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H.H. Sheikh Mohammed Bin Rashid Honored by SCA

The Emirates Securities and Commodities Authority (SCA) has honored Vice President and Prime Minister of UAE and Ruler of Dubai H.H. Sheikh Mohammed bin Rashid Al Maktoum in recognition of his guidance and care for the SCA in the latter's march over the ten years of its existence.

Sheikh Mohammed's unstinting support contributed immensely in enabling the SCA to carry out its national duty and strengthen the safety and the stability of domestic financial markets. This was achieved through the development of the regulatory frameworks for financial and commodity markets in the UAE as per the best international standards.

At a brief ceremony, Sheikh Mohammed bin Rashid received a souvenir from the SCA Chief Executive Officer, H.E. Abdullah Al-Turifi, in the presence of Minister of



Cont. P2

SCA Board Amends Brokers' Regulations

New board makes changes in brokers' regulation, slashes number of broker representatives from four to two, cancels license of two brokers

Following a Cabinet approval of the new board set-up, the reconstituted board of the Emirates Securities and Commodities Authority (SCA) has held its first meeting, presided over by its chairman, H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy.

The new board reviewed during the meeting the implementation of resolutions issued by the previous board.

The board approved a memo on a suggestion calling for amending of some articles of the

brokers' regulation, as well as the rules that regulate the merger of brokerage companies, the conditions that must be met by any brokerage firm to qualify to open a branch for any of its purposes and the rules that compel brokerage companies, interested in trading in their own

Cont. P2



6

72 SCA Staff Complete Orientation Programs



10

SCA Launches New Service on iPhone



11

Investment Portfolios

Content

SCA Extends Period of Brokers Accreditation Program to End of October 2011 2

Al-Mansoori Reviews Progress in 2010 Operation Plans 4

SCA Opens Door for Licensing of Margin Trading7



H.E. Sultan Al-Mansoori presiding over the meeting of the new board

SCA Board Amends Brokers' Regulations

New board slashes number of broker representatives from 4 to 2

(Continued from P1)

account, to contract a securities custodian company licensed by the SCA.

It also approved the addition of new definitions in the text of Article 101 of the brokers' regulation and the addition of a new article (Article 19b) to the rules governing the amalgamation of brokerage companies licensed to operate in the country. The move is aimed at streamlining the rules and regulations which must be met to effect the amalgamation of brokerage companies.

Based on the amendment and in view of the amalgamation rules outlined in the Commercial Companies Law, the following rules must apply in the case of amalgamation of brokerage firms licensed to operate in the country:

1. Amalgamation of brokerage companies should be in the form of acquisition or merger. The amalgamation resolution shall not take effect until after getting approval from the SCA and other concerned authorities stated in the Commercial Companies Law, for the type to which the company is being converted to.
2. If the amalgamation between two or more brokerage firms is in the form of acquisition, an application supported by some documents must be presented to the SCA.

The board also approved an addition to another text of the Brokers Regulation (Article 19b) on the regulating of branch offices of brokerage companies, with the

The new board consists of: H.E. Engineer Sultan bin Saeed Al-Mansoori, H.E. Mohammed bin Ali bin Zayed Al-Falasi, H.E. Abdullah Salim Al-Turifi, H.E. Mubarak Rashid Al-Mansoori, H.E. Mohammed Ali Ahmed Al-Dhahiri, H.E. Abdullah bin Ali Al-Hamli and H.E. Butti Khalifa bin Darwish Al-Falasi.

The new board approved the naming of H.E. Mohammed bin Ali bin Zayed Al-Falasi as Deputy Board Chairman, H.E. Ibrahim Al-Za'abi, Deputy CEO for Licensing, Supervision and Enforcement Affairs, as the board's Rapporteur, H.E. Maryam Al-Suwaidi, Deputy CEO for Legal Affairs, Issuance and Research, as the board's Coordinator.

aim of organizing and unifying the rules and regulations which must be met before opening of such offices, for whatever purposes.

The Article contains rules that must be met before opening of such offices for whatever purposes.

The new SCA board also approved the lowering of the minimum number of broker representatives from four to two.

It also approved an amendment on Article (17b, Fourth, 2) concerning the need for brokers to contract a body that is licensed to practice securities custody activities in the country, when trading in their own accounts.

H.H. Sheikh Mohammed Bin Rashid Honored by SCA

(Continued from P1)

Economy and SCA Board Chairman, H.E. Sultan Bin Saeed Al Mansoori. The ceremony was held to mark the SCA's 10th anniversary.

In a related development, Sheikh Mohammed also received the annual report of the Ministry of Economy from Al Mansoori. The report detailed UAE's economic growth as well as the development of the country's economic relations with many countries of the world. It also shed light on the economic boom in the public and private sectors.

In a statement, Al-Mansoori expressed profound gratitude to the UAE leadership, under the wise leadership of His Highness Sheikh Khalifa bin Zayed Al-Nahyan, President of the United Arab Emirates and His Highness Sheikh Mohammed bin Rashid Al-Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai, for the unflinching and continuous support the Securities and Commodities Authority continues to receive.

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SCA Extends Period of Brokers Accreditation Program to End of October 2011

The SCA has announced the extension of the deadline by which 50% of staff of all brokerage companies operating in the country must have passed a special professional accreditation program examinations. The new extension, which ends on October 31, 2011, followed a meeting of the SCA Training Centre's executive committee, presided over by H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, during which the committee addressed the popular demand of brokerage companies for extension of the deadline.

According to H.E. Ibrahim Al-Za'abi, Deputy Chief Executive Officer for Supervision, Licensing and Enforcement Affairs, the SCA, in collaboration with the UK-based Chartered Institute of Securities and Investment (CISI), has committed itself to improving brokerage profession in the country by putting in place a special professional accreditation program for brokers operating in the country to boost their efficiency and competence, adding that the move aims at enhancing professional excellence and ensuring sound practices in all transactions in the country's securities industry sector.

Al-Za'abi pointed out that the passing of the program's examinations is now a prerequisite for annual renewal of license for every broker, who must first produce a passing-out certificate of the program.

H.E Al-Mansoori: Developing the Auditing Profession Contributes to Achieving Disclosure and Transparency

Economy Minister addresses 5th Forum of GCC Accountancy and Auditing Companies

H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy and Board Chairman of the Emirates Securities and Commodities Authority (SCA), has said that the UAE attaches great priority to the development of the accountancy as a profession and supporting it within the legal and administrative framework to boost investment environment.

The minister made the statement in his opening address to the 5th Forum of Accountancy and Auditing Companies and Offices of member states of the Gulf Cooperation Council. The statement was read on his behalf by H.E. Abdullah Al-Turifi, SCA Chief Executive Officer at the opening ceremony of the forum, which was organised yesterday in Dubai under the auspices of the Economy Minister.

He pointed out that his ministry remains committed to supporting the practising of the profession of accountancy and auditing through the Auditors Department, which has been tasked with implementing Federal Law No. 22 of 1995 and its executive instrument regarding the regulating of auditing, adding that the department oversees the registration of auditors in accordance with the best practices.

The minister said his ministry is also collaborating with the SCA to guide accountancy and auditing companies to abide fully by the rules and regulations which seek to boost transparency in the management of public joint stock companies (PJSCs) and to uplift the level of corporate governance in them to ensure they adopt and implement the best international practices, in view of the fact that accountancy remains a major pillar in corporate governance, with its significance clearly acknowledged in the wake of the growing trends in the business sector. "This has necessitated the need to have in place effective corporate governance rules to achieve good governance through transparency, equity and



by holding executives of companies accountable, to achieve protection for all investors," he stated.

