Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)

FINANCIAL OUTLOOK OF THE OIC MEMBER COUNTRIES 2015

COMCEC COORDINATION OFFICE
October 2015

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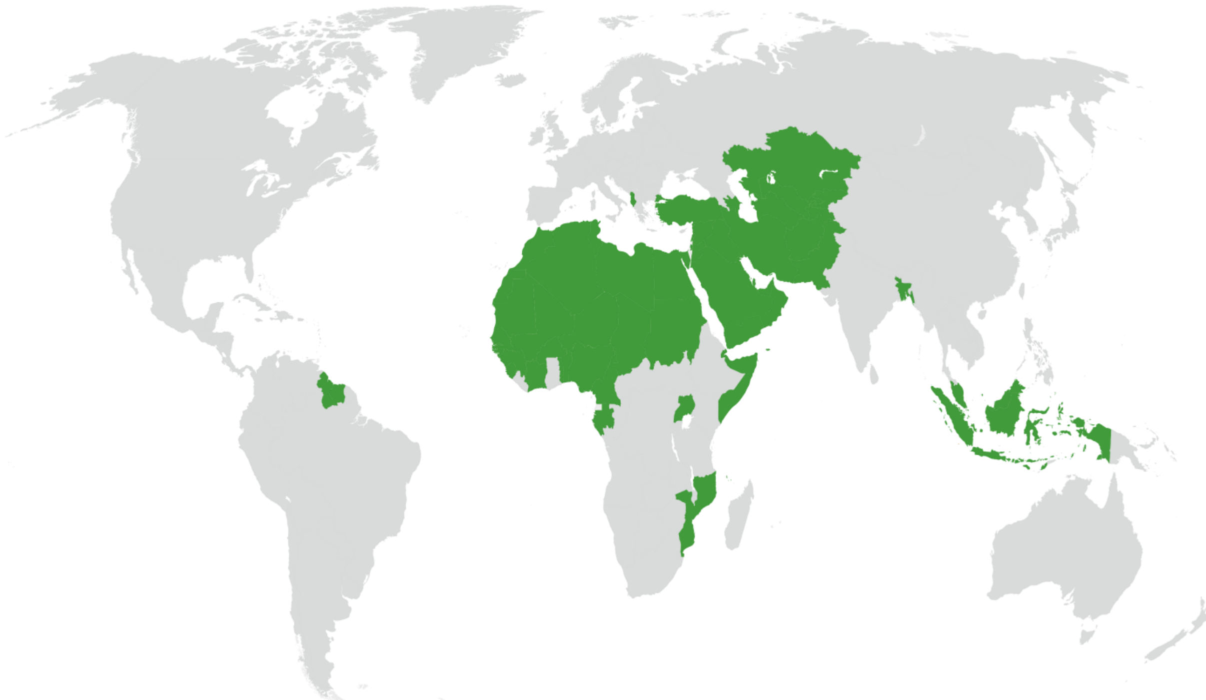

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PREFACE

The Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation (COMCEC) Financial Outlook is a contribution of the COMCEC Coordination Office to enrich the discussions during the Finance Working Group Meetings being held twice a year. Finance Working Group is established as part of the implementation of the COMCEC Strategy. For developing a common language/understanding, and approximating policies in financial cooperation to address and find solutions to the financial challenges of the OIC Member Countries, the COMCEC Strategy envisages Financial Cooperation Working Group as one of the implementation instruments of the Strategy. In this respect, Finance Working Group Meetings aim to provide a regular platform for the member countries' experts to elaborate thoroughly financial cooperation issues and share their best practices and experiences.

COMCEC Financial Outlook 2015 is prepared by Mr. Ali ISLER, Mr. Okan POLAT, Mr. Ender TANRIVERDI and Mr. UTKU ŞEN, with the objective of presenting a general outlook of the financial system of the OIC Member States, highlighting the potential areas for cooperation in this sector and as well as evaluating the recent developments in the global financial structure.

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ABBREVIATIONS

COMCEC	Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation
GDP	Gross Domestic Product
IMF	International Monetary Fund
N.A	Not–Available
NIM	Net Interest Margin
NPL	Non-Performing Loans:
OIC-LIG	OIC-Low Income Group
OIC-LMIG	OIC-Lower Middle Income Group
OIC-UMIG	OIC-Upper Middle Income Group
OIC-HIGH	OIC-High Income Group
PCM	Project Cycle Management
OIC	Organization of the Islamic Cooperation
SESRIC	Statistical, Economic and Social Research and Training Centre for Islamic Countries

INTRODUCTION

A financial system can be defined at the global, regional or firm specific level. The financial system is critical to the functioning of all these levels as a whole. The firm's financial system is the set of implemented procedures that track the financial activities of the company. On a regional scale, the financial system is the system that enables lenders and borrowers as partners to exchange funds. The global financial system is basically a broader regional system that encompasses all financial institutions, borrowers and lenders within the global economy.[1]

As essential components of the system, banks, securities markets, pension and mutual funds, insurers, market infrastructure, central banks, as well as regulatory and supervisory authorities have a huge influence on financial system. These players have crucial roles in channeling savings to investments efficiently, thereby supporting economic growth and stability. Due to increasing connectivity among financial institutions, resilient financial systems that are well-regulated and well-supervised are essential for both domestic and international financial stability.[2]

In this sense, financial cooperation among relevant sides plays a crucial role in removing the barriers on capital mobility, increasing financial literacy, managing financial risks, supervising financial institutions, increasing product diversity, broadening and deepening financial markets.

As a broad regional international organization, The COMCEC is one of the four standing committees of the OIC which is responsible for enhancing economic and commercial cooperation among the Member States. Since the commencement of its activities in 1984, COMCEC has initiated many programs and projects towards improving financial cooperation among the OIC Member States. In addition, the COMCEC Strategy identified financial cooperation as one of the major cooperation areas of the COMCEC and envisaged the establishment of the Financial Cooperation Working Group as an important instrument for strengthening financial cooperation among member countries.

Furthermore, cooperation among the Stock Exchanges, Capital Market Regulators and Central Banks and Monetary Authorities of the Member States are other crucial ongoing endeavors in the field of financial cooperation under the COMCEC.

Highlighting the recent global financial developments, this Outlook mainly aims to present a general outlook of the financial system of the OIC Member States.

This Outlook is comprised of four main sections:

The First Section briefly describes recent economic and financial developments and their impact on the global financial system for displaying the current comprehensive picture as possible as in this field.

The Second Section gives a general overview of the financial system of the OIC Member States. It outlines financial depth, financial access, financial efficiency and financial stability in addition to the weaknesses and strengths of the OIC Member States according to selected financial benchmarking data. In this Outlook, the OIC Member States are classified according to their income levels.

[1] http://www.investopedia.com/terms/f/financial-system.asp
[2] Financial Systems Soundness Indicators 2013, IMF

The Third Section briefly addresses Islamic Finance Industry.

The Fourth Section underlines the cooperation efforts under the COMCEC Strategy and the on-going activities under the COMCEC in this field.

The Appendix Section gives the details of all figures of each OIC Member States analyzed in the second section.

1. RECENT DEVELOPMENTS

Governments have implemented unprecedented and growth friendly fiscal and monetary policies in order to support growth, job creation, and reach sustainable debt as a share of GDP after the global financial crisis. As result of these measures, global recovery continues, although at a moderate and uneven pace reflecting a further slowdown in emerging markets and weak recovery in advanced economies. Yet; uncertainties on the path to economic recovery still persist.[3]

The global economy still struggles to handle the financial market fluctuations and macroeconomic imbalances which increase vulnerabilities in global economic recovery and weaken further improvement.

Under these circumstances, global growth has been projected at 3.4 percent in 2015 and 3.8 in 2016 by IMF, advanced economies are expected to pick up gradually while emerging markets and developing economies will experience slowdown in 2015.[4]

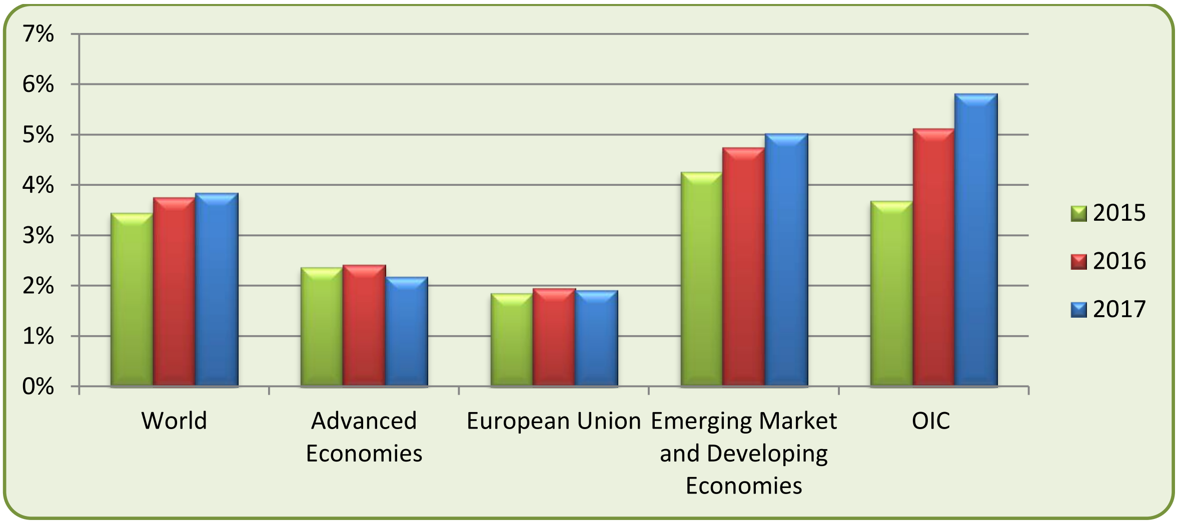
Supportive financial conditions, more neutral fiscal policy in the Euro Area, lower fuel prices, and improving confidence and labor market conditions are the main forces for a gradual acceleration in economic activity in advanced economies. On the other hand, lower commodity prices and tighter external financial conditions, structural bottlenecks, rebalancing in China, and economic distresses related to geopolitical risks are slowdown factors for emerging and developing market economies.[5]

Thanks to the stronger consumption, increasing job creation and income growth, lower oil prices and improved consumer confidence, United States (US) has showed stronger growth than expected. On the other hand, according to the OECD, stronger dollar and severe weather conditions stopped output growth in early 2015.[6]

Despite the lowering commodity prices, tightening global financial conditions and possible higher interest rates, OIC Member States will maintain economic growth next two years. Thus, it is expected that OIC Member States average economic growth rate will accelerate in 2016 and 2017 with 5.1 and 5.8 percent, respectively.

[3] IMF, Global Prospects and Policy Challenges, September 2015
[4] IMF World Economic Outlook, April 2015
[5] IMF World Economic Outlook, World Bank
[6] OECD Economic Forecast, June 2015

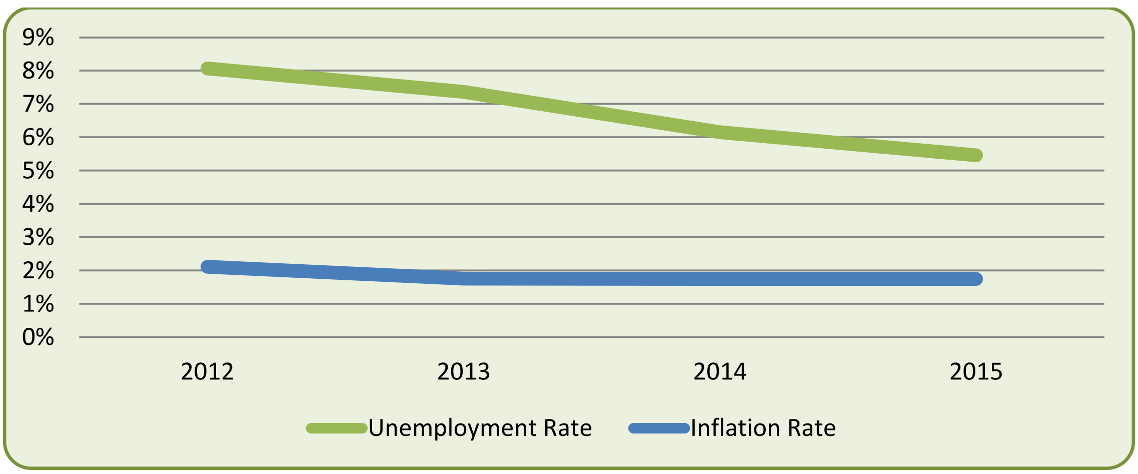
Figure 1: Comparison of the GDP Growth Rates of Selected Country Groupings



Source: IMF

It is known, the Fed has announced that further improvement in the unemployment rate and reaching 2% inflation rate are preconditions for raising Fed's main interest rate. In this context, it is expected that Fed would increase its main interest rate at the end of the 2015. However, higher US interest rate may create downside risk for financial stability in emerging and developing markets since stronger US dollar would give rise to serious capital outflow from emerging and developing countries.[7]

Figure 2: US Unemployment Rate and Inflation Rate



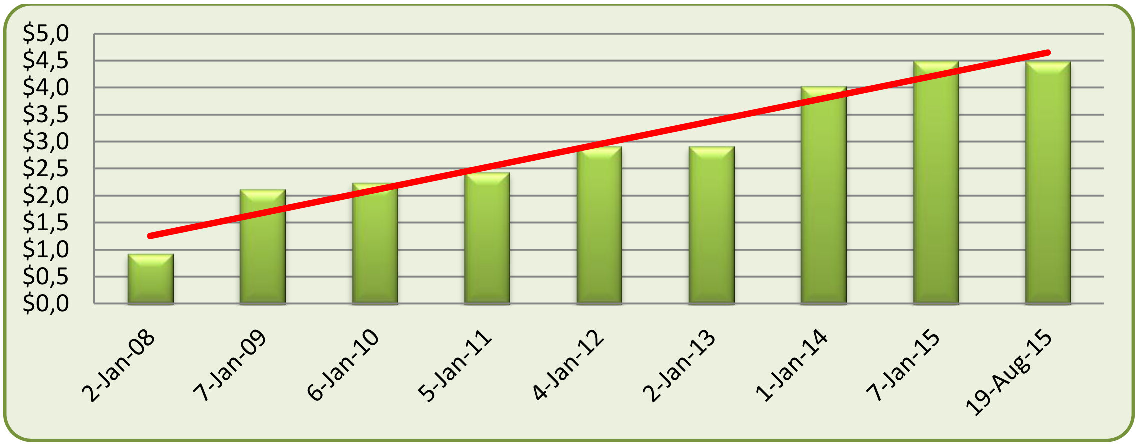
Source: U.S. Bureau of Labor Statistics

In addition to this, in October 2014 FED ended its quantitative easing (QE) stimulus program which was initiated in 2008. FED's balance sheet was roughly $920 billion when the QE program was started and the balance sheet reached approximately $4.5 trillion right before

[7] IMF World Economic Outlook, World Bank

the finalization of the program. This burden on the FED's balance sheet may affect ability to take action when it is necessary therefore this may pose risks for financial markets.

