894,030</b>	<b>100%</b>

Source: Securities and Commodities Authority

## Comparison of Trading Turnover between ADX and DFM

In 2013, approximately 556,000 trades were plied on the Abu Dhabi Securities Exchange (ADX) by trading in 51.5 billion shares with a total value of AED 84.63 billion; whereas on the Dubai Financial Market (DFM) approximately 1.33million trades were trans-acted by trading in 127.17 billion shares with a total value of AED 159.87 billion. Table No. (9) shows

Table No. (9)

2013 Period	ADX			DFM		
	Value (AED)	Volume (Shares)	Trades	Value (AED)	Volume (Shares)	Trades
1st Quarter	12,679,399,527	10,014,830,498	101,826	20,834,964,127	16,360,632,427	216,829
2nd Quarter	21,888,597,303	12,643,570,426	145,046	38,007,888,071	28,530,617,262	328,746
<b>1st Half</b>	<b>34,567,996,830</b>	<b>22,658,400,924</b>	<b>246,872</b>	<b>58,842,852,198</b>	<b>44,891,249,689</b>	<b>545,575</b>
3rd Quarter	21,706,684,049	11,802,978,750	139,331	49,010,962,449	41,539,224,449	395,826
4th Quarter	28,357,638,581	17,044,464,967	170,030	52,018,576,310	40,746,043,204	396,396
<b>2nd Half</b>	<b>50,064,322,630</b>	<b>28,847,443,717</b>	<b>309,361</b>	<b>101,029,538,759</b>	<b>82,285,267,653</b>	<b>792,222</b>
<b>Total 2012</b>	<b>84,632,319,460</b>	<b>51,505,844,641</b>	<b>556,233</b>	<b>159,872,390,957</b>	<b>127,176,517,342</b>	<b>1,337,797</b>

Source: Securities and Commodities Authority

## Monthly Traded Value of the ESM in 2013

Table No. (10)

Month	ADX			DFM			Total		
	Trades	Volume	Value	Trades	Volume	Value	Total Trades	Total Volume	Total Value
1	37,246	3,269,164,811	4,479,164,578	93,969	7,616,391,928	8,652,127,500	131,215	10,885,556,739	13,131,292,078
2	38,049	4,508,519,808	4,999,489,115	66,529	4,781,792,748	6,992,939,395	104,578	9,290,312,556	11,992,428,511
3	26,531	2,237,145,879	3,200,745,834	56,331	3,962,447,751	5,189,897,232	82,862	6,199,593,630	8,390,643,066
4	29,269	2,275,293,427	3,586,526,540	76,658	5,890,001,645	7,539,294,674	105,927	8,165,295,072	11,125,821,213
5	57,321	6,055,706,382	9,258,591,806	141,856	13,625,849,123	16,896,482,919	199,177	19,681,555,505	26,155,074,725
6	58,456	4,312,570,617	9,043,478,957	110,232	9,014,766,494	13,572,110,478	168,688	13,327,337,111	22,615,589,436
7	42,992	3,204,069,929	6,977,396,174	100,878	8,444,624,359	12,441,146,544	143,870	11,648,694,288	19,418,542,718
8	38,495	2,924,853,598	5,831,077,021	113,850	11,545,739,191	14,928,695,072	152,345	14,470,592,789	20,759,772,094
9	57,844	5,674,055,223	8,898,210,854	181,098	21,548,860,899	21,641,120,833	238,942	27,222,916,122	30,539,331,687
10	38,863	3,884,568,122	6,582,005,040	126,702	14,274,184,284	16,489,867,279	165,565	18,158,752,406	23,071,872,319
11	42,402	3,702,994,740	6,550,153,478	103,724	9,108,433,947	12,677,683,550	146,126	12,811,428,687	19,227,837,028
12	88,765	9,456,902,105	15,225,480,063	165,970	17,363,424,973	22,851,025,481	254,735	26,820,327,078	38,076,505,544
<b>Total 2013</b>	<b>556,233</b>	<b>51,505,844,641</b>	<b>84,632,319,460</b>	<b>1,337,797</b>	<b>127,176,517,342</b>	<b>159,872,390,957</b>	<b>1,894,030</b>	<b>178,682,361,983</b>	<b>244,504,710,418</b>

Source: Securities and Commodities Authority



The following charts illustrate a number of inputs pertaining to trading activities on the ESM

Chart No. (6)

Distribution of trading activities between ADX and DFM in 2013

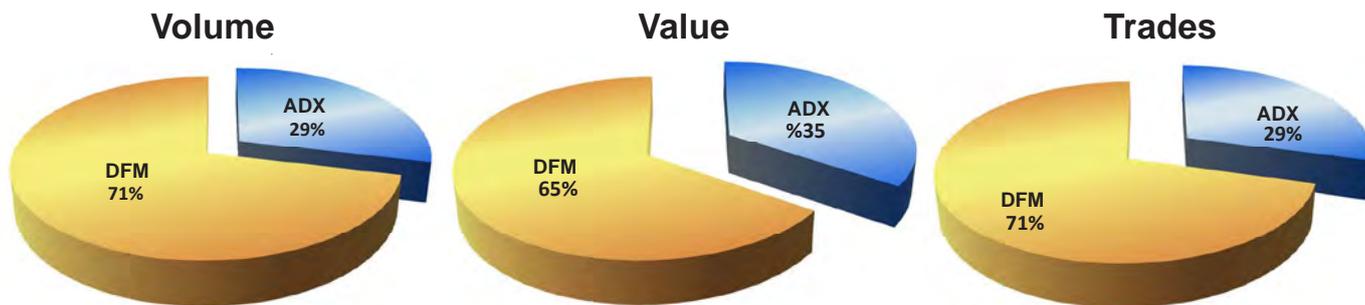


Chart No. (7)

Monthly traded value (in AED) on ESM in 2013



Chart No. (8)