On the regulating of accountancy and auditing profession in accordance with effective legal framework, the minister said his ministry had developed Federal Draft Law No.

22 of 1995 regarding regulating auditors profession with the aim of developing UAE's economic infrastructure and competitiveness. This, he added, was done by developing the auditing profession in all aspects to enable it contribute in achieving the anticipated

transparency and disclosure in all institutions operating in the country.

He noted that the transformation in the international concept of accountancy had reflected positively on the profession in GCC countries, which are striving hard to fully acclimatize with the new developments. "That is why it is necessary to hold this kind of interactive meeting, which seeks to evaluate the general situation of this noble profession in the GCC states, deliberate on international experiences and take a cue from them in order to avert risks and challenges that others found themselves in as a result of their wrong practices and lapses in their accountancy practices," he stated.

The minister underscored the need to spread awareness on the significance of accountancy and its role in the development of national economy. He also underscored the need for advanced educational curricula supported by Information Technology and accredited accountancy systems to teach those curricula.

SCA: 88% of listed PJSCs Abide by Corporate Governance Rules

The SCA has enhanced the disclosure and transparency procedures by encouraging companies to adopt and implement corporate governance measures to promote good governance and sound practices in doing business. The SCA did this by launching a series of awareness campaigns to boost awareness on corporate governance among listed public joint stock companies (PJSCs).

The move is part of the SCA's efforts to boost its support for the development of securities markets in the country, as one of its major strategic goals which compliment the vision and aspirations of the UAE federal government. In all, 81 companies are subject to the Ministerial Decree No. (518) of 2009 concerning corporate governance and institutional discipline standards, while 48 companies, including investment, banking, financial and foreign companies listed on UAE markets, are not subject to the decree.

So far, 71 companies, representing 88% of the concerned companies, have fulfilled their obligations of furnishing the SCA with the requirements of their strict adherence to corporate governance rules, while the remaining 10, accounting for 12% of the concerned companies, are yet to fulfill that obligation.





Al-Mansoori Reviews Progress in 2010 Operation Plans

H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy, has reviewed progress made in the implementation of the 2010 operation plans of the five government bodies participating in a meeting dubbed: "Implementation Program for Executives of Government Bodies Under the Supervision of the Economy Minister".

He discussed with the participants in the program their outfits' 2011 – 2013 strategic plans and underscored the need to adhere strictly to the guidelines of the plans and their initiatives to achieve the ultimate of their targeted objectives. He called for facilitating the means of achieving the best performance indices for those initiatives.

This came during the inauguration of the program which is part of the general policies of the UAE Government's Strategic Plan aimed at improving performance and sharpening the technical and administrative

skills of personnel of various leadership posts in government institutions.

Participants in the program, which also falls under the general objectives of the Sheikh Khalifa Government Excellence Program, include the economy ministry, the Emirates Securities and Commodities Authority, the Statistics Centre – Abu Dhabi (SCAD), the Insurance Authority and the Civil Aviation Authority.

In his opening address of the two-day program, which was held at the Jebel Ali Hotel in Dubai, the Minister challenged the participants to achieve the utmost of the program, through the sharing of experience to help accomplish the national task assigned to their various bodies in serving the nation, under the wise leadership of His Highness Sheikh Khalifa bin Zayed Al-Nahyan, the UAE President and His Highness Sheikh Mohammed bin Rashid Al-Maktoum, Vice

President and Prime Minister of UAE and Ruler of Dubai.

Al-Mansoori said the program is a good model for creative initiatives, considering the major role it plays in boosting performance and strengthening relations and cooperation between the participating bodies, by helping each of the five bodies in designing the best initiatives for its 2011 – 2013 strategic plan, through the sharing of experience and probing of their points of strength and weakness for improvement.

He said the program consists of a number of components carefully prepared according to the best international practices, based on the requirements and challenges of each of the participating body. He urged them to carefully study those components through open workshops and forums to reach the best mechanisms of cooperation and effective solutions to their challenges.

Oman's CMA Delegation Visits Securities and Commodities Authority

The Emirates Securities and Commodities Authority (SCA) has received a delegation from Oman's Capital Market Authority, as part of an exchange program outlined by a memorandum of understanding signed by the two authorities.

During the one-week visit, the delegation met and interacted with a number of SCA experts and had first hand information about the SCA's tools and methods in conducting financial analysis and risk management.

The delegation praised the SCA for its

advanced standards of supervision and monitoring of securities markets in the country, for boosting sound practices on those markets and for ensuring systematic development of the country's securities markets in a very effective and equitable manner in accordance with the UAE's economic and development purposes.

The three-member Omani delegation underwent a one-week attachment program during which they interacted with experts from the department of research and

development, in general and with the research and financial analysis section, in particular, where they were extensively briefed about the sources of information, the methods and objectives of conducting financial analysis, the beneficiaries and benefactors of the analysis and the significance of and priority attached to the practice.

The delegation spent some time at the risk assessment and management unit of the SCA, where they were thoroughly briefed about the role the unit plays in the SCA.

Heads of GCC Securities Regulators Discuss UAE Project on Unified System of Stock Listing on Securities Market

The Emirates Securities and Commodities Authority (SCA) has participated in a meeting of heads of securities regulators of member states of the Gulf Cooperation Council (GCC). H.E. Abdullah Al-Turifi, SCA's Chief Executive Officer, headed the SCA delegation at the meeting, which was held in Kuwait.

The meeting discussed a number of issues, including a UAE proposal on the restructuring of financial control systems and other proposals on integration of GCC member states' securities markets and unifying their capital market policies and regulations. It also discussed the latest developments on GCC securities markets, proposals on setting up a center to monitor the securities markets, signing of memorandum of understanding (MoU) among GCC regulators and organizing of annual forum or conference under the sponsorship of member states of the GCC securities regulators.

Other issues of discussions at the meeting include a review of the working plan and deadline given every working group, including the Registration, Listing and Disclosure Rules Working Group and the IPO and Subscriptions Working Group, to complete the task assigned them.

The SCA delegation include Dr. Obaid Al-Za'abi, SCA Advisor on Research and Director of the Department of Studies and Development and Abdul Lateef Al-Shamsi, Director of the Legal Affairs Department.



A committee of the heads of GCC Securities Regulators will make recommendations on the proposals it has approved and refer them to the Ministerial Committee of the heads of boards of directors of GCC Market Regulators.

The meeting discussed a UAE proposal on restructuring of financial market supervision systems. The proposal, which was prepared in line with the directives of H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy and SCA Board Chairman, calls for setting up of a team to study

the reality of securities regulators of GCC member states, monitor the changes taking place on the international scene in the area of market supervision, study the proposed structures and see if they will be compatible with the special characteristics of GCC member states, suggest the appropriate organization structure which matches with the current local and international developments, taking

into consideration the ongoing changes and developments in legislation systems at the international level to better organize the supervision of financial sectors battered by the negative impacts of the global financial crisis.

The committee recommended that the UAE presents a detailed paper on the issue which shall be tabled for discussion during the next meeting of the committee scheduled for April next year in the UAE.

The meeting reviewed a project presented by the SCA on "Unified GCC Regulation for Listing of Stocks on Securities Market". The project consists of 12 articles on areas of application of the project, listing rules, application for listing, looking into application for consideration, suspension and cancellation of listing. Discussions on the project has been deferred to the next meeting, which will take into consideration Saudi Arabian observations on the project.

The meeting also discussed a proposal which calls for organizing of annual forum or conference under the sponsorship of the GCC Securities Regulators. According to the proposal a subject matter of concern to the legislative and supervisory bodies of securities markets of member states shall be tabled for discussion every year, although that would be optional and based on the wish of member countries. The UAE expressed the desire to organize a forum on "Restructuring of Supervision Systems", at a time

to be determined later between the SCA and the GCC Secretariat.