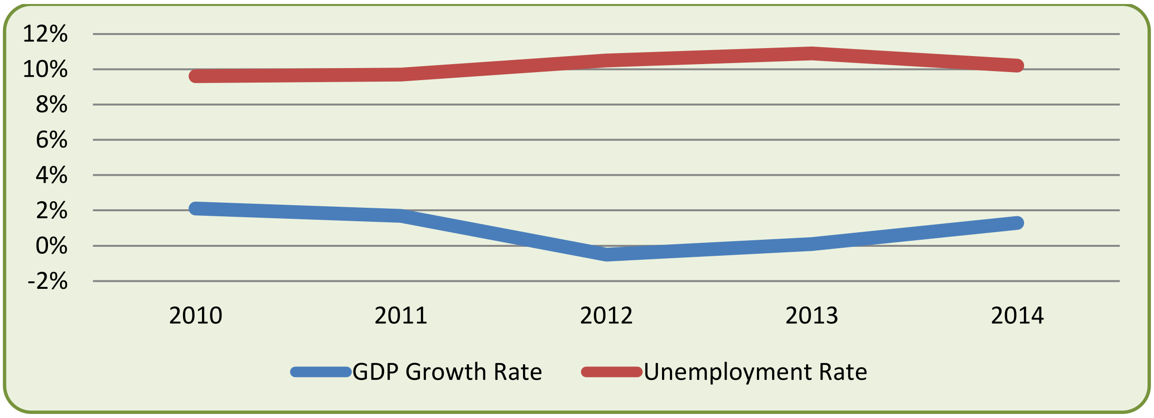
Figure 3: Total Assets of the FED (Trillion $)



Source: Federal Reserve

Economic growth in the Euro Area has progressed more rapidly than expected due to the depreciation of the euro, declining oil prices, record-low interest rates, and monetary expansion. Yet, this trend has been uneven across the countries, European advanced economies are experiencing more robust growth.[8]

Figure 4: EU Unemployment and GDP Growth Rates (28 Countries)



Source: Eurostat

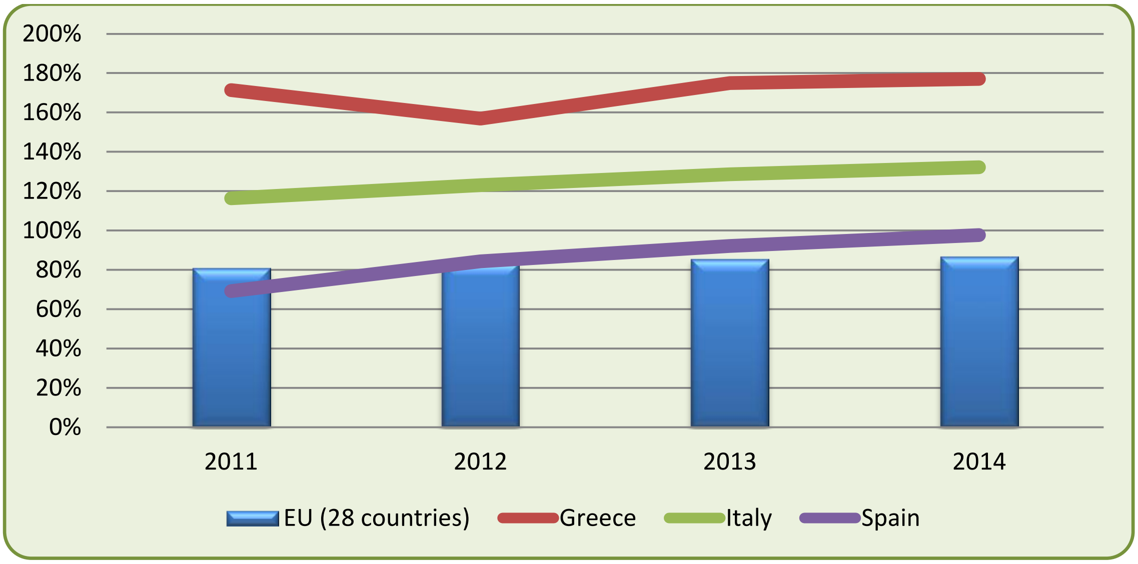
Government debt, unemployment and low nominal growth remain downside risks for further economic and financial stability in the Euro Area and particularly Greece debt crisis raises question about integrity and overall policy orientation within the Euro Area. Greece and Troika reached an agreement for third bailout program which includes serious austerity measures and debt restructuring yet political uncertainties in Greece cast doubt on the success of the

[8] IMF World Economic Outlook

bailout program. In line with this circumstance, the ECB has announced that it is ready to use all its instruments to maintain stability in Euro Area.[9]

Additionally, on the ECB's Financial Stability Review Report of May 2015 it is projected that debt to GDP ratio in several countries will stay higher and uncertainties over sovereign debt sustainability are likely to persist over the medium term[10].

Figure 5: EU Selected Countries Debt to GDP Ratios

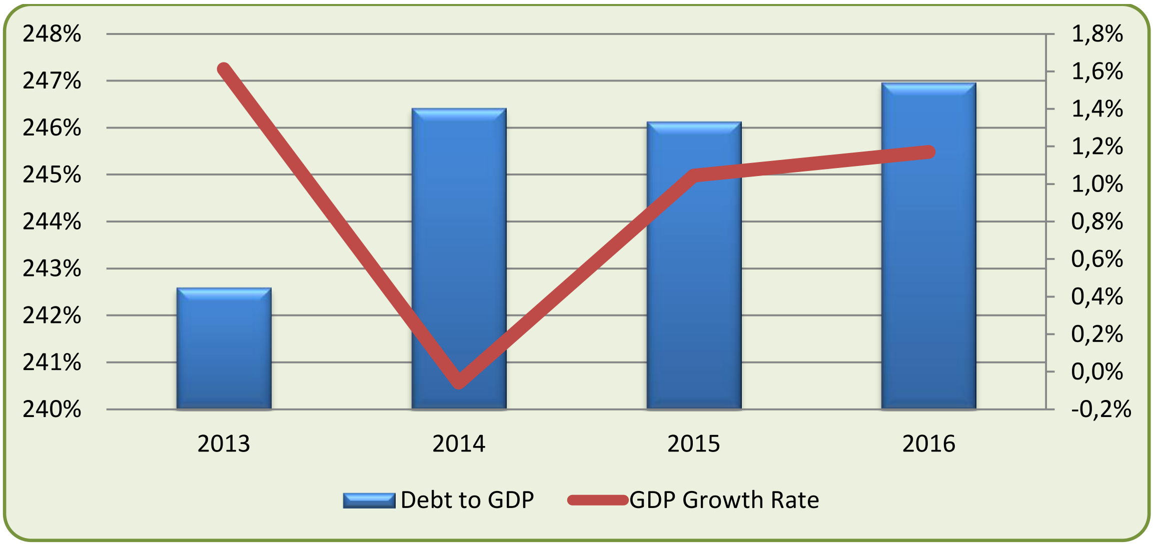


Source: Eurostat

Japanese economy has rebounded after new economy policies and 2014 consumption tax rise. The Bank of Japan has declared to continue "quantitative and qualitative monetary easing" program until the 2% inflation target reached. Decreasing public debt which is over 240% of GDP is one of the main economic policy targets of the Japan's government as well as faster output growth through structural reforms.[11]

[9] IMF World Economic Outlook, World Bank, Bank of England Financial Stability Report
[10] European Central Bank its Financial Stability Review May 2015
[11] OECD Economic Forecast, June 2015

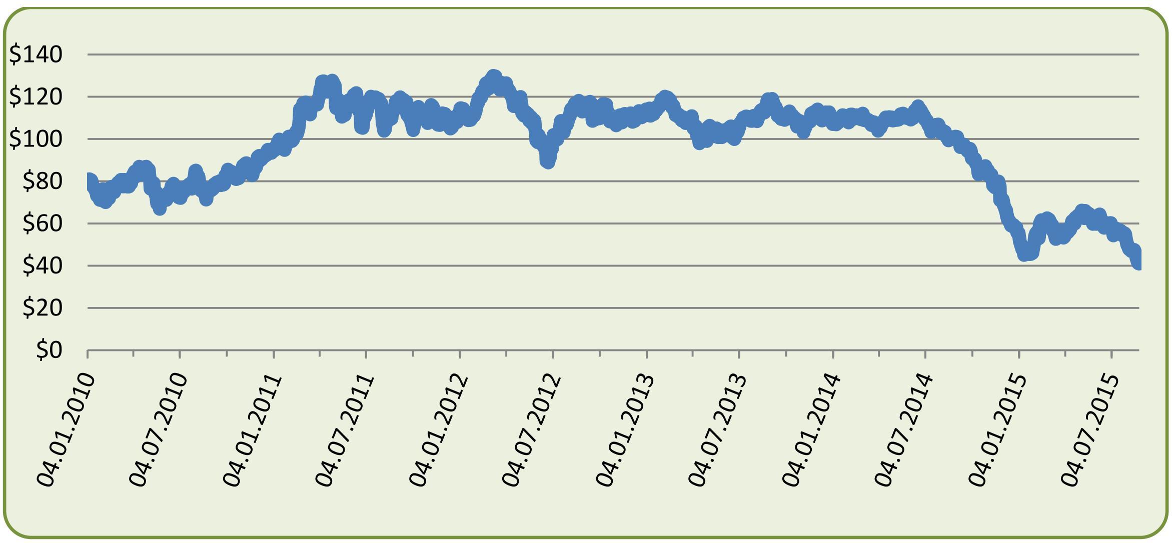
Figure 6: Japanese GDP Rate and Debt to GDP Ratio



Source: IMF and World Bank

Lower oil and commodity prices have helped to reduce in inflation in the emerging market economies. In addition to this, IMF expects that as a result of weaker economic growth, aging population, structural constrain and lower factor productivity, potential growth for emerging markets will decline further.[12]

Figure 7: Brent Petrol US Dollar



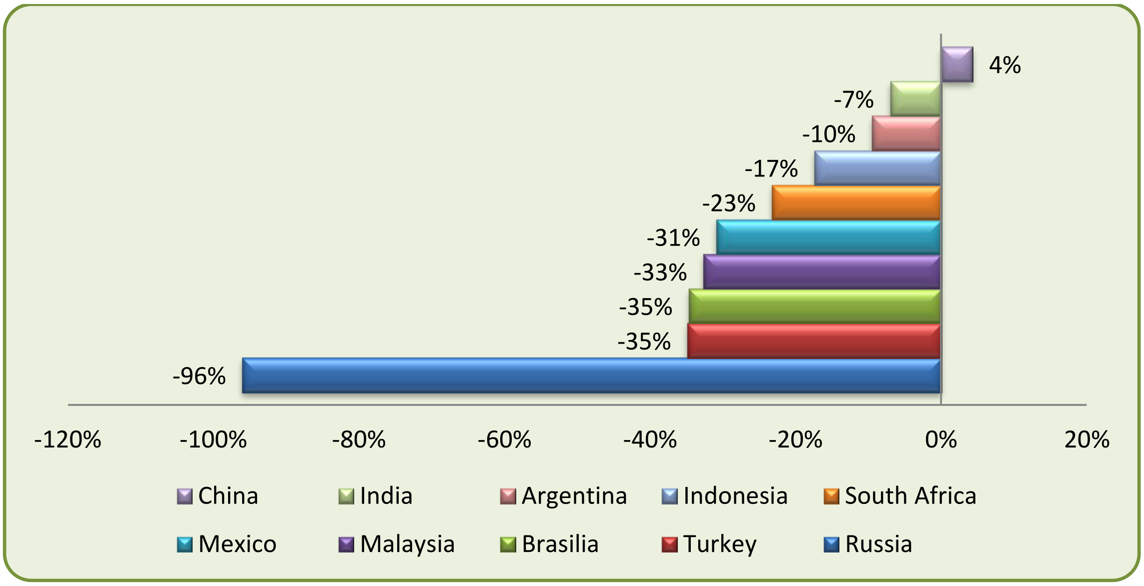
Source: Bloomberg

In addition to this, strong US dollar, lower commodity prices and a possible interest rate increase from USA would deteriorate outlook of the emerging markets. According to the Bloomberg analysis, fourteen of 23 major emerging-market currencies are forecasted to

[12] IMF World Economic Outlook, World Bank

decline against the dollar by the end of June 2016.[13] Stronger dollar may also pose threat for real sector in emerging and developing economies in terms of debt payment since businesses have significant volume of US dollar-denominated debt in these countries.[14]

Figure 8: EM Currencies against US Dollar (% Change Last 12 Months, August 2015)



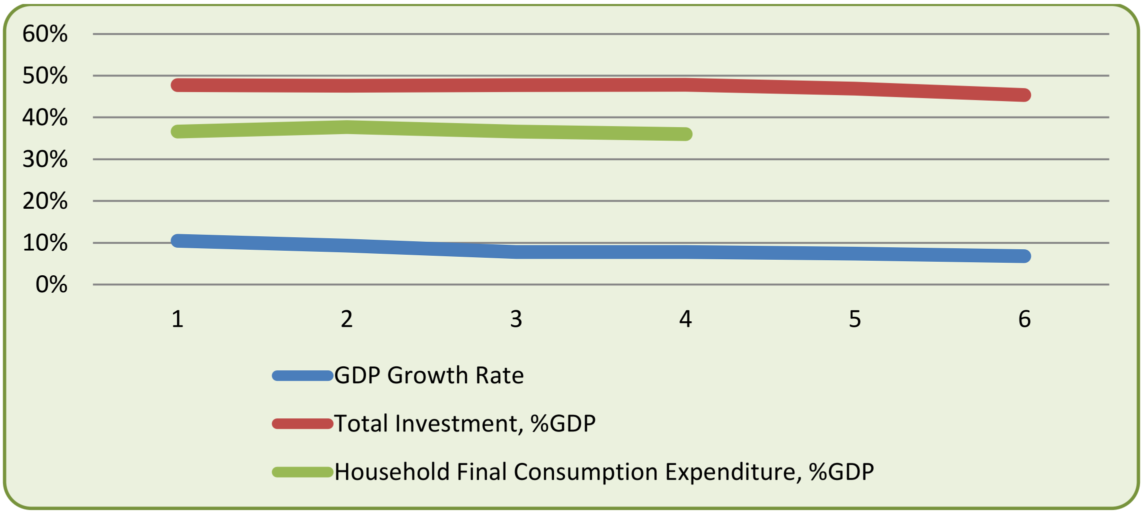
Source: Bloomberg

China has been rebalancing its economic growth dynamics away from investments to consumptions. As a result of this shift, it is expected that lower growth rate will continue for Chinese economy. China has undertaken these reform programs in order to reduce risks and rebalance the economy.[15]

In this context, Chinese government puts greater weight on reducing vulnerabilities from recent rapid credit and investment growth. That's why, failure to implement the reform agenda, rebalance the economy, and tap new sources of growth are the main downside risks for China's economy. Additionally, Chinese equity and capital markets are other downside risks for Chinese economy after rapid growth in these markets over the past years.[16]

[13] Bloomberg.com
[14] Bank of England Financial Stability Report
[15] IMF World Economic Outlook, World Bank
[16] IMF World Economic Outlook, World Bank, Bank of England Financial Stability Report

Figure 9: China GDP Growth Rate, Total Investment and Household Consumption



Source: IMF and World Bank

Finally, geopolitical tensions affecting global economy, stronger dollar, and lower asset price are the main downside risks for global growth and a serious economic slowdown in China would create serious spillover effect on global economy. In contrast, declining oil prices is a significant upside risk for further economic improvement. Persistent low inflation, high public debt and stagnation in advanced economies are major risks for sustainable growth. In addition to this, lower commodity prices and capital follow reversals have potential adverse effect for developing economies after many years of strong growth.[17] Also, possible interest rate hike from the FED and appreciation of the US dollar against all other currencies pose risks for emerging and developing economies running a high level of FX indebtedness.[18]

[17] Bank of England Financial Stability Report, IMF World Economic Outlook, World Bank
[18] The Central Bank of The Republic of Turkey Financial Stability Report May 2015

2. FINANCIAL OUTLOOK OF OIC MEMBER COUNTRIES

A country's financial system includes banks, securities markets, pension and mutual funds, insurers, market infrastructures, central banks as well as regulatory and supervisory authorities. These institutions and markets have outstanding roles in channeling savings to investments efficiently in order to support economic growth. Problems in financial systems cause to disrupt the effectiveness of monetary policy, exacerbate economic downturns, trigger capital flight and make pressures on exchange rates, and create large fiscal costs related to rescuing troubled financial institutions. Therefore, resilient financial systems that are well-regulated and well-supervised are essential for both domestic and international economic and financial stability.[19]

In other words, a financial system is very significant for the whole economy. A well-functioning financial system contributes to economic growth, development and poverty alleviation by promoting investments, mobilizing savings, easing access to finance, increasing financial literacy, reducing information, transaction and monitoring costs and allocating the resources efficiently in the overall economy.

Since low income households are excluded from the financial system especially in developing countries, they do not take part in the process of economic development as shown by several studies.[20] In order for underprivileged people to benefit more from economic growth, development of a sustainable financial system is required. Some empirical studies also prove that an increase in the level of financial development results in a decrease in the level of income inequality through sustainable economic growth, creating more jobs and well-designed financial instruments.[21]

This outlook analyzes in particular the banking sector and security markets of OIC Member States. It aims to shed light on recent financial trends and the development of financial institutions and markets of OIC Member States.