Monthly traded volume on ESM in 2013



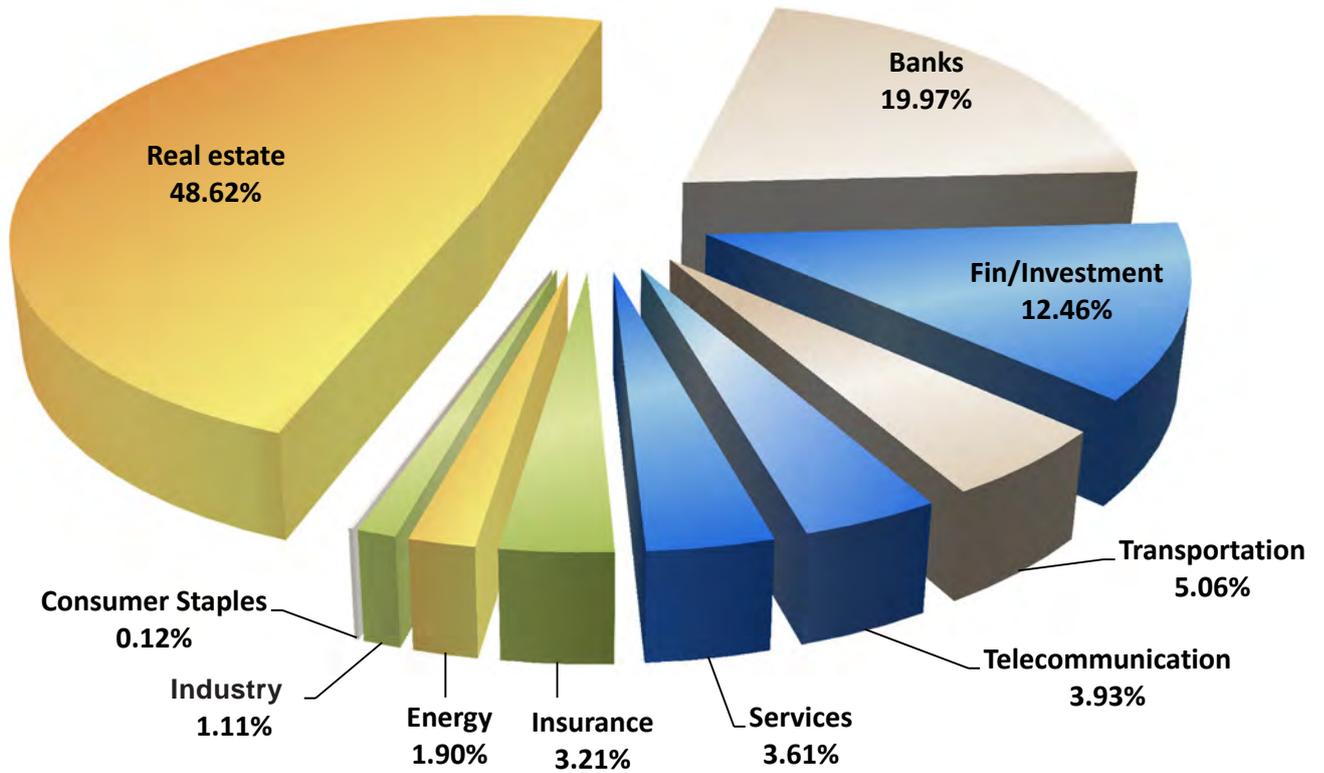
**Chart No. (9)**

**Monthly Number of trades on ESM in 2013**



**Chart No. (10)**

**Percentage of total trading value sector-wise in 2013**



## Trading Activity by Sector in 2013

The real estate sector topped the chart in terms of trade value in 2013 with 48.62% of the total value of traded shares, followed by the bank-ing sector with 19.97%, the investment and financial services sector followed with 12.46%, then the transport sector with 5.06%, followed by the telecom sector with 3.93%. The services sector followed with 3.61%, followed by the insurance sector with 3.21%, then the energy sector with 1.9%, followed by the industry sector with 1.11% and lastly, the consumer staples sector with 0.12%.

Table No. (11) shows trading activities by sector in 2013

Table No. (11)

Sectors	Trades	Volume (Shares)	Value (AED)	%
Real estate	792,650	81,642,106,440	118,889,618,136	48.62%
Banks	385,210	35,198,167,263	48,825,363,721	19.97%
Investment & Fin. Services	229,817	19,215,780,959	30,466,742,586	12.46%
Transportation	133,995	17,798,844,705	12,364,105,433	5.06%
Telecommunication	104,735	3,514,236,691	9,614,636,375	3.93%
Services	58,364	4,507,462,090	8,830,541,832	3.61%
Insurance	108,917	7,457,390,216	7,852,555,905	3.21%
Energy	41,180	6,880,354,448	4,633,790,931	1.90%
Industry	34,899	2,389,290,612	2,723,842,761	1.11%
Consumer Staples	4,263	78,728,559	303,512,737	0.12%
<b>ESM Index</b>	<b>1,894,030</b>	<b>178,682,361,983</b>	<b>244,504,710,417</b>	<b>100%</b>

Source: Securities and Commodities Authority

Table No. (12) shows trading value in AED by sector and financial market and percentage to the gross total in 2013

Table No. (12)

Sectors	ADX		DFM		ESM	
	Value (AED)	%	Value (AED)	%	Value (AED)	%
Banks	17,214,653,389	7.04%	31,610,710,332	12.93%	48,825,363,721	19.97%
Insurance	3,085,321,696	1.26%	4,767,234,209	1.95%	7,852,555,905	3.21%
Industry	2,722,531,187	1.11%	1,311,575	0.00%	2,723,842,761	1.11%
Services	194,245,399	0.08%	8,636,296,434	3.53%	8,830,541,832	3.61%
Real estate	48,002,471,127	19.63%	70,887,147,009	28.99%	118,889,618,136	48.62%
Telecommunication	5,386,653,919	2.20%	4,227,982,456	1.73%	9,614,636,375	3.93%
Transportation	-	0.00%	12,364,105,433	5.06%	12,364,105,433	5.06%
Investment & Fin. Services	3,138,706,992	1.28%	27,328,035,594	11.18%	30,466,742,586	12.46%
Energy	4,633,790,931	1.90%	-	0.00%	4,633,790,931	1.90%
Consumer Staples	253,944,820	0.10%	49,567,916	0.02%	303,512,737	0.12%
<b>Total</b>	<b>84,632,319,460</b>	<b>43.52%</b>	<b>159,872,390,957</b>	<b>65.39%</b>	<b>244,504,710,417</b>	<b>100.00%</b>

Source: Securities and Commodities Authority

## Trading Activity in Shares of Listed Companies

The year 2013 has witnessed discrepancies in the prices of many shares, with the appreciation of the prices of 91 out of 107 companies whose shares were traded. The share prices for 15 companies depreciated, while those of 15 other companies remained stable.

The shares of Aldar Properties and Emaar Properties recorded the highest trading activity during the period. The traded value for Aldar Properties during the period was approximately AED 26billion, representing 10.64% of the total traded value, while that of Emaar Properties was approximately AED 23.7billion, accounting for 9.70% of the total traded value.

The shares of shares of Eshraq Properties and Waha Capital recorded the highest increase in market value with the market value of their stock surging by 397.56% and 300.00% respectively. Meanwhile, the shares of both National Industries Group and Oman Insurance suffered the biggest slip of 76.82% and 46.67% respectively.

**Table No. (13) shows the top traded companies on ESM**

**Table No. (13)**

### Top traded companies value-wise in 2013

Companies	Closing Price (AED)	% of change	Value of change	Trading Value	% of Total Trading
AL Dar Properties	2.760	117.32%	1.490	26,010,880,338.07	10.64%
Emaar Properties	7.640	103.73%	3.890	23,721,811,487.58	9.70%
Arabtec Holding Company	2.870	54.29%	1.010	18,212,973,956.79	7.45%
Dubai Investment	2.490	192.25%	1.638	13,093,253,734.09	5.36%
Dubai Financial Market	2.470	142.16%	1.450	12,972,535,145.79	5.31%

Source: Securities and Commodities Authority

**Table (14) shows the companies with the highest increase in share price on the ESM.**

**Table No. (14)**

### Highest increase in share prices in 2013

Companies	Closing Price (AED)	% of change	Value of change	Trading Value	% of Total Trading
Eshraq Properties	2.040	397.56%	1.63	12,106,440,007.64	4.951%
Oasis Capital	2.200	300.00%	1.65	3,137,698,794.28	1.28%
Abu Dhabi National Building - BILDCO	1.780	212.28%	1.21	456,996,116.88	0.19%
Union Properties	1.190	201.27%	0.80	10,293,296,200.32	4.21%
ABU DHABI SHIP BUILDING	2.730	200.00%	1.82	211,047,506.73	0.09%

Source: Securities and Commodities Authority

**Table (15) shows the companies with the highest decrease in share price on the ESM.**

**Table No. (15)**

### Highest decrease in share prices in 2013

Companies	Closing Price (AED)	% of change	Value of change	Trading Value	% of Total Trading
National Industries Group	5.030	-76.82%	-16.67	315,909.30	0.000%
Oman Insurance Company	3.600	-46.67%	-3.15	4,097,284.13	0.002%
Agility	9.180	-45.23%	-7.58	5,271,527.31	0.002%
Fujairah Building Industries	1.180	-41.29%	-0.83	670,324.96	0.000%
National General Insurance	5.600	-26.32%	-2.00	10,852,252.97	0.004%

Source: Securities and Commodities Authority



## Trading Activity by Sector and Company Capitalization

Table No. (16)