In addition to the above, the meeting also reviewed another proposal by the Kuwait Stock Exchange calling for the setting up of a monitoring center for securities markets of GCC member countries and mechanism for the establishment of such a center, which must take into serious consideration the interest of GCC investors. The committee also believes in the need to conduct research in the near future on the feasibility of setting up a resource centre on securities markets in GCC states.

The meeting also discussed another proposal from Qatar Financial Market Authority on draft MoU among GCC securities regulators to further strengthen relations among them, provide a unified framework of cooperation, uplift the standards of common understanding and

break barriers in the area of securities investment among securities markets of member countries. The meeting agreed that all members shall present their legal and technical observations on the subject matter to

the GCC Secretariat by the end of November 2010, for onward referral to the next meeting of the committee, but such observations must take into consideration international practices and the IOSCO MoU.

It's worth noting here that the ministerial committee meeting held in Riyadh last April discussed ways to achieve integration among securities regulators of GCC.

Restructuring of GCC supervision system

UAE to host next meeting in April 2011

Morocco's CMA Delegation Visits SCA

A delegation from Morocco's Capital Market Authority (CMA) has visited the Emirates Securities and Commodities Authority (SCA) to have first hand information about the latter's experience in electronic supervision and monitoring of trading activities on securities markets in the country.

During its tour of the various sections of the Supervision Department, the delegation met and held interactive discussions with officials and experts, who briefed members of the delegation about the SCA's organization structure, the position of the Supervision Department in that structure and the methods of

institutional communication among all the various SCA departments.

The delegation was also briefed about the electronic monitoring system (SMART), the type of manipulations that normally happen on the markets and ways of detecting them.

It's worth noting here that the SCA signed a memorandum of understanding with the CMA to facilitate the sharing of information and to boost cooperation between them to enhance safe transactions on the securities markets of the two countries.





72 SCA Staff Complete Orientation Programs in Executive Leadership & “SHARE”



The Emirates Securities and Commodities Authority (SCA) has held an award ceremony to honor participants in training programs it organized during the year. H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, presented certificate to the 72 trainees who successfully passed-out in three programs, including Executive Leadership, Promising Leadership and the Supporting Human Assets for Real Emiratization (SHARE) programs.

The programs aim at achieving the federal government strategy of building the capacities of UAE nationals and preparing competent first and second ranks of leadership personnel.

Nineteen persons, including heads of departments and sections, participated in the executive leadership program, during which they underwent training in “Drawing of strategic plans”, Administrative and ideological creativity”, “Advanced executive media skills”, “Leadership skills” and Strategies of better performance”.

In the “Promising Leadership” program, 26 participants from the various SCA executive job category ranks underwent a one year training in “Time management and planning”, “Media

skills”, “Presentation and public address” and “Leadership skills”.

In his address to the graduates, Al-Turifi said the SCA is one of the leading federal institutions in the country to have executed successfully executive leadership and promising leadership programs for its employees, adding that the programs, which were executed in accordance with the SCA’s plans and the federal government strategy, were in line with the directives of H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy and SCA Board Chairman.

Each of the two programs lasted for one full year with each participant in the programs having a mentor to inspire them. The programs are part of the SCA’s initiatives and its continuous efforts to successfully entrench the concept of excellence, creativity and quality, to promote best administrative and professional practices and to ensure that only the most effective and advanced working methods are applied at work.

In the SHARE program, 27 trainees passed-out of the training program which aims at developing the trainees’ leadership,

specialization, administrative and personal skills. They also underwent field training in a number of securities markets inside the UAE and abroad.

Meanwhile, the SCA has received the 4th batch of the SHARE program, which aims at preparing competent national cadres to work in the securities industry. Members of the batch include graduates from universities, other institutions of higher learning in the country and from other financial and economic institutions. They were admitted to the program after having passed all the admission exams.

The SHARE program, according to the SCA’s 2008/2010 Strategic and Operation Strategies, is a long-term investment in national human resources. It aims at maximizing the benefit of the output of the UAE’s tertiary education by further building their capacities to work with the SCA or other bodies operating in the UAE securities industry or other economic and investment institutions participating in the program. The SCA invites some institutions related to the securities industry to send their candidates to join the training program.

Al-Turifi: “Code of Professional Conduct and General Profession Ethics” and SCA Employee Guide Codes Complement Each Other

H.E. Abdullah Al-Turifi, Chief Executive Officer of the Emirates Securities and Commodities Authority (SCA) has said that soon after its approval the SCA has embarked upon the implementation of the “Code of Professional Conduct and General Profession Ethics”, approved by the UAE Cabinet headed by H.H. Sheikh Mohammed bin Rashid Al-Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai.

Al-Turifi made the statement in a keynote address to SCA staff during a Ramadan get-together the SCA held for its employees on the occasion of the holy month of Ramadan. He urged SCA employees to adhere strictly to the code. He said the code, which is a guide for all SCA employees, regards serving the UAE and its people as a great honor and privilege which all should be proud of, adding that it also underscores the significance of human resources and the vital role it plays in uplifting the level of sustainable development in accordance with the strategy of the UAE federal government.

He pointed out that the principles contained in the document of the “Code of Professional Conduct and General Profession Ethics” and those contained in the SCA’s “Code of Conduct and Profession Dignity” from the “Employee Guide” complement each other. “This underscores the fact that the SCA is always working to ensure continuous development



H.E. Abdullah Al-Turifi during the Ramadan get-together with SCA staff

of its human resources through training to sharpen their skills, the adoption of best administrative and professional practices and the implementation of the most effective and most advanced methods of work,” he stated.

The SCA Chief Executive Officer outlined the principles contained in the “Code of Professional Conduct and General Profession Ethics”, which, he said, include abiding fully by and respecting the dignity of public office, eschewing abuse of power that is associated

with senior public offices, eschewing conflict of interest, abiding by the rules and regulations in the use of resources, refraining from any action or inaction that would impact negatively on employee’s works and duties, upholding the professional rules of engagement and upholding loyalty and allegiance to the state.

He said the SCA was a pioneer among federal government institutions in terms of promulgation of ethics rules and codes which aim at protecting the dignity of public service.

SCA Opens Door for Licensing of Margin Trading

The SCA has opened the door for licensing of companies interested in engaging in margin trading. It has also started issuing license to financial analysis companies and giving accreditation to financial analysts in accordance with rules outlined in the Margin Trading and Financial Analysis regulations.

The SCA Board Regulation No. (25/R) of 2000, defines Margin Trading as: “Funding of a brokerage company in a percentage of the market value of securities authorized to be traded on margin, having as collateral these same securities or any other collateral in the cases exhaustively stated in this decision”.

The company must obtain the SCA’s prior approval for the model account-opening format and the model Margin Trading Agreement format which shall contain the information specifically stated below. The SCA shall be at liberty to require any amendment it saw necessary for such model-format.

The information and particulars include: a statement of what is to be understood by the Margin Trading service, and the risks to which

the client could be exposed in consequence of that, a statement of the Initial Margin and the Maintenance Margin pursuant to the percentages prescribed, a statement of the amount of the commissions, expenses and costs chargeable to the client in return for such service, a detailed exposition of the rights and obligations assumed by each of the client and the brokerage company, a detailed exposition of the powers of the brokerage company in the event of non-compliance by the client with any of his obligations, and in particular as regards the making of dispositions in relation to the securities funded on margin, including the event of the client’s not subscribing shares in an increase of the capital, an undertaking by the client to replenish the Margin Trading account if the percentage of client’s ownership falls below the Maintenance Margin, after having been notified by the brokerage company.

