2016 GCC WEALTH INSIGHT REPORT

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Contents

About this Survey

The GCC Wealth Insight Report 2016 is based on a survey of High Net Worth Individuals (HNWIs) across the Gulf Cooperation Council (GCC). For the purposes of this study, HNWIs are defined as individuals with US$2 million or more in investable assets. This is the third edition of the GCC Wealth Insight Report. The first edition was released in early 2014, the second in early 2015. The study is sponsored by Emirates Investment Bank (EIBank), an independent private and investment banking boutique based in the United Arab Emirates. EIBank chose Ipsos and Brunswick Insight to conduct this study on their behalf in order to ensure the accuracy of the findings and independence of the analysis.

All data and findings are sourced from Brunswick Insight and IPSOS

BRUNSWICK | INSIGHT Ipsos

Foreword from the CEO

Wealth preservation and growth in a challenging economic environment

The GCC Wealth Insight Report, now in its third year, paints a detailed picture of how High-Net-Worth Individuals (HNWI) from the Gulf perceive current and future economic conditions – both regionally and around the world - and how these perceptions shape their investment decisions. As a boutique private bank, Emirates Investment Bank has an important role to play in leading the conversation on wealth preservation and growth, and I am delighted that we are able to do so through the commissioning of this independent report.

The decline in oil prices in 2015 affected markets around the world and the GCC was no exception. With prices falling from a peak of US$115 per barrel in June 2014 to less than US $40 per barrel many GCC states faced budget deficits and concerns about growth prospects. Regional governments have already taken unprecedented steps in reaction to the low price of oil by reining in expenditure and cutting energy subsidies, and it is likely that we will see further structural reform.

With the global economy currently going through a period of significant volatility and with depressed oil prices, it comes as no surprise that this year's report is more sombre than in previous years. Nonetheless, despite the ongoing economic and geopolitical concerns, confidence in the GCC as an investment destination remains strong, particularly over the long-term.

At Emirates Investment Bank, we advise our clients that the best way to protect their wealth is through diversification – both by asset class and geography. Historically, investors from the GCC prioritised growth and allocated a greater portion of their wealth to investing in their own businesses for future generations. However, as regional economies mature, we are seeing an increasing interest in alternative investment opportunities as HNWIs seek to construct a more balanced portfolio.

In this year's report, however, we see a clear shift towards conservative investments with investors appearing to be more risk averse and adopting a defensive approach to their wealth allocation. This is evidenced in the significant shift this year towards cash and deposits as well as gold and precious metals than in previous years. Ultimately, this suggests that the GCC investment community is becoming more cautious in both the short term and long term, with a greater awareness of the importance of wealth preservation.

I hope that you find this edition of the GCC Wealth Insight Report insightful and informative. If you would like to discuss this Report or Wealth Management more broadly, I would be happy to hear from you.

Khaled Sifri
Chief Executive Officer
Emirates Investment Bank

Executive Summary

In an uncertain economic and geopolitical environment, the GCC retains its appeal for HNWIs

The GCC Wealth Insight Report 2016 is the third edition of our research into the views of High Net Worth Individuals across the Gulf. This year's findings show that in what has been a challenging year for the region, with the falling oil price and geopolitical instability, the GCC remains an attractive investment destination for HNWIs, however there is a clear element of caution lingering amongst investors.

Considering the turbulence and uncertainty of the past year, it is therefore no surprise that views of both the global economic situation and the economic situation in the Gulf region are more negative than last year. While HNWIs are significantly more likely to say that the regional economy is worsening, there is confidence that the situation will improve over the medium-term, with the majority of HNWIs optimistic about the economic prospects for both the global economy and the Gulf region in the next five years.

It is natural for the lack of confidence in the current global and regional economic situation to have affected investment and banking decisions for the majority of HNWIs. It has led to greater caution when making investment decisions and less appetite for risk, as well as encouraging HNWIs to bring their investments closer to home. Similarly, in this 2016 Report, we are seeing an increase in allocations to gold and precious metals, as well as greater holdings of cash, as compared to the 2015 Report.

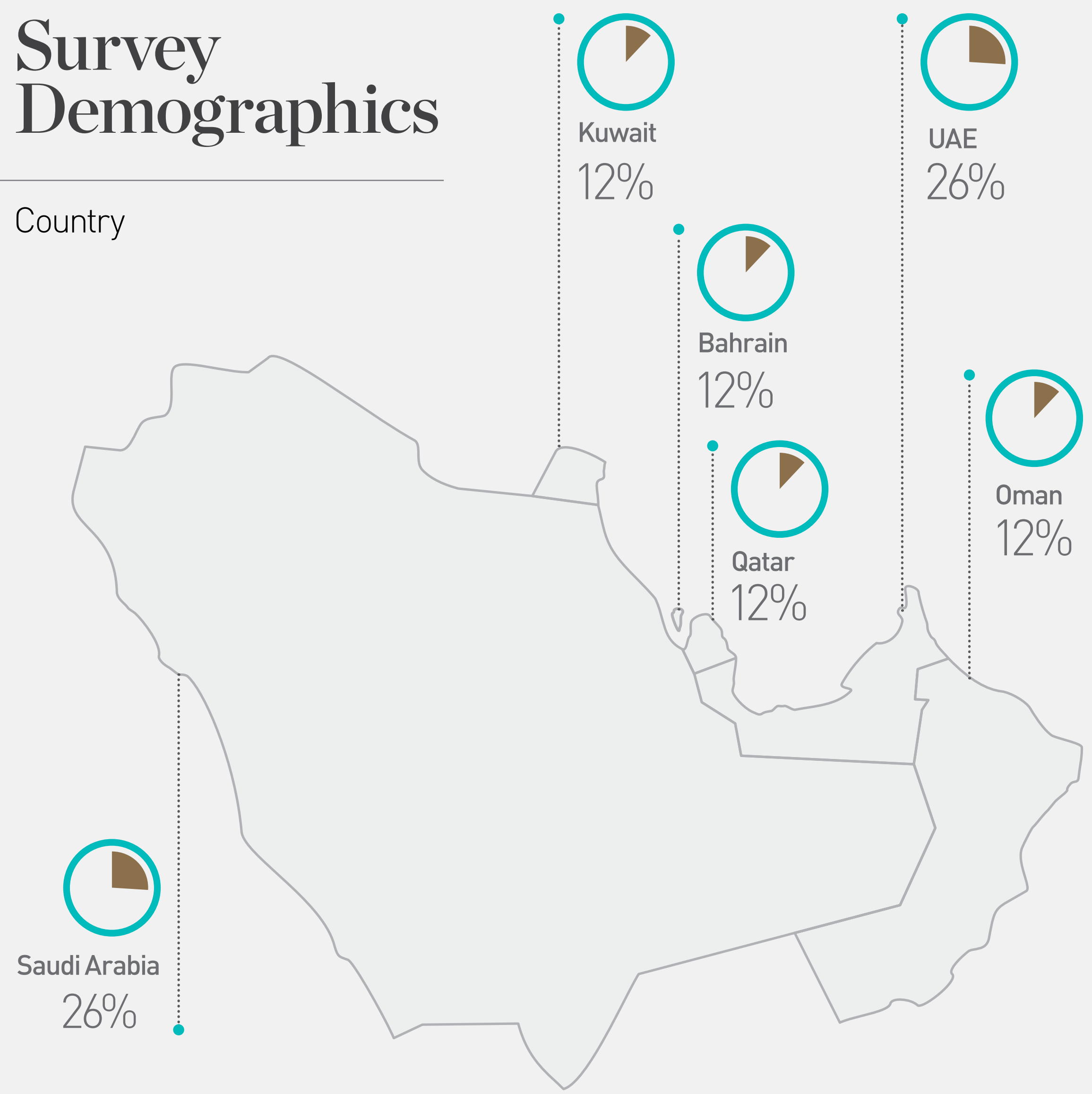
As was seen in the 2015 Report, HNWIs generally see their local economy and wider GCC region as a safer investment destination. They cite an increased focus on local investment (as opposed to regional or global), and identify the GCC as their favoured location for investment, both currently and over the next five years.

Despite the sense of greater caution, we still see that a clear majority of HNWIs are focused on growing their wealth, rather than adopting a position of consolidation. While there is less appetite for investing further afield, they continue to invest in their own businesses and real estate, albeit to a lesser extent to 2015.

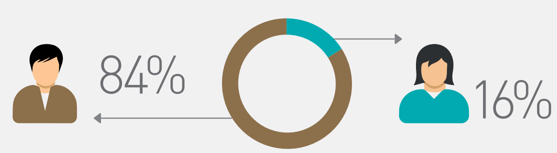
As in previous years, HNWIs prefer to bank with a local partner, with the level of service and reputation remaining the most important factors when choosing a bank.

Survey Demographics

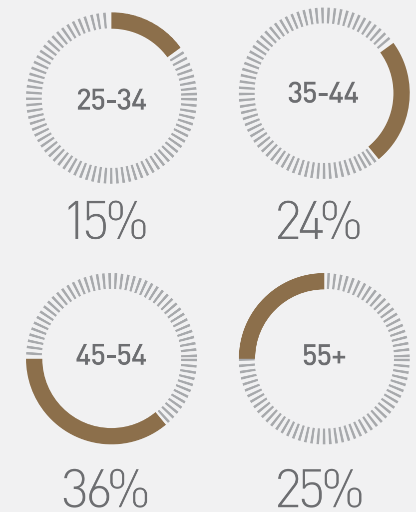
Country



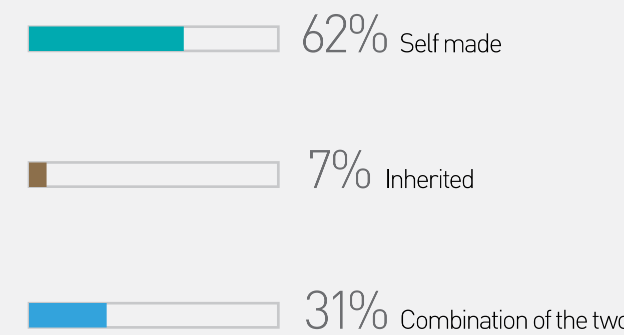
Gender



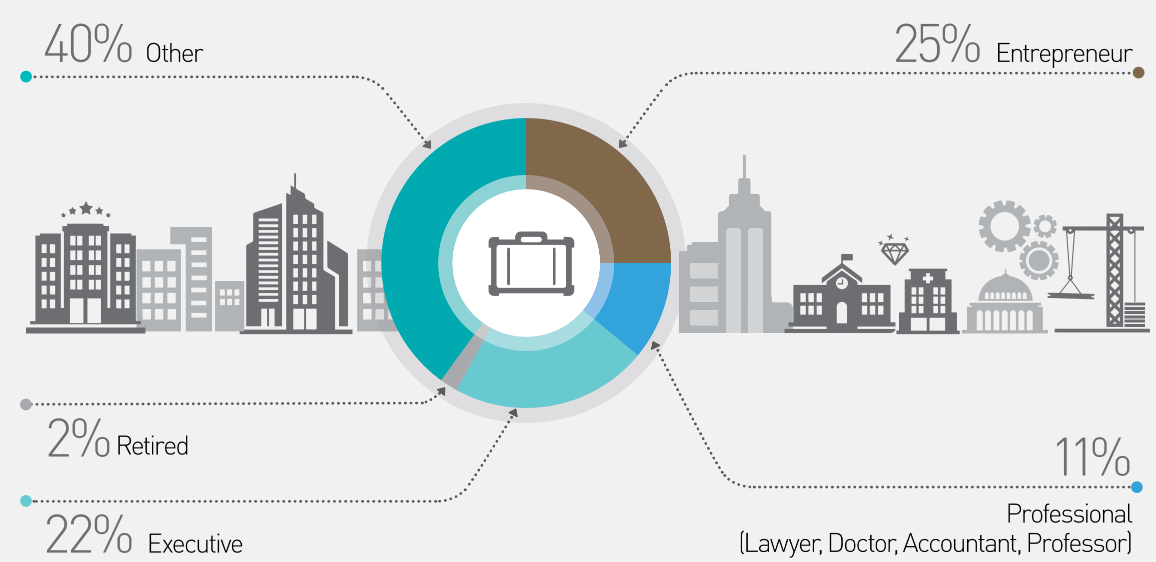
Age



Source of wealth



Profession



Base: All answering

Economic Sentiment

The global economy made steady progress in 2015 but growth lagged expectations – particularly in emerging markets such as China, which experienced a significant slowdown. Initial forecasts from the International Monetary Fund (IMF) projected that the world economy would grow by 3.5% in 2015. By October, that figure was slashed to 3.1%. Coupled with low oil prices and ongoing conflicts in Yemen, Syria and Iraq, regional economies were faced with a number of challenges.

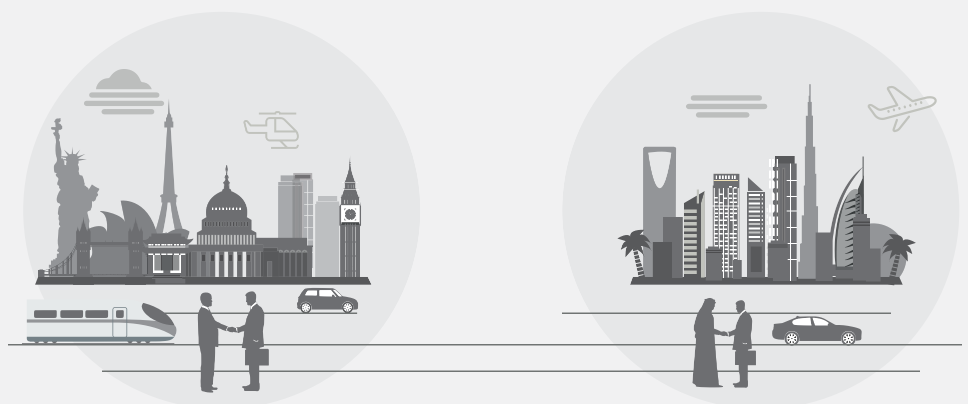
We asked respondents for their views on the current economic situation, which revealed that many of these challenges are expected to remain in the short-term. However, our 2016 Report also suggests that longer-term, there is confidence in the economic situation – both at a global level and at regional and national levels.