Company	Closing Price 2013	Closing Price 2012	Annual Change (AED)	% of Annual Change	No. of Trades	Value of Annual Trading	Market Cap.
<b>Banks</b>							
Abu Dhabi Commercial Bank	6.500	3.010	3.490	% 115.95	15,325	4,709,874,505.20	36,371,382,977
Abu Dhabi Islamic Bank	5.800	3.180	2.620	% 82.39	5,701	960,861,365.94	13,715,294,081
Bank Of Ajman	2.480	1.420	1.060	% 74.65	10,852	1,330,798,336.59	2,480,000,000
Al Salam Bank - Sudan	2.040	1.710	0.330	% 19.30	2,001	92,386,869.82	0
Amlak Finance Company	1.020	1.020	0.000	% 0.00			1,530,000,000
Bank of Sharjah	1.790	1.280	0.510	% 39.84	1,617	218,240,668.19	3,759,000,000
Commercial Bank of Dubai	4.740	3.000	1.740	% 58.00	349	102,474,403.16	9,661,788,366
Commercial Bank International	1.890	1.125	0.765	% 68.00	121	219,290,698.51	2,978,370,943
Dubai Islamic Bank	5.360	2.010	3.350	% 166.67	78,344	11,541,518,822.97	21,192,104,379
Emirates Islamic Bank	0.870	0.870	0.000	% 0.00			3,419,860,073
Emirates Investment Bank	711.512	711.512	0.000	% 0.00			426,907,200
Emirates National Bank of Dubai	6.350	2.850	3.500	% 122.81	5,935	1,090,877,887.46	35,291,869,497
First Gulf Bank	18.800	11.600	7.200	% 62.07	27,001	6,205,608,871.05	56,400,000,000
Finance House	3.750	3.050	0.700	% 22.95	143	22,458,570.42	1,134,375,000
Gulf Finance House	0.660	0.419	0.241	% 57.52	153,435	12,590,566,034.65	0
Invest Bank	2.690	1.619	1.071	% 66.15	539	319,595,370.91	3,530,625,000
Mashreq Bank	89.500	55.000	34.500	% 62.73	253	124,768,884.30	15,132,389,263
National Bank of Abu Dhabi	13.900	9.364	4.536	% 48.45	8,874	1,930,219,474.45	59,847,227,330
National Bank of Fujairah	4.750	4.550	0.200	% 4.40	53	37,787,915.17	5,225,000,000
National Bank of Umm Al Qaiwain	3.300	1.850	1.450	% 78.38	83	55,965,177.48	5,280,000,050
Sharjah Islamic Bank	1.540	0.920	0.620	% 67.39	3,867	510,163,983.29	3,735,270,000
RAK Bank	7.140	3.727	3.413	% 91.56	1,293	559,317,768.21	11,968,392,356
Al Salam Bank - Bahrain	1.370	0.506	0.864	% 170.75	51,028	4,079,477,753.63	0
Tamweel	1.070	1.140	-0.070	% -6.14	9,564	657,841,338.92	1,070,000,000
United Arab Bank	6.450	3.080	3.370	% 109.42	289	257,231,745.29	6,426,788,256
Union National Bank	5.870	2.886	2.984	% 103.42	8,543	1,208,037,274.98	15,381,784,688
<b>Total</b>					<b>385,210</b>	<b>48,825,363,720.59</b>	<b>315,958,429,458</b>
<b>Consumer Staples</b>							
Agthia Group	4.420	2.180	2.240	% 102.75	2,601	203,283,013.90	2,652,000,000
International Fish Farming Company	13.550	14.000	-0.450	% -3.21	1,426	36,843,510.15	1,151,750,000
Dubai Refreshments	12.150	12.250	-0.100	% -0.82	34	49,123,875.55	1,093,500,000
Emirates Refreshments (Jeema)	5.450	6.050	-0.600	% -9.92	1	27,250.00	163,500,000
Foodco Holding	3.000	1.250	1.750	% 140.00	87	2,695,957.20	300,000,000
Gulf LiveStock	6.980	6.980	0.000	% 0.00			698,000,000

Note: (\*) Delisted during the year

Continued..

## Trading Activity by Sector and Company Capitalization

Company	Closing Price 2013	Closing Price 2012	Annual Change (AED)	% of Annual Change	No. of Trades	Value of Annual Trading	Market Cap.
GULFA Mineral Water	2.870	2.870	0.000	% 0.00			71,750,000
RAK Poultry & Feeding	1.800	1.050	0.750	% 71.43	111	11,122,338.97	155,520,000
United Foods	6.500	5.091	1.409	% 27.68	3	416,790.76	178,750,000
Kaipara Dairies	297.550	297.550	0.000	% 0.00			90,008,875
<b>Total</b>					<b>4,263</b>	<b>303,512,736.53</b>	<b>6,554,778,875</b>
<b>Energy</b>							
DANA Gas	0.910	0.450	0.460	% 102.22	38,055	4,306,491,909.86	6,007,821,183
Abu Dhabi National Energy-TAQA	1.470	1.360	0.110	% 8.09	3,125	327,299,021.46	9,150,750,000
<b>Total</b>					<b>41,180</b>	<b>4,633,790,931.32</b>	<b>15,158,571,183</b>
<b>Industry</b>							
Abu Dhabi Ship Building	2.730	0.910	1.820	% 200.00	3,191	211,047,506.73	578,738,160
Arkan Building Material	1.200	0.680	0.520	% 76.47	4,851	244,954,967.23	2,100,000,000
Abu Dhabi National Building - BILDCO	1.780	0.570	1.210	% 212.28	5,072	456,996,116.88	534,000,000
Fujairah Building Industries	1.180	2.010	-0.830	% -41.29	15	670,324.96	149,270,000
Fujairah Cement	1.190	0.910	0.280	% 30.77	6	101,017.55	423,479,730
Gulf Cement Co	1.440	1.010	0.430	% 42.57	1,211	62,751,301.56	1,182,379,421
Gulf Pharmaceutical - JULPHAR	3.270	2.745	0.525	% 19.11	484	59,726,833.77	2,822,518,014
National Cement	3.830	2.920	0.910	% 31.16	37	995,665.40	1,374,204,000
National Industries Group	5.030	21.700	-16.670	% -76.82	32	315,909.30	0
Umm Al Qaiwain Cement	1.220	0.760	0.460	% 60.53	416	55,265,113.18	442,860,000
RAK Cement	1.140	0.638	0.502	% 78.66	16,349	1,322,824,526.98	579,348,000
RAK Ceramics	3.140	1.090	2.050	% 188.07	2,540	240,219,791.34	2,333,655,718
RAK White Cement	1.650	1.350	0.300	% 22.22	271	48,723,194.91	770,550,000
Sharjah Cement	1.270	0.780	0.490	% 62.82	118	9,020,254.88	702,256,599
Union Cement Co	1.890	0.820	1.070	% 130.49	306	10,230,236.65	1,265,237,820
<b>Total</b>					<b>34,899</b>	<b>2,723,842,761.32</b>	<b>15,258,497,462</b>
<b>Insurance</b>							
Al-Ain Ahlia Insurance Co	38.600	32.000	6.600	% 20.63	17	9,577,320.80	579,000,000
Al Buhaira National Insurance	3.100	3.850	-0.750	% -19.48	23	61,142,187.45	775,000,000
Abu Dhabi National Insurance	5.900	5.400	0.500	% 9.26	54	17,427,818.77	2,212,500,000
Al Fujairah National Insurance	300.000	300.000	0.000	% 0.00			225,000,000
Al Khazna Insurance Co	0.880	0.664	0.216	% 32.57	213	4,095,637.54	369,600,000
Alliance Insurance	383.500	383.500	0.000	% 0.00			383,500,000
Aman Insurance	1.140	0.933	0.207	% 22.19	17,799	1,302,333,624.54	257,355,000
Arab Insurance - ARIG	1.750	1.620	0.130	% 8.02	36	774,226.19	0
Scandinavian Insurance	2.090	2.090	0.000	% 0.00	4	3,135,000.00	292,600,000
Al Saqr National Insurance	4.550	4.550	0.000	% 0.00			1,046,500,000

Note: (\*) Delisted during the year

Continued..