In this Financial Outlook, OIC Member States have been categorized in four major groups according to the World Bank Income Grouping Methodology (according to their GDP Per Capita levels), which is globally used in current financial and economic researches. According to this categorization, 15 countries are in OIC-Low Income Group (OIC-LIG); 19 are in OIC Lower Middle Income Group (OIC-LMIG); 16 are in OIC-Upper Middle Income Group (OIC-UMIG), and 7 are in OIC-High Income Group (OIC-HIGH) as shown in the table below:

[19] Financial System Soundness Indicators 2013, IMF
[20] Role of Microfinance in Poverty Alleviation 2008, Mohammed Obaidullah, IRTI
[21] Global Financial Development Report 2013, The World Bank

Table 1: Categorization of OIC Member States

CATEGORIES	COUNTRIES	NUMBER OF COUNTRIES
OIC-Low income group **US$ 1045 or less**	Afghanistan, Benin, Burkina Faso, Chad, Comoros, Guinea, Guinea-Bissau, Mali, Mozambique, Niger, Sierra Leone, Somalia, Gambia The, Togo, Uganda	15
OIC-Lower middle income group **US$ 1,046 to US$ 4,125**	Bangladesh, Cameroon, Cote d'Ivoire, Djibouti Egypt, Arab Rep., Guyana, Indonesia, Kyrgyz Republic, Mauritania, Morocco, Nigeria, Pakistan, State of Palestine, Senegal, Sudan, Syrian Arab Republic, Tajikistan Uzbekistan, Yemen	19
OIC-Upper middle income **US$ 4,126 to US$12,735**	Albania, Algeria, Azerbaijan, Gabon, Islamic Republic of Iran, Iraq, Jordan, Kazakhstan, Lebanon, Libya, Malaysia, Maldives, Suriname, Tunisia, Turkey, Turkmenistan	16
OIC-High income group **US$ 12,736 or more**	Bahrain, Brunei Darussalam, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates	7

Source: World Bank

Several financial indicators[22] were used within the four fields to measure how well financial institutions and markets of OIC Member States perform:

(a) Financial Depth: Measures the size of financial institutions and markets,

(b) Financial Access: Measures the degree to which individuals can and do use financial institutions and markets,

(c) Financial Efficiency: Measures the efficiency of financial institutions and markets in providing financial services,

(d) Financial Stability: Measures the stability of financial institutions and markets in order to measure and benchmark financial systems in the OIC region.

[22] Benchmarking Financial Systems Around The World 2012, World Bank

Table 2: Selected Financial Data on OIC Member States

DEPTH	Domestic Credit to Private Sector by Banks (% of GDP) Stock Market Capitalization to GDP Ratios Stocks Traded, Total Value (% of GDP)
ACCESS	Account per 1.000 Adults Bank Branches per 100.000 Adults Adults with an Account at a Formal Financial Institution to Total Adults (%) Adults Saving at a Financial Institution in the Past Year to Total Adults (%)
EFFICIENCY	Lending Deposit Spread (%) Bank Return on Asset (ROA) Bank Return on Equity (ROE)
STABILITY	Regulatory Capital to Risk-weighted Assets Bank Capital to Asset Non-Performing Loans (%)

Source: World Bank

These four components, which are used to characterize and compare financial systems across country groups, aim to give a general sense of the financial development of the OIC Member States. Although sufficient indicators are used to measure the performance of financial institutions of OIC Member States, inadequate data has led to the usage of few benchmarks to evaluate the financial markets of OIC Member States.

IMF and the World Bank databases have been widely used to prepare this outlook. It is clear that available and accurate data is very important to conduct a research in the financial sector. Lack of accurate data for OIC Member States was the main challenge to analyze financial outlook of the OIC region. Information on key financial indicators is presented in the Appendix Section for each OIC member state.

2.1 FINANCIAL DEPTH

A reasonable level of financial depth is one of the crucial prerequisites for financial development. The deeper the financial institutions and markets, the more diversified and sophisticated financial services can be provided to the financial consumers. In a deep, competitive and efficient financial market, many actors can conduct a great deal of transactions thereby resources of the country could be used in productive manner.

As a result of deeper and diversified financial market along with the fair competitiveness; transparency, accountability and better risk management, can help to reach financial stability and economic growth in a country.

In this report, domestic credit to private sector to GDP, total value of stock traded to GDP and Market capitalization to GDP ratios are used to measure depth of financial institutions in OIC Member States.

Domestic credit to private sector by banks refers to financial resources provided to the private sector by banks, such as through loans, purchases of no-equity securities, and trade credits and other accounts receivable that establish a claim for repayment.[23]

Domestic credits providing by banks are playing important roles in order to get sustainable economic growth. Credits create not only a convenient environment for the real investment in the economy but also a more efficient use of scarce resources in the financial sector.

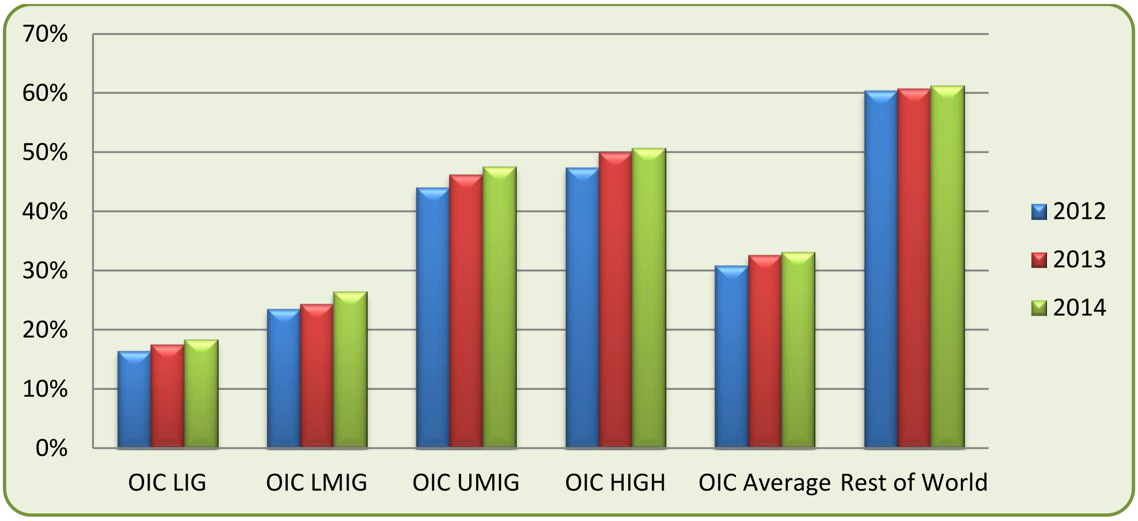
Research has shown that credit expansion has a positive impact on the economic growth and financial depth.[24] Therefore, domestic credit to private sector to GDP ratio is a significant indicator to measure financial depth of any country. On the other hand excessive credit expansion may threaten the financial stability, since inefficient use of credits could create boom and bust cycle in some part of the economy.

As shown in Figure 10, OIC-LIG and OIC-LMIG countries suffer from inadequate access to credit more than high income group countries. In this respect, domestic credit to private to GDP ratios of OIC-HIGH countries were 50.7 in 2014 while the ratios of OIC-LIG countries were only 18.3 percent for the same year. Furthermore, domestic credit to private to GDP ratios of Rest of World was 61.3 percent while the ratios of OIC average were 33.2 percent in 2014.

Domestic credit opportunities expanded in every OIC country group between 2012 and 2014. On the other hand; there is a serious gap between Rest of World and OIC Member States average. Also it can be said that the lack of domestic credit opportunities for OIC Member States is an important obstacle to increase investment and growth. Therefore, banks and governments in OIC Member States should make easier to access to finance for further development.

[23] World Bank
[24] Benchmarking Financial Systems Around The World 2012, World Bank

Figure 10: Domestic Credit to Private Sector by Banks (% of GDP)

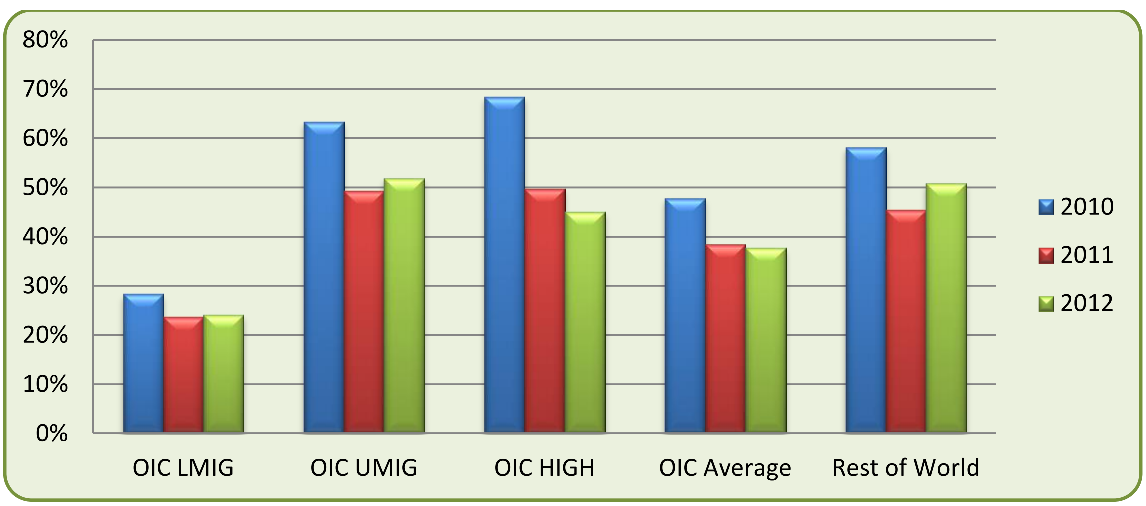


Source: Calculated by Using World Bank Database

Market capitalization (also known as market value) can be defined as share price times the number of shares outstanding.[25] Additionally, **Market capitalization to GDP ratio** measures the strength of the security market in the economy.

The Figure 11 shows that OIC-LMIG countries had 24.2 percent stock market capitalization to GDP ratio while OIC-HIGH countries had 45 percent in 2012. It can also be seen from the Figure that average rates of stock market capitalization to GDP in OIC Member States declined from 47.8 percent to 37.7 percent between 2010 and 2012 and lag behind the Rest of World average rate. On the other hand, the Rest of World average also declined in the same period.

Figure 11: Stock Market Capitalization to GDP Ratios

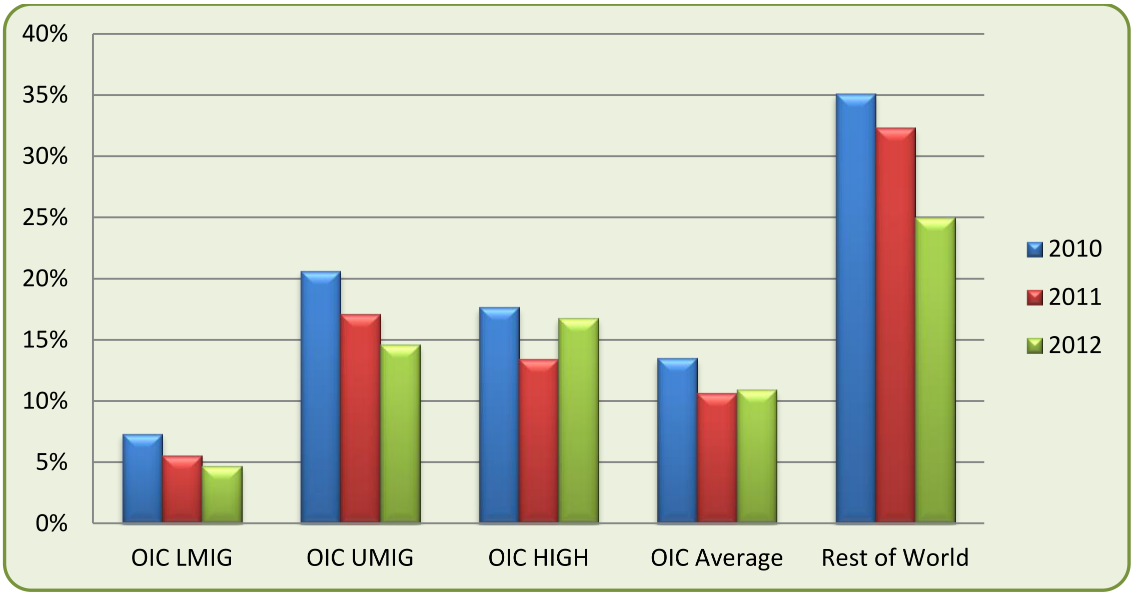


Source: Calculated by Using World Bank Database

[25] World Bank

In this regard these Figures indicate that OIC Member States need more effective stock markets in order to channel domestic and global funds to the real sector of the States.

Figure 12: Stocks Traded, Total Value (% of GDP)



Source: Calculated by Using World Bank Database

Stock market total value traded ratio which includes information on the size and activity of the stock market means total value of all listed shares in a stock market as a percentage of GDP.[26]

The above Figure shows that stock market total value traded to GDP ratios are very low in OIC countries compared to Rest of World average and there was not meaningful improvement between 2010 and 2012. On the other hand the ratio of Rest of World worsened in the same period.

As it can be seen it the Figure 12, there was a serious gap between OIC-HIGH and Rest of World rates in 2012. In this context, stock market total value traded ratio of OIC-LMIG was 7.3 percent in 2010 and it decreased to 4.7 percent in 2012. However, the ratio in the OIC-HIGH countries slightly increased from 13.4 to 16.8 between 2011 and 2012.

Stock markets consist of securities, public and corporate bonds, future and option contracts. It is clear that a well-functioning stock market is also more attractive to foreign investors. Additionally, developed stock markets are important to deepen the financial sector in the OIC Member States. In this regard, market capitalization and stock market total value traded rations show that stock markets in the OIC Member States have potential to expand when these figures compare to Rest of the World rates.

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26 Benchmarking Financial Systems Around The World 2012, World Bank

2.2 FINANCIAL ACCESS

The term of financial access encompasses education and consumer protection of financial products as well as financial inclusion. Financial access has been gaining momentum not only in emerging and developing economies also in the developed economies.

Financial access and inclusion has become one of the main agenda items among international institutions and platforms in recent years. As such, G20 and most of the countries increase their focus and ongoing efforts on the issue. Financial inclusion incorporates the access to and usage of financial products and services as well as the quality.

Accessing to finance is essential to increase efficiency of any financial system since if certain part of society or small enterprises are excluded from the financial system, they may invest their resources into unproductive areas.

Bank account per 1,000 adults, bank branches per 100,000 adults, adults with an account at a formal financial institution and number of adults saving at a financial institution are basic supply side information on the use of financial services. Hence, these data are analyzed for finding out the level of financial access capacity of financial institutions in OIC Member States.

Bank account per 1,000 adults is one of the main indicators of access to financial services. Bank accounts per 1,000 adults in OIC-LIG countries slightly decreased and recorded 121.9 in 2013 relative to 2012. There was a progress for OIC-LMIG countries in terms of opening new bank accounts between 2011 and 2013. Bank accounts per 1,000 in OIC-LMIG countries were 301.6 in 2011, this number increased to 374 in 2013. On the other hand, situation of OIC-HIGH countries deteriorated in terms of number of bank account in 2013 compared to 2012 but OIC-UMIG and OIC-HIGH countries are at good position compared Rest of the World regarding bank account numbers.

These figures indicate that, the OIC Member States have significant potential needs to be realized regarding basic financial services such as having bank account. Therefore banks in the OIC Member States should try to outreach every part of the society and offer at least basic services to them.

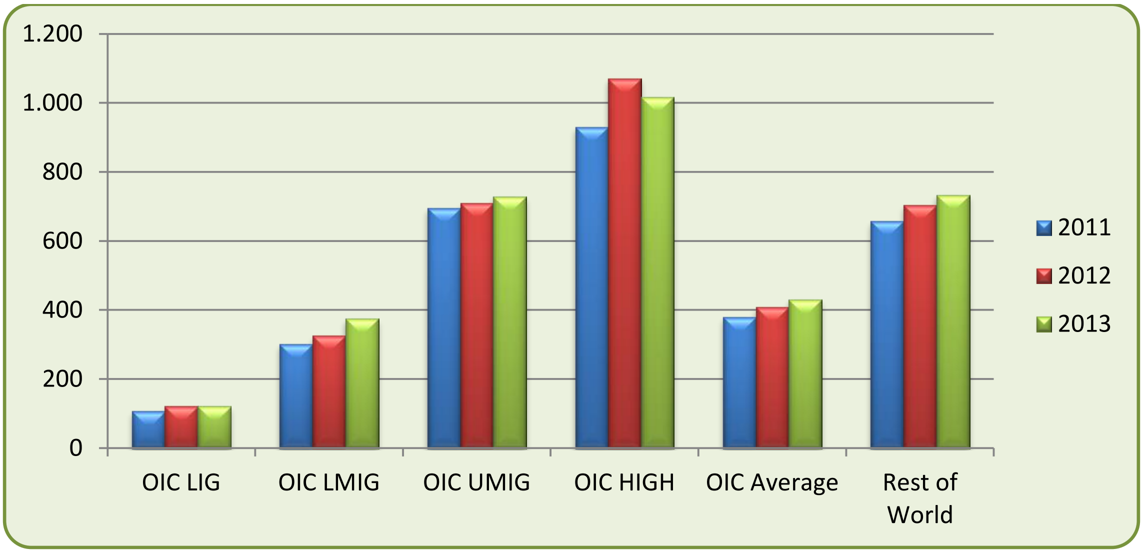
The number of bank branches per 100,000 adults is also another important indicator for financial access in the OIC Member States. The Figure-13 shows that there was a slightly progress in all the income levels from 2012 to 2013 except OIC-LIG.