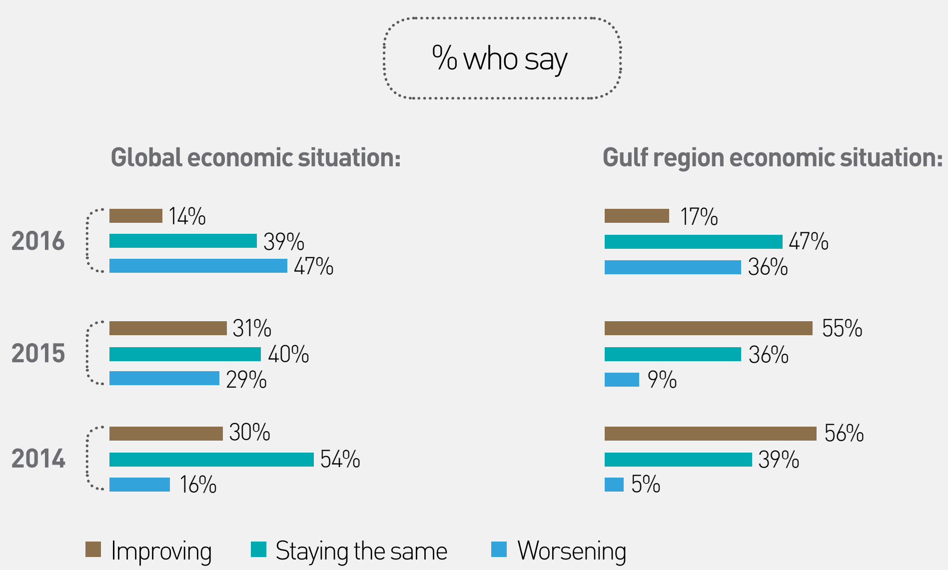
Despite current economic challenges, there is still confidence in both global and regional economies, over the long term

In 2016, investor sentiment towards the regional economic situation is four times more negative than in 2015

HNWIs in the GCC are less positive about the global economic situation compared to previous years. Just 14% say that the global economic situation is improving (down from 31% in 2015, and 30% in 2014), while almost half (47%) think that the situation is worsening.

There has been a significant decline in the proportion of HNWIs who are positive about the Gulf regional economic situation – just 17% say that it is improving, compared to 55% in 2015. There has also been a notable increase in the proportion of HNWIs who say that the economic situation in the region is worsening (36%, up from 9% last year).





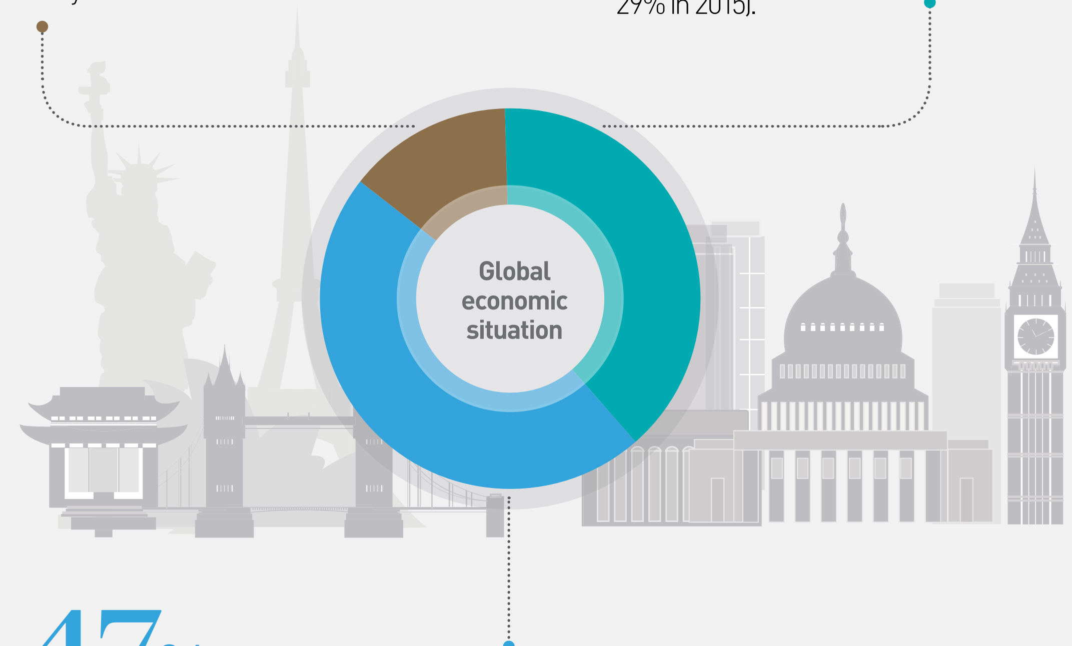
Base: All answering

14% Improving

Amongst the 14% of HNWIs who say the global economic situation is improving, belief in business growth leading to more investment opportunities (29%) and the perception of recovery from the recession (21%) are most often cited as reasons for this view. While responses are similar to 2015, the theme of anticipated improvements in stock markets and economies is stronger this year.

39% Staying the same

Amongst the 39% of HNWIs who think the global economic situation is staying the same, the lack of visible change (23%) and the impact of political instability (18%) are the most commonly cited reasons for this view. In relation to 2015, fewer respondents now cite the lingering effects of the recession (5%, vs. 29% in 2015).



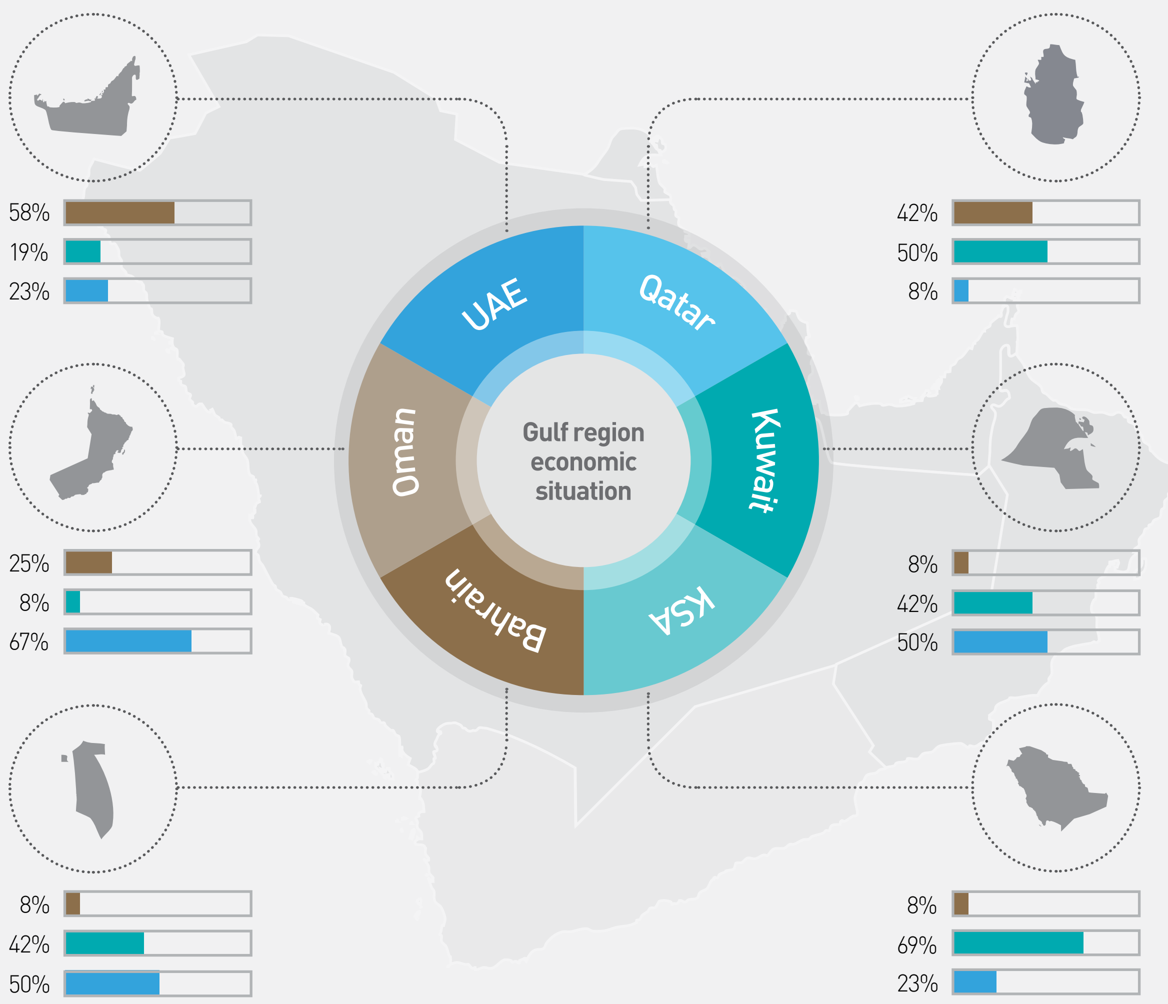
47% Worsening

Amongst the 47% of HNWIs who say the global economic situation is worsening, political instability (53%) is the most commonly cited reason for this, as it was in 2015 (73%). A new reason this year, which is frequently mentioned, is the oil price decline – cited by almost half of respondents (45%).

HNWI views on the economic situation in their own country vary quite substantially across the GCC

Views are most positive in the UAE and Qatar, and least positive in Kuwait, Bahrain and KSA. HNWIs in Oman are most likely to feel that the economic situation in their country is worsening (67%).

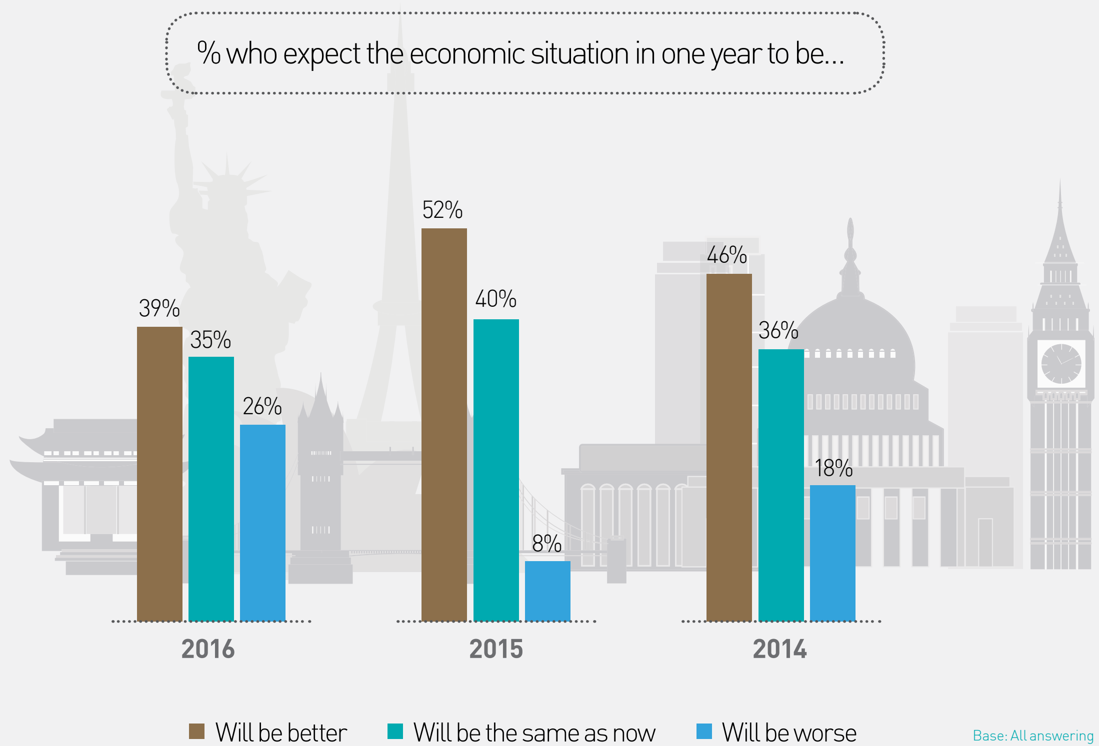
The proportion of HNWIs who say that the economic situation in their own country is improving shows a notable decline in relation to 2014 and 2015, across all countries covered by the survey.



Base: All answering UAE, KSA, Oman, Qatar, Kuwait, Bahrain

HNWIs show cautious optimism regarding global economic prospects

HNWIs are less positive about the prospects for the global economy over the next 12 months, with a decline in the proportion of respondents, in comparison to 2015, who think the economic situation will improve



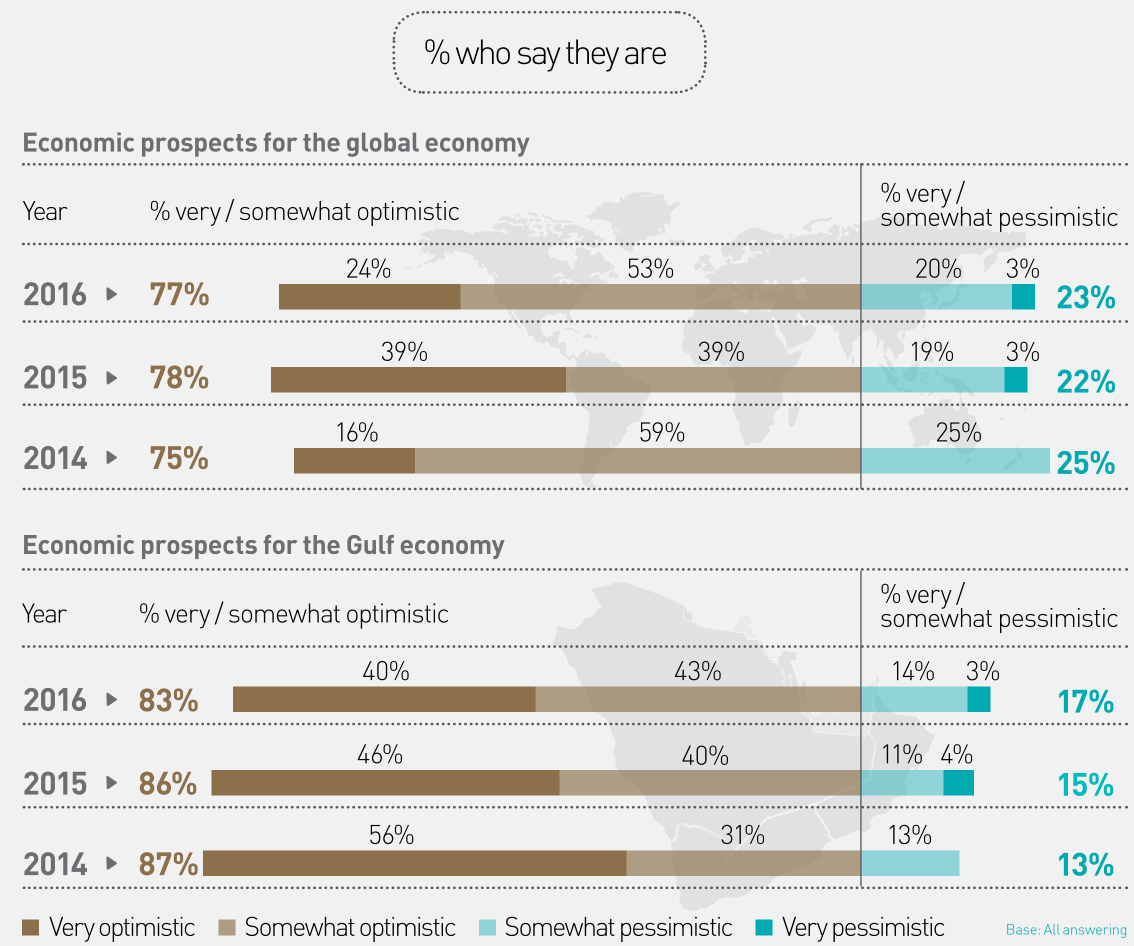
Views on economic prospects over the next five years show that most HNWIs are optimistic about longer term prospects for both the Gulf and the global economies

77%

Just over three quarters of HNWIs (77%) are at least somewhat optimistic about the economic prospects for the global economy over the next five years, which is consistent with 2014/2015.