## Trading Activity by Sector and Company Capitalization

Company	Closing Price 2013	Closing Price 2012	Annual Change (AED)	% of Annual Change	No. of Trades	Value of Annual Trading	Market Cap.
Al Whathba Insurance	5.000	2.120	2.880	% 135.85	9	545,426.42	900,000,000
Takaful House	1.250	0.524	0.726	% 138.55	11,913	808,804,492.96	125,000,000
Al Dharfra Insurance Co	6.300	6.000	0.300	% 5.00	10	24,715,473.40	630,000,000
Dubai Insurance Company	2.750	2.720	0.030	% 1.10	23	18,769,349.76	275,000,000
Dubai National Insurance	2.520	2.300	0.220	% 9.57	103	7,729,959.79	291,060,000
Emirates Insurance Co	6.950	6.110	0.840	% 13.75	23	2,969,787.60	938,250,000
Green Crescent Insurance Company	1.300	1.000	0.300	% 30.00	673	25,853,895.18	130,000,000
Insurance House	1.420	0.990	0.430	% 43.43	77	2,281,371.57	170,400,000
Methaq	1.900	1.000	0.900	% 90.00	33,471	2,892,635,980.52	285,000,000
National General Insurance	5.600	7.600	-2.000	% -26.32	256	10,852,252.97	839,743,027
Oman Insurance Company	3.600	6.750	-3.150	% -46.67	39	4,097,284.13	1,662,739,650
Arab Orient Insurance	81.806	81.806	0.000	% 0.00			331,312,680
RAK National Insurance	3.500	3.750	-0.250	% -6.67	14	12,598,189.75	350,000,000
Islamic Arabic Insurance	0.939	0.611	0.328	% 53.68	33,312	2,079,566,527.65	1,136,190,000
Sharjah Insurance	5.000	5.000	0.000	% 0.00			687,500,000
Takaful Emarat	0.820	0.624	0.196	% 31.41	10,285	531,171,490.84	123,000,000
Takaful	5.750	5.060	0.690	% 13.64	9	77,982.38	575,000,000
United Insurance Company	2.000	2.000	0.000	% 0.00			200,000,000
Union Insurance Company	1.050	1.120	-0.070	% -6.25	35	11,017,757.98	347,486,139
National Takaful	1.140	1.020	0.120	% 11.76	519	20,382,866.56	171,000,000
<b>Total</b>					<b>108,917</b>	<b>7,852,555,904.75</b>	<b>16,309,736,496</b>
<b>Investment &amp; Fin. Services</b>							
Al Madina For Finance	0.566	0.677	-0.111	% -16.40	1,239	35,552,093.64	0
Al Salam Group Holding	1.860		1.860	% 0	513	42,235,512.40	0
Dubai Financial Market	2.470	1.020	1.450	% 142.16	94,083	12,957,311,599.95	19,760,000,000
Dubai Investment	2.490	0.852	1.638	% 192.25	91,010	13,090,064,141.53	8,890,284,546
Ektitab Holding	0.964	0.925	0.039	% 4.22	7,301	412,846,663.13	0
Gulf General Investment Co.	0.868	0.348	0.520	% 149.43	7,424	452,260,638.06	1,554,877,333
Financial Advisors	1.350	0.590	0.760	% 128.81	500	11,147,743.02	0
Oman & Emirates Investment Holding	1.450	0.700	0.750	% 107.14	62	1,008,198.02	0
Oasis Capital	2.200	0.550	1.650	% 300.00	19,916	3,137,698,794.28	4,173,592,500
SHUAA Capital	1.030	0.549	0.481	% 87.61	7,769	326,617,202.42	1,096,950,000
<b>Total</b>					<b>229,817</b>	<b>30,466,742,586.45</b>	<b>35,475,704,379</b>
<b>Real Estate</b>							
AL Dar Properties	2.760	1.270	1.490	% 117.32	155,363	25,999,877,380.08	21,700,857,704
Arabtec Holding Company	2.870	1.860	1.010	% 54.29	120,921	18,200,333,402.81	9,010,365,000
Dubai Development	2.240	2.240	0.000	% 0.00			22,400,000

Note: (\*) Delisted during the year

Continued..

## Trading Activity by Sector and Company Capitalization

Company	Closing Price 2013	Closing Price 2012	Annual Change (AED)	% of Annual Change	No. of Trades	Value of Annual Trading	Market Cap.
Deyaar Development	1.010	0.352	0.658	% 186.93	66,405	7,773,128,983.03	5,835,780,000
Drake & Scull	1.440	0.704	0.736	% 104.55	83,311	10,991,021,893.76	3,292,800,000
Emaar Properties	7.640	3.750	3.890	% 103.73	140,172	23,628,544,296.95	46,575,945,920
Eshraq Properties	2.040	0.410	1.630	% 397.56	65,711	12,106,440,007.64	3,060,000,000
Al Mazaya Holding	1.320	0.747	0.573	% 76.71	44	822,231.88	0
RAK Properties	0.980	0.380	0.600	% 157.89	34,888	4,375,154,594.36	1,960,000,000
Sorouh Real Estate *	2.720	1.250	1.470	% 117.60	34,006	5,520,999,144.69	0
Union Properties	1.190	0.395	0.795	% 201.27	91,829	10,293,296,200.32	4,006,559,215
<b>Total</b>					<b>792,650</b>	<b>118,889,618,135.52</b>	<b>95,464,707,840</b>
<b>Services</b>							
Abu Dhabi Aviation Co	3.500	2.880	0.620	% 21.53	265	43,986,913.98	1,415,232,000
Abu Dhabi National Hotels	3.100	1.770	1.330	% 75.14	470	109,370,175.04	3,100,000,000
Al Firdous Holding	0.700	0.700	0.000	% 0.00			420,000,000
Emirates Driving Company	4.150	2.790	1.360	% 48.75	66	7,107,242.40	372,613,560
Gulf Medical	2.340	1.257	1.083	% 86.14	125	6,829,307.32	1,483,413,750
National Corporation of Tourism	5.850	4.692	1.158	% 24.69	23	1,959,862.00	1,404,000,000
National Marine Dredging Co	8.600	10.000	-1.400	% -14.00	146	24,991,897.92	1,959,497,117
TABREED	2.400	1.210	1.190	% 98.35	57,269	8,636,296,433.68	584,112,000
<b>Total</b>					<b>58,364</b>	<b>8,830,541,832.34</b>	<b>10,738,868,427</b>
<b>Telecommunication</b>							
Integrated Telecom -du	6.660	3.490	3.170	% 90.83	19,366	2,350,539,467.32	30,445,714,283
Emirates Telecom - ETISALAT	11.700	9.070	2.630	% 29.00	49,275	4,729,389,012.37	92,501,838,000
Hits Telecom Holding	0.880	0.771	0.109	% 14.14	29,008	1,877,442,988.48	0
Ooredoo Q.S.C.	140.000	107.000	33.000	% 30.84	122	15,139,001.40	0
Sudan Telecom - SUDATEL	1.340	1.110	0.230	% 20.72	6,964	642,125,905.68	0
<b>Total</b>					<b>104,735</b>	<b>9,614,636,375.25</b>	<b>122,947,552,283</b>
<b>Transportation</b>							
Agility	9.180	16.762	-7.582	% -45.23	222	5,271,527.31	0
Air Arabia	1.550	0.835	0.715	% 85.63	59,995	7,086,734,509.12	7,233,385,000
ARAMEX	3.040	2.000	1.040	% 52.00	7,744	883,819,656.22	4,450,864,000
Gulf Navigation Holding	0.435	0.272	0.163	% 59.93	66,034	4,388,279,740.68	719,925,000
<b>Total</b>					<b>133,995</b>	<b>12,364,105,433.33</b>	<b>12,404,174,000</b>
<b>Grand Total</b>					<b>1,894,030</b>	<b>244,504,710,417.40</b>	<b>646,271,020,403</b>

Note: (\*) Delisted during the year

Source: Securities and Commodities Authority



## Comparing ESM with some International Markets

Table No. (17) below displays the performance of the UAE securities markets and those of some international and Gulf markets in 2013.