Bank branches per 100,000 adults in OIC-LIG countries dropped to 2.8 in 2013 relative to 2012's 3.1. OIC-UMIG countries showed progress in this area and bank branches per 100,000 adults increased from 14.3 to 15.2 in 2013 comparing 2012.

Additionally, the number of bank branches per 100,000 adults in the OIC-HIGH increased slightly to 15.3 in 2013 but the number did not catch the 2011's 15.7. Rest of World average bank branches per 100,000 were 23.7 in 2011 and the number increased to 24.5 in 2013.

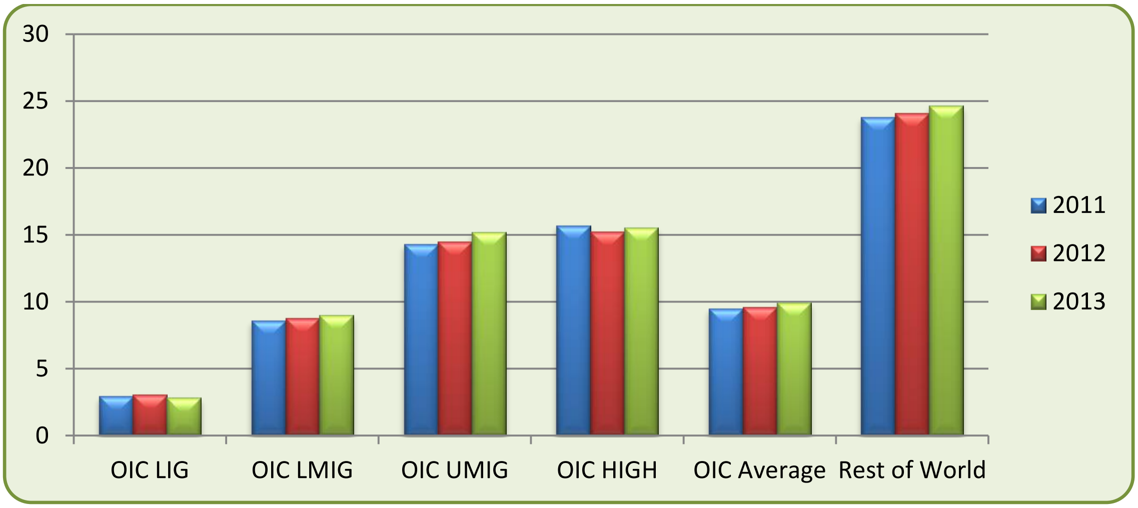
It can be also observed from the Figure 13 that banks in OIC-LIG and OIC-LMIG countries have to increase number of the branches in order to reach different segment of the society.

Figure 13: Bank account per 1,000 adults



Source: Calculated by Using World Bank Database

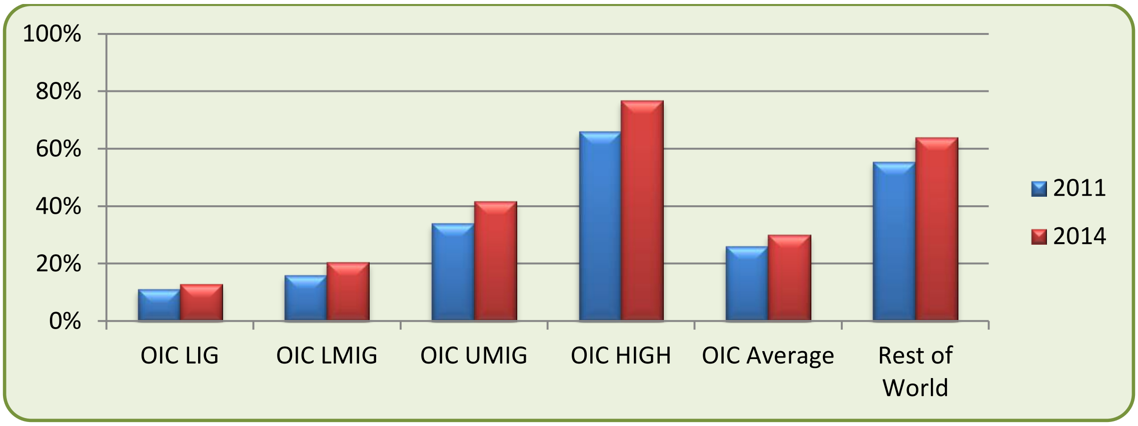
Figure 14: Bank Branches per 100,000 Adults in OIC Member States



Source: Calculated by Using World Bank Database

Adults with an account at a formal financial institution to total adults ratio is another important financial indicator in this category. The following Figure shows that the ratio has increased in every OIC income groups between 2011 and 2014.

Figure 15: Account at a Financial Institution to Total Adults (% age 15+)



Source: Calculated by Using World Bank Database

In this respect, OIC average of the ratio reached 30.1 percent in 2014. This figure was 26.1 percent in 2011. In addition to this, in OIC-HIGH countries 76.9 percent of adults in 2014 had an account at a formal financial institution and this ratio was very high compared to 64 percent level of Rest of World average in 2014.

Although there has been significant improvement in terms of account ownership at a financial institution within the OIC Member States, there is still a huge discrepancy between country groups among OIC Member States. In this context, the majority of the population in low income countries does not have financial accounts which are accepted as a basic financial service.

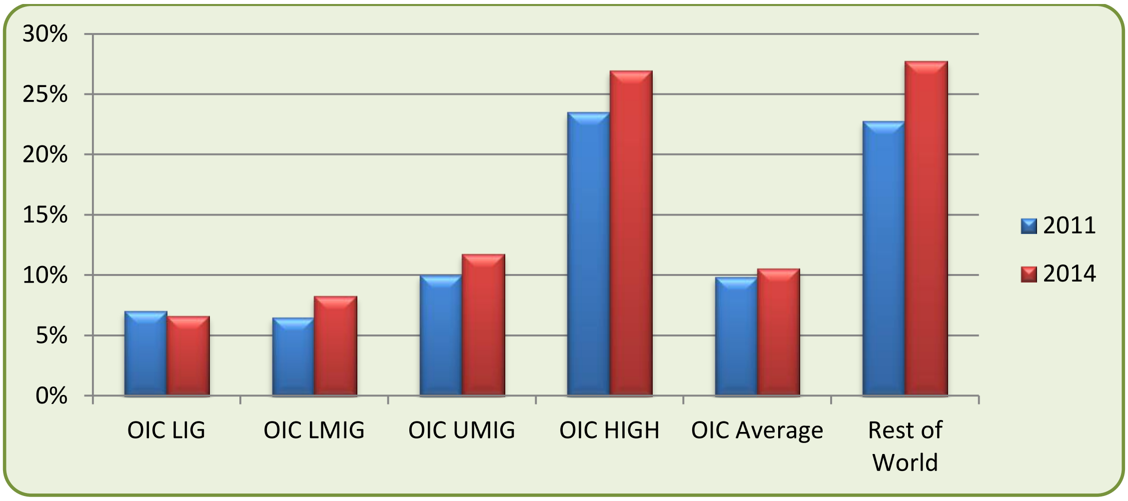
Adults saving at a financial institution in the past year to total adults in 2014 for OIC-LIG, OIC-LMIG and OIC-UMIG countries were 6.6 percent, 8.3 percent and 11.8 percent, respectively. However, OIC-HIGH countries had 27 percent saving rate in 2014 which was 0.8 percent lower than Rest of the World average. Adults saving in 2014 in every country groups except OIC-LIG increased. On the other hand, the OIC Member States fell behind the Rest of World in terms of raise of the adult saving. Also, figures also show that there was a significant difference within the OIC income groups.

In order to increase investment and reach sustainable economic growth, OIC Member States need to have a reasonable level of savings. As it can be observed in the Figure 16, all income groups except OIC-HIGH countries suffer from low adults saving.

Lack of financial capability and awareness and financial access are among the possible reasons for the low adults saving in low, lower and middle income countries. Enhanced access to financial services may increase adults saving for the low income and middle income countries.

In addition to these, non-institutional savings such mattress money does not include in these figures so financial access creates opportunity to channel these savings into the financial institutions and effective use of resources of OIC Member States.

Figure 16: Adults Saving at a Financial Institution in the Past Year to Total Adults



Source: Calculated by Using World Bank Database

2.3 FINANCIAL EFFICIENCY

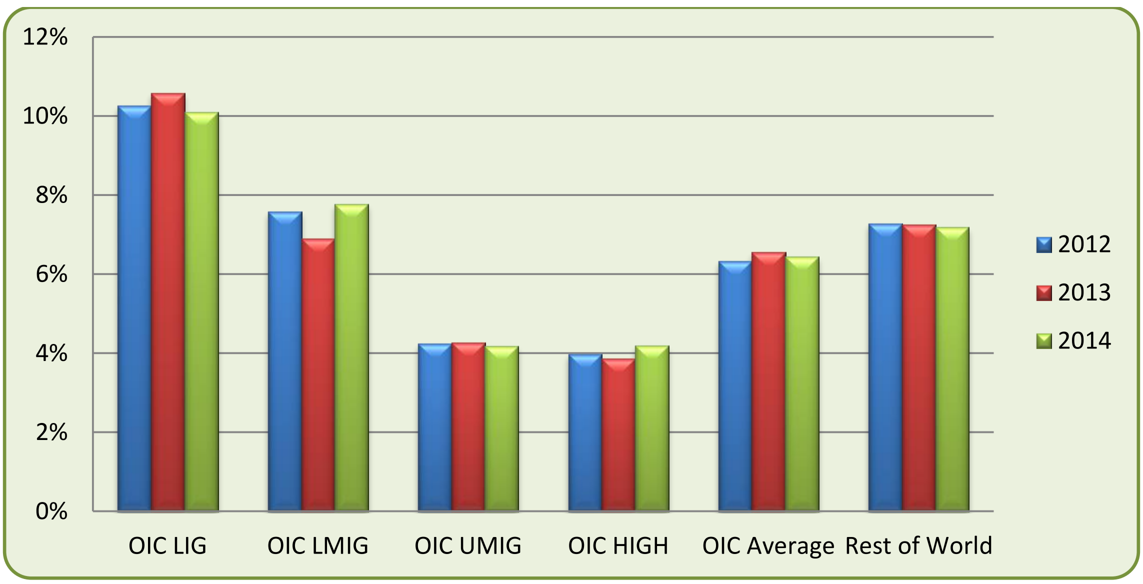
Robust financial systems can increase economic activity and welfare, but instability in the financial system can disrupt financial activity and impose widespread costs in the economy. It is obvious that efficient financial systems perform well. Since higher intermediate cost is reflected on households, governments and firms, lower intermediate costs increase the efficiency of financial institutions and markets. High efficiency in financial institutions also increases their profitability.

Lending deposit spread refers to the difference between lending rate and deposit rate. Lending rate is the rate charged by banks on loans to the private sector and deposit interest rate is the rate offered by commercial banks.

Large interest rate spreads have adverse effect to economic growth, as they act as a disincentive to private investment and otherwise constrain it to suboptimal levels. Inefficiencies in intermediation may emerge from structural problems: lack of adequate competition, scale diseconomies due to small market size or high fixed operating costs, the existence of regulatory controls, perceived market risks and the unsoundness of banks.[27]

The following Figure shows that OIC-LIG and OIC-LMIG lending deposit ratios were relatively higher than the Rest of World average rate, which was around 7.3 percent in the same period. Lending deposit ratios of OIC-UMIG and OIC-HIGH were around 4 percent during the 2012-2014 period; significantly lower than OIC Average, which amounted to 6.3, 6.6 and 6.4 percent in 2012, 2013 and 2014, respectively.

Figure 17: Interest Rate Spread (Lending Rate Minus Deposit Rate, %) in OIC Member States



Source: Calculated by Using World Bank Database

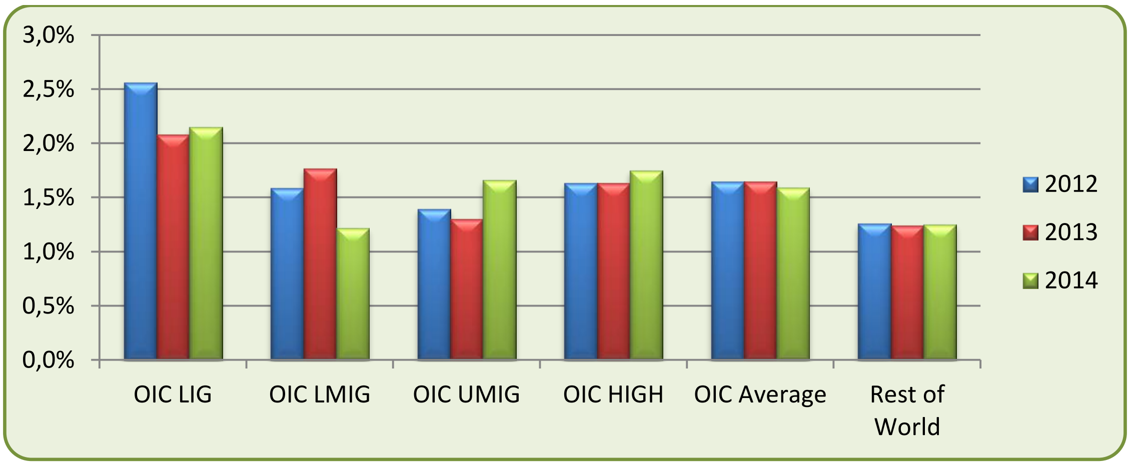
Bank Return on Asset (ROA) is a profitability ratio that measures the bank's annualized net income to average value of total assets (financial and nonfinancial) over the same period. In

[27] Eastern Caribbean Central Bank Research Department, 2007

other words, it shows how a bank can convert its asset into net earnings. The higher ratio indicates higher ability and therefore is an indicator of better performance for banks (Samad&Hassan, 1999).

ROA ratio of OIC LIG is considerably higher than other OIC income groups with 2.6 percent in 2012, 2.1 percent in 2013 and 2.2 percent in 2014. The factor behind reaching these ratios during 2012-2014 is the tremendous performance of Uganda which also has the highest ratio among OIC Member States. Notwithstanding the relatively weak performance of OIC UMIG and OIC LMIG, OIC average is slightly lower than Rest of World average which was around 1.3 percent in this period.

Figure 18: Bank Return on Asset in OIC Member States

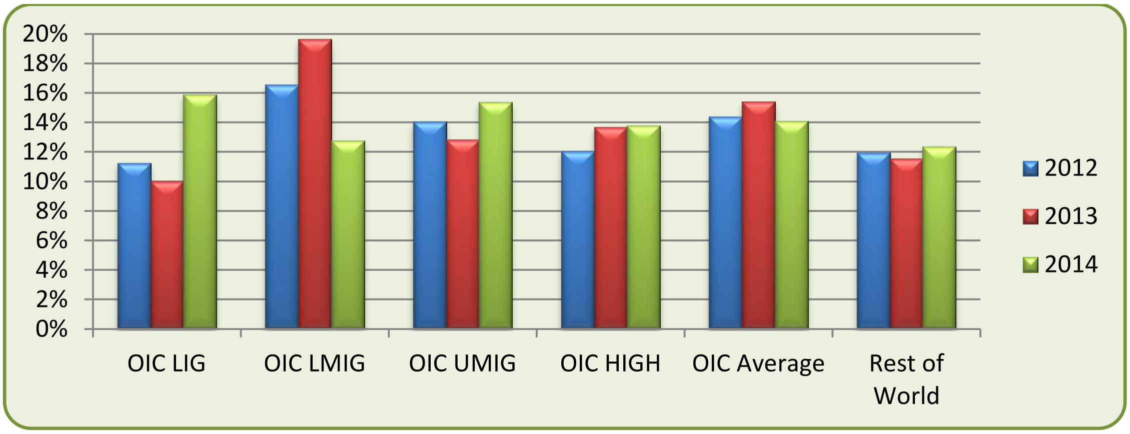


Source: Calculated by Using IMF Database

Bank Return on Equity (ROE) is another profitability ratio that measures the return generated on stockholders'/shareholders' equity. It is calculated by dividing bank's annualized net income to average value of capital over the same period.