83%

More than four in five HNWIs (83%) say that they are optimistic about the economic prospects for the Gulf region over the next five years – broadly consistent with 2014/2015.



Optimism vs Pessimism over the next 5 years: Global Economy

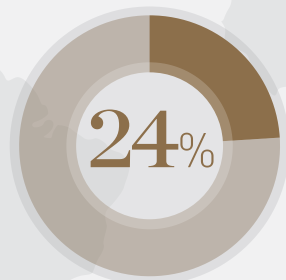
Positive economic signs and flourishing new projects / investments are creating optimism, whereas political instability and no immediate signs of change are driving caution

Optimism

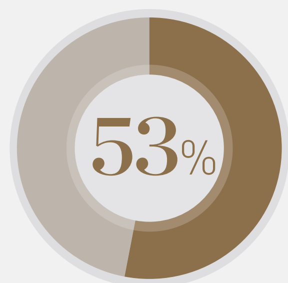
The main reasons volunteered for optimism **(77%)** in the global economy:

- **22%** Flourishing investments/ new projects (e.g. real estate)
- **21%** Positive economic signs and stability from the major global economies
- **10%** Financial markets perceived as cyclical

Very optimistic



Somewhat optimistic



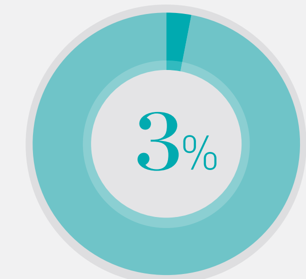
Base: All who say they are optmistic about the global economy

Pessimism

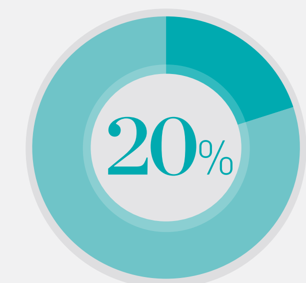
The main reasons volunteered for pessimism **(23%)** in the global economy:

- **35%** Continued political instability and uncertainty
- **30%** Slow pace of recovery
- **22%** Concerns over stability of major economies

Very pessimistic



Somewhat pessimistic



Base: All who say they are pessimistic about the global economy

Optimism vs Pessimism over the next 5 years: Gulf Economy

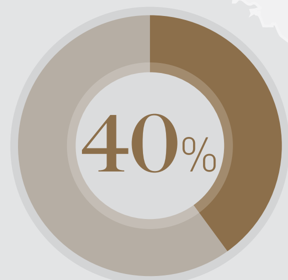
Majority remain optimistic for the Gulf economy due to perceived positive economic growth. However, opinions vary on the geopolitical situation

Optimism

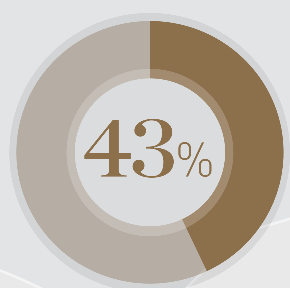
The main reasons volunteered for optimism **(83%)** in the Gulf economy:

- **22%** Government measures and support for the local economy
- **14%** Improving political stability / unaffected by conflict
- **13%** Growth in tourism, construction and real estate sectors

Very optimistic



Somewhat optimistic



Base: All who say they are optimistic about the Gulf region

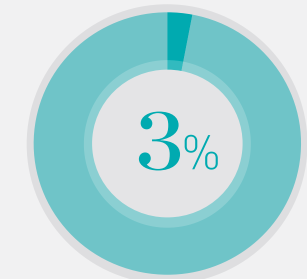
> “Due to the investors and government support for small entrepreneurs; this will boost the development and prosperity of the economy in the Gulf region.”
>
> *KSA*

Pessimism

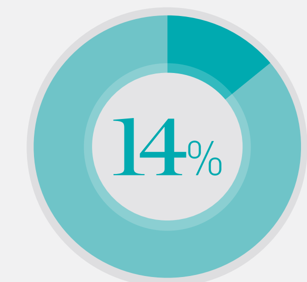
The main reasons volunteered for pessimism **(17%)** in the Gulf economy:

- **39%** Negative impact of conflicts in the Arab world on the Gulf region
- **30%** Drop in oil prices
- **26%** Unstable political situation

Very pessimistic

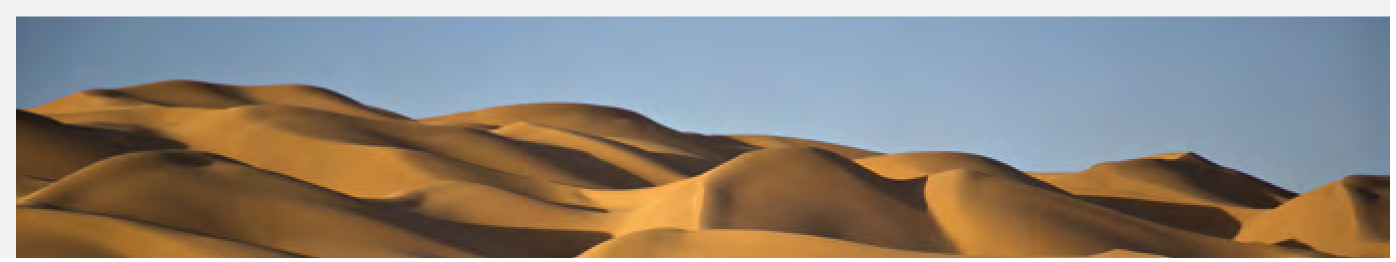


Somewhat pessimistic



Base: All who say they are pessimistic about the Gulf region

> “Oil prices and the war erupting in the Gulf and in Syria and Iraq; all incidents have an impact on the situation in the Gulf.”
>
> *KSA*



Wealth Decisions

Investors are faced with a plethora of investment and banking opportunities, which are increasingly complex and global. We asked HNWIs to share their views on how the current economic situation and the geopolitical situation in the Arab region have impacted their banking and investment decisions.

A significant proportion of HNWIs say that their investment decisions have been affected, most notably driving a greater level of caution and a continuation of the shift in focus from global investment to local investment.

HNWIs display increased caution with a noticeable shift away from global investments to adopting a more regional focus

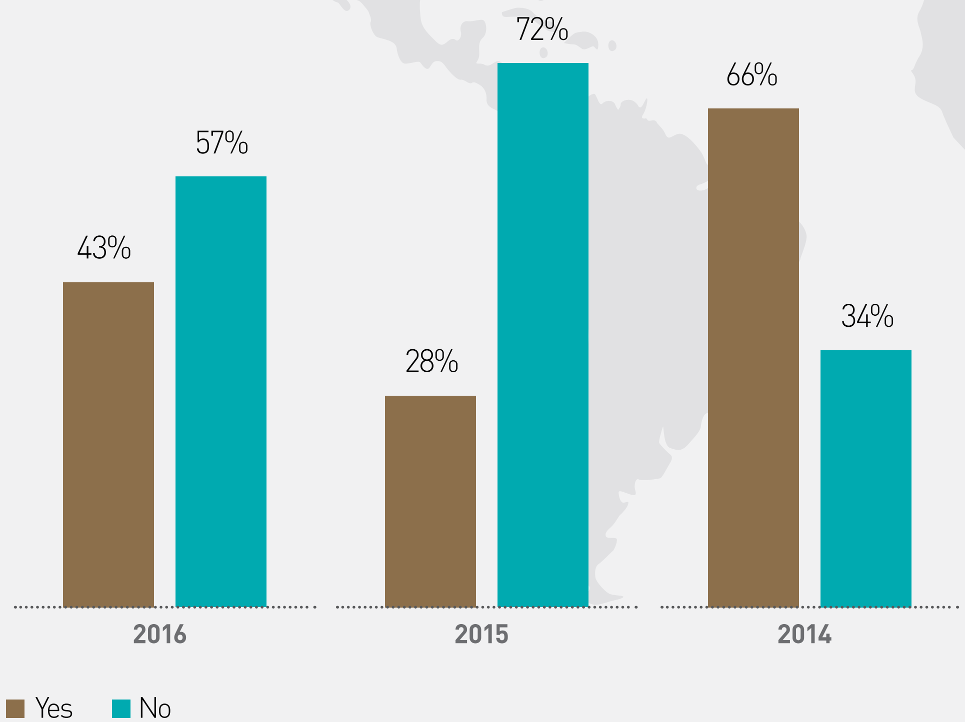
Attitudes towards banking and investment decisions

The current economic climate has had a greater impact on HNWI investment decisions in comparison to 2015

Global Economic Situation

43% of HNWIs say the global economic situation has affected their banking and investment decisions, which represents a significant increase in relation to 2015 (28%). However, the impact is lower than in 2014.

% who say the global economic situation has affected decisions



Base: All answering

Amongst the 43% of HNWIs who say that the current global economic situation has affected their banking and investment decisions, the most commonly cited impact is that investors are more cautious and seeking lower risk (56%) – which is mentioned twice as frequently than in 2015. One in five (21%) say that it has prompted them to reduce (or stop) their global investment exposure.

Of those who say their decisions have been effected by the global economic situation

- **56%** are more cautious and seeking lower risk
- **21%** are reducing or stopping global investment activities in comparison to 17% in 2015
- **12%** cite lack of liquidity as an impact, a new entry this year.

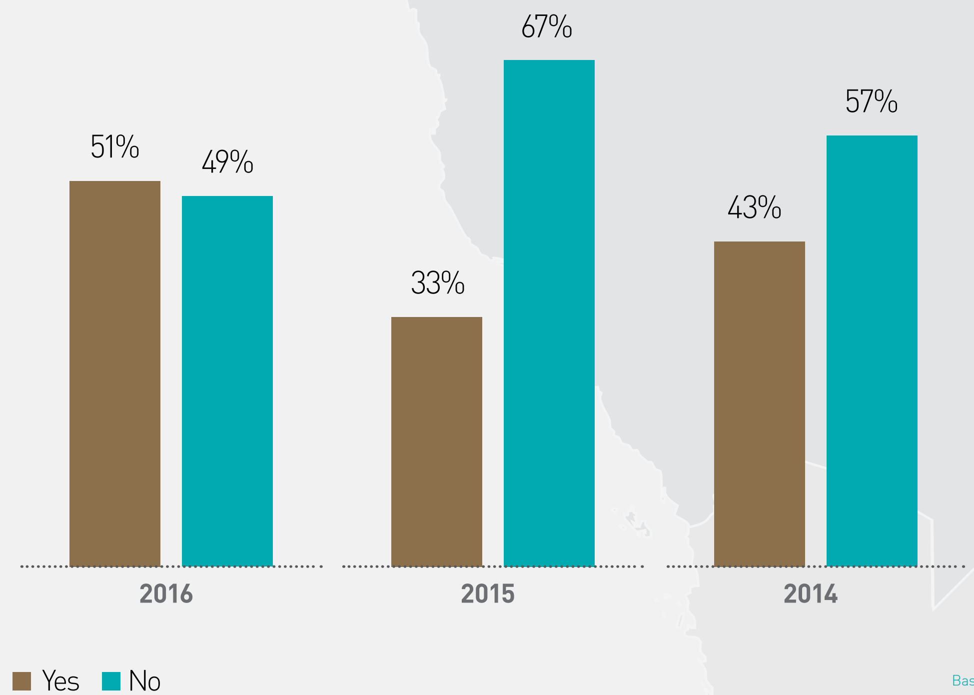
> "It gave me a strong motive to fully commit to local investments while waiting for a better opportunity."
>
> ***UAE***

> "I am looking for safer and less risky investments."
>
> ***Bahrain***

Local Economic Situation

51% of HNWIs say that local economic conditions have affected their banking and investment decisions, which represents a significant increase in relation to 2015 (33%).

% who say the local economic conditions affected decisions



Base: All answering

Amongst the 51% of HNWIs who have been affected by the local economic conditions, the most commonly cited impacts are an increased focus on local investment (22%).

Of those who say their decisions have been effected by the local economic situation

- **22%** have increased focus on local investments
- **18%** have increased investment in new / growing sectors
- **14%** say they are more cautious when making investments, down from 21% in 2015

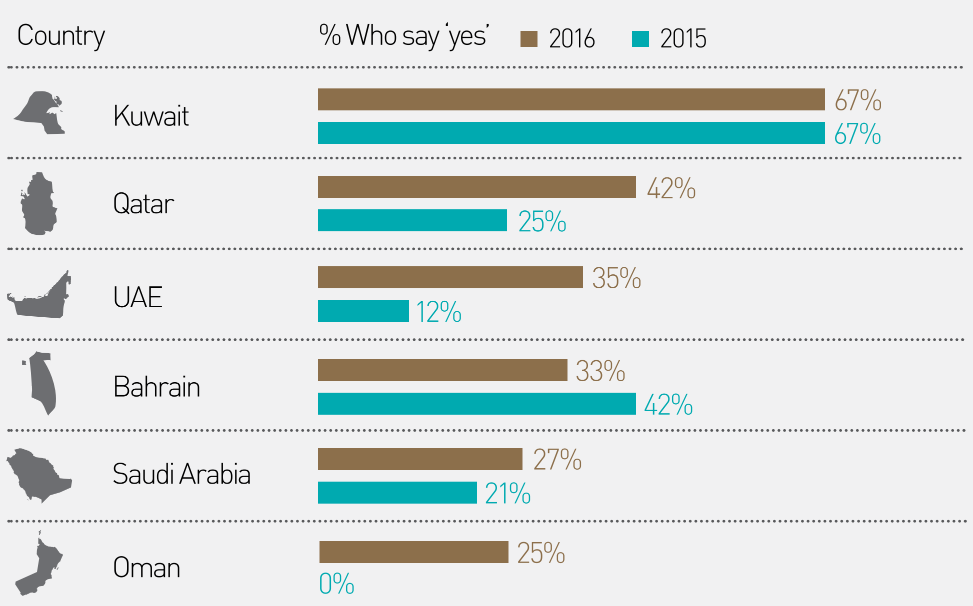
> "I am now more careful in taking my investment decisions & I retain more liquidity."
>
> ***Kuwait***

> "Interest rates have dropped on fixed deposits so my investments have changed to real estate other than business ventures."
>
> ***Bahrain***

The geopolitical situation is having a growing impact on HNWI investment decisions

36% of HNWIs say that the geopolitical situation in the Arab world has affected their banking and investment decisions. This represents an increase from 24% in 2015.