The DFM index performed well to place at top of Gulf markets, followed by the ADX. The performances of international markets were also generally positive.

**Table No. (17)**

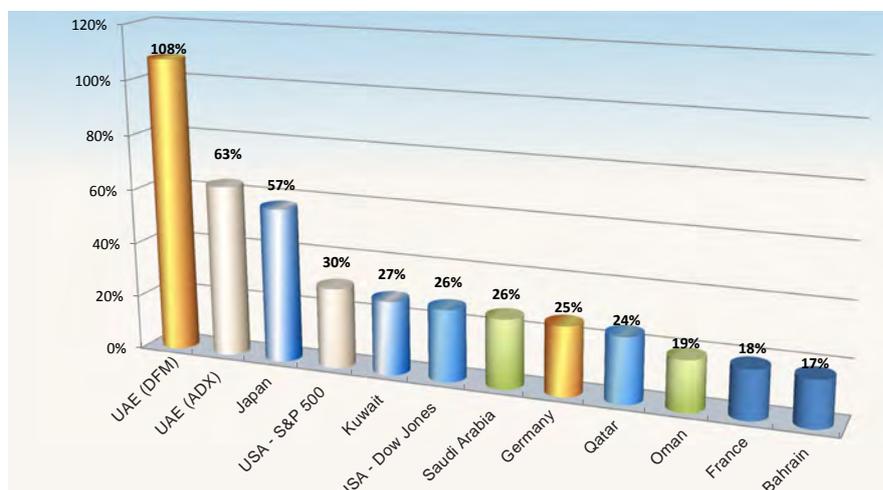
### Performance of Indexes for GCC/ International markets in 2013

Country	Performance Index
DFM	108%
ADX	63%
Japan	57%
USA – S&P500	30%
Kuwait	27%
Dow	26%
Saudi Arabia	26%
Germany	25%
Qatar	24%
Oman	19%
France	18%
Bahrain	17%

Source: GCC stock markets/ bloomberg websites

**Chart No. (11)**

### Comparing annual performance of securities indices in many countries in 2013



## Comparing the rates of change in the volume of trading

UAE markets have witnessed tremendous increase in the value of traded shares which almost tripled in 2013. Similarly, the value of traded shares of regional indexes improved significantly except for Saudi Arabia which recorded a growth rate of 75.53% in 2012 but the rate slipped to 28.42% in 2013.

Table No. (18) shows the rates of change in the volume of trading on some Gulf and international markets from 2007 to 2013

**Table No. (18)**

Market	% change between 2007-2008	% change between 2008-2009	% change between 2009-2010	% change between 2010-2011	% change between 2011-2012	% change between 2012-2013
Saudi Arabia	-58.10%	-50.80%	50.10%	45.30%	75.53%	-28.42%
UAE	-52.50%	-21.90%	-57.70%	-44.80%	24.73%	241.39%
Kuwait	-20.10%	-57.90%	-12.60%	-51.40%	19.09%	54.82%
Qatar	11.50%	-76.40%	138.00%	14.30%	-26.23%	61.68%
USA Dow Jones	-20.10%	-22.70%	-24.70%	-7.40%	-23.33%	7.36%

Source: GCC stock markets/ bloomberg websites



## Commodities Markets

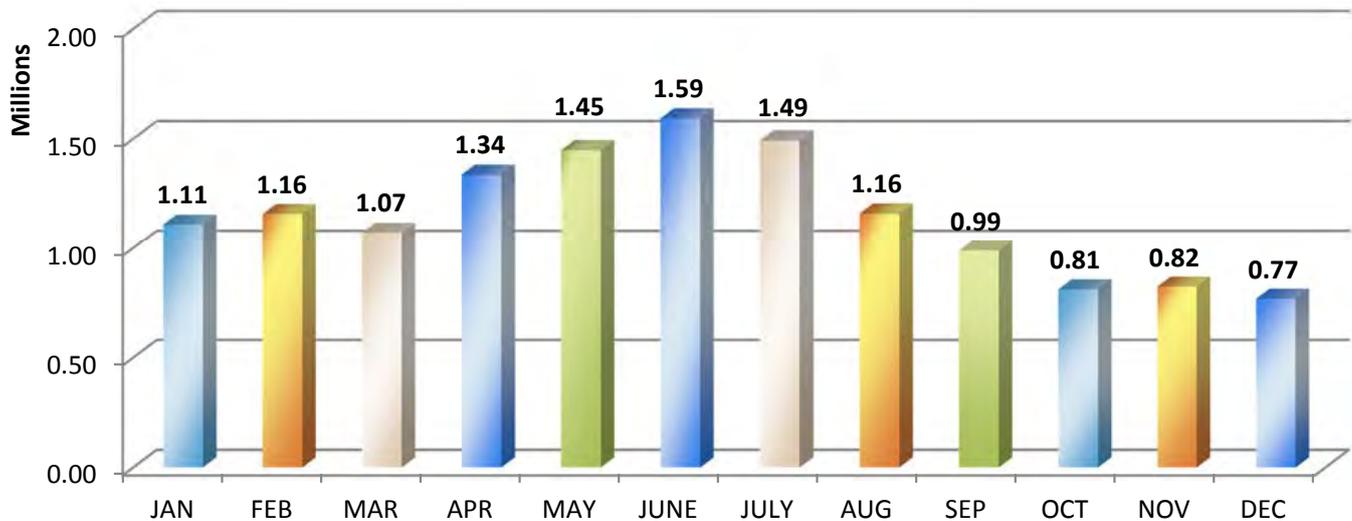
The Securities and Commodities Authority (SCA) has an oversight responsibility over the Dubai Gold and Commodities Exchange (DGCX) under the power vested in the SCA to supervise and monitor the securities and commodities markets in the UAE. A memorandum of understanding (MoU) was signed in 2006 between the SCA and the DGCX with the aim of promoting standards and levels of disclosure and transparency underlying transactions with the ultimate objectives of protecting the interest of investors.

DGCX is first electronic state-of-the-art commodities markets for the trading of commodity-based derivatives in the Middle East.

Pursuant to SCA Decision No. 157 of 2005, the DGCX was established and SCA granted it a license to start operations on November 15th of the same year. The SCA had previously reviewed DGCX' internal bye-laws and regulations. The first exchange transactions in DGCX took place on November 22 of the same year.

Following are the most significant achievements recorded on the UAE Commodities Market in 2013.