Following Figure shows OIC income groups and Rest of World average performance on ROE during 2012-2014. OIC LMIG has higher ROE than other income groups and Rest of World average especially in 2012 and 2013. On the other hand, OIC-LMIC score in 2014 decreased to 12.2 percent due to negative ROE ratio of Tajikistan that was -19.6 percent. OIC-HIGH is the only group which increased ROE ratio gradually during 2012-2014 with 12.1, 13.7 and 13.8, respectively. It can also be observed from the Figure that OIC average delivered better performance than Rest of World average.

Figure 19: Bank Return on Equity in OIC Member States



Source: Calculated by Using IMF Database

2.4 FINANCIAL STABILITY

Financial stability is a vital condition of a well-functioning financial system in the pursuit of financial development. Although rapid growth of financial sector may appear to be a positive sign, lack of proper risk management and regulation may lead to systemic risks which can be a serious threat for financial stability.

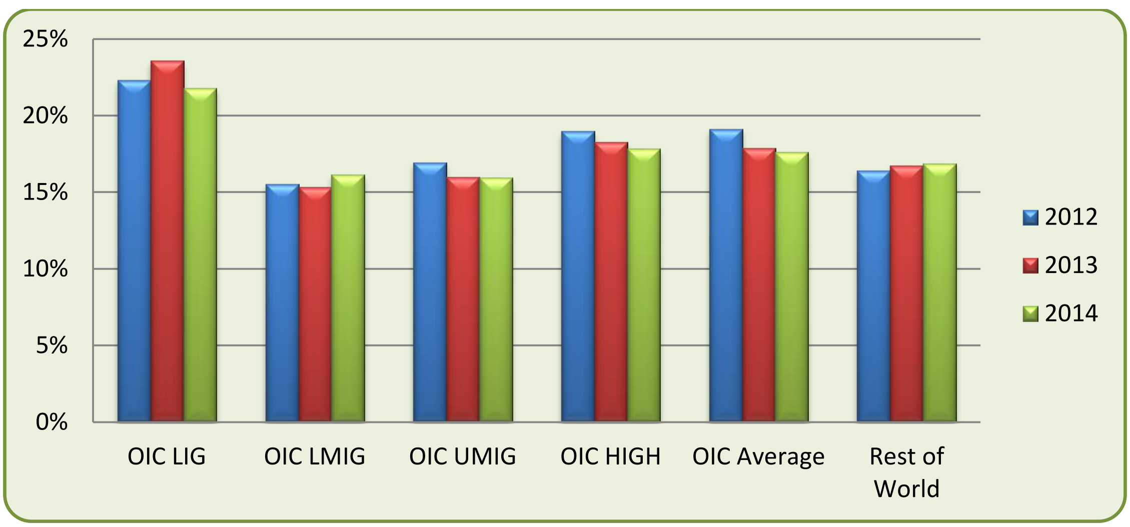
Consequently, systemic risks may trigger problems in the financial system and then adversely impacts real economy. In other words, a stable financial system that promotes efficient savings and investments is only effective when necessary precautions are taken to ensure an efficient market. In addition, enhanced financial depth, increased access to finance and efficiency in financial institutions and financial markets are prerequisites for financial stability.[28]

In this study, regulatory capital to risk-weighted assets ratio, bank capital to assets ratio and non-performing loans to total gross loans variables are used to measure financial stability of financial institutions in OIC Member States.

Regulatory capital to risk-weighted assets means a ratio of total regulatory capital to its held assets, weighted according to the risk of those assets.[29] Risk weighted asset ratio plays a significant role in the robustness of the financial institutions in the face of shocks. International financial institutions, in particular the Bank for International Settlement (BIS), recommend holding optimum capital against the risk instruments to prevent systemic risk.

As presented in Figure 19, OIC LIG has the highest scores among other income groups and Rest of World average. It shows that OIC LIG countries have more robust banking system and stronger against the financial shocks. OIC LIG scores were 22.3 percent in 2012, 23.6 percent in 2013 and 21.8 percent in 2014 while Rest of World average was around 16 percent in the same period.

Figure 20: Regulatory Capital to Risk-weighted Assets in OIC Member States



Source: Calculated by Using IMF Database

[28] The World Bank, World Development Indicators,2013
[29] Benchmarking Financial Systems Around The World 2012, World Bank

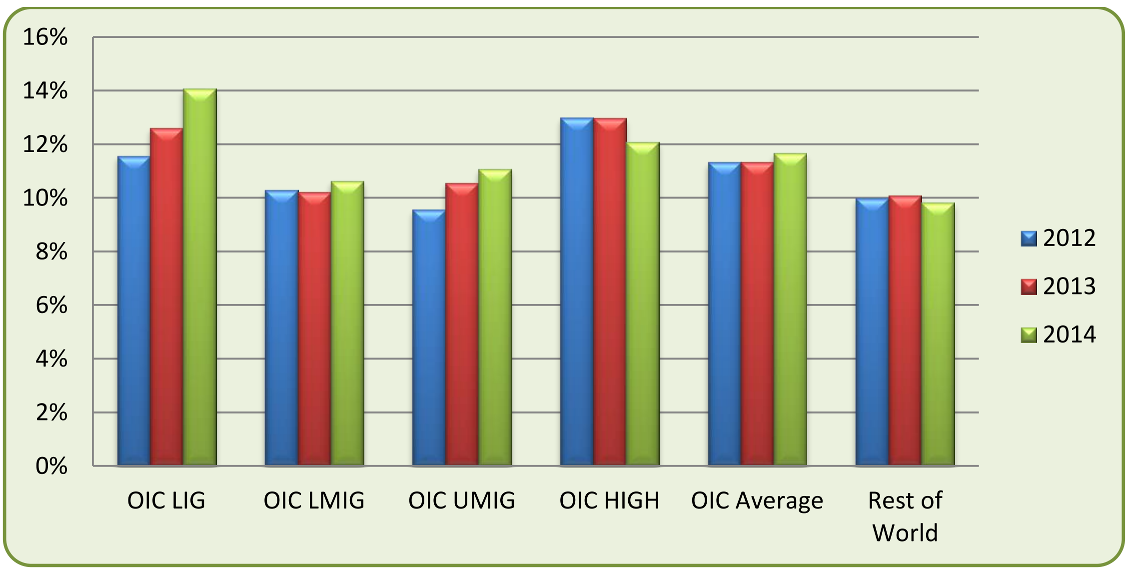
Among OIC income groups, OIC LMIG has the lowest score in regulatory capital to risk-weighted assets that make them more vulnerable against financial stress. Despite lowering score, OIC HIGH and OIC Average has higher ratio than Rest of World average.

A useful indicator of the size of a bank's balance sheet and -hence potential future losses that a bank is exposed to- relative to its 'own funds' (capital) is the leverage ratio. In the context of regulatory requirements, it is usually expressed inversely, as the **ratio of capital to total assets**.

It reflects an aspect of the riskiness of a bank since capital absorbs any losses on the bank's assets: so high leverage (that is, a low ratio of capital to total assets) is riskier, all else equal, as a bank has less capital to absorb losses per unit of asset. This could increase the risk of the bank not being able to repay its liabilities.[30]

Similar with regulatory capital to risk-weighted assets ratio, OIC-LIG and OIC-HIGH show better performance on bank capital to asset ratio than other income groups and Rest of World average. OIC-LIG increased the bank capital to asset steadily and reached 14.1 percent in 2014. On the other hand, despite the lowering bank capital asset ratio of OIC-HIGH, it is still higher than Rest of the World average that was around 10 percent at the same period. Although OIC-UMIG ratio grew the bank capital ratio progressively and passed Rest of World average in 2013, it is lower than OIC average between 2012 and 2014.

Figure 21: Bank Capital to Asset in OIC Member States

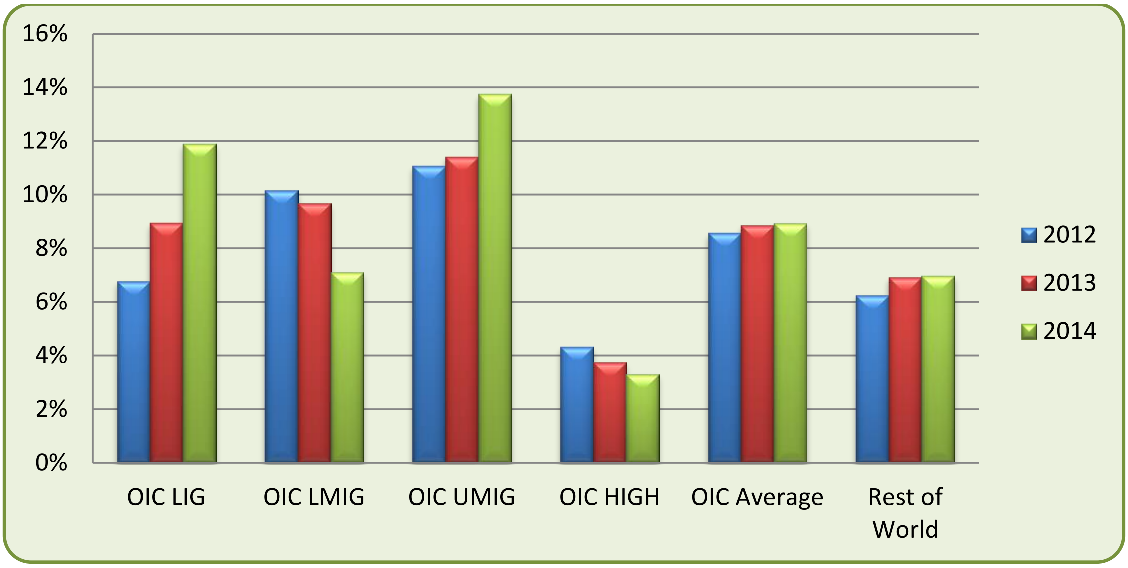


Source: Calculated by Using IMF Database

Non-performing loans (NPL) occur as a result of breaching the provisions of loan contracts regarding pre-set payment dates. Generally, it is described as overdue payments for more than a predetermined number of days. NPL ratio is the ratio of defaulting loans to total gross loans. The higher NPL ratio, the higher the possibility of insolvency in the banking sector is.

[30] Bank of England, 2013

Figure 22: Bank Nonperforming Loans to Total Loans in OIC Member States



Source: Calculated by Using IMF Database

The Figure shows that NPL ratios of OIC-LIG, OIC LMIG and OIC UMIC were dreadfully high compared to OIC HIGH. OIC LIG score jumped to 11.9 in 2014 from 6.8 percent in 2012. In parallel to OIC LIG ratios, OIC UMIG ratio reached to 13.7 percent in 2014 that was almost double the World average. In contrast to OIC LIG and OIC UMIG, although OIC LMIG NPL ratio was above 10 percent in 2012 and 2013, it decreased to 7.5 percent in 2014 that was a reasonable ratio considering Rest of World average. OIC HIGH NPL ratio was very low during 2012-2014 periods that were almost half of the Rest of World average and less than half of the OIC average.

Bearing in mind that NPL ratio is one of the important leading indicators of banking sector and OIC countries except OIC HIGH income counties should find the ways to reduce NPL ratios to have more robust and stable financial systems.

3. ISLAMIC FINANCE

Given the industry's current size and composition, although Islamic finance is still a niche market in the overall global financial industry, it has become an important part of the international financial system and was, certainly, one of its fastest growing components over the last decades.

Through strong demand for financial services from a large segment of the World's 1.6 billion Muslims and the need to effectively channel rising international savings, including those of high-net-worth individuals expectations for the industry are quite encouraging[31]. The trends suggest that the industry is transforming a deeper and more sustainable ecosystem and these trends promoted the expansion of sector. Subsequent to the financial crisis, there has been a renewed debate that Islamic finance which has strong ethical principles and asset based approach can play a role in the stabilization of the global financial system.[32] Furthermore, according to World Bank Global Financial Development Report 2014, Shari'ah-compliant financial products and instruments can play a significant role in enhancing financial inclusion among Muslim populations.

Landmark debut sukuk issuances by governments, the expansion of Islamic finance into more countries in Africa and Europe and more sustainable ecosystem are the key trends in the Islamic finance industry.[33] Within member countries, public sector bodies are pivotal to forming and executing Islamic finance strategies. Supervision functions are undertaken by central banks, capital market authorities and Takaful regulators. Public sector bodies also act as key market platforms facilitating Islamic deposit insurance and accepting Sharī`ah-compliant statutory deposits. Substantial research and information on the IFSI, particularly in countries which have established dedicated programmes for the field, is being generated by public universities. Additionally, some governments have funded training and certification bodies within their countries – providing an important element of infrastructure for the industry.[34]

Although the industry has enjoyed abovementioned growth, its sustainability and future growth will largely depend on how successful it is in addressing the challenges at both macro and micro level such as numerous issues concerning its theoretical foundation, infrastructure development, systemic implementation, integration with external systems, and enhancing operational efficiency. If due attention is not paid to addressing these issues, Islamic finance will fail to achieve its full potential and to deliver on its promise. Therefore, the stakes are very high and demand serious discussion of the issues.[35]

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[31] AKHTAR Shamshad (2008) Et Al. Understanding Islamic Finance: Local Innovation And Global Integration, The National Bureau Of Asian Research, Seattle, Washington

[32] Financial Outlook Of The OIC Member Countries 2014

[33] 2014- A Landmark Year For Global Islamic Finance Industry, December 2014, MIFC

[34] Islamic Financial Services Industry Development: Ten-Year Framework And Strategies A MID-TERM REVIEW

[35] IQBAL Zamir And MIRAKHOR Abbas (2011), An Introduction To Islamic Finance, John Wiley & Sons (Asia) Pte. Ltd.

3.1 CONCEPT AND THE BRIEF MODERN HISTORY OF ISLAMIC FINANCE

The concept of Islamic or Shari'ah compliant finance is based on core tenets of Islam concerning property rights, social and economic justice, wealth distribution, and governance. One of the key features of the system is prohibition of riba (interest) and gharar (ambiguous contracts or deals).[36] Basic principles of an Islamic financial system are as following:[37]

- *Risk Sharing*
- *Asset-based*
- *Money as "potential" capital*
- *Prohibition of speculative behaviors*
- *Sanctity of contracts and the preservation of property rights*

The modern history of Islamic finance (see Table 1) started in 1950s. Early writings about problems of conventional economic systems and how Islam's principles of economics offer an alternative were arisen in 1950s-1960s. In 2000 to present, globalization of Islamic finance as Shari'ah- compliant transaction started to appear in Europe, Asia and North America; growth of academic interest and researched followed by offering of organized programs at reputable Western universities, and key institutions such as Islamic Financial Services Board (IFSB), Accounting and Auditing Organization for Islamic Financial Intuitions (AAOIFI) and etc. were established.

Table 3: Developments in Modern Islamic Economics and Finance

Pre-1950s	Barclays Bank opens its Cairo branch in the 1890s to process the financial transactions related to the construction of the Suez Canal. Islamic scholars challenge the operations of the bank, considering its dealings to involve interest. This critique also spreads to other Arab regions, and to the Indian sub-continent where there was a sizeable Muslim community. Majority of Shari'ah scholars declare that interest in all its forms amounts to the prohibited element of riba.
1950s–60s	Initial theoretical work in Islamic economics begins. In 1953, Islamic economists offer the first description of an interest-free bank based either on two-tier mudaraba or wakala. Mit Ghamr Bank in Egypt and Pilgrimage Fund in Malaysia start.
1970s	First Islamic commercial bank, Dubai Islamic Bank, opens in 1974. Islamic Development Bank (IDB) is established in 1975. Accumulation of oil revenues and petro-dollars increases demand for Shari'ah-compliant products.

[36] MODIELDIN Mahmoud, Realizing the Potential of Islamic Finance (2012), Economic Premise, The World Bank
[37] IQBAL Zamir and MIRAKHOR Abbas (2011), An Introduction to Islamic Finance, John Wiley & Sons (Asia) Pte. Ltd.