The effect on HNWIs' investment decisions varies by country



Base: All answering

Amongst the 36% of HNWIs who say that their banking and investment decisions have been affected by the geopolitical situation in the Arab region, we again see a greater sense of caution across all GCC countries, both in general and in terms of making investments in the region. Cautiousness on the part of the banks is no longer cited – unlike in 2015, when this was a more prominent theme.

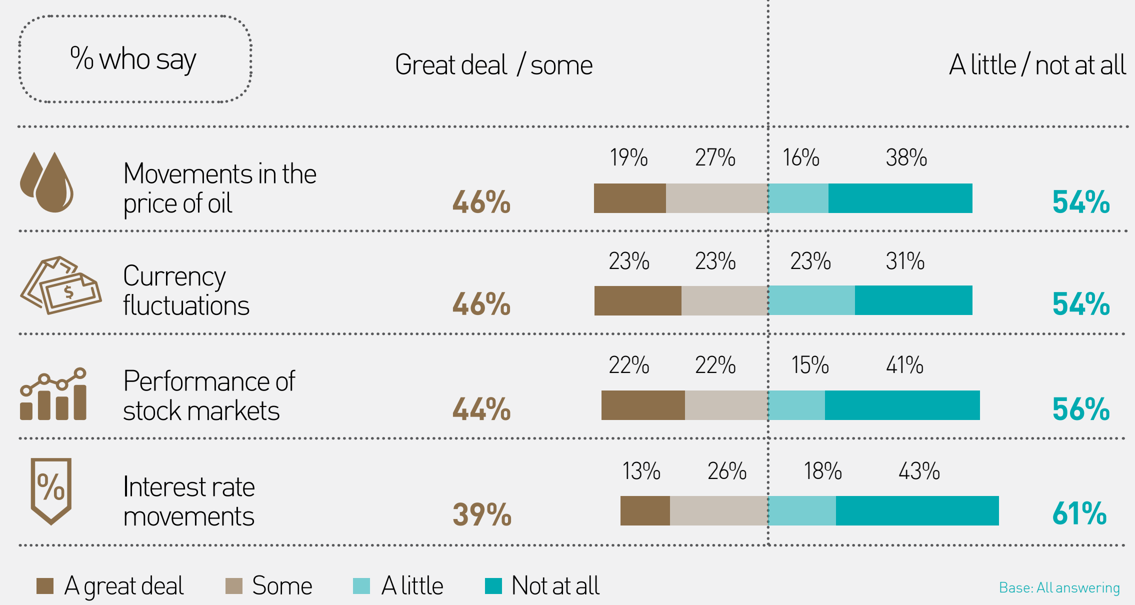
Those in Kuwait (67%) are most likely to say that their investment decisions have been affected, as was the case in 2015.

Other than the regional geopolitical situation, a range of factors and key themes over the past year have affected investment decisions

76% of HNWIs feel that some key themes have impacted their banking & investment decisions

46% of HNWI respondents affected say their investment and banking decisions have been impacted ('a great deal' or 'some') by the movements in the price of oil and currency fluctuations.

44% of those affected have been impacted by the performance of the stock markets. 39% have been affected by interest rate movements.



Base: All answering

Amongst the 76% of HNWIs who feel the various economic issues in the region have affected their banking and investment decisions, the most commonly cited impacts are creating greater caution when investing (21%), and also limiting investment opportunities (20%).

Financial Allocation Decisions

2015 was a turbulent year for the region both economically and politically. Many investors have exited the markets and decided to sit on the sidelines, mostly in cash, waiting for a sign of recovery. The results of the 2016 Report support this and show HNWIs are continuing to look for direct investment opportunities in businesses they understand and feel comfortable with such as acquisitions and the expansion of their own businesses. Ultimately, HNWIs are investing where they feel comfortable.

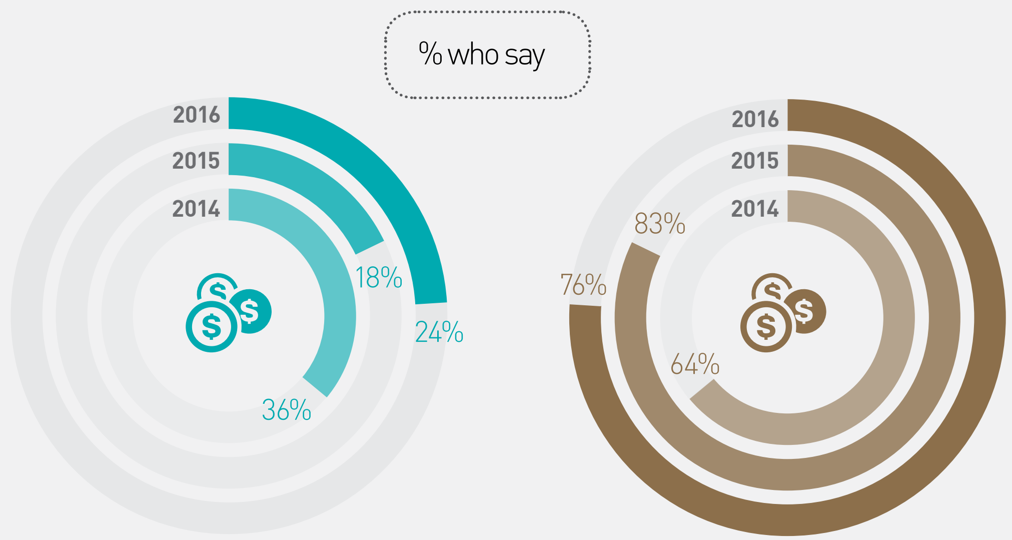
For this Report, HNWIs were asked for their current stance on investment, both in terms of overall goal (growing or preserving wealth) and in terms of preferred investment categories. This year we see that wealth accumulation remains the goal, and that the distribution of HNWIs' wealth is broadly similar to previous years, with their own business and real estate featuring highly.

HNWIs are continuing to look for direct investment opportunities in businesses they understand and feel comfortable with

Investing: Globally vs Locally

Investment locations are broadly consistent with 2015 with investors preferring to keep assets closer to home

Three quarters (76%) of HNWIs say that they prefer to keep their assets close to home, rather than being a global investor (24%). This is broadly consistent with results in 2015.



Global investor

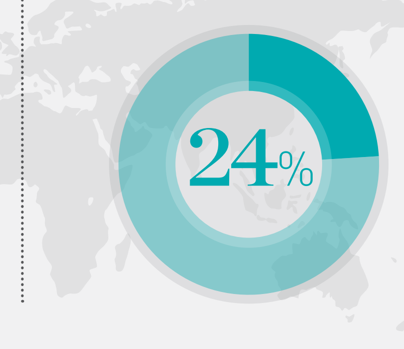
Prefer to keep assets closer to home

Base: All answering

Global Investors: Global investors are seeking to diversify and cite risk management as a key reason for global investing

For the 24% of HNWIs who are global investors, the most commonly given reasons for this relate to diversification and risk management, particularly in the context of instability in the region (42%). Other reasons include a desire to take advantage of global opportunities, having legacy investments overseas, and having a strong knowledge of these markets.

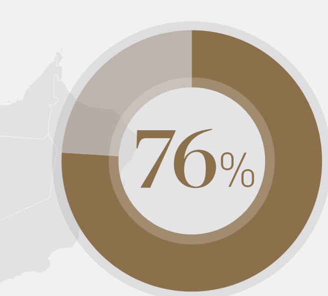
Prefers global investment



Local Investors: Those who prefer to invest in the region say that investments in the region are stable and they have greater oversight and control

Amongst HNWIs who prefer to keep their assets close to home, almost half (47%) say this is because they are confident that investments in the region are secure. Other reasons cited include the ability to oversee investments (18%) and familiarity with the risks and regulations (16%).

Prefers local investment

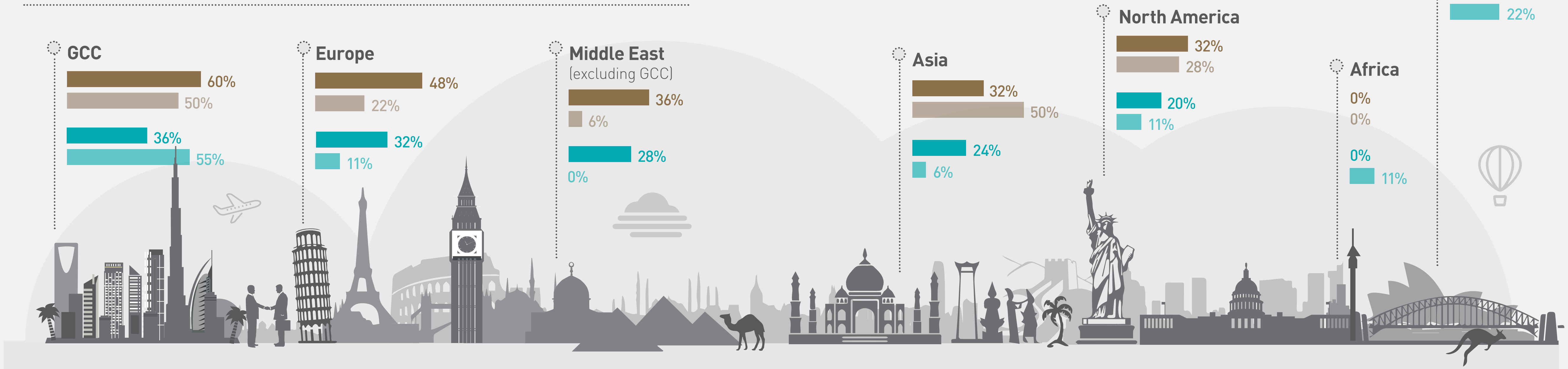


Global Investors – Preferred Regions

Diverse range of regions, but GCC still favoured

60%

Amongst global investors we see a similar pattern as in 2015 in terms of preferred region – the GCC is most frequently cited, followed by Europe, the Middle East, Asia and North America. Looking ahead to the next 3-5 years, the same regions are favoured, with the GCC again a clear favorite.



> UAE: Political stability in these countries and also the fact that my investments are close to my place of living & how easy it is to follow up on them.
>
> ***Kuwait***

> UK: It is stable there. The country is governed by both rules and regulations. Things just don't change, we can rely on the country.
>
> ***Oman***

> Egypt: Encouraging investment and providing everything needed to establish a good business by the government in the coming years.
>
> ***Qatar***

> China: On the verge of good growth due to a stable political situation in the next 3-5 years.
>
> ***Bahrain***

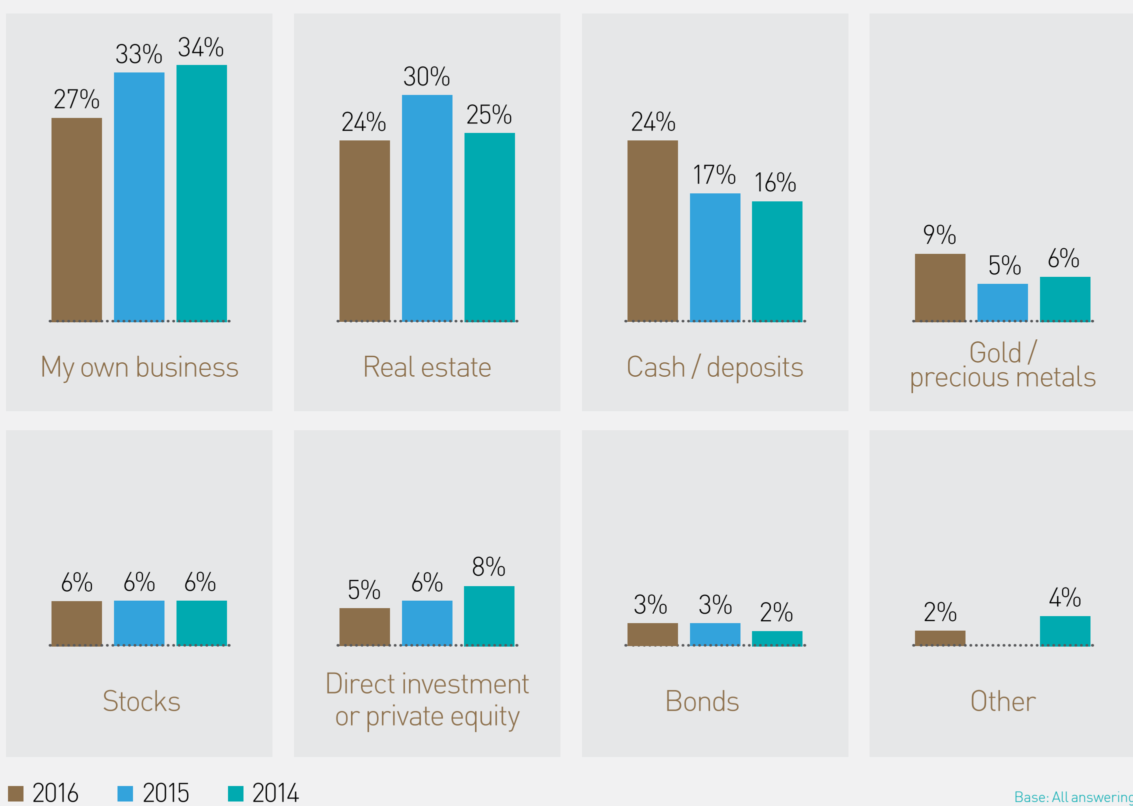
Current allocation of wealth

HNWIs tend to invest their wealth into private assets and real estate, with an increased allocation to cash and deposits in comparison to previous years

