

# Best Trade Bank in the Middle East

**Gold:** Arab Bank  
**Silver:** Trade Bank of Iraq  
**Bronze:** =Deutsche Bank  
 =BNY Mellon  
**2009 winner:** Trade Bank of Iraq

**T**he battle for the Award of Best Trade Bank in the Middle East is always an intriguing one. In recent years, Trade Bank of Iraq has carried it off by quite a convincing margin – a reflection of the esteem in which the bank is held across the Middle East and its role in helping to rebuild Iraq in difficult conditions.

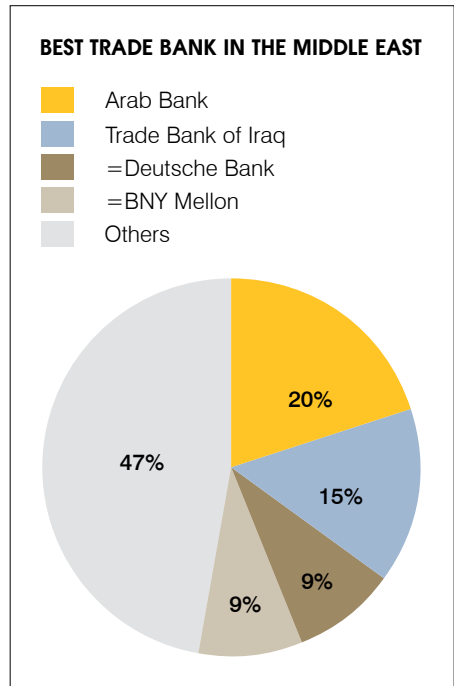
Yet increasing prosperity across the Middle East has brought to the fore more and more contenders for this Award. Meanwhile, the more conservative approach of banks in the region also contrasts positively against some of the less prudent banks in Europe and the US.

This year, Arab Bank snatched the crown from Trade Bank of Iraq in a contest that saw a slew of the Middle East's big-name banks compete for the top honours.

customers: “The bank knows its customers well and is able to assess credit-limit requirements... this allowed credit limits to remain open to key and creditworthy customers,” says Talhouni.

Hence, while the global financial crisis ripped through the economies and banking systems of the US and Europe, Arab Bank needed only to modestly reduce its expenses, while the region as a whole shrugged off the threat of recession with nonchalant ease. While the global liquidity squeeze was certainly felt, margins have stabilised after initially spiking in response and, indeed, competition between banks is now pushing margins back down again.

However, the economies of countries in the Middle East generally remain strong. “The region has good growth potential,” says Talhouni. “A strong oil price, improved operating environments and better than



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 NADYA TALHOUNI, ARAB BANK

“Arab Bank has long maintained conservative and disciplined credit and risk policies. So, even before the crisis began, the bank had already been reviewing its portfolios and limits, and adjusting them in the light of current conditions and future expectations,” says Nadya Talhouni, Senior Vice President, and Head of Cash Management and Trade Finance at Arab Bank..

One of the key advantages that a well entrenched regional bank enjoys is understanding: of culture and, crucially,

expected inflows of capital provide the region with a strong platform for growth. Middle Eastern and North African countries have maintained their drive to diversify their economies to reduce dependencies on specific industries, which has helped to sustain their economies.”

This has been nurtured by an improved competitive landscape in terms of the investment environment, government initiatives for developing skills and regulatory improvements. Governments in the region have been keen to do whatever

it takes to stimulate investment – both foreign and domestic – and encourage entrepreneurialism, and economies across the region are now starting to enjoy the fruits of this drive.

Given the strength of most economies in the Middle East – without the need for any government stimuli – it is no surprise that the top tier of global banks are targeting the Middle East as a source of growth. However, with competitors like Arab Bank to contend with they will not find it an easy ride.