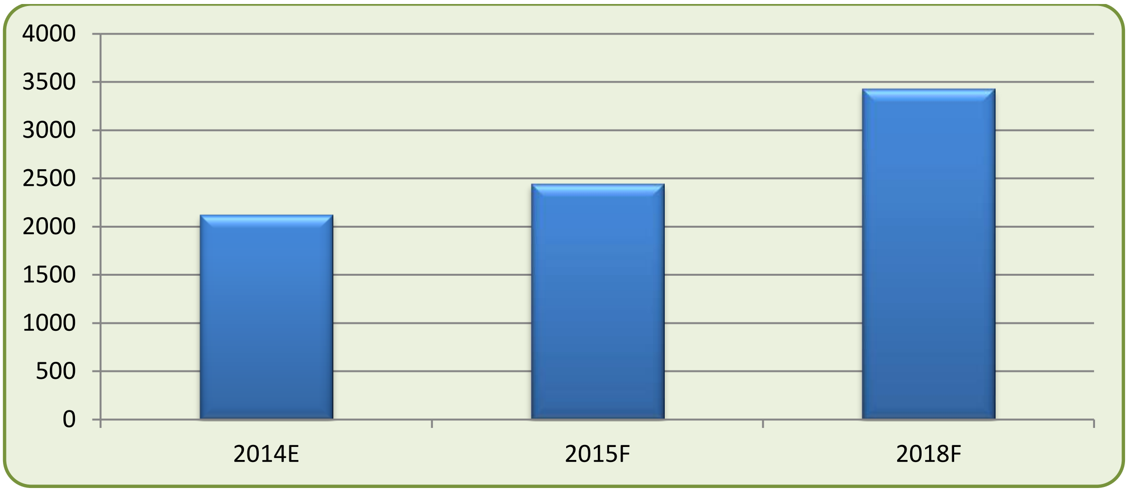
The 1980s	Islamization of economies in Islamic Republics of Iran, Pakistan and Sudan, which introduce interest-free banking systems. Increased demand attracts Western intermediation and institutions. The IDB establishes the Islamic Research and Training Institute (IRTI) in 1981. Countries like Bahrain and Malaysia promote Islamic banking parallel to the conventional banking system.
The 1990s	Attention is paid to the need for accounting standards and regulatory framework. The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) is established. Islamic insurance (takaful) is introduced. Islamic Equity Funds are established. Dow Jones Islamic Index and FTSE Index of Shari'ah-compatible stocks are developed.
2000–Present	The Islamic Financial Services Board (IFSB) is established to deal with regulatory, supervisory and corporate-governance issues. Sukuk are launched. Globalization of Islamic finance as Shari'ah-compliant transaction starts to appear in Europe, Asia and North America. Growth of academic interest and research followed by offering of organized programs at reputable Western universities. Limited application of financial engineering through introduction of profit-rate swaps. Legal issues are raised in cross-border jurisdictions after defaults on Shari'ah-compliant transactions during and after the financial crisis.

Source: An Introduction to Islamic Finance, IQBAL Zamir and MIRAKHOR Abbas (2011)

3.2 ISLAMIC FINANCE OUTLOOK

The current value of the Islamic Finance assets, led by the Islamic banking sector and the global sukuk market, is estimated to be more than $2 trillion (compounded average growth rate, CAGR 2019-2014: 17.3%).[38] It is expected that the industry will expand further, with total assets projected at nearly $ 3.5 trillion by 2018.[39]

Figure 23: Total Islamic Finance Assets (2014E- 2018F) $ Billion



Source: MIFC

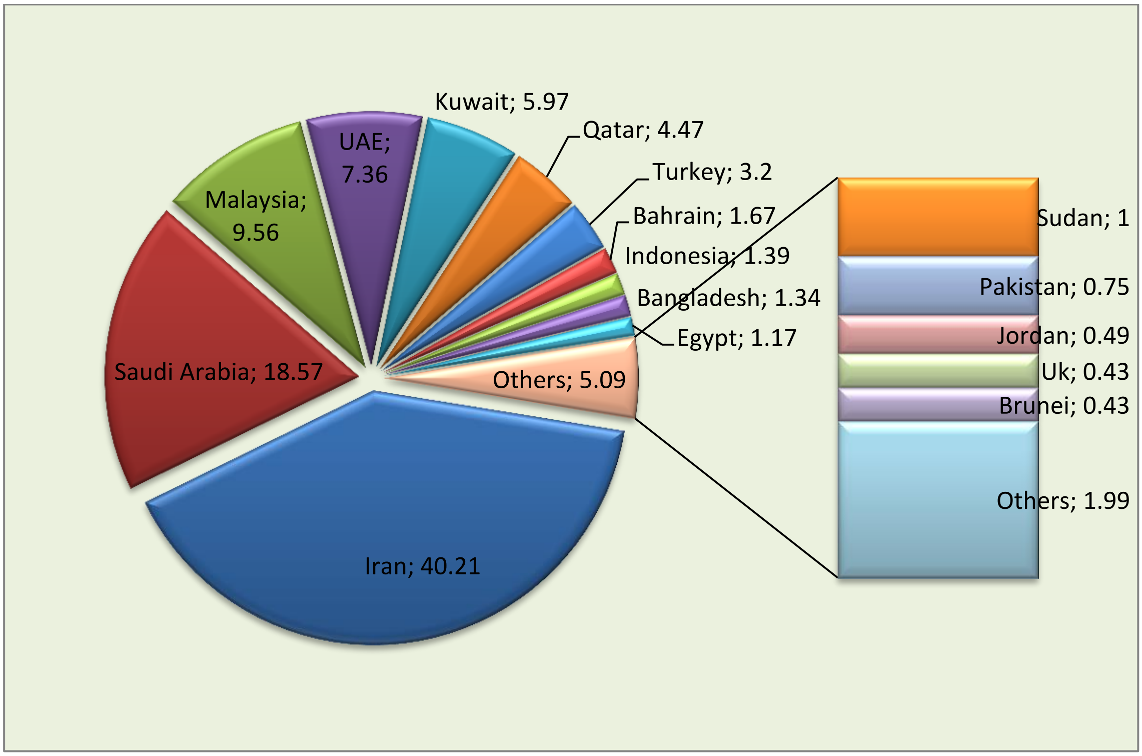
The Islamic Financial Assets mostly concentrated in some regions (particularly Middle East and Far Eastern Asia) of the world. On the other hand, Islamic finance has made important strides into advanced economies in the US, Europe and Asia - most notably through Islamic capital market instruments.[40] As of 2013, the top 5 jurisdiction for Islamic Finance are: Malaysia ($423 billion), Saudi Arabia ($338 billion), Iran ($323 Billion), United Arab Emirates ($140 billion) and Kuwait ($92 billion).[41]

3.2.1 PARTICIPATION BANKING SECTOR

As the largest segment of the global Islamic finance industry, the total asset of the sector is estimated as -approximately- $1.48 trillion as at 1 half of 2014, and is estimated to amount approximately $1.56 trillion by the end of the 2014. The asset size of the industry put forth that there is a huge gap between the potential and existing Islamic Finance market, the 2014 potential of the Islamic banking universe would be $4.178 trillion in assets within the OIC.[42] The CAGR between 2008 and 2013 was 16.89%. The industry grew by 16% in 2013 annually while assets of the top 1000 global banks grew by only 4.9% in 2012 and 0.6% in 2013.[43]

[38] MIFC Insights Report, The Sustainable Financial System: An Evaluation Journey, 29 April 2015, http://www.mifc.com/
[39] US: Potential Market for Islamic Finance, http://www.mifc.com/
[40] US: Potential Market for Islamic Finance, http://www.mifc.com/
[41] Thomson Reuters State of the Global Islamic Economy report 2014-2015
[42] Ibid.
[43] Islamic Financial Stability report 2015, IFSB, May 2015

Figure 24: Shares of Global Islamic Banking Assets as of 1H2014



Source: IFSB

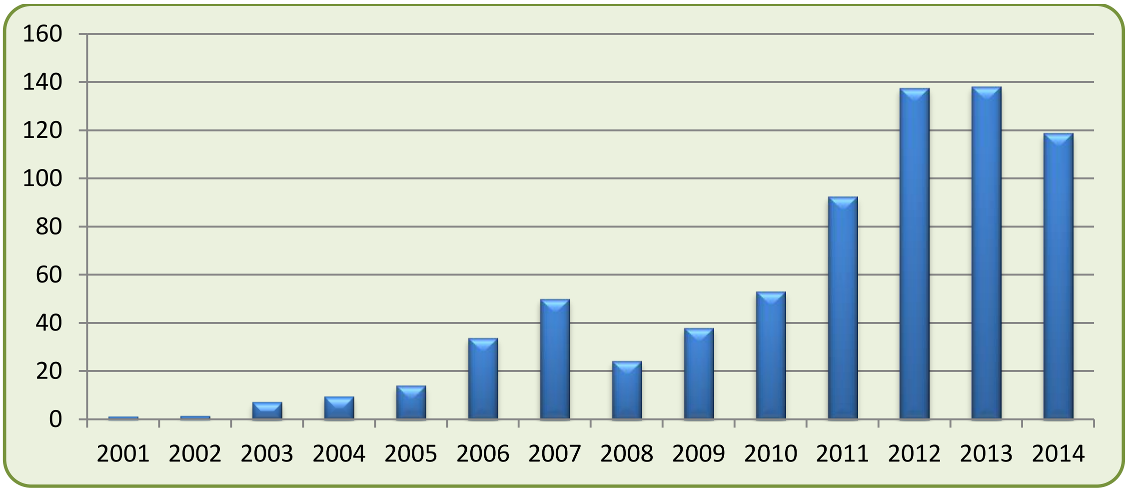
3.2.2 CAPITAL MARKET SECTOR

Islamic capital markets comprise three main sectors: Sukuk or Islamic Bond Market, Islamic Equity Markets and Islamic Fund Markets

Sukuk/ Islamic Bond Market: There has been a dramatic growth in sukuk market in recent years. Each of the last three years, including 2014, annual issuances have exceed $100 billion and it almost tripled from $45 billion in 2011 to $118.8 billion in 2014. Malaysia, Saudi Arabia and the United Arab Emirates (UAE) as well as emerging actors such as Turkey and Indonesia were the lead actors in this growth[44]. In 2014, the United Kingdom (£200 million issuance), South Africa ($500 million issuance) and Hong Kong ($1 billion issuance) launched their first Sukuk[45].

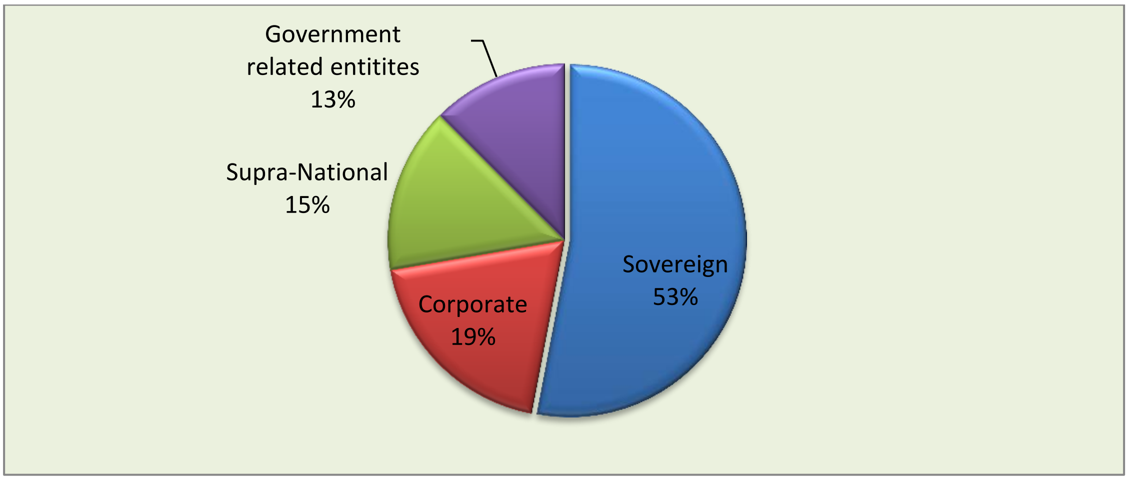
[44] Global Sukuk Report 1Q 2015, http://www.mifc.com/
[45] Thomsen Reuters

Figure 25: Total Global Sukuk Issuance- $ Billion



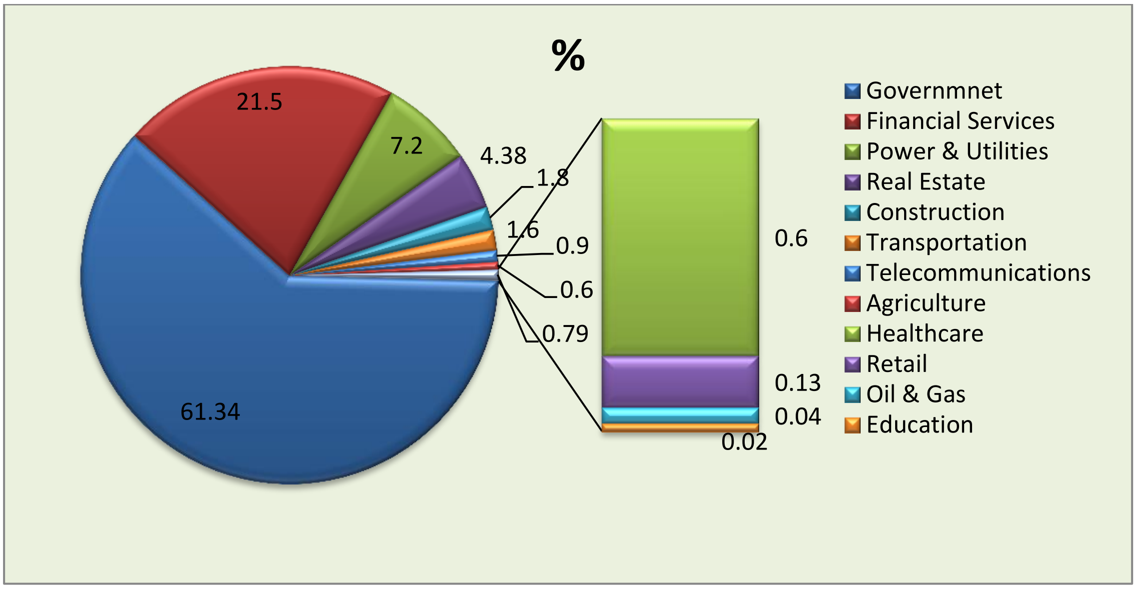
Source: IIFM (2001-2013), MIFC (2014)

Figure 26: Sukuk Issuance by User Type (1Q2015)



Source: MIFC

Figure 27: Sukuk Issuance by Sector (10M2014)



Source: IFSB

- **Islamic Indices:** As a consequence of demand for sophisticated investment solutions that are adhere to the tenets of Islamic law, Shariah compliant benchmarks, which are subsets of conventional benchmarks that include only those companies passing rules-based screens for Shariah-compliance, have been developed.[46] All major global index providers, such as Dow Jones, Standard & Poor's, FTSE, MSCI and Russell Investments supply Islamic indexes.

One of the examples of these indexes is S&P OIC/COMCEC 50 Shariah Index. Only companies listed on OIC member states' stock exchanges could be included in S&P OIC/COMCEC 50 Shariah Index. All eligible stocks must pass the Shariah compliance screenings per S&P Shariah Indices Methodology. In addition, all eligible stocks must have a minimum 3-month average daily value traded (ADVT) of $1 million.[47]

The Index has been launched on June 22nd, 2012, in Istanbul. The official launching ceremony of the Index was held during the 28th Session of the COMCEC in 2012. The Index was designed to measure the performance of 50 leading companies from the 19 member states of OIC, namely, Bahrain, Bangladesh, Cote d'Ivoire, Egypt, Indonesia, Jordan, Kazakhstan, Kuwait, Lebanon, Malaysia, Morocco, Nigeria, Oman, Pakistan, Qatar, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates.