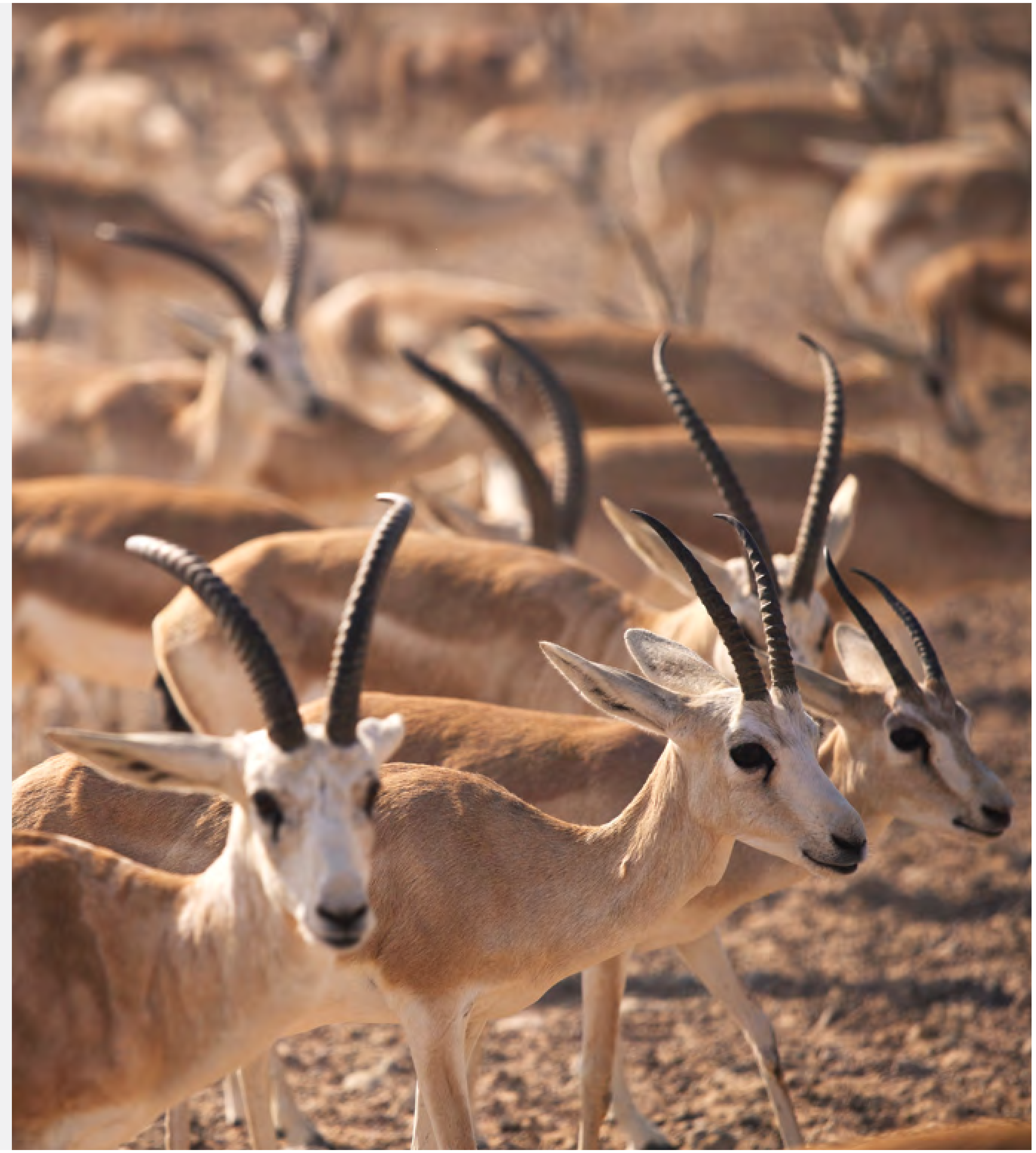
27% of wealth allocated to their own business.

24% of wealth is invested in real estate (as an investment).

Average distribution of current wealth allocation (%)



Base: All answering

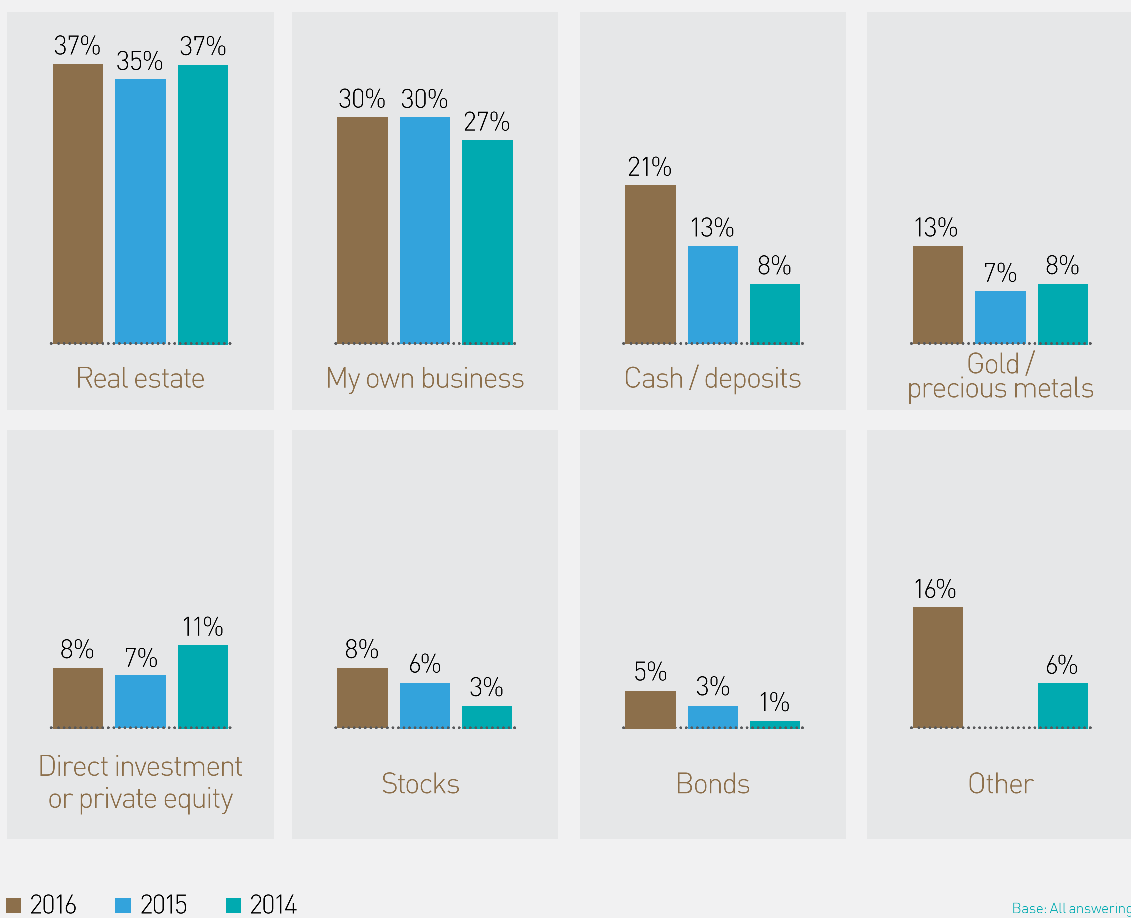


Likely allocation of excess wealth

As was the case in 2014 and 2015, HNWIs are most likely to say that they would invest excess wealth in real estate (37%) or their own business (30%).

However, as we see with current allocation of wealth, there is a slight shift in relation to previous years, with HNWIs suggesting they would invest a greater share of their wealth in cash/deposits or gold/precious metals.

Average distribution of excess wealth allocations (%)



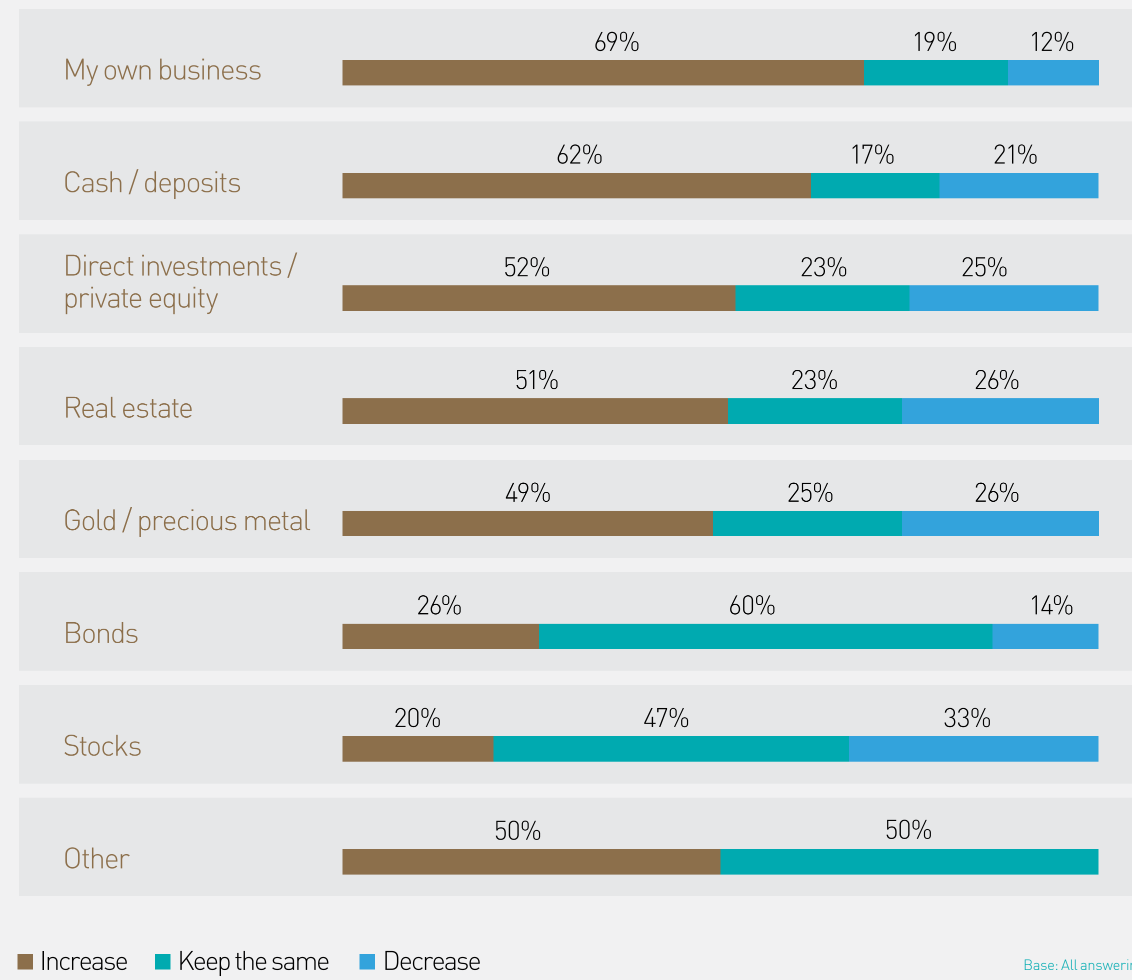
Base: All answering

Future allocation of wealth

Seven in ten HNWIs (69%) say that they plan to increase their investment in their own business in the near future, while six in ten (62%) intend to increase their investment in cash/deposits.

Approximately half of HNWIs say they plan to increase the share of their wealth in direct investment/private equity (52%), real estate (51%) and gold/precious metals (49%).

% who say



Base: All answering

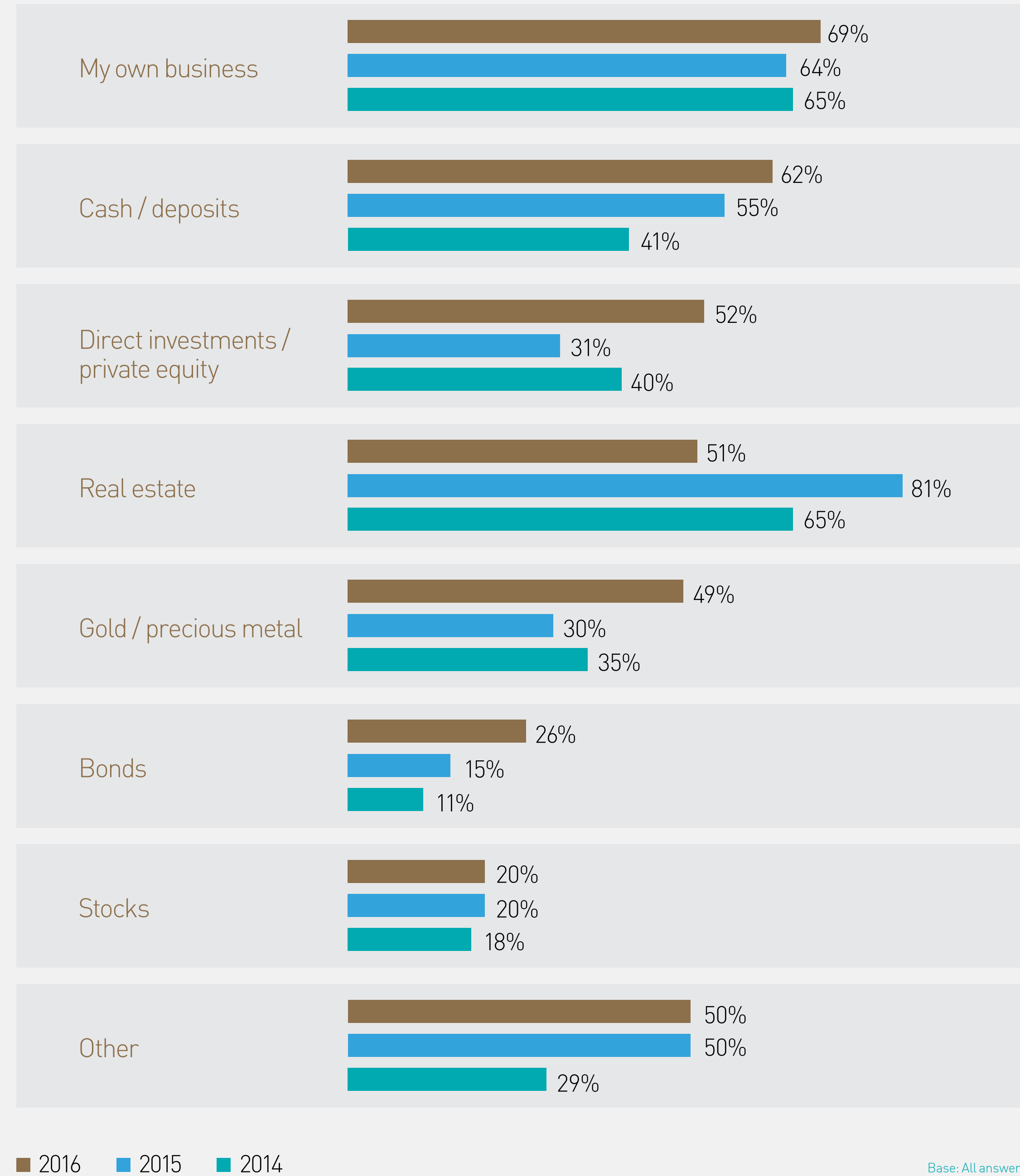
Future allocation of wealth – year on year change

HNWIs' planned allocation of wealth in the future shows some notable changes in relation to previous years.