**Chart No. (12)**  
**Monthly Traded Contracts - 2013**



### Achievements for the Commodities Sector in the year 2013:

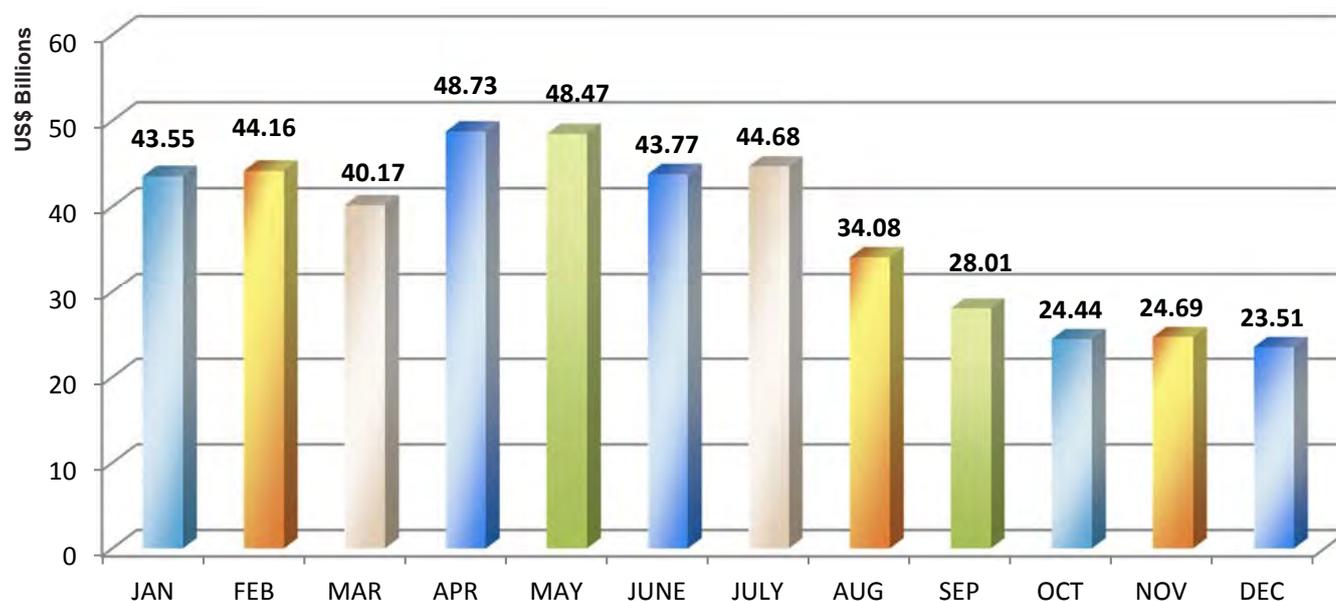
- SCA began licensing commodities brokers in accordance with SCA's new commodities regulations, resolution no. 56 of 2012. In accordance with the more detailed and rigorous licensing regime mentioned in this resolution, SCA had devised a new licensing application form for new companies to be licensed as commodity brokers. Accordingly, SCA licensed 3 new commodities broker companies in the year 2013.
- The procedure for applying for a license as a new commodities broker and that of annual renewal has been implemented as an e-service. Now these services are available online from SCA portal.
- One of the conditions in the new commodities regulations was to increase the paid-up capital of commodities broker companies to AED 1 Million for broker companies not participating in clearing and AED 2 Million for broker companies which also clear trades. Accordingly, all commodities companies licensed by SCA increased their paid-up capital up to a minimum of AED 1 Million or AED 2 Million as applicable.
- SCA granted permission to DGCX to list the futures contract on the currency pair USD-INR (US Dollar vs. Indian Rupee) for a contract value of INR 200,000 which was one-tenth (1/10th) in value of the existing listed USD-INR futures contract. This contract was known as the DGCX Mini Indian Rupee Futures contract and was based on the demand from the investors.



- SCA gave in-principle approval to DGCX to list a futures contract which is based on the MSCI India Index. The MSCI India Index is an Index comprising of stocks listed on Indian exchanges, but designed and maintained by MSCI. This contract is intended to provide DGCX traders the opportunity to take exposure to Indian markets through reputed global index provider like MSCI.

- SCA constituted a working team to facilitate the recognition of DGCX's subsidiary handling the clearing and settlement functions, called the Dubai Commodities Clearing Company DMCC (DCCC), by the European Securities Markets Agency (ESMA). Under the European Commission's new rules all EU and UK based financial institutions could participate in clearing DGCX trades only if DCCC was recognised by ESMA. In order to achieve this, DCCC was granted license by SCA as a clearing house. At the same time, SCA guided DGCX and facilitated the filing of their application with ESMA for being considered as a recognised clearing agency.

**Chart No. (13)**  
**Monthly value of traded commodities contracts - 2013**



## Performance and achievements of the commodities market in 2013

- Annual volumes in 2013 grew 43% from 2012 to reach 13,759,255 contracts, the Exchange's highest ever.
- The value of trades recorded by the market over a period of 253 trading days in 2013 amounts to US\$ 448.25 billion.
- Average daily volume (ADV) registered a significant growth to reach another all-time high of 54,384 contracts, a 45% up from 2012.
- Indian Rupee futures registered a 36% growth from 2012 to reach 11,783,685 contracts in 2013.
- Currencies were the main driver of growth aggregating 13,178,027 contracts in 2013, an increase of 48% from the previous year.
- Japanese Yen and Swiss Franc futures, which grew 54% and 32% respectively, were the other high performing currency contracts in 2013.
- Gold Futures volumes declined 16% from last year to reach 464,800 contracts, valued at US\$ 21.3 billion.
- Silver was the key performer among precious metals whose volume increased 59% from 2012 to reach 18,491 contracts.
- DGCX's new trading platform went live on March 2013.
- DGCX's BSE SENSEX Futures Contract went live on July 2013.
- DGCX continued to receive global recognition for its growth and product innovation in 2013 with Nine International Awards.

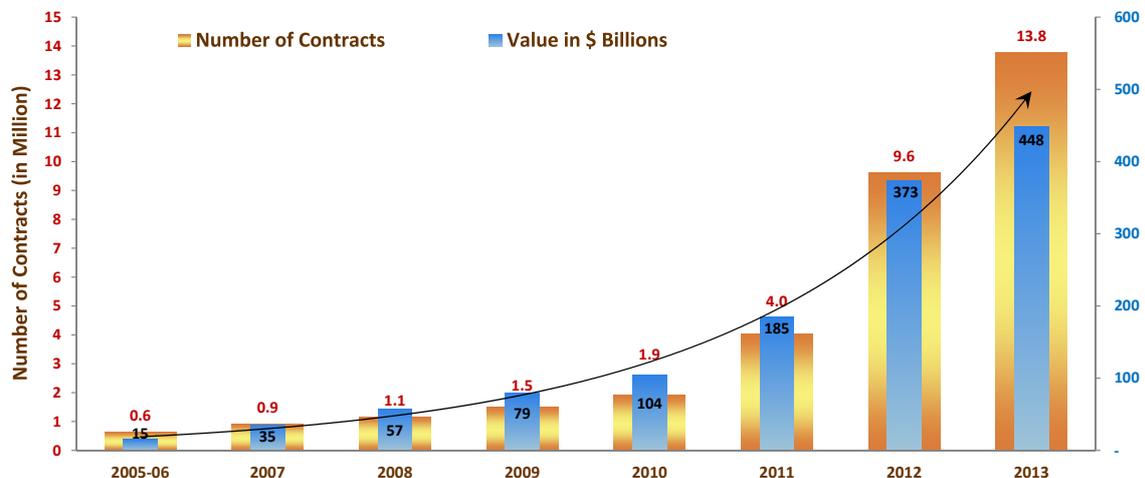
## 2013 Volume Highlights

- Highest-ever Yearly Volumes; 13,759,255 contracts
- Highest-ever Monthly Volume (achieved in June 2013); 1,593,150 contracts
- Highest-ever Average Daily Volume in a month (achieved in Jun-2013); 83,850 contracts
- Highest-ever Yearly Value (of traded contracts); \$448.25 billion
- Highest-ever Quarterly Value (of traded contracts) (Q2-2013) ; \$140.96 billion
- Highest-ever Average Monthly Open Interest (Jun-2013); 53,567 contracts
- Highest-ever Monthly Trades (Jul-2013); 990,333 trades
- Highest-ever Daily Volume (20-Jun-2013); 127,231 contracts
- Highest-ever Daily Value (of traded contracts) (15-Apr-13); \$3.8 billion