In the case of financial consultancy and financial analysis, SCA Board Regulation No. (48/R) of 2008 defines financial analysis as: “The scientific systematic processing of data in

connection with the position and performance of the companies in the past and at present, and future forecasts of the results of their business, the securities, commodities, commodity contracts, price trends and the trading volumes for the purpose of obtaining information used to take decision at the time of providing a financial consultation.”

In order to obtain a license to practice the activity of financial consultation and financial analysis, the resolution outlines the following conditions, which must be met by applicants. It says the applicant must be a juristic person established in the UAE, must have one of the forms as set forth in Federal Law No. (8) of 1984 pertaining to commercial companies and at least 51% of its share capital is held by natural or juristic persons who are UAE nationals or GCC nationals, subject to the principle of reciprocal treatment. The purposes of the company must include practicing the business of financial consultation and analysis, and the memorandum of association of the company must be written in Arabic and authenticated by the relevant official authorities.



SCA Signs 7 MoU with Local/Foreign Institutions in 6 Months

As part of its general strategy of boosting cooperation with its partners in the UAE and abroad to strengthen its internal and external operations, the Emirates Securities and Commodities Authority (SCA) has signed within the past six months seven memoranda of understanding (MoU) with local and international bodies.

The SCA signed the MoU with the Higher Colleges of Technology (HCT), the National Statistics Center (NSC), the Department of Economic Development - Dubai (DED), the International Islamic Center for Reconciliation and Arbitration (IICRA), the International Center for Financial Regulation (ICFR), the Irish Financial Services Regulatory Authority (IFSRA) and the Autorite des Marches Financiers (AMF) of Quebec – Canada.

This took to 49 the total number of agreements the SCA signed since it was established up to November 2010.

The SCA signed the MoU to boost cooperation with the NSC in the area of data collection, management, presentation and analysis with the aim of preparing and developing statistical database at the national level. H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, signed the MoU for his side, while H.E. Rashid Khamis Al-Suwaidi, NSC Director General, also signed for his outfit during a ceremony which was attended by officials from the two sides.

Department of Economic Development – Dubai

The SCA signed with Dubai's Department of Economic Development (DED) a MoU aimed at boosting and developing the UAE's investment environment, by cooperating in the area of setting-up of public joint stock companies (PJSCs), facilitating procedures for acquiring license by companies seeking to operate in the country's securities industry and coordination of efforts in the areas of training, sharing of experience and studies.

H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, signed the MoU for his side and H.E. Sami Dhaen Al-Qemzi, Director General of DED, also signed for his outfit during a ceremony held at the DED premises in Dubai and attended by a number of officials from both sides.

Based on the agreement, the two sides will work to build solid partnership between them



SCA Boosts Cooperation with HCT

The SCA also signed a with the Higher Colleges of Technology (HCT) a MoU aimed at boosting joint cooperation and action in the area of developing national capacities in the securities and commodities sector.

H.E. Sheikh Nahyan Mubarak Al-Nahyan, Minister of Higher Education and Scientific Research and HCT Chancellor, signed the MoU for his side, while H.E. Sultan bin Saeed Al-Mansoori, Minister of Economy and SCA Board Chairman, also signed for his outfit during a ceremony which was attended by H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, Dr. Tayyid Kamali, HCT Director and officials from both sides.

Based on the agreement, the HCT will enable SCA employees to pursue various training and education programs by providing for them the necessary facilities, including classrooms, computer labs, library and other educational facilities as required for and throughout the duration of the program.

In a statement, Al-Mansoori praised the HCT for being a major source of specialized higher education in the country and for the high reputation it has earned for itself as a leading tertiary institution, taking into consideration its great academic achievements and excellence in academic programs.

by linking the SCA and DED electronically to jointly issue and renew commercial trade license for PJSCs and other companies operating in the securities industry. The agreement also promotes cooperation between the two sides in the area of securities, sharing of information related to general assembly meetings in the Emirate of Dubai. The DED will also have to get the SCA's approval before issuing license to PJSCs and other companies requesting for permit to operate in the country's securities industry, and before taking the necessary steps to stop the commercial activities of those companies, within the confines of the law and based on SCA's request.

American University of Sharjah

The SCA also signed with the American University of Sharjah (AUS) a MoU to boost bilateral cooperation in various areas, including professional advice, institutional support and development, scientific research, human resources and administrative development and training. His Excellency Abdullah Al-

Turifi, SCA Chief Executive Officer and Dr. Peter Heath, Chancellor of AUS, signed the agreement, at a ceremony held at the AUS campus and attended by officials from both sides.

According to the agreement, the SCA will offer internship and summer training programs to AUS students, and facilitate scientific research and field studies for AUS faculty and students in areas related to SCA activities.

SCA Signs MoU With IICRA

The SCA signed with the International Islamic Centre for Reconciliation and Arbitration (IICRA) a MoU to boost cooperation between them in the areas of resolution of securities and commodities-related disputes, as well as in scientific and professional partnership. H.E. Maryam Butti Al-Suwaidi, SCA Deputy Chief Executive Officer for Legal Affairs, Issuance and Research, signed the MoU for her side, while Dr. Abdul Sattar Al-Khuwailidi, IICRA Secretary General, also signed the agreement for his outfit.

International Centre for Financial Regulation (ICFR)

The SCA signed with the International Centre for Financial Regulation (ICFR) of the United Kingdom a MoU to lay a solid foundation and a framework for joint cooperation between the two sides.

The MoU seeks to boost joint coordination between the two sides and to make use of the professional education and research implemented by ICFR with the aim of developing the capital markets and financial services industry, in general and developing the professional career standards of practitioners, in particular.

H.E. Abdullah Al-Turifi, CEO of SCA, signed the MoU for his side, while H.E. Barbara Ridpath, ICFR Chief Executive Officer, also signed for her outfit, in a ceremony which was attended by officials from both sides.

In a statement after signing the agreement, Al-Turifi said the SCA committed itself to signing the agreement in view of the securities market supervisory and regulatory responsibilities entrusted to it. "By signing this agreement, the SCA seeks to benefit from the services being offered by the ICFR in this regard," he added.

He pointed out that the agreement was the output of the recommendations of the 2nd UAE-UK Joint Committee Meeting held in Abu Dhabi last February, during which representatives of the two countries discussed ways to boost avenues of cooperation in the areas of economy, finance, capacity building, etc. and probed further for other areas of mutual interest and benefit,



SCA Signs MoU With Irish Counterpart

As part of its participation in the 35th annual conference of the International Organization of Securities Commissions (IOSCO) being held in Montreal, Canada, the SCA signed, on the fringe of the conference, a MoU with the Irish Financial Services Regulatory Authority (the Financial Regulator).

H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, signed the agreement for his side, while Matthew Elderfield, Head of IFSRA's Financial Regulator, also signed for his outfit during a ceremony which was attended by representatives of a number of IOSCO members attending the conference.

The MoU, which aims at enhancing cooperation and sharing of information related to the securities industry, provides

a framework for boosting joint cooperation and sharing of information to enable the two sides discharge their duties effectively in the areas of ensuring strict adherence and implementation of securities and futures-related laws and regulations.

Commenting on the agreement, Al-Turifi said it aims at providing better protection for investors and ensuring more efficient securities markets by putting in place a sound framework which will promote joint cooperation and sharing of information within the limit allowed by the rules and regulations of the two sides. "This is to be done in a way that would lead to increased inflow of investment between the two countries through the promotion of joint listing of securities on the markets of the two countries," he said.

SCA Signs MoU with Quebec's AMF

The SCA has signed with Québec's Autorité des marchés financiers (AMF) a MoU to boost cooperation between them in the area of securities industry.