Areas of notable increase

In 2015, eight in ten (81%) expected to increase investment in real estate, but this has now dropped to 51% in 2016.

% who say they plan to increase investment in

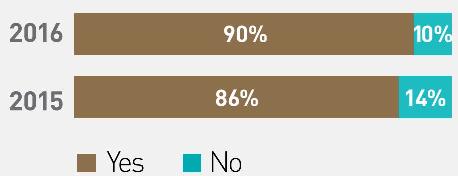


Base: All answering

Consistent levels of charitable giving despite economic challenges

Nine in ten (90%) HNWIs currently allocate a portion of their wealth to charitable giving.

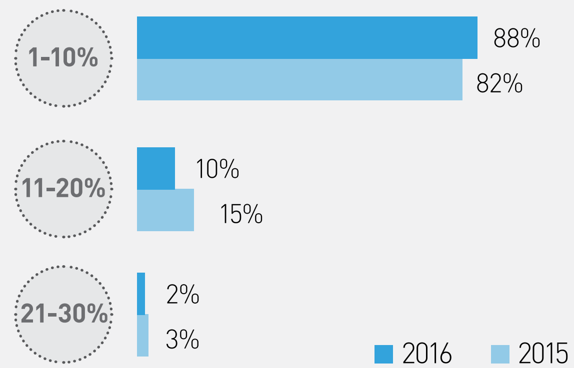
% who donate to charity



Base: All answering

Amongst those who do give to charity, the majority (88%) allocate between 1-10% of their wealth, with just 12% giving more than 10% of their wealth.

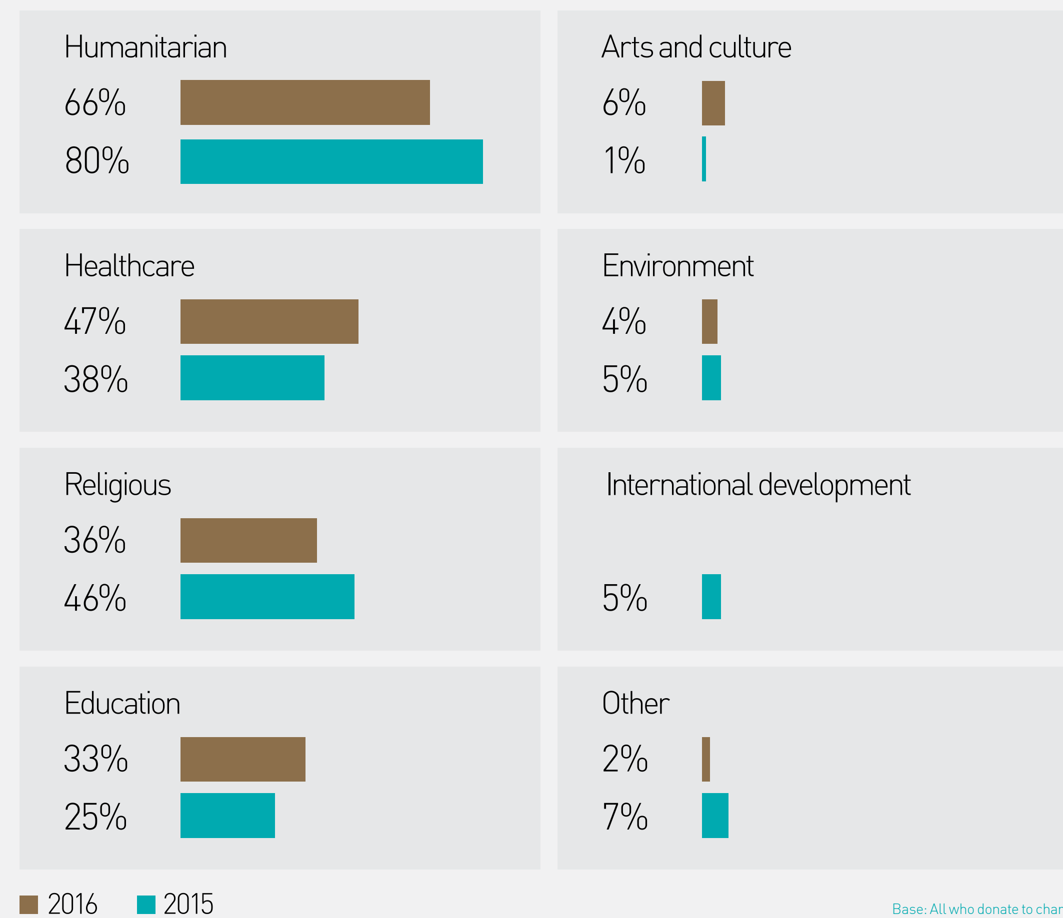
% of wealth allocated to charitable giving



The broad pattern of charitable giving remains consistent with 2015, with humanitarian causes the most common recipient (66%), followed by healthcare (47%) and religious causes (36%).

However, there are some notable fluctuations in relation to last year, with a drop in the proportion who donate to humanitarian and religious causes, and a slight increase in those donating to healthcare and educational charities.

% charitable causes donated to



Base: All who donate to charity

Future allocation of wealth to charity

A decrease in future allocation of charitable giving is noted for the first time in 2016

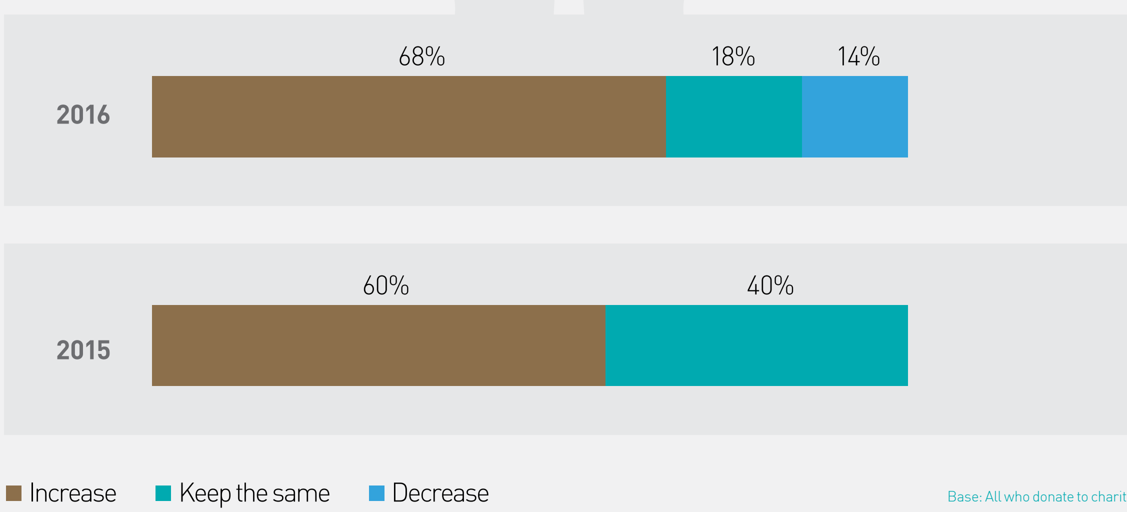
68%

Almost seven in ten HNWIs (68%) plan to increase their charitable giving in the near future, which represents an increase compared to 2015 (60%).

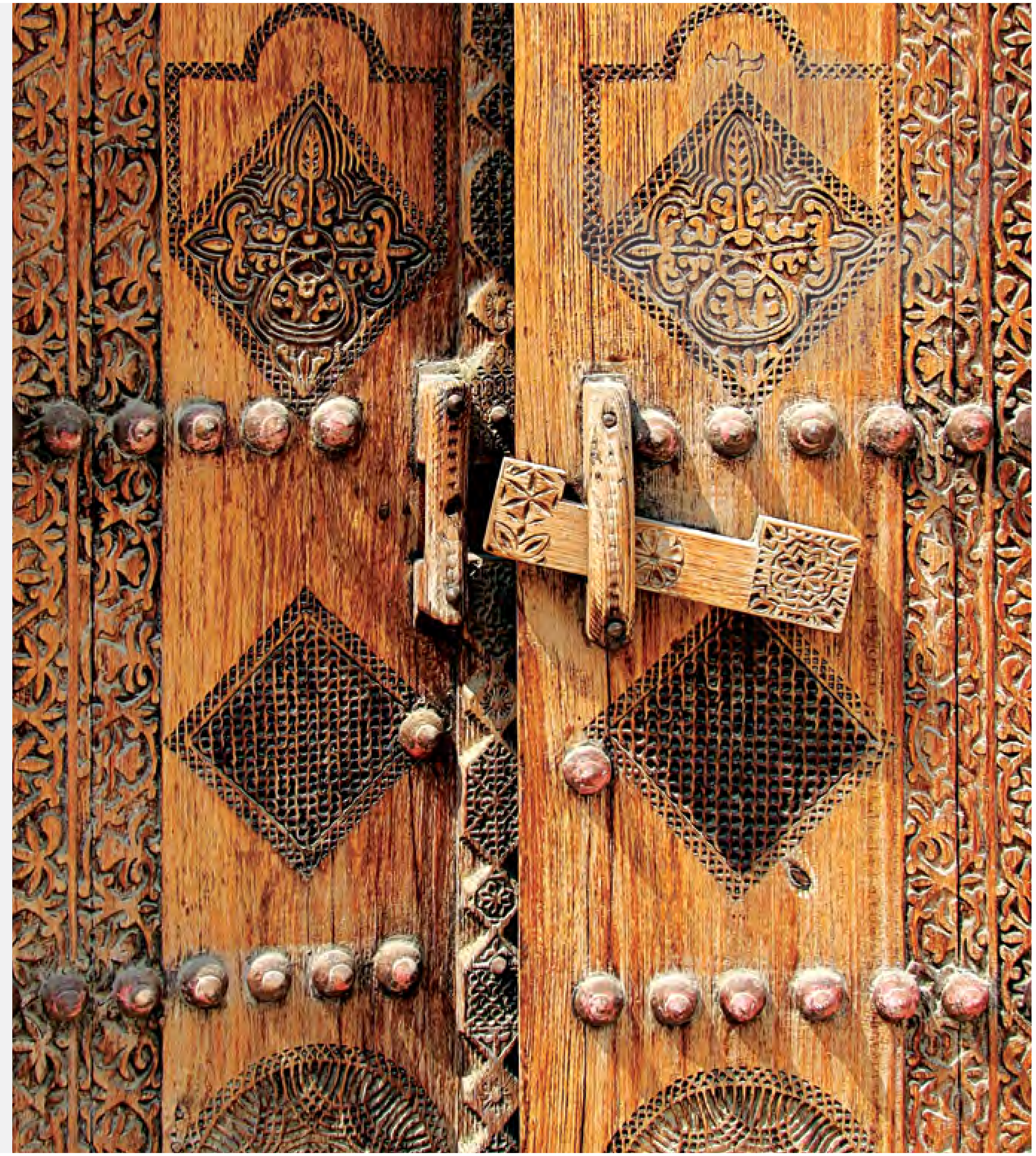
18%

plan on donating the same amount, and 14% say they will reduce the amount of money they donate.

% who say



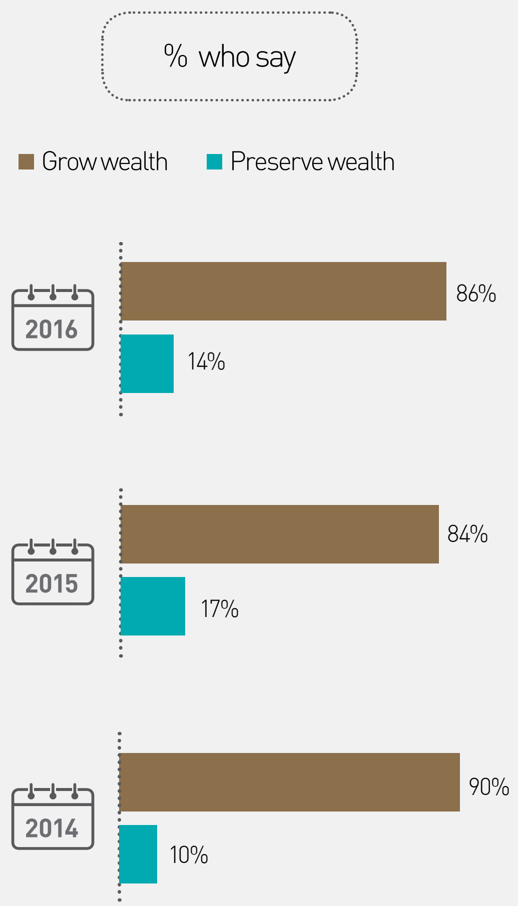
Base: All who donate to charity



Accumulation vs Preservation

Majority focused on growing their wealth while current instability is the primary reason for preservation

As was the case in previous years, a clear majority (86%) of HNWIs say that they are focused on growing their wealth, rather than preserving it.