**Table No. (19)**  
**Number and value of contracts traded annually (Since inception)**

Year	Value in \$ Billions	Number of Contracts	Percentage Increase in Contracts
2006-2005	15.453	615,898	
2007	34.678	907,439	47%
2008	57.429	1,142,493	26%
2009	78.714	1,503,905	32%
2010	104.183	1,925,463	28%
2011	185.128	4,044,138	110%
2012	372.832	9,601,553	137%
2013	448.246	13,759,255	43%

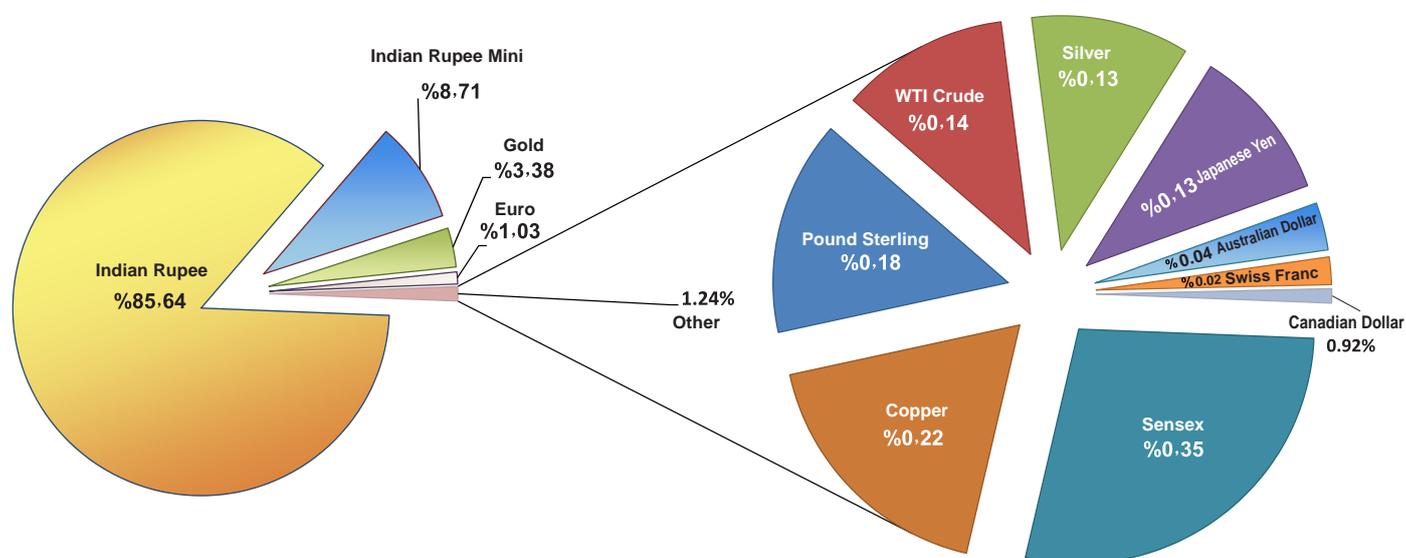
**Chart No. (14)**  
**Number and value of contracts traded annually**



**Table No. (20)**  
**Trade Statistics - Comparing 2012 and 2013**

Commodity	Volume		% of change	Value (USD mn)		% of change	No of Trades		% of change
	2013	2012		2013	2012		2013	2012	
Indian Rupee	11,783,685	8,638,993	36%	405,666.65	320,118.97	27%	8,305,651	6,119,535	36%
Indian Rupee Mini	1,198,476	-	na	4,005.92	-	na	435,724	-	na
Gold	464,800	552,001	-16%	21,229.12	29,379.40	-28%	290,406	427,929	-32%
Euro	142,143	184,096	-23%	9,421.70	11,925.66	-21%	28,633	35,868	-20%
Pound Sterling	25,211	28,376	-11%	1,962.37	2,248.83	-13%	13,252	14,006	-5%
Silver	18,491	11,619	59.1%	433.19	367.85	18%	9,945	7,830	27%
WTI Crude	19,717	19,643	0.4%	1,935.09	1,859.50	4%	11,850	13,306	-11%
Australian Dollar	5,581	9,862	-43%	275.79	510.91	-46%	3,876	4,944	-22%
Swiss Franc	3,220	2,433	32%	173.30	130.81	32%	2,102	1,785	18%
Japanese Yen	18,030	11,675	54%	929.21	724.31	28%	9,388	6,789	38%
Canadian Dollar	1,681	3,071	-45%	82.61	153.19	-46%	938	2,359	-60%
Rupee Options	0	1,897	-100%	0.00	0.60	-100%	0	867	-100%
Copper	30,533	137,887	-78%	1,166.14	5,412.25	-78%	23,999	80,281	-
Sensex	47,687	-	na	965.39	-	na	32,708	-	na
Brent Crude	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,759,255</b>	<b>9,601,553</b>	<b>43%</b>	<b>448,246.48</b>	<b>372,832.28</b>	<b>20%</b>	<b>9,168,472</b>	<b>6,715,499</b>	<b>37%</b>

**Chart No. (15)**  
**Percentage of Total Number of contracts Traded During 2013 As Per Commodity**





H.H. Dr. Sheikh Sultan Al-Qasimi inaugurating the project in the presence of H.E. Al-Mansoori and H.E. Al-Turifi

### SCA Achievements

In light of its 2013 Operation Plan and its 2011 – 2013 Strategic Plan, the Securities and Commodities Authority (SCA) has recorded many achievements in various areas. Following are some of the most significant achievements in the areas of legislation, supervision, organization, supporting services, awareness dissemination, international affairs and local partnership.

#### In the area of legislation:

- Issuing of three (3) new regulations (including: Regulation for trading in Capital Increase Issue Rights, Regulation for Investment Management and Regulation for Covered Warrants)
- Amending of three regulations (Regulation for Disclosure and Transparency – i.e. implementation of XBRL system on compulsory basis and stipulating of XBRL system subscription fee), Regulation for Margin Trading and Regulation for Mutual Fund (Mutual Fund fees), in addition to the Decision concerning fees for listing and trading of Exchange Traded Fund (ETFs).
- SCA contributed to the preparing of

Commercial companies draft law, which was approved by the Federal National Council.

- SCA participated in the joint GCC teams for preparing of unified rules for regulating financial markets. The teams accomplished in 2013 the unified draft rules for issuing of mutual fund units and unified draft rules for issuing of bonds and Sukuk.

#### In the area of supervision:

- Conducting of regular inspection on 74 securities and commodities brokerage companies, including 47 visits to securities brokerage firms and 27 commodities brokerage companies.
- Conducting of surprise inspection on 31 securities brokerage firms

- Conducting of surprise inspection on (10) financial services companies, including 5 visits to companies offering custodian services and another 5 to companies offering financial consultancy and financial analysis services.
- Executing joint surprise inspection with Dubai Financial Services Authority on 5 brokerage companies.
- Exposing of 5 cases of Front-Running, 5 cases of other forms of manipulations and 22 cases of Insider Trading.
- The Inspection Section prepared monthly report on the level of companies' compliance with the standards of financial adequacy, segregation of account and defaults, in addition to semiannual reports for

continuous follow-up of surveillance operations to help detect violations and suggestions and to take corrective measures in this regard.

- Preparing quarterly reports on scrutinizing for insider-trading during the ban periods regarding financial statement, and also preparing monthly reports on insider trading regarding substantive information.
- Completing a study of and investigations on 55 cases of segregation of accounts, 83 cases of complaints and grievances and 51 cases of defaults.
- Administrative penalties taken against violators are as follow:
- Eighty (80) caution letters were issued to violators, including investors, listed companies, brokerage firms and their employees.
- Suspension of six (6) investors and broker representatives.
- A total of 98.8% of concerned companies complied with the rule of issuing corporate governance reports within the stipulated time.