H.E. Engineer Sultan bin Saeed Al-Mansoori, Minister of Economy and SCA Board Chairman, signed the MoU for the SCA, while Mr. Jean St-Gelais, President and Chief Executive Officer of the AMF in Quebec, signed for his outfit in a ceremony attended by H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, H.E. Mohammed Abdullah Al-Ghaffi, UAE Ambassador in Canada and a number of officials from both sides.

In a statement, Al-Mansoori said: "The agreement aims at providing better protection for investors, ensuring better securities market efficiency by providing a working framework that would pave the way for joint cooperation and mutual understanding which would lead to increased inflow of investments between the two countries."

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Capital Market Investors Get Greater Protection

The SCA has signed with the Capital Markets Board (CMB) of Turkey a MoU aimed at boosting cooperation and sharing information in the area of securities industry.

H.E. Abdullah Al-Turifi, SCA Chief Executive Officer, signed the agreement for his side, while Dr. A. Vedat AKGIRAY, CMB Board Chairman, also signed for his outfit during a ceremony which was attended by H.E. Saif Al-Shamsi, UAE Consul General in Istanbul, officials from both sides and representatives of IOSCO members attending the Emerging Market Conference in Turkey.

In a statement, Al-Turifi said the MoU aims at achieving a number of objectives related to the SCA's strategic and operation plans like cooperation in the area of training, sharing of information and experience in the supervision of securities markets and their listed companies.



SCA Launches New Service on iPhone, iPad & Blackberry

Move is part of SCA's efforts to further develop its e-Services for investors

The Emirates Securities and Commodities Authority (SCA) has launched a new service via iPhone, iPad and Blackberry in an effort to develop its eServices to its clients, partners, researchers and other stakeholders on the UAE securities markets.

The SCA said users of the two gadgets can now access SCA legislations, including SCA law, regulations, decisions and circulars in both English and Arabic.

The new service is user friendly and interactive as it allows users to interact directly with the SCA by sending their observations and suggestions and receiving feedbacks.

iPhone, iPad and Blackberry users can also access the Emirates Securities Market (ESM) index

and all SCA news bulletins, as well as other SCA publications.

They can also benefit from the search engine of the SCA website which helps users and visitors gain easy access to information and other important links.

For iPhone and iPad users must have to download the application from sca website address:

<http://www.sca.ae/arabic/pages/iphoneapp.aspx>

be able to access the new SCA eServices.

It's worth noting here that the SCA continues to strive to provide the best services to investors and researchers and all other concerned bodies, by facilitating easy access to information having adopted the latest technological systems which make accessing information fast and easy.



SCA Adopts e-Archiving System

The Emirates Securities and Commodities Authority (SCA) has switched to electronic correspondence program which will see all its internal and external correspondence being conducted electronically to transform its archiving system to electronic mode.

Through the new e-correspondence program, all correspondence to the SCA will be converted to electronic mode as all information, upon receipt, will be converted through a scanning and other modern technology procedures before being saved in a complete unit and in a way that commensurate with the significance of the document for easy access when the need arises.

The new program, which saves time and efforts, allows easy and quick access to the document whenever it is needed.

It also provides maximum protection for the document against damage and lost,

while providing options in the search for any document, which can be done either by file name, number, subject, etc. The program also made retrieving of file and conversion of document to database very simple, fast and easy.



SCA Launches "Talaby"

The Emirates Securities and Commodities Authority (SCA) has launched a special personnel affairs electronic program which will allow its staff process various forms of personnel transactions online through a special network program, dubbed "Talaby".

SCA staff can use the "Talaby" program, which was launched in June, to file application for leave, exit permit, external official task and online securities trading. A staff can also use the program to track the processing of his/her application, saving time, efforts and papers as all the procedures are done online. He/she can also access information about the number of days of annual leave in their credit, in addition to other administrative processes.

It's worth noting here that the Securities and Commodities Authority has embarked upon a sustainable development and modernization of its electronic systems as part of a strategy to achieve its ambitious best international practices.

Investment Portfolios



The booklet, which was issued recently by the Emirates Securities and Commodities Authority (SCA) highlights the significance of investment portfolios and issues to be considered in building a sound portfolio that is capable of achieving investors' objectives.

In a simple form, the booklet outlined how to set up an investment portfolios to achieve the best possible results.

The 16-page booklet defines a "Investment Portfolios" as a blend of a number of investments which aims at minimizing risk to the lowest ebb possible. It pointed out that the portfolio, is either made up of a number of financial assets like shares, bonds and treasure bills or consists of real assets like commodities, properties and gold, or made up of a blend of the two types of assets altogether.

The booklet says all investments are relatively prone to various forms of risks, thus the need for investors to beware and be cautious.

It points out that investment portfolios have two types of risks – Systematic and Unsystematic. It said Systematic Risk is the risk inherent to the entire market or entire market segment although at various degrees. That is why it is also known as (market risk), while the Unsystematic Risk relates to company or industry specific risk that is inherent in each investment, but does not affect the entire market.

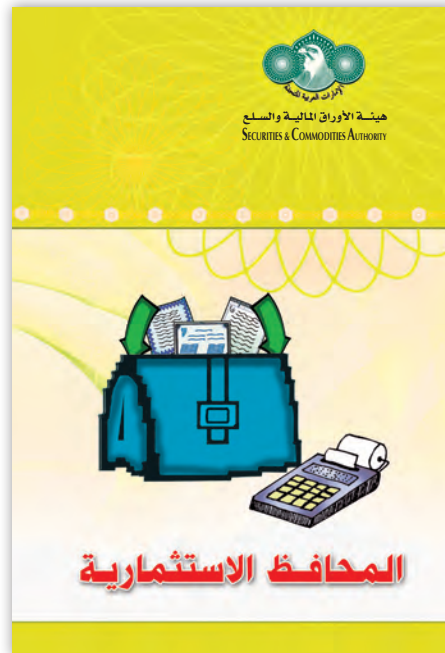
It notes that it is very difficult to totally avoid Systematic Risk although one can minimize its impact by diversifying his/her investments geographically to involve more than one country, but the Unsystematic Risk can be minimized substantially by diversifying securities in one portfolio.

The booklet explains that building a mutual fund is determined by a number of factors, including investor's objective towards the fund, in terms of the expected dividend, level of risk investor can afford, liquidity required, period and duration of investing, distribution of investor's assets

among various portfolios and distribution of investments among various categories of one unit of investment.

It points out that investment strategy is one of the main factors of determining the investment policy, adding that investment strategy is in three types: Active Strategy, Non-Active Strategy and Mixed Strategy.

Touching on the major components of a mutual fund, the booklet says a mutual fund cannot achieve its targeted objectives without taking into serious consideration the following major factors: achieving of appropriate dividend, diversifying of investment, quality portfolio contents, having the minimum liquidity, making good choice of currency in which to invest and making good choice of category of one unit in which to invest.



On management policies of portfolio, the booklet says there are three policies: Active (attacking) policy, which is based on accepting risk which is higher than average in a bid to achieve equally higher-than-average returns.

**Investment strategy
is one of the main
components of identifying
investment policy**

**Using mutual funds
and portfolios is one
of the most appropriate
forms of organizing
investment activities**

This makes investors who focus on this policy to reap capital profit as a result of fluctuations in market prices of the tools of investment forming the portfolio.

The second policy, the booklet says, is: Non-Active (Defensive) Policy, which adopts a cautious approach in the distribution of contents of the portfolio to minimize capital risk to the lowest ebb possible. Therefore, investors who adopt this policy accept low profit.