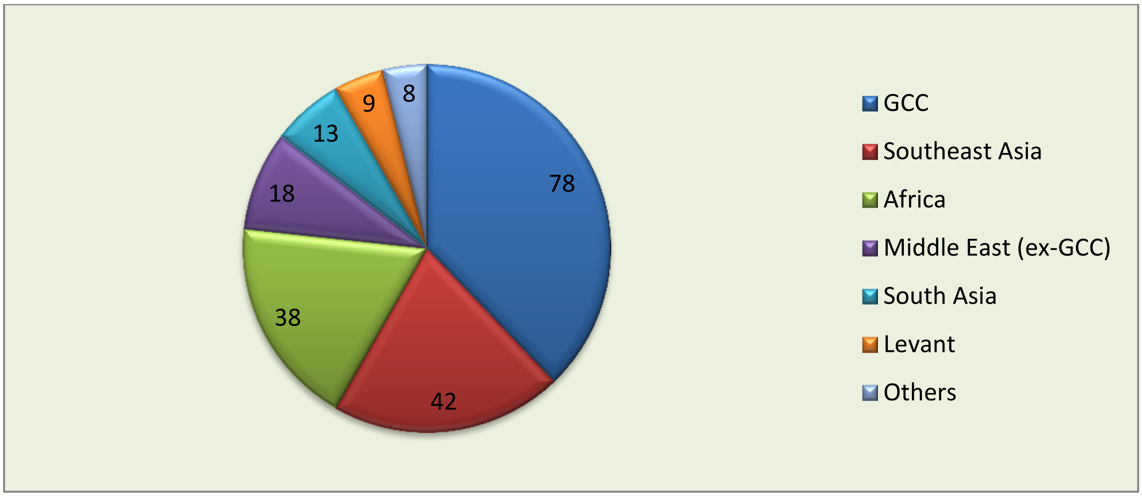
[46] http://eu.spindices.com/documents/education/shariah-pe-0913.pdf?force_download=true
[47] http://eu.spindices.com/documents/methodologies/methodology-sp-oic-comcec-50-shariah-index.pdf?force_download=true

- **Islamic Funds:** As a niche sector, Islamic funds grew (CAGR, 2009 to 2013: 6.6%) 4.6% as of 3rd quarter of 2014 and it was estimated as $75.8 billion while the cumulative number of Islamic funds was 1161.[48]

3.2.3 TAKAFUL SECTOR

The global Takaful gross contribution was estimated $27.8 billion in 2013.[49] The CAGR of sector between 2008 and 2013 was 15.8% and this growth was mainly supported by the regions namely GCC, Middle East (ex-GCC) and South East Asia, especially Saudi Arabia and Malaysia.[50]

Figure 28: Number of Takaful Operators (2013)



Source: IFSB

[48] Islamic Financial Stability report 2015, IFSB, May 2015
[49] Thomson Reuters State of the Global Islamic Economy report 2014-2015
[50] Islamic Financial Stability report 2015, IFSB, May 2015

4. FINANCIAL COOPERATION UNDER THE COMCEC

The financial cooperation area has a great potential for the socio-economic development of the OIC member countries. This potential could not be fully realized due to several reasons. The majority of the OIC Member States financial markets are not efficient to support a sustainable economic growth and development, especially in low and lower-middle income OIC countries. Member States confront some economic and financial difficulties due to the small size of their financial markets, lack of diversified financial products and inefficiency of their financial institutions. Therefore, COMCEC aims to help the Member States overcome the obstacles faced in the area of financial cooperation.

The ideas for enhancing financial cooperation under the COMCEC date back to its initial meetings. The Cooperation efforts in this area have been intensified and deepened in recent years. The COMCEC Strategy, adopted by the 4th Extraordinary Islamic Summit in 2012, defined finance as one of the cooperation areas of COMCEC. Furthermore, there are also several on-going efforts in this field such as cooperation among the Stock Exchanges Forum, COMCEC Capital Markets Regulators Forum and the Meetings of Central Banks and Monetary Authorities.

4.1 THE COMCEC STRATEGY: FINANCIAL COOPERATION

COMCEC Strategy defines “deepening financial cooperation among the member countries” as the strategic objective of the COMCEC in this field. The Strategy identifies, “Regulatory and Supervisory Cooperation”, “Capital Flows”, “Visibility of Financial Markets”, “Training, R&D Activities and Statistics” as output areas in its finance section and specifies several expected outcomes under each of them.

4.1.1 REGULATORY AND SUPERVISIORY COOPERATION

COMCEC aims to help improve the quality of regulation, supervision and cooperation among regulatory and supervisory bodies in the OIC Member States. The expected outcomes defined by the Strategy are as follows:

- Developed legal, regulatory and institutional framework,
- More standardized contracts and more harmonized regulations,
- Converged listing requirements, trading rules and technical infrastructure,
- Strengthened arbitration procedures, credit information and credit registry system, risk measurement and risk management systems.

4.1.2 CAPITAL FLOWS

Attracting capital flows at competitive rate is one of the major common challenges faced in many OIC Member States. In this regard, COMCEC will support to ease the capital flows within the member countries through contributing to removal of institutional and regulatory barriers and developing relevant platforms. The Strategy envisages the following expected outcomes:

- Enhanced access to capital at competitive rates,
- Diversified portfolios,
- Increased investment opportunities.

4.1.3 VISIBILITY OF FINANCIAL MARKETS

Financial visibility is crucial for attracting more FDI and capital flows, and also for the deepening of the market. With this view, COMCEC will help to enhance the visibility of financial markets in the member countries. Regarding the Visibility of Financial Markets, the expected outcomes introduced by the Strategy are given below:

- Enhanced awareness on Islamic financial markets,
- Increased issuance and listing of securities,
- Attracted foreign investment.

4.1.4 TRAINING, R&D ACTIVITIES AND STATISTICS

The lack of sound statistical capacity and lack of diversified products due to limited R&D activities are main challenges of OIC Member States. In this framework, COMCEC attaches great importance to training and R&D activities to improve human capital for a sustainable growth and economy. COMCEC also assists OIC Member States in monitoring their financial markets and financial institutions to ensure their efficiency and stability. The expected outcomes of the Strategy concerning this Output Area are:

- Enhanced diversification and variety of financial products,
- Developed platforms for payment and settlement systems and post trade services,
- Developed human resources and increased financial literacy,
- Reliable and consistent financial system database and creation of indicators of financially sound systems,
- Enhanced monitoring of financial institutions and markets.

4.2 IMPLEMENTATION OF THE STRATEGY

In line with its objectives and expected outcomes, the COMCEC Strategy brings well-identified operational instruments, i.e. the Working Groups and the COMCEC Project Cycle Management (PCM).

4.2.1 COMCEC FINANCIAL COOPERATION WORKING GROUP

The COMCEC Financial Cooperation Working Group aims to bring the relevant finance experts from the OIC Member States regularly together and to serve as a regular platform for the Member Country experts to discuss their common issues in finance sector and share their knowledge, experiences and best practices, for disseminating knowledge, developing common understanding and approximating policies among Member Countries. The Working Group has held 4 meetings so far.

The First Financial Cooperation Working Group Meeting was held on December 12th, 2013, in Ankara with the theme of "Enhancing Capital flows in the OIC Member States". The Second Meeting of the COMCEC Financial Cooperation Working Group was held on March 27th, 2014 with the theme of "Enhancing Financial Inclusion in the Member States". The third Meeting was held on October 16th, 2014 in Ankara, Turkey with the theme of *"Risk Management in Islamic Financial Instruments".* The analytical study titled *"Risk Management in Islamic Financial Instruments" was* prepared to enrich discussions during the Meeting. "*Financial Outlook of the OIC Member Countries 2014"* was also prepared by the CCO for the Meeting.

The participants discussed some crucial policy issues in light of the main findings of the research report prepared specifically for the Meeting and the responses of the Member Countries to the policy questions as well as to the capacity inventory questionnaire that have been sent to the Member States. Accordingly, the working group has come up with the policy advices as under:

- *Developing Islamic Finance Strategies at National Level*
- *Developing Necessary Legal and Institutional Infrastructure for the Islamic Financial Services Industries (IFSI)*
- *Diversification of Islamic Financial Instruments and Services*
- *Increasing Financial Literacy and Awareness on Islamic Finance, and Developing Human Capacity*

The Fourth Meeting of the COMCEC Financial Cooperation Working Group was held on 19th March, 2015 in Ankara with the theme of "Improving Banking Supervisory Mechanisms in the OIC Member Countries". The analytical study titled "Improving Banking Supervisory Mechanisms in the OIC Member Countries" was prepared to enrich discussions during the Meeting.

Regarding the improving supervisory mechanisms for a better banking system in the Member Countries, the participants discussed some crucial policy issues in light of the main findings of the research report of the Meeting and the responses of the Member Countries to the policy questions that have been sent to the Member States. Accordingly, the working group has come up with the policy advices as follow:

- *A unified credit risk data collection strategy for the OIC Member Countries needs to be developed for reducing risks during episodes of economic turbulence and risk assessment capacity of the OIC Member Countries as well as OIC Member Countries should be developed in line with the international best practices.*
- *An Effective Deposit Insurance Scheme for the Banking Sector needs to be developed for achieving a higher degree of financial stability and financial inclusion.*
- *A Regulatory and supervisory Framework needs to be developed specifically for Islamic Banking in order to benefit from the significant growth potential of Islamic Banking System.*

The proceedings of the abovementioned Meetings and the presentations made during these Meetings are available on the COMCEC web page (www.comcec.org).

4.2.2 PROJECT CYCLE MANAGEMENT (PCM)

The other important instrument for the implementation of COMCEC Strategy is the new COMCEC Project Cycle Management (PCM). Within the COMCEC PCM, the member countries registered for the Financial Cooperation Working Group and the OIC Institutions operating in the field of economic and commercial cooperation would have the opportunity to propose concrete multilateral cooperation projects in line with the objectives, expected outcomes and principles of the Strategy; the projects are being financed by CCO through grants.

The second project call within the scope of the COMCEC PCM was made in September 2014. The Final List of the COMCEC-PCM was announced on February 12th, 2015. Regarding Financial Cooperation field, Gambia’s and Malaysia’s projects titled “Enhancing Financial Literacy and Capacity Building on Islamic Financial Instruments” and “Islamic Capital Market Capacity Building Programmes” have been final-listed. Both projects are expected to be implemented and finalized in 2015.

For the new project proposal term, CCO has already announced the third project call in September 2015 to be implemented in 2016.

4.3 ON-GOING ACTIVITIES UNDER THE COMCEC

4.3.1 OIC MEMBER STATES STOCK EXCHANGES FORUM

COMCEC initiated the cooperation among Stock Exchanges of the Member States in 2005 and "OIC Member States Stock Exchanges Forum" was established in this regard. The Forum focuses on the harmonization of the rules and regulations governing market operations, as well as opening communication channels for the stock exchanges of the OIC Member Countries and relevant institutions.

The Forum provides a regular cooperation platform for the Stock Exchanges of the member countries to share their experiences and knowledge on harmonizing the rules and regulations governing market operations, as well as for increasing the amount of international portfolio investments flowing to OIC Member States.

The Forum has convened eight times till now and has achieved remarkable progress in deepening cooperation among the Stock Exchanges of the Member States. It has completed its work regarding the S&P OIC/COMCEC Index. The Index, launched on June 22nd 2012, in Istanbul, was designed to measure the performance of 50 leading companies from the 19 member states of OIC, namely, Bahrain, Bangladesh, Cote D'ivoire, Egypt, Indonesia, Jordan, Kazakhstan, Kuwait, Lebanon, Malaysia, Morocco, Nigeria, Oman, Pakistan, Qatar, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates. The official launching ceremony of the Index was held during the 28th Session of the COMCEC.

In its last Meeting, the Forum mandated the Task Force on Indices to collaborate with index providers and work on the creation of sub-indices for the S&P OIC COMCEC Shariah 50 Index and also mandated the Task Force on Commodities Market to meet regularly via conference calls to discuss developments in their respective commodities markets, potential cooperation areas such as product development and Islamic derivatives. The 9th OIC Member States Stock Exchanges Forum will be held on November 19th, 2015 in İstanbul.

4.3.2 COMCEC CAPITAL MARKETS REGULATORS FORUM

In line with the relevant resolutions of the 25th and the 26th Sessions of the COMCEC calling for developing a cooperation mechanism for capital markets regulatory bodies of the Member States, the COMCEC Capital Markets Regulators Forum was established in 2011.

The Forum aims at increasing coordination and cooperation in regulatory and legal infrastructure with a view to achieving more harmonized policies and regulations among the OIC Member States, supporting market development and reinforcing capabilities of regulatory authorities.

The Forum has held 3 meetings so far. In its last Meeting, the Forum proposed organizing regional programs on Islamic capital markets, provide training and knowledge resources at the existing capital market training institutions, also deliberated the survey focused on such as disclosure systems in place within OIC member jurisdiction, financial instruments disclosure requirements and enhancing the regulating and monitoring capacity of capital market regulators of the Member Countries. The 4th COMCEC Capital Markets Regulators Forum will be held on November 19th, 2015 in İstanbul.

4.3.3 COOPERATION AMONG THE CENTRAL BANKS AND MONETARY AUTHORITIES

As per the resolution of the 24th Session of the COMCEC, since 2009 the Central Banks and Monetary Authorities of the Member Countries of the OIC have regularly convened for sharing experiences and enhancing institutional and human capacity in this field.

Working groups have been established under this fruitful cooperation platform to prepare technical background papers in the following areas: Payment Systems (Co-chairs: Turkey and Indonesia), Macro- Prudential Regulations (Co-chairs: Sudan and United Arab Emirates), and Liquidity Management in Islamic Finance (Co-chairs: Malaysia and Bahrain).

The 14th meeting of the Central Banks and Monetary Authorities was held on 5-6 November 2014 in Surabaya, Indonesia. The Meeting deliberated the global financial developments and potential shocks, well-functioning macro-prudential policy, Islamic financial industry and comprehensive standards and also the importance of the collection, collation, processing and dissemination of data on Islamic Banking and Finance. The 15th meeting will be held in the Republic of Suriname in 23-24 October 2015.

APPENDIX

Table 4: Selected Financial Data on LIG-OIC Member States (2010)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Low Income Group US$ 1045 or less	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Afghanistan	11,52	N/A	N/A	20,88	109,72	2,47	N/A	N/A	N/A	-25,61	N/A	N/A	N/A	N/A	49,90
2	Benin	23,32	N/A	N/A	36,94	106,49	2,94	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Burkina Faso	17,30	N/A	N/A	25,63	78,64	1,94	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Chad	4,22	N/A	N/A	4,94	N/A	0,63	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Comoros	17,74	N/A	N/A	12,32	79,33	1,52	N/A	N/A	8,75	N/A	N/A	N/A	N/A	N/A	N/A
6	Guinea	5,68	N/A	N/A	11,47	44,16	1,30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Guinea-Bissau	6,14	N/A	N/A	16,61	45,11	1,84	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Mali	18,03	N/A	N/A	28,67	103,45	3,88	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Mozambique	24,27	N/A	N/A	34,91	N/A	3,30	N/A	N/A	6,58	2,56	32,53	N/A	14,39	7,95	1,93
10	Niger	12,26	N/A	N/A	15,06	27,03	0,97	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Sierra Leone	7,77	N/A	N/A	17,81	184,46	2,83	N/A	N/A	11,78	3,40	12,10	N/A	30,70	17,49	15,61
12	Somalia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Gambia, The	15,21	N/A	N/A	42,11	N/A	9,47	N/A	N/A	12,38	N/A	N/A	N/A	N/A	N/A	N/A
14	Togo	22,81	N/A	N/A	38,24	159,74	4,24	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Uganda	13,28	9,51	0,05	18,99	184,58	2,39	N/A	N/A	12,49	3,61	24,77	0,36	20,16	13,86	2,12