Base: All answering

Of the 86% who are focused on growing their wealth, the main reasons given are:

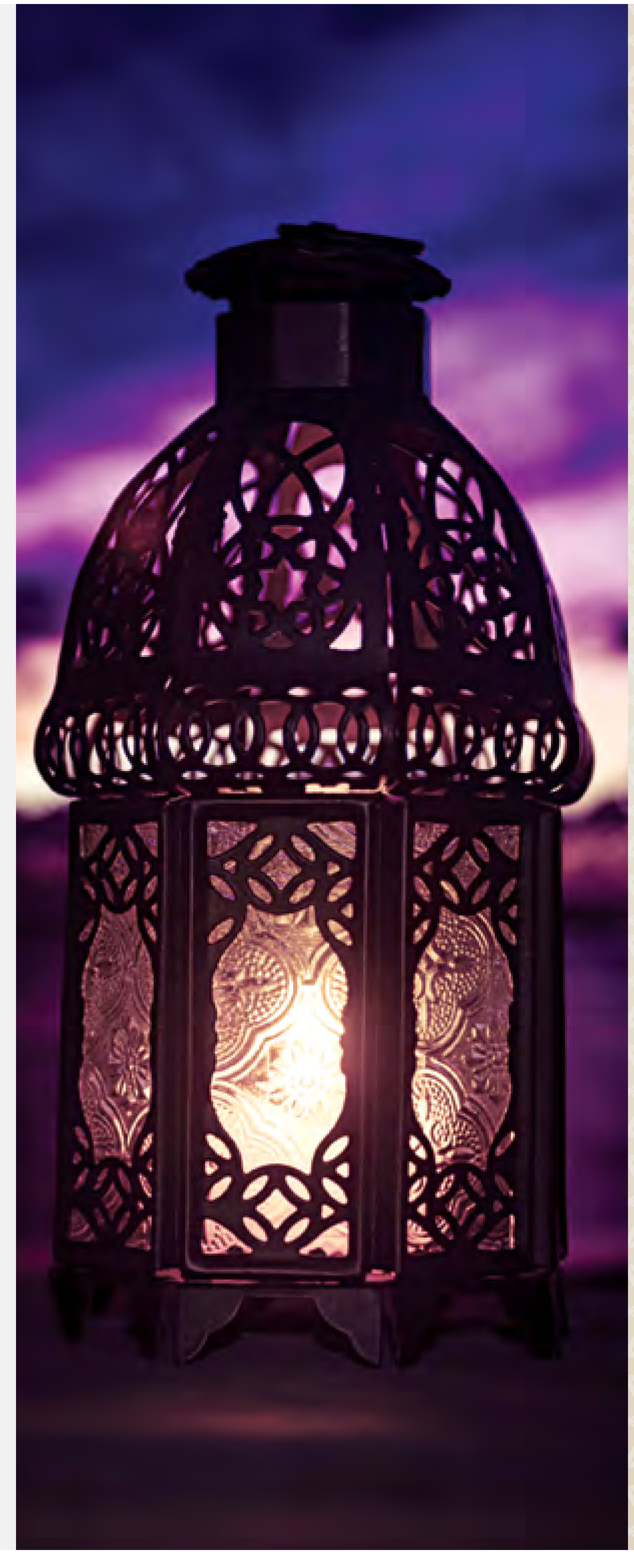
30% to fulfil personal ambitions

28% to provide reassurance and security for themselves and their family

Of the 14% who are focused on preserving their wealth, the main reasons given are:

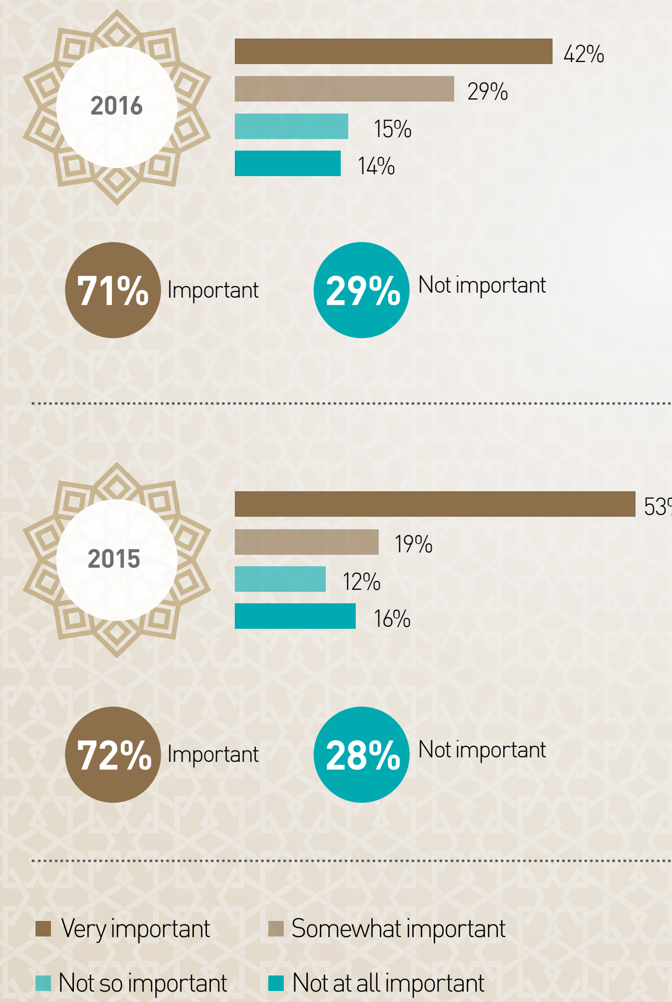
71% due to economic and political instability

14% prefer stability to potential losses



Shariah compliant investments

Seven in ten HNWIs (71%) say that it is important that their investments are Shariah compliant, which is consistent with 2015. Four in ten (42%) rate this as 'very' important.



Base: All answering

Selecting a Banking Partner

HNWIs face a multitude of options when it comes to selecting a banking partner and, very often, this is a decision that an individual makes for the long-term. As we have done in previous Reports, we asked HNWIs for their views on selecting a banking partner and on which factors are most important to them in making this selection. Consistent with last year, we see that quality of service and the reputation of a bank remain the most important considerations for HNWIs.

We also asked HNWIs about their preferences on a range of other aspects. We again see that there is a preference for using local banks (rather than international) and a greater proportion of individuals prefer to work with full service banks with a private banking capability, rather than focused boutique private banks.

Quality of service and the reputation of a bank remain the most important considerations for HNWIs

Most important factors when selecting a banking partner for wealth management

38% say the reputation of the bank

27% say quality of service offered

A range of other factors are important, including geographical presence (both inside and outside the region), financial position and the facilities offered.

% who say

	2016	2015
Reputation of the bank	38%	29%
Customer service	27%	24%
Geographical presence - regional / international	19%	14%
Financial position - stability and security	19%	14%
Facilities offered	17%	16%
High standard / speed of services	16%	31%
Track record / experience	14%	11%
Financial performance	11%	4%
Offer good rates	10%	12%
Transactions are Islamic / Shariah compliant	6%	18%
Easy access to bank / transactions	6%	9%
Transparency / trustworthy	4%	6%
Meeting and understanding my financial needs	2%	7%
Management - strength and stability		6%
Reliable		2%
Other	10%	6%

Base: All answering

Criteria for selecting a local banking partner

Service and reputation rated as key factors

97% Who say the level of service is important

93% Who say the bank's reputation and brand are important

% who say

	Very important	Somewhat important	Somewhat unimportant	Very unimportant	Important	Unimportant
Level of service	90%	7%	1%	2%	97%	3%
Bank reputation and brand	85%	8%	2%	5%	93%	7%
Fees and pricing	64%	28%	5%	3%	92%	8%
Access to accounts on mobile devices	59%	33%	6%	2%	92%	8%
Investment expertise and global access	77%	14%	6%	3%	91%	9%
Who the Relationship Manager is	54%	29%	9%	8%	83%	17%
Who the shareholders / board members are	51%	24%	16%	9%	75%	25%
Shariah compliant investments	40%	29%	17%	14%	69%	31%
Engages in a range of CSR activites	34%	34%	23%	9%	68%	32%
Family & friends recommendation	28%	35%	25%	12%	63%	37%

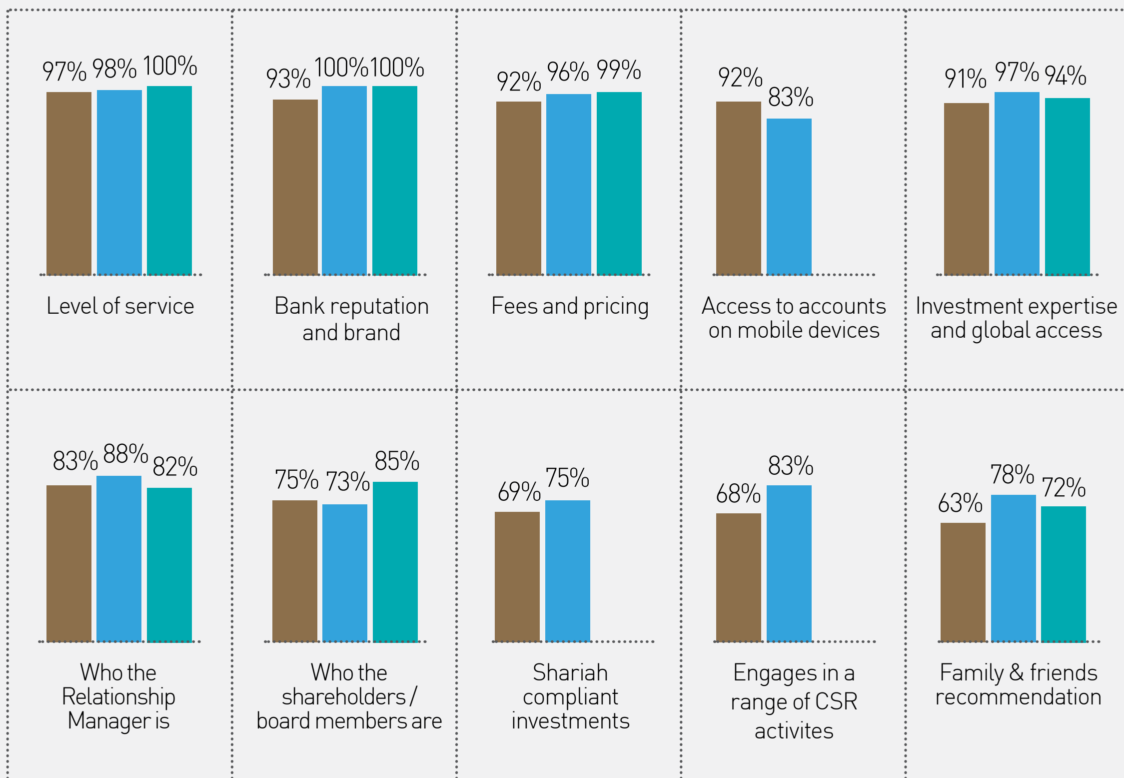
Criteria for selecting a local banking partner – year on year

Important factors remain broadly consistent, with some fluctuations

The broad pattern in terms of important factors when selecting a local banking partner remains consistent with 2015, with level of service and reputation remaining most important.

However, there are some changes this year, with more HNWIs rating access to accounts on mobile devices as important (92%, up from 83%), and fewer respondents rating CSR activities (68%, down from 83%) and recommendations from family/friends (63%, down from 78%) as important.

% who say the factor is important



■ 2016 ■ 2015 ■ 2014

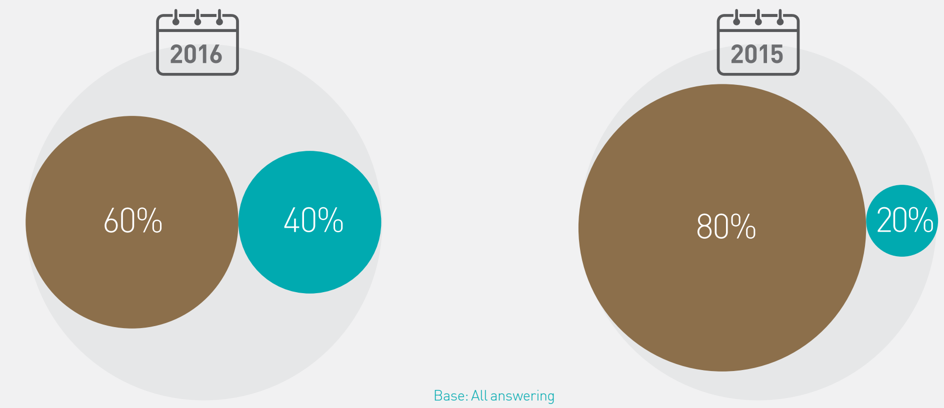
Base: All answering

Local vs International banking partner

In 2016, twice as many HNWIs prefer an international bank to manage their wealth than in 2015

% who say

■ Local bank ■ International bank



Base: All answering

For HNWIs who prefer using a local bank, transparency and trustworthiness is a driving factor

The main reason for preferring a local bank:

22% Transparency / trustworthy

18% Islamic banking services

17% Easy access / close to home

In 2016, 40% of HNWIs prefer to have an international bank to help manage their wealth, up from 20% in 2015

The main reason for preferring an international bank:

43%
Depth of knowledge / expertise / experience

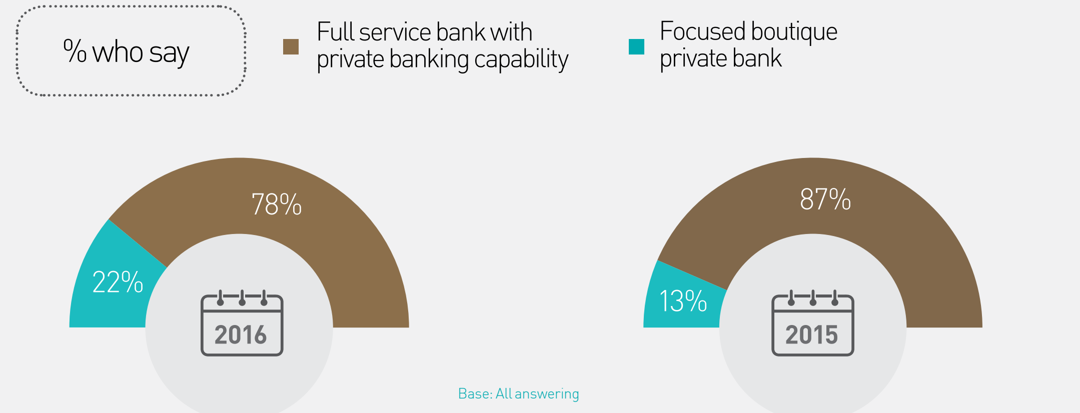
28%
Global presence / convenience

15%
Offering better services

15%
Greater security / stability

Full service vs boutique bank

As was the case in 2015, the majority of HNWIs (78%) prefer a full service bank with private banking capability. However, there is increased preference for working with a boutique private bank (22%) to help them manage their wealth compared to 2015 (13%)



Of the 78% who prefer using a full service bank:

36%

say they prefer a full service bank for the integrated services/expertise they offer while 35% say that it is more practical to use one bank for all aspects of their banking.

Of the 22% who prefer using a boutique bank:

45%

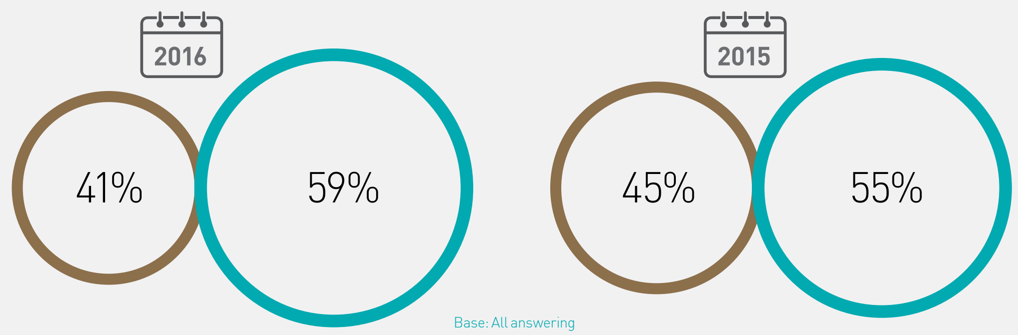
say they prefer a boutique bank for the specialist services they offer while 36% cite the better customer service they feel these banks offer.

Managing personal wealth and business banking

Almost six in ten HNWIs (59%) prefer to use the same bank to manage their personal wealth and business finance (rather than using separate banks). This is consistent with 2015.