### At the organization level:

- SCA successfully accomplished the operation of getting UAE financial market elevated to "Emerging Market" status by the Morgan Stanley Capital International Index (MSCI) and the Standard and Poor's (S&P) down Jones.
- Coordination with the Emirates Competitiveness Council (ECC) – This has led to elevation of UAE ranking by 39 positions on the list of Investor Protection Index in the 2014 report of the World Bank.
- Registration of two new public joint stock companies (PJSCs) – Al Salam Holding Group and Sharjah Group.
- Follow-up the merger process of Sorouh Real Estate and Aldar Properties.
- Follow-up the process of Dubai Islamic Bank's acquisition of Tamweel Co.
- Granting seven (7) financial brokerage



firms license to practice Margin Trading business activities.

- Granting license to five (5) companies to offer the services of financial consultancy and financial analysis.
- Gave approval to three (3) companies to practice Mutual Fund related activities.
- Gave approval to the local financial markets to start receiving from brokerage firms application for offering the service of Direct Market Access (DMA).
- Gave approval to Dubai Commodities Clearing Corporation (DCCC) to practice clearing activities at the Dubai Gold and Commodities Exchange (DGCX).
- Issued (444) approvals for the promotion of foreign mutual funds inside the UAE. This brings to 669 the total number of such approvals given by the SCA.
- Registration of nine (9) local mutual funds, to raise the total of SCA-registered and licensed local funds to 14.
- SCA approved for three (3) companies to buy-back their shares, but the share

buy-back should not exceed 10%.

- SCA launched two training programs – Compliance Officer Accreditation program (Advanced level) and Technical Analysis Accreditation program (Level One).
- SCA conducted six (6) exams for Professional License Program for various categories of employees of brokerage firms in the UAE.
- Training of 107 brokers and other employees working in the financial services sector, having complemented successfully the program which was designed according to best international standards in collaboration with the SCA Training Center.
- Introducing of new internal index dubbed: Free Float Index, in collaboration with the Follow-Up Committee of the Emirates Securities Market (ESM) Index.
- Issuance of Professional Ethics Charter for employees of the financial services sector.
- Organizing of a workshop under the theme: "Financial Statement Transparency Using the XBRL" for

representatives of market regulators of member states of the Gulf Cooperation Council (GCC).

- Appointing of SCA's Deputy Chief Executive Officer to the board of the XBRL International Inc. (XII). This followed his appointment earlier in the year as XII Ambassador to the Arab Region.
- Conducting of 70 studies on international practices and forming of technical committees for drafting of regulations and legislations.
- Preparing of reports which outlines the significance of risk management to UAE markets. These include reports on technical analysis, basic analysis, systemic risk and monetary stability. The latter was prepared in collaboration with the Monetary Stability Unit of the UAE Central Bank.

### In the area of organization and support services:

- Fully completed the automation of 31 major services, covering all the strategic phases of conversion to eServices.
- Launching SCA smart applications on Apple/Android with a total of 11 eServices.
- Complete the installation of digital ticker at the SCA Dubai premise.
- Upgrading the feeder of the giant trading screen of the Abu Dhabi Stock Exchange.
- Upgrading the "Talaby" program and automating the administrative work processing system of the Human Resources Department/Visitors System/Electronic ID Reader.
- SCA won a prize for placing 8th on the list of the "Best 15 Places to Work" in the UAE, awarded by the Great Place to Work – UAE.
- SCA's Internal Auditing Unit was accredited for successfully applying the 31000:2009 Risk Management Standard criteria, following successful passage through all the stages of review

and inspection. This made the SCA the first federal body to have obtained this standard from the Lloyds Register Quality Assurance (LRQA).

- At the end of the year 2013, the rate of Emiratization of job positions in SCA was 68%. This includes 100% of the leadership positions, 82 % of the supervision posts, 74% of the executive posts and 58% of the specialization posts.
- Organizing of new course of the "SHARE" (Supporting Human Assets for Real Emiratization) program, which currently has four (4) associates out of the three (3) initially targeted in the 2013 Operation Plan.
- SCA provided 35 internal training programs for its employees. Some government bodies were invited to participate in the programs which varied from specialized programs in the area of securities to personal and skills development programs.
- Achieved in 2013 more than 7000 training hours, spread over various training programs, forums, conferences, secondment and eLearning.
- As part of the secondment program, two SCA employees from the Department of Enforcement and Follow-up to government bodies in the UAE related to the SCA's operation.
- Training of six (6) students from various universities and colleges in the country at SCA departments at the Abu Dhabi and Dubai premises.
- Celebrating the 42nd anniversary of UAE national day in both Abu Dhabi and Dubai, and participating in the UAE Flag Day to mark the Accession Day of H.H. Sheikh Khalifa bin Zayed Al Nahyan, UAE President. The SCA also held other significant events, including the SCA family annual get-together and the Ramadan Iftar.
- SCA executed a number of social responsibilities programs through some events, including the "Dress One Million Needy Children" campaign, an initiative of H.H. Sheikh Mohammed bin Rashid Al-Maktoum, UAE vice

President and Prime Minister and Ruler of Dubai, and the "Haj for the Handicapped Persons" campaign organized by the Khorfakkan Club for the Handicapped.

### Investment Awareness

- Launching of a "Stock market virtual screen" center at the Men's College of the University of Sharjah (UoS). The facility aimed at offering the students a true feeling of the activities on the capital market, the practical knowledge about trading in stocks and bonds and spreading the culture of finance and investment by involving students in stocks related competitions.
- SCA proactively participated in promoting Dubai's bid to host the EXPO 2020 through a number of initiatives, hosted a seminar for directors of mutual funds and portfolios and financial analysts. The seminar highlighted the benefits UAE securities markets will derived from Dubai's winning of the bid.
- SCA organized an annual conference under the theme: "UAE Capital Markets—An important Engine for Economic Growth".
- Holding of forums to boost investment awareness. They include 11 forums for investors, seven for university students, 13 for brokers, financial analysts and other stakeholders and three workshops on corporate governance and institutional discipline standards.
- Releasing of two issues of the "Awraq Maliya" magazine, which highlights issues related to the UAE securities and commodities sector.
- The SCA took the lead in becoming the first independent federal body to implement the "Meet the Press" program.
- Launching of online radio program which disseminates awareness about the basics and principles of trading on securities market.
- In collaboration with some SCA advisors, the SCA organized for news



editors a training course on UAE capital market's modern approach.

- Issuing of annual report on the performance of Emirates Securities Market, a summary of SCA achievements and a report on SCA board of directors.
- Issuing of SCA Services Guidebook in Arabic and English.
- Executing of awareness campaign to educate investors about the basics and principles of trading on securities market. This was done through the Abu Dhabi FM, Noor Dubai TV, Sharjah TV, as well as via daily newspapers. The SCA also launched another campaign to educate investors about its eServices.
- SCA produced two documentary films entitled "2012.. Year of Laurels and Accomplishment"

### International relations and local partnership

- Having fulfilled all requirements, the SCA signed a Multilateral Memorandum of Understanding (MMoU) with the Europeans Securities and Markets Authority (ESMA), which consists 26 market regulators. The MMoU covers consultation, cooperation and sharing of information related to supervision of alternative investment funds.
- SCA signed six (6) MoU with international bodies - (The Securities and Exchange Commission of Poland, the Securities Commission of Brazil, the Securities and Exchange Commission of Pakistan, Labuan Financial Services Authority, the Arab Academy for Banking and financial Sciences and the American Academy for Financial Management).

- Signing of four (4) MoU with local bodies – Ministry of Culture, University of Dubai, Emirates Vision and Etisalat Academy.
- SCA participated in many activities organized by international institutions, including the International Organization of Securities Commissions (IOSCO), MENA Regional Advisory Committee of the Financial Stability Board and Permanent Committee for Economic and Trade Cooperation of the Organization of Islamic Cooperation.
- SCA participated in the meetings of the Ministerial Committee of Board Chairpersons of GCC Market Regulators, the Committee of Heads of GCC Market Regulators and the working teams of the committees.