The third policy, the booklet says, is the Mixed or "Balanced" policy of portfolio management, where the investment portfolio is set up to provide a balanced mixture of safety, income and capital appreciation, adding that the strategy of mixed portfolio is to invest in a combination of fixed-income and equities at a very reasonable risk.

The booklet says investment markets, as they are currently, and as they are expected to continue to be in the years ahead, are no more suitable for the inexperienced investor or for any investor who does not base his/her investment decisions on sound policy. This is because the sharp fluctuations on the markets are certainly going to devastate his/her investments without any prior warning.

It says portfolios and mutual funds are one of the most suitable forms of managing investment activities and warns against depending on one sector or emulating others in what they do on the market, because that will certainly lead to unreasonable confusion and heavy unnecessary losses.

It says investment in portfolio requires skills which the ordinary investor certainly lacks, hence investors are advised to employ the service of experienced persons or to invest through mutual funds.

It is highly expected that the years ahead will witness a major boost to the role of mutual funds in executing investment activities for individual and institutions alike. It will therefore require, more than ever before, greater engagement of professionals to manage investment activities in order to achieve the desired objectives.

Securities and Commodities Authority Intensifies Efforts in Boosting

The Emirates Securities and Commodities Authority (SCA) has intensified efforts to boost awareness among investors, brokers and other players on the UAE securities markets.

The SCA has organized in the past six months a number of sensitization forums and lectures targeting all stakeholders on the local securities and commodities markets.

The SCA held in Abu Dhabi and Dubai awareness forum on “Comparing savings and investment of Securities”. Saleh Al-Helyan, financial expert and advisor at the SCA, made a presentation at the forums.

The SCA also held in Abu Dhabi and Dubai awareness forum on “Islamic Securities Markets”. Dr. Obaid Al-Za’abi, Advisor on Research and Director of the Department of Research and Development at the SCA, made a presentation at the forums.

Dr. Al-Za’abi said Islamic financial service had expanded to accommodate more than 200 establishments in more than 75 countries, with dividend ranging between 15% to 20% in 2008, while the Sukuk markets have also witnessed annual growth at an average of 40% at a total value of US\$80 billion by the end of 2008, adding that Islamic assets reached US\$1.4 trillion, while the volume of Islamic finance stood at US\$700 billion.

The SCA organized lectures during which Dr. Hassan Yaseen, A Senior Advisor at the SCA, made presentations on: “Securities Market Indices – Concepts and Applications”.

In his definition of “Securities Market Indicators”, Dr. Yaseen said it is a statistical



Al- Helyan during the forum

measurement of the performance of a particular securities basket, which represents the performance of a market or one of the latter's sectors or rankings.

A public awareness lecture on “Technical Analysis” was also held by the SCA in Abu Dhabi and Dubai. Dr. Osama Al-Khuz’ali, Professor in Finance at the American University in Sharjah, delivered the lecture, which attracted a large number of investors, employees of brokerage companies and other persons with interest in the securities industry.

The forum highlighted important issues of interest, including the definition of technical analysis and the various assumptions on which the analysis is based, the features of technical analysis and its comparison with basic analysis.

The lecturer gave extensive explanation of the concept and supported his argument with indicators and charts on technical analysis.

He urged investors to equip themselves with the tools of technical analysis in order to derive maximum benefit from available investment opportunities in the country.

The SCA organized a two-day public education lecture on “The Professional Ethics of the Financial Sector”. Mr. Charles Cronin, CFA Head, Standards and Financial Market Integrity – Europe Middle East and Africa (EMEA) Region, and Mr. Zouheir Tamim Jarkas, Head of the Training Department of Mubadala Development Co., delivered the lectures in Abu Dhabi and Dubai.

The lecturers outlined a number of important

SCA Organizes Lecture on “Reasons Behind the Difference in Assessment of Companies”

The Securities and Commodities Authority (SCA) has held in Abu Dhabi and Dubai a public awareness lecture on “The Reasons Behind the Difference in Assessment of Companies”. Dr. Osama Al-Khuz’ali, Professor in Finance at the American University in Sharjah, delivered the lecture, which seeks to educate the general public about the best way to assess companies.

He highlighted during the lectures issues like the role of financial management in companies and emphasized on issues like how to evaluate company's share value on the market by identifying areas of investment which match with the company's strategy, having a suitable finance structure, avoiding investment risk and minimizing its impacts

on the company's income and financial status.

In his definition of “Potential Market Value of Assets and Claims”, he said it is possible to evaluate a company's assets like investments in securities or real estate or abstract assets or claims like bonds or Sukuk, adding that evaluation helps in various areas, including analyzing investment opportunities, preparing annual budget timetable, acquisition and merger operations, conversion and listing of companies on the market, issuing of securities like shares and debt bonds, presenting financial reports and other things. He said evaluation process can be summarized in five major steps, including: analyzing past and current data of a company or a sector, predicting future cash inflow, identifying the cost of financing

the capital structure of a company's project, estimating current net value and, last but not the least, studying and analyzing results.

He pointed out that evaluation can play a major role in daily securities trading as it indicates to the buyer the maximum price he should pay for any security on the market after careful evaluation. Similarly, it indicates to the seller the minimum price he should accept before selling securities in his custody after careful evaluation.

He said evaluation of securities contributes in investment decision-making both in the case of buying and selling, adding that best results are achieved after assessment of more than one company of the same sector or comparing many companies in various sectors.

Investment Awareness on Securities Markets

issues related to professional ethics in the financial sector, focusing on the standards of professional ethics catalogued by the CFA Institute.

The SCA also organized a lecture to counsel students of the Al-Ain University of Science and Technology (AUST) about investment on the securities market.

Dr. Hassan Yaseen, A Senior Advisor at the SCA, delivered the lectures titled: "Investment on the Securities Market – The Concept and Advice).

Dr. Yaseen outlined in the lecture the concept of securities markets and securities regulators, how they all started, the role of securities regulators in regulating and supervising trading in securities like shares, bonds, mutual funds and other securities related matters like promulgation of laws, rules and regulations to govern the industry. He also outlined the giant strides made by the SCA in this regard.

The SCA held awareness lectures in Sharjah to educate students of the Girls Colleges of the UAE University and the Skyline University College of Sharjah.

Dr. Hassan Yaseen, Senior Advisor at the SCA, delivered the lectures titled: "Investing on the Securities Market – Concepts and Advice".

In the lectures, Dr. Yaseen outlined how the securities market and securities regulatory bodies were founded and the stages of their development over the years.

He also highlighted the role of security regulators in regulating and supervising trading in securities like stocks, bonds and mutual funds. He crowned the lectures by highlighting the advanced levels the SCA has reached in those areas.

The SCA held in Dubai a forum on public joint stock companies to highlight valuable information about this kind of company, including the holding of a general assembly, the latter's definition, types, prerogatives and quorum required to make it valid.

A large number of people, including representatives of PJSCs, experts and interest groups, attended the forum, which was held under the theme: "PJSC Management - The Legal Perspective".

A legal team from the SCA, including Dr. Maz'har Farghali, Dr. Ashraf Abdul Mun'em and Mr. Sa'adawi Naji, addressed the forum, which was the sixth of a series of educational and awareness program aimed at educating major players on the securities markets about the legal aspects of PJSCs.

The forum also highlighted the administrative, civil or criminal penalties that could be attracted as a result of violation of the rules of general assembly or board of directors.

Meanwhile, Dr. Munzer Barakat, Senior Advisor on Studies and Research at the SCA, made presentation on: "Capital Market Tools and Mechanisms" during a specialized forum which was organized by the SCA in Abu Dhabi and Dubai.