% who say

■ Prefer to use separate banks ■ Prefer to use same bank



Base: All answering

Reasons for using same bank

More convenient and better service

59%

Prefer to use same bank

47% say it is simpler to deal with one bank for all transactions

22% feel they benefit from better / faster / more consistent service

10% believe they can build a better relationship and understanding with the bank

Reasons for using separate banks

Keeping business and personal finance separate

41%

Prefer to use separate banks

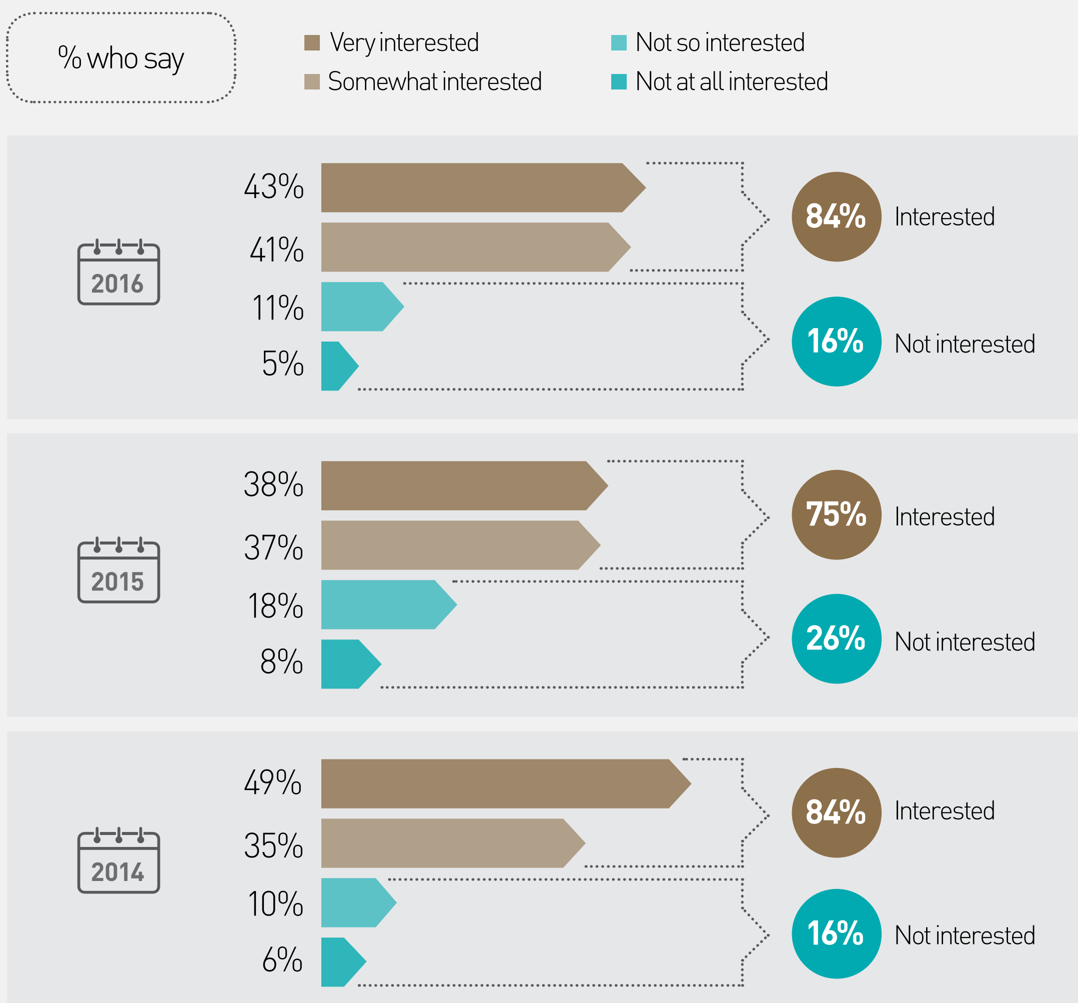
34% prefer to keep personal and business finance separate

20% say the quality of service that they receive

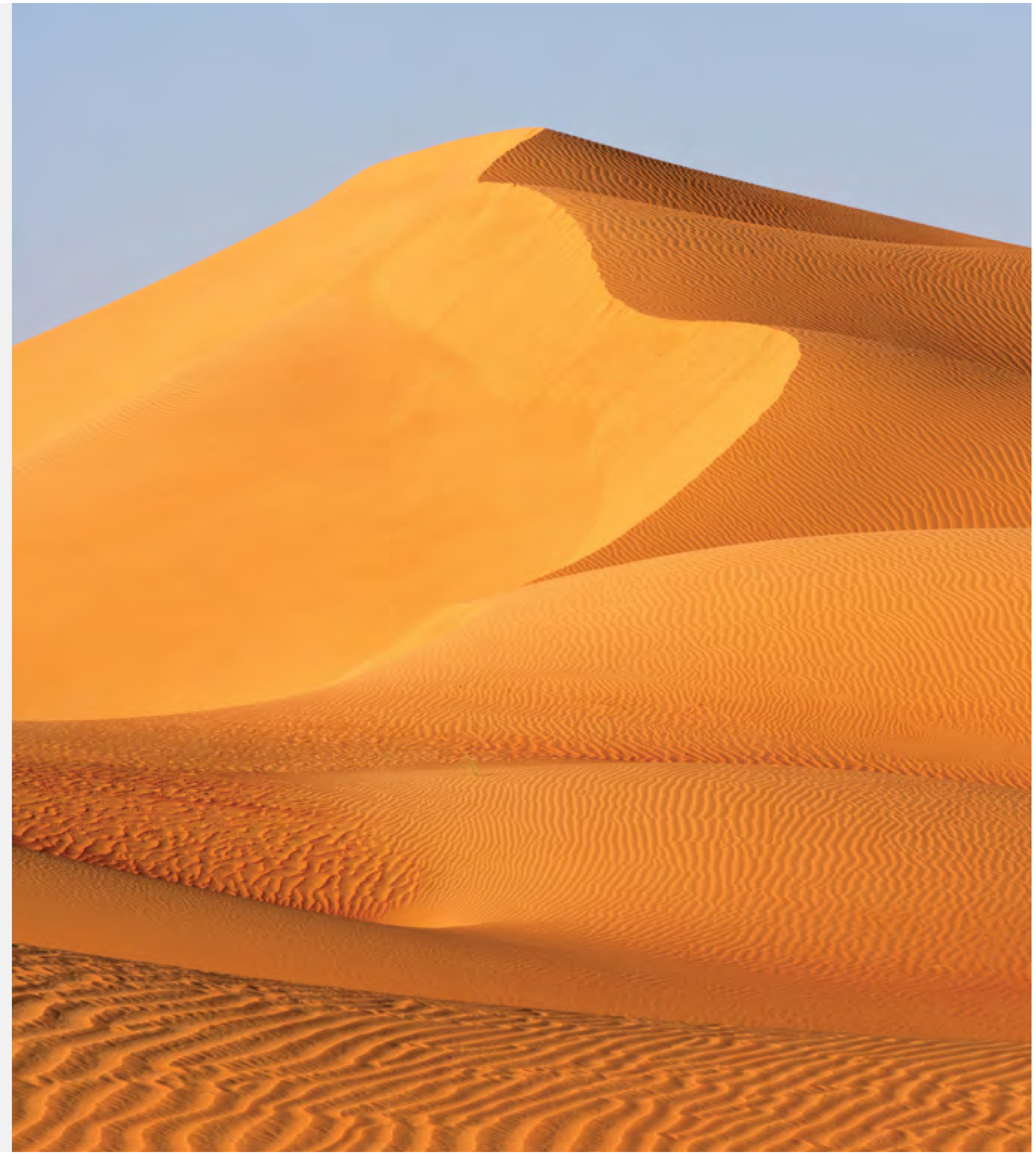
15% to take advantage of opportunities and services

Interest in investment banking advisory services

Over eight in ten HNWIs (84%) say that they would be interested in a bank that offers investment banking advisory services, with 43% saying they would be 'very' interested. This is broadly consistent with 2015 (75% interested) and 2014 (84% interested)



Base: All answering



Importance of the banking relationship

Majority have used a banker to make decisions on their behalf

83%

of HNWIs say they have used a banker to make investment decisions on their behalf, a slight increase from last year (72%). Half of HNWIs (52%) say that they rely on their banker to make decisions 'always' or 'sometimes'.

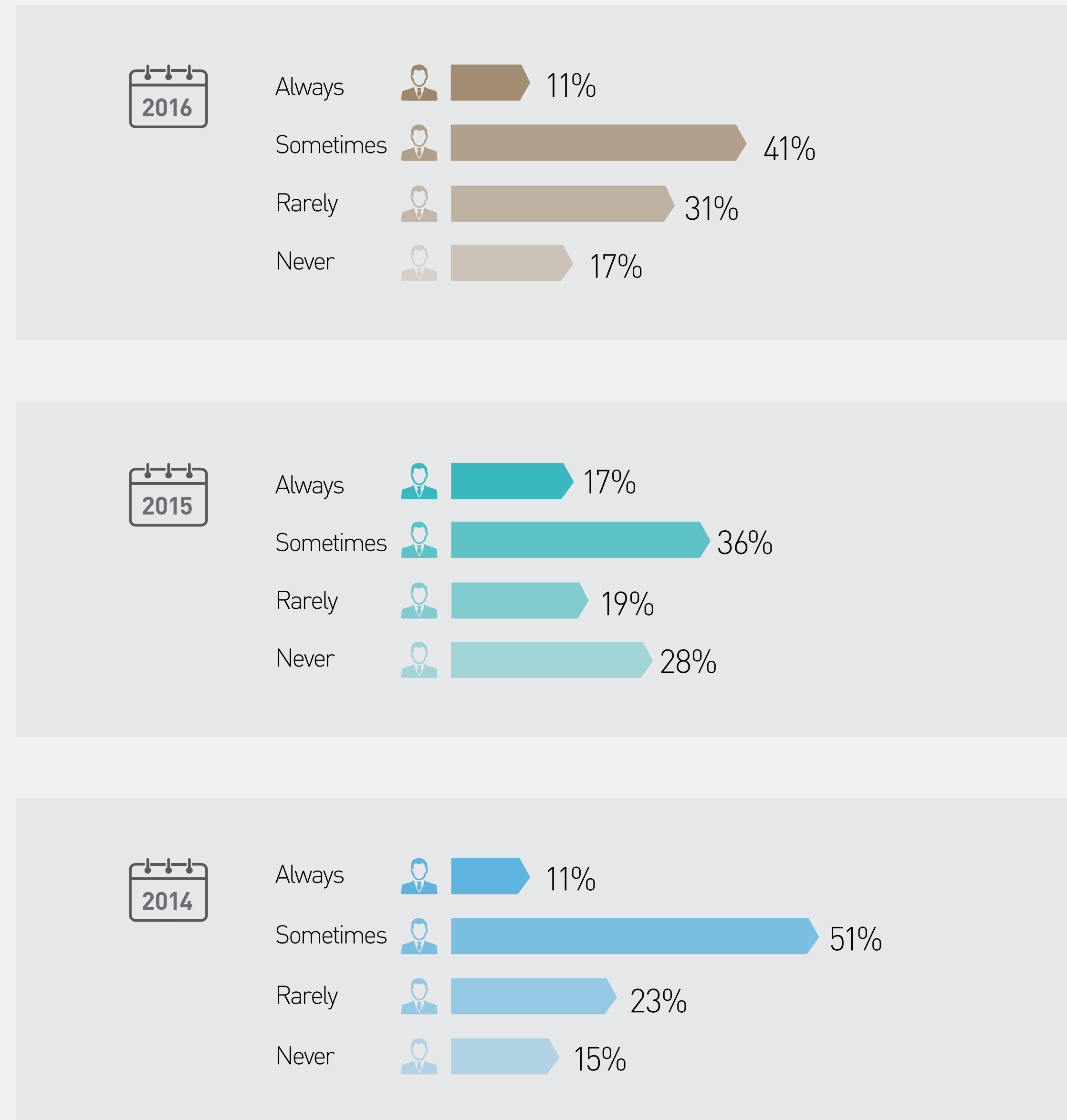
11%

say they always rely on their banker to make investment decisions on their behalf, while 41% say they rely on their banker only sometimes.

17%

say they never rely on their banker to make investment decisions on their behalf, down from 28% in 2015.

% who say they rely on their banker to make investment decisions on their behalf



Base: All answering

About Emirates Investment Bank

At Emirates Investment Bank, we combine the best of a boutique private bank with cutting edge investment banking advisory services – all aimed at putting our clients first. Independent, well-capitalised and with a strong, supportive shareholder base of prominent UAE business families, we serve as a bridge between our clients and valuable investment solutions. With both international experience and regional expertise, our team of accomplished professionals engage with clients to fully understand their individual objectives and give them access to a universe of regional and global opportunities. We apply the highest regulatory standards and internationally recognised best practices while maintaining a flexible and personal approach that recognises the individuality of each client.

We offer highly customised services through two primary business lines:

Private Banking

We work closely with a select yet diverse client base of High Net Worth Individuals and institutions to bring them tailor-made wealth planning services and investment solutions sourced from all over the world.

Investment Banking

Our professional financial advisory team provide our clients with innovative investment banking services including Mergers & Acquisition (M&A), balance sheet restructuring as well as access to regional capital markets.

Research Background

In total, 100 HNWIs were included in the GCC Wealth Insight Survey from the Kingdom of Saudi Arabia (n=26), the United Arab Emirates (n=26), Bahrain (n=12), Oman (n=12), Qatar (n=12), and Kuwait (n=12).

Interviews were held in each country, and conducted face-to-face in Arabic and English among the national population as well as expatriates. Participants were asked for their views on a variety of topics linked to financial issues and investing, including:

- **The current and future economic situation globally and in the Gulf region**
- **Allocation of assets – currently and in the short term future**
- **Selection of banking partner for managing wealth**

The fieldwork took place throughout the GCC between September and November 2015.

For this survey, Ipsos undertook the role of conducting face-to-face interviews and data collection. Brunswick Insight then led the data analysis and presented the conclusion of findings.

Note: where responses do not add up to 100% this may be due to multiple responses, computer rounding or exclusion of "don't know" responses.

Partner Profiles

Ipsos is a leading market research company operating globally with expertise in developing, managing and co-ordinating international research. Ipsos Observer is a division of Ipsos which specialises in field and tab projects and delivers high quality fieldwork, data delivery and omnibus research in the Middle East and internationally. Ipsos strictly adheres to the ESOMAR code on market and social research, which sets out global self-regulation codes for market research companies.

Brunswick Insight is the practice within Brunswick Group, a leading global advisory firm, which focuses on using opinion research to help clients better understand their relationships with stakeholders and communicate more effectively. Brunswick Insight use a range of qualitative and quantitative research techniques to help companies and organisations develop more effective communications strategies.

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