Investment strategy is a major factor of identifying investment policy



Mr. Charles Cronin making presentation

SCA Supports Corporate Governance Initiatives

H.E. Abdullah Al-Turifi, Chief Executive Officer of the Emirates Securities and Commodities Authority (SCA) has said that the SCA remains committed to supporting initiatives which aim at activating the mechanisms and practices of good governance in accordance with corporate governance principles.

In a statement to mark the opening of the Corporate Governance Conference organized by the Abu Dhabi Centre for Corporate Governance (ADCCG), in collaboration with the SCA, Al-Turifi said implementation of corporate governance principles is in the interest of the companies which implement them as it improves their performance and reflects positively on their credibility. He added that the conference is an important step in the spreading of awareness on the major components of corporate governance and in showcasing the long-term benefits of corporate governance if properly implemented.

About 600 participants from inside and outside the UAE attended the one-day conference which was held under the theme: "Towards a Proactive Board of Directors". Speakers include local and foreign personalities invited as main speakers at the conference, which was opened by H.H. Sheikh Nahyan Mubarak Al-Nahyan, Minister of Higher Education and Scientific Research.

The conference discussed issues related to problems being faced by boards of directors and issues related to the best international practices in the area of matters related responsibilities and duties of board of directors.

Al-Turifi pointed out that the SCA had signed cooperation and partnership agreements with the Institute of Corporate Governance (HAWKAMAH) and the ADCCG. "Being a board member of the ADCCG and the HAWKAMAH-affiliated Institute of Directors (MUDARA), the SCA continues to strive to further boost the framework of cooperation with its partners in this area, in order to disseminate corporate governance principles, applications and significance to the business sector of the UAE," he added.

He noted that the SCA is striving to further boost public awareness on the significance of corporate governance to companies, in particular and to the securities market, in general. "In view of all the above, the SCA reiterates its support to the ADCCG in its efforts to encourage the adoption of the best practices and applications of corporate governance in the Emirate of Abu Dhabi," he said.



Nine Firms Get SCA Approval to Buy-Back 2.14 Billion Shares

They bought-back 17.05% of their shares by end of last September

Nine companies have obtained by the end of last September approval from the Securities and Commodities Authority (SCA) to buy-back their shares.

By the end of September, the companies have succeeded in buying back a total of 365.22 million shares, representing 17.05% of the shares which the SCA allowed them to buy-back, totaling 2.14 billion shares.

Now the nine companies have 1.78 billion shares, representing 82.95% to purchase to complete the total volume of shares the SCA allowed them to buy-back.

The nine companies are: Abu Dhabi National Company for Building Materials (BILDCO), Emaar Properties, Islamic Arabic Insurance (Salama), SHUAA Capital, Drake and Scull, First Gulf Bank, Abu Dhabi National Energy (TAQA), Gulf Navigation Holding and Bank of Sharjah.

The companies applied for share buy-back of between 5% to 10% of their capitals. Only BILDCO was able to buy-back the full 5% of its total shares it requested for and got permission from the SCA. The 5% capital

translates into a total of 15 million shares. Emaar requested for buy-back of 10% of its capital, translating into 609.12 million shares, but as at the end of September, it has succeeded in buying back only 200,000 shares, representing 0.0033% of the company's total capital.

Salama, which requested to buy-back 10% of its shares, translating into 110 million shares, could only buy-back by end of last September 19.7 million shares, representing 1.79% of the total, while SHUAA Capital, which requested to buy-back 55 million of its shares, representing 10%, could only manage to buy-back 3.05 million shares, representing 0.064% of its total capital.

In the case of Drake and Scull, which requested for a buy-back of 10% of its total shares, translating into 217.78 million shares, the company managed to buy-back by September ending only 32.04 million shares, representing 1.49% of its total capital.

First Gulf Bank, which requested to repurchase 10% of its capital, translating into 137.05 million shares, succeeded in buying

back only 52.5 million shares by September ending, representing 3.82% of its capital.

As for TAQA, it requested to buy-back 622.5 million shares, representing 10% of its capital, but the company managed to buy only 158.7 million shares, representing 2.55% of its capital.

Gulf Navigation Holding requested to buy-back 10% of its capital, which is 165.5 million shares, but was able to purchase only 82.27 million shares, representing 4.97% of its total capital.

Bank of Sharjah got permission to buy-back 10% of its total shares, translating into 210 million shares, but could only manage to purchase 989.44 thousand shares, representing 0.05% of its total capital.



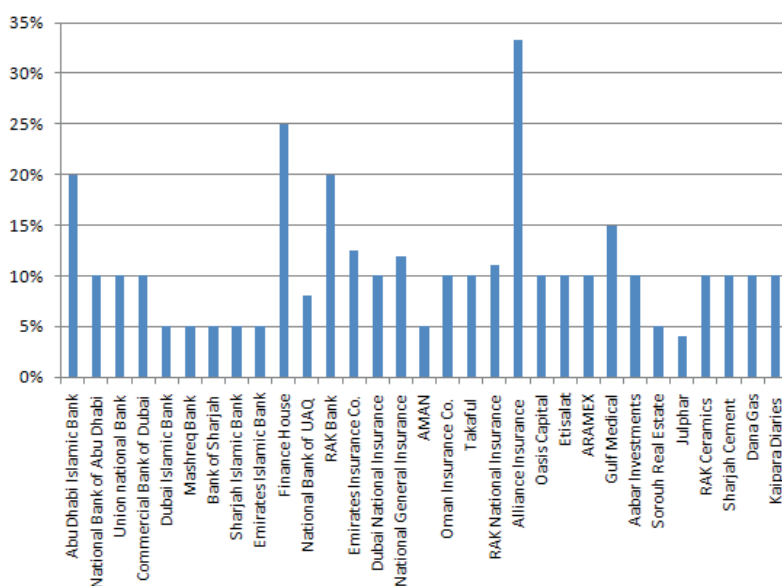
Companies' requests for share buy-back range between 5% to 10%



Companies which got SCA approval to buy-back some percentage of their shares, and executed that operation by September 30th, 2010

NO.	Company	Buy-back %	No of shares allowed for buy-back	Shares actually bought-back up to date	Actual % bought-back from capital	Date set for selling of buy-back shares	Validity period of SCA approval of the buy-back
1	Abu Dhabi National Building Co. (BILDCO)	5%	15,000,000	15,000,000	5%	09/Dec/2010	One year - Elapsed on 23rd/Jul/2007
2	Emaar Properties	10%	609,123,850	200,000	0.0033%	Company sold buy-back shares on 19th/Sep/2010	One year - Renewed once - Elapsed on 24th/Dec/2008
3	Islamic Arabic Insurance (Salama)	10%	110,000,000	19,697,615	1.791%	14th/Dec/2010	One year - Renewed once - Elapsed on 22nd/Oct/2009
4	SHUAA Capital	10%	55,000,000	3,500,000	0.636%	17th/Nov/2010	One year - Renewed once - Elapsed on 18th/Nov/2009
5	Drake & Scull	10%	217,777,777	32,400,000	1.488%	30th/Nov/2010	One year - Elapsed on 30th/May/2010
6	First Gulf Bank	10%	137,500,777	52,500,000	3.818%	Within a maximum period of two years from date of last purchase	One year - Renewed once - Shall elapse on 29th/Dec/2010
7	Abu Dhabi National Energy (TAQA)	10%	622,500,000	158,658,151	2.549%	Within a maximum period of two years from date of last purchase	One year - Renewed once - Shall elapse on 20th/Feb/2011
8	Gulf Navigation Holding	10%	165,500,000	82,274,83	4.971%	Within a maximum period of two years from date of last purchase	One year - Renewed once - Shall elapse on 28th/Feb/2011
9	Bank of Sharjah	10%	210,000,000	989,444	0.047%	Within a maximum period of two years from date of last purchase	One year - Renewed once - Shall elapse on 14th/Aug/2011

% of Capital Increase



4.24 billion Share Increase Recorded in 2010

The first 9 months of the current year witnessed a share increase of 4,249,140,447 shares, pushing the total shares of listed companies to 50,400,547,471, compared to the 46.15 billion shares recorded at the end of 2009.

Total share increase recorded in the banking sector was 1,878,011,517 shares, to bring the total shares of this sector to 22,887,597,549 shares. The insurance sector witnessed a share increase of 106,086,737 shares to bring the total shares of this sector to 1,198,436,837 shares.

The total shares of the services sector soared to 17,772,290,000 shares, following the recording of a total share increase of

1,525,890,000 shares during the same period. As for the industry sector, it recorded a share increase of 739,152,193 shares to push the total shares of this sector to 8,542,223,085 shares.

The banking sector recorded the highest capital increase with the Abu Dhabi Islamic Bank topping the list of companies with share increase in that sector with about 494.7 million shares, representing 20% of the bank's capital. The share increase raised the bank's total shares to 2.36 billion shares. The National Bank of Abu Dhabi follows on the list with a total share increase of 217.4 million shares, representing about 10% of the bank's capital. This brings the bank's total shares to 2.39 billion shares.

SCA: Subscribers Deserve a Share of Dividend on Surplus Subscription Cash

The SCA has issued Ministerial Decree No. (206) of 2010 concerning "Allocation of Securities to Subscribers and Dividend of Subscriptions". The move was part of the SCA's efforts to encourage investors and companies interested in floating their shares for general subscription. It is also to promote competition among subscribers.

Based on the decree, banks overseeing the subscription process shall calculate the payable dividend from the date of closure of subscription to the day before the date of refunding the surplus subscription monies to their owners. This is to be done according to the rules applicable to subscription revenues.

Commenting on the issue, H.E. Maryam Al-Suwaidi, SCA Deputy Chief Executive Officer for Legal Affairs, Issuance and Researches, said: "As part of the SCA's commitment to prepare the UAE securities markets for imminent expansion, increase in the rate of initial public offering (IPO) and the conversion of companies to public joint stock companies to list their shares for trading on the local markets, any bank overseeing subscription operations will be allocating shares for subscribers within a period of 15 days from the date of closure of subscription and shall refund to subscribers any surplus cash and dividend accumulated on them.

SCA Issues NSIN for Stocks of Local Companies

The Emirates Securities and Commodities Authority (SCA) has started issuing National Securities Identifying Numbers (NSIN) to stocks of local companies listed on the Abu Dhabi Stock Exchange (ADX) and the Dubai Financial Market (DFM). One hundred and nine (109) NSINs have so far been issued, in a move, the SCA said, is aimed at implementing the best international practices in facilitating smooth securities trading in the country.

The SCA gained the membership of the International Securities Identification Number (ISIN) in the later part of 2009. By virtue of the ISIN membership, the SCA started issuing identifying numbers to securities being issued in the UAE under a unified ISIN code. The move seeks to provide each security an international securities code which will be used in local and international trading of that security.

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145 General Assemblies Held in 9 Months

A total 145 general assemblies have been held in 2010. These include 103 ordinary assemblies, representing 71% of the total general assemblies held during the year and 42 extraordinary assemblies, representing 29%. From the total, the insurance sector tops the list with 38 general assemblies to its credit, followed by the banking sector with 34, while the industrial sector placed 3rd with 19 general assemblies.

Dubai got the lion's share of the general assembly meetings with a total of 57, followed by Abu Dhabi with 39, while the remaining emirates accounted for the rest.

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New System for Renewal of Registration

As part of its efforts to continuously provide the best services to its members and clients, the SCA has introduced a new system for renewal of registration certificate for public joint stock companies registered with the SCA.

The new system, which saves time and efforts, adopts a code bar on the certificate. The code bar helps expedite the registration renewal process which will take only ten minutes to complete instead of the old system in which the process takes one full day to complete. The new system has been widely applauded by SCA clients.



DGCX: Brokers Must Now Submit NCTA with Auditor's Certification

The Dubai Gold and Commodities Exchange (DGCX) has discontinued in April 2010 the old system on requirement to report self-certified Net Current Tangible Assets (NCTA) by all brokers of DGCX on a quarterly basis.

The new requirement is for an annual auditor's certification, which confirms that each broker has maintained NCTA at or above minimum requirement continuously throughout the course of the previous year. Now the brokers are required to submit NCTA certification letter on their auditor's letterhead on or before January 31st of each year.

A Request for Quote ("RFQ") facility, which was introduced at DGCX, will be made available via a dedicated micro-site on the website of DGCX.

In an RFQ facility, a client or a broker can request quotes for any listed commodities contract for which he does not find quotes in the main trading market.

Brokers who have registered with DGCX for using the RFQ facility can then provide the requested quotes through the general trade book.

Meanwhile, trading in the Indian Rupee vs. Dollar Futures contract has recorded an all time daily high volume of 4482 contracts on September 30th, 2010 valued at US \$198.9 Million. In September, currency futures volumes increased by 304% on the volume traded in September last year. This volume was 112,839 currency futures contracts.

Also, in September, DGCX Indian Rupee futures continued its exceptional volume increase, registering its fourth straight monthly volume record with 69,917 contracts traded, an increase of 61% on last month and valued at US \$3 billion. Euro/Dollar, Sterling/Dollar and Yen/Dollar also recorded in September volumes of 21,123, 10,786 and 2,820 contracts respectively, to put the average daily volume in September at 7,464 contracts.

Total trading volume for the year 2010 crossed one million on

July 13th, 2010. Till this date, 1,006,485 contracts representing a total value of US \$58 billion had traded on DGCX. The figure represents 48% increase in

the volume of 678,716 contracts recorded within the same period last year (2009).

Australian Dollar/US Dollar (DAUD), Canadian Dollar/US Dollar (DCAD) and Swiss Franc/US Dollar (DCHF) futures contracts were listed on DGCX on June 15th, 2010.

It's worth noting here that the SCA has an oversight responsibility over the DGCX under the power vested in the SCA to supervise and monitor the securities and commodities markets in the UAE. A memorandum of understanding was in 2006 between the SCA and the DGCX to promote standards and levels of disclosure and transparency underlying transactions with the ultimate objectives of protecting the interest of investors.

Trading Statistics - Volume & Value

Month 2010	Volume	Value (in US\$ Mln)	No. of Trades
April	107641	6120.03	36629
May	139565	7643.87	43137
June	192138	8513.14	44634
July	156242	8280.11	49041
August	111348	5709.61	55680
September	156740	7849.58	85016
Total	863674	44116.34	314137

The initial margins on the listed commodities and currencies contracts was revised at DGCX several times in this period. The margin on the commodities contracts as on 5th of October, 2010 is as under:

Commodity Contract	Initial Margin (in US\$) per contract
Gold futures	900
Silver futures	800
Steel Rebar futures	600
WTI Light Sweet Crude Oil Futures	4000
Brent Crude Oil Futures	4000
Fujairah Fuel Oil Futures	1500
Indian Rupee-Dollar FX Futures	500
Euro-Dollar FX Futures	1400
Sterling - Dollar Futures	1200
Japanese Yen-Dollar FX Futures	1300
Australian Dollar-US Dollar FX Futures	1100
Canadian Dollar-US Dollar FX Futures	1000
Swiss Franc-US Dollar FX Futures	1000



Awraq Maliyah

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Dear Corporate Disclosure Officer,

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