Source: The World Bank Database

Table 5: Selected Financial Data on LMIG-OIC Member States (2010)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Lower middle income group US$ 1,046 to US$ 4,125	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bangladesh	40,77	13,60	12,75	53,86	324,78	7,44	N/A	N/A	5,86	N/A	N/A	129,16	N/A	N/A	N/A
2	Cameroon	12,52	N/A	N/A	16,82	52,42	1,65	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Cote d'Ivoire	16,53	28,53	0,53	24,73	133,26	4,50	N/A	N/A	N/A	N/A	N/A	1,99	N/A	N/A	N/A
4	Djibouti	33,11	N/A	N/A	90,76	69,91	4,37	N/A	N/A	8,72	1,10	26,90	0,00	12,20	12,20	8,30
5	Egypt, Arab Rep.	33,07	37,69	16,95	66,65	N/A	4,81	N/A	N/A	4,77	1,00	14,30	43,04	16,30	6,20	13,60
6	Guyana	29,66	15,04	N/A	45,63	N/A	6,93	N/A	N/A	12,27	N/A	N/A	N/A	N/A	N/A	N/A
7	Indonesia	24,36	47,73	17,16	36,28	N/A	8,11	N/A	N/A	6,24	2,74	25,87	48,11	16,18	10,66	2,53
8	Kyrgyz Republic	12,71	1,65	0,19	29,15	100,91	6,11	N/A	N/A	27,41	1,20	7,10	11,93	31,00	20,00	15,80
9	Mauritania	22,50	N/A	N/A	23,30	41,54	4,10	N/A	N/A	9,00	0,40	2,70	N/A	N/A	16,70	45,30
10	Morocco	68,54	76,18	11,85	84,75	N/A	21,13	N/A	N/A	N/A	1,20	14,20	16,29	12,30	8,30	4,80
11	Nigeria	15,39	13,79	1,43	31,42	468,98	6,51	N/A	N/A	11,06	4,13	65,40	12,54	1,75	1,49	20,14
12	Pakistan	21,29	21,51	7,28	30,08	233,11	8,38	N/A	N/A	5,90	0,98	9,82	36,18	13,97	9,77	14,75
13	State of Palestine	6,22	27,49	5,06	73,46	640,58	10,42	N/A	N/A	5,95	2,10	21,14	18,69	21,44	10,70	3,07
14	Senegal	25,59	N/A	N/A	35,52	102,32	4,16	N/A	N/A	N/A	1,60	15,40	N/A	18,00	10,04	20,24
15	Sudan	11,87	N/A	N/A	16,68	N/A	2,79	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	Syrian Arab Republic	N/A	N/A	N/A	50,70	198,95	3,73	N/A	N/A	3,69	N/A	N/A	N/A	N/A	N/A	N/A
17	Tajikistan	12,11	N/A	N/A	11,51	366,80	5,46	N/A	N/A	14,75	0,68	3,57	N/A	26,59	18,91	7,48
18	Uzbekistan	N/A	N/A	0,10	18,65	936,72	46,48	N/A	N/A	0,00	1,75	12,65	N/A	23,43	13,30	0,97
19	Yemen, Rep.	6,29	N/A	N/A	22,28	85,68	1,89	N/A	N/A	5,17	1,30	14,10	N/A	20,20	9,30	17,70

Source: The World Bank Database

Table 6: Selected Financial Data on UMIG-OIC Member States (2010)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Upper middle income US$ 4,126 to US$12,735	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Albania	37,37	N/A	N/A	64,40	N/A	22,42	N/A	N/A	6,40	0,70	7,60	N/A	15,40	9,40	14,00
2	Algeria	15,19	N/A	N/A	44,99	270,56	4,83	N/A	N/A	6,25	2,16	26,70	N/A	23,64	7,88	18,31
3	Azerbaijan	17,70	N/A	N/A	12,83	360,20	9,84	N/A	N/A	9,06	0,90	7,01	N/A	16,90	11,44	4,68
4	Gabon	8,13	N/A	N/A	14,97	166,87	5,03	N/A	N/A	N/A	0,50	5,80	N/A	22,60	11,30	9,90
5	Iran	60,46	20,50	4,06	43,56	N/A	25,92	N/A	N/A	0,06	N/A	N/A	22,86	N/A	N/A	N/A
6	Iraq	5,39	N/A	N/A	24,14	N/A	5,03	N/A	N/A	7,27	N/A	N/A	N/A	N/A	N/A	N/A
7	Jordan	73,06	116,80	35,75	119,95	N/A	19,34	N/A	N/A	5,50	1,10	8,80	30,12	20,30	13,10	8,20
8	Kazakhstan	39,29	41,03	1,54	28,62	N/A	3,30	N/A	N/A	N/A	2,24	28,18	3,86	17,31	11,31	23,75
9	Lebanon	79,76	33,11	4,93	238,98	873,22	29,17	N/A	N/A	2,14	1,50	20,20	14,71	13,43	7,30	4,30
10	Libya	9,30	N/A	N/A	58,39	660,95	11,57	N/A	N/A	3,50	N/A	N/A	N/A	N/A	N/A	N/A
11	Malaysia	110,27	165,85	36,44	109,45	N/A	10,85	N/A	N/A	2,50	1,54	16,28	27,07	17,45	9,38	3,35
12	Maldives	50,86	N/A	N/A	52,48	1172,79	15,78	N/A	N/A	6,33	N/A	N/A	N/A	N/A	N/A	N/A
13	Suriname	23,91	N/A	N/A	41,52	N/A	11,21	N/A	N/A	5,42	N/A	N/A	N/A	N/A	N/A	N/A
14	Tunisia	65,14	24,04	3,83	57,51	713,42	16,55	N/A	N/A	N/A	0,90	10,20	17,17	11,60	8,40	13,00
15	Turkey	44,21	41,94	57,66	53,14	887,08	17,87	N/A	N/A	N/A	3,08	23,92	158,37	18,97	12,28	3,49
16	Turkmenistan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,56	87,08	N/A	17,20	3,20	0,06

Source: The World Bank Database

Table 7: Selected Financial Data on HIG-OIC Member States (2010)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	High income group US$ 12,736 or more	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bahrain	67,70	79,45	1,12	N/A	N/A	N/A	N/A	N/A	6,02	1,10	9,60	1,54	19,90	13,70	5,10
2	Brunei Darussalam	40,54	N/A	N/A	54,35	1424,06	22,79	N/A	N/A	5,03	1,71	15,83	N/A	21,09	10,25	6,87
3	Kuwait	74,64	103,64	36,23	15,46	N/A	16,13	N/A	N/A	2,57	1,20	9,10	38,79	18,90	12,60	8,90
4	Oman	42,33	34,56	5,84	28,71	N/A	22,66	N/A	N/A	3,47	1,90	13,40	18,22	15,80	13,53	2,70
5	Qatar	44,70	98,78	14,63	49,70	603,57	18,35	N/A	N/A	4,37	2,60	19,90	17,32	16,10	N/A	2,00
6	Saudi Arabia	39,27	67,09	38,57	49,85	720,71	8,54	N/A	N/A	N/A	1,95	13,62	60,46	17,60	14,51	2,97
7	United Arab Emirates	75,39	26,95	9,59	99,44	N/A	11,91	N/A	N/A	N/A	1,30	10,40	34,89	20,70	17,70	5,60

Source: The World Bank Database

Table 8: Selected Financial Data on LIG-OIC Member States (2011)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Low Income Group US$ 1035 or less	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Afghanistan	4,93	N/A	N/A	20,17	145,33	2,31	9,01	2,82	N/A	-1,13	-77,86	N/A	23,71	8,25	4,70
2	Benin	24,56	N/A	N/A	37,15	118,80	3,15	10,46	7,02	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Burkina Faso	18,78	N/A	N/A	28,19	90,43	2,11	13,35	7,91	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Chad	4,82	N/A	N/A	5,52	N/A	0,69	8,96	6,84	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Comoros	18,33	N/A	N/A	11,22	73,96	1,48	21,69	10,77	8,75	N/A	N/A	N/A	N/A	N/A	N/A
6	Guinea	9,10	N/A	N/A	13,94	49,12	1,44	3,69	2,04	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Guinea-Bissau	10,39	N/A	N/A	22,82	59,29	2,22	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Mali	20,89	N/A	N/A	28,98	132,15	4,52	8,21	4,48	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Mozambique	22,93	N/A	N/A	32,59	N/A	3,54	N/A	N/A	6,12	2,48	26,46	N/A	17,10	9,04	2,62
10	Niger	13,31	N/A	N/A	14,79	31,35	1,11	1,52	1,16	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Sierra Leone	7,65	N/A	N/A	18,02	150,85	2,91	15,34	14,49	10,69	3,78	15,59	N/A	27,00	14,01	15,08
12	Somalia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Gambia, The	15,98	N/A	N/A	46,77	N/A	9,17	N/A	N/A	16,25	N/A	N/A	N/A	N/A	N/A	N/A
14	Togo	28,53	N/A	N/A	42,95	158,10	4,47	10,19	3,63	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Uganda	15,33	41,41	0,08	18,44	172,11	2,32	20,46	16,33	8,81	5,17	35,71	0,33	20,32	15,42	2,21

Source: The World Bank Database

Table 9: Selected Financial Data on LMIG-OIC Member States (2011)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Lower middle income group US$ 1,036 to US$ 4,085	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bangladesh	42,26	18,30	14,12	57,35	464,13	7,65	31,74	16,64	3,24	3,12	34,89	92,58	10,83	6,89	5,85
2	Cameroon	14,14	N/A	N/A	17,41	48,91	1,70	14,81	9,94	N/A	0,50	18,92	N/A	5,47	2,91	11,45
3	Cote d'Ivoire	17,09	24,77	0,49	29,78	224,81	4,53	N/A	N/A	N/A	N/A	N/A	1,84	N/A	N/A	N/A
4	Djibouti	30,91	N/A	N/A	80,57	81,70	5,00	12,27	3,35	9,71	1,00	26,60	N/A	9,40	9,40	9,40
5	Egypt, Arab Rep.	31,15	20,63	9,32	61,41	368,19	4,83	9,72	0,69	4,29	1,00	14,30	33,53	15,90	6,20	10,90
6	Guyana	30,77	17,09	N/A	44,65	N/A	7,66	N/A	N/A	12,51	N/A	N/A	N/A	N/A	N/A	N/A
7	Indonesia	26,88	43,69	15,64	37,52	N/A	8,64	19,58	15,29	5,47	2,89	25,42	37,21	16,08	10,99	2,14
8	Kyrgyz Republic	11,43	2,66	0,05	13,52	153,38	7,16	3,76	0,89	33,81	3,00	17,70	2,68	30,30	20,10	10,20
9	Mauritania	20,88	N/A	N/A	23,57	66,23	4,08	17,46	6,41	9,00	1,20	6,00	N/A	N/A	18,50	39,20
10	Morocco	71,86	60,57	6,37	84,38	N/A	22,21	39,07	12,24	N/A	1,10	13,40	9,78	11,70	8,10	4,80
11	Nigeria	12,46	9,54	1,01	32,43	500,36	6,35	29,67	23,59	10,32	0,25	3,79	9,21	17,91	10,62	5,77
12	Pakistan	18,03	15,33	4,74	27,97	250,99	8,54	10,31	1,44	6,19	1,46	15,21	28,59	14,58	9,55	16,21
13	State of Palestine	6,85	24,20	3,49	65,35	615,16	10,60	19,43	5,48	6,26	1,86	17,04	14,68	21,12	11,16	2,76
14	Senegal	28,62	N/A	N/A	35,04	132,54	4,45	5,82	3,72	N/A	2,20	22,60	N/A	16,00	9,80	16,20
15	Sudan	10,82	N/A	N/A	15,46	N/A	2,88	6,90	3,41	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	Syrian Arab Republic	N/A	N/A	N/A	40,89	196,31	3,85	23,25	5,06	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	Tajikistan	12,86	N/A	N/A	11,81	410,10	5,76	2,53	0,29	14,22	-0,43	-2,27	N/A	24,42	19,27	7,22
18	Uzbekistan	N/A	N/A	0,18	19,62	921,93	45,87	22,50	0,82	N/A	1,85	14,37	N/A	24,23	12,24	0,71
19	Yemen, Rep.	5,34	N/A	N/A	18,68	88,57	1,81	3,66	1,07	5,00	1,50	14,20	N/A	24,30	10,60	21,20

Source: The World Bank Database

Table 10: Selected Financial Data on UMIG-OIC Member States (2011)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Upper middle income US$ 4,086 to US$12,615	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Albania	39,31	N/A	N/A	68,00	N/A	22,38	28,27	8,56	6,57	0,10	0,80	N/A	15,60	8,70	18,80
2	Algeria	13,76	N/A	N/A	43,27	285,16	5,01	33,29	4,33	6,25	2,09	24,60	N/A	23,67	7,93	14,45
3	Azerbaijan	17,19	N/A	N/A	13,30	400,73	9,98	14,90	1,61	8,11	-1,14	-9,31	N/A	14,67	13,53	6,00
4	Gabon	9,70	N/A	N/A	15,54	185,06	5,72	18,95	8,66	N/A	0,60	5,10	N/A	21,10	10,90	4,40
5	Iran	55,48	18,60	3,48	43,65	N/A	29,21	73,68	19,71	-0,16	N/A	N/A	20,70	N/A	N/A	N/A
6	Iraq	5,39	N/A	N/A	22,15	N/A	4,90	10,55	5,44	7,69	N/A	N/A	N/A	N/A	N/A	N/A
7	Jordan	73,43	94,25	13,95	119,08	N/A	19,69	25,47	8,26	5,32	1,10	8,30	13,86	19,30	13,10	8,50
8	Kazakhstan	35,99	23,03	0,58	26,20	N/A	3,36	42,11	6,74	N/A	1,34	10,41	2,09	17,55	13,78	30,80
9	Lebanon	85,39	25,36	1,28	235,57	890,09	29,56	37,03	17,11	1,64	1,31	17,17	4,49	11,64	7,60	3,76
10	Libya	19,61	N/A	N/A	137,67	818,23	11,51	N/A	N/A	3,50	N/A	N/A	N/A	N/A	N/A	N/A
11	Malaysia	111,59	136,55	44,55	114,01	N/A	11,19	66,17	35,41	2,00	1,51	16,80	32,00	17,70	8,89	2,68
12	Maldives	44,77	N/A	N/A	55,10	1320,67	15,80	N/A	N/A	6,02	N/A	N/A	N/A	N/A	N/A	N/A
13	Suriname	23,56	N/A	N/A	42,53	N/A	11,05	N/A	N/A	5,37	N/A	N/A	N/A	N/A	N/A	N/A
14	Tunisia	72,54	21,03	2,43	58,76	747,13	16,98	N/A	N/A	N/A	0,60	6,00	10,98	11,90	8,50	13,30
15	Turkey	49,97	26,05	53,40	50,57	917,97	18,25	57,60	4,17	N/A	2,23	19,04	162,72	16,55	11,71	2,58
16	Turkmenistan	N/A	N/A	N/A	N/A	N/A	N/A	0,40	0,12	N/A	2,56	104,48	N/A	19,44	2,37	0,01

Source: The World Bank Database

Table 11: Selected Financial Data on HIG-OIC Member States (2011)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	High income group US$ 12,616 or more	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bahrain	68,91	59,06	0,96	N/A	N/A	N/A	64,51	16,29	5,77	1,20	10,70	1,48	19,90	13,70	4,90
2	Brunei Darussalam	30,94	N/A	N/A	56,85	1432,86	22,66	N/A	N/A	5,10	1,18	11,76	0,00	18,83	8,90	6,03
3	Kuwait	60,81	65,48	13,89	47,59	N/A	16,61	86,77	40,35	3,03	1,10	8,10	19,41	18,50	12,40	7,30
4	Oman	41,17	29,03	3,79	25,99	N/A	21,27	73,60	22,62	3,39	1,80	12,40	12,88	15,90	12,50	2,20
5	Qatar	39,27	73,86	13,62	39,35	618,84	13,29	65,88	25,38	3,74	2,70	18,60	18,58	20,60	N/A	1,70
6	Saudi Arabia	34,19	50,62	43,76	43,96	739,05	8,61	46,42	17,24	N/A	2,12	14,99	84,65	17,55	14,24	2,22
7	United Arab Emirates	64,19	20,53	4,55	83,56	N/A	11,75	59,73	19,16	N/A	1,50	11,40	21,32	20,00	17,20	7,20

Source: The World Bank Database

Table 12: Selected Financial Data on LIG-OIC Member States (2012)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Low Income Group US$ 1035 or less	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Afghanistan	4,05	N/A	N/A	18,12	145,33	2,31	N/A	N/A	N/A	-0,42	-5,49		21,84	7,63	4,96
2	Benin	24,01	N/A	N/A	36,17	118,80	3,15	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Burkina Faso	20,69	N/A	N/A	30,52	90,43	2,11	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Chad	5,78	N/A	N/A	5,83	N/A	0,69	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Comoros	21,12	N/A	N/A	11,88	73,96	1,48	N/A	N/A	8,75	N/A	N/A	N/A	N/A	N/A	N/A
6	Guinea	N/A	N/A	N/A	12,26	49,12	1,44	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Guinea-Bissau	13,12	N/A	N/A	21,40	59,29	2,22	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Mali	20,82	N/A	N/A	29,09	132,15	4,52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Mozambique	24,75	N/A	N/A	39,02	N/A	3,54	N/A	N/A	5,38	1,90	1,90	N/A	17,90	9,47	3,20
10	Niger	14,11	N/A	N/A	16,41	31,35	1,11	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Sierra Leone	6,20	N/A	N/A	17,16	150,85	2,91	N/A	N/A	10,61	3,40	16,10	N/A	27,70	12,50	14,70
12	Somalia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Gambia, The	15,30	N/A	N/A	44,82	N/A	9,17	N/A	N/A	16,50	N/A	N/A	N/A	N/A	N/A	N/A
14	Togo	30,10	N/A	N/A	45,64	158,10	4,47	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Uganda	13,57	30,74	0,05	17,20	172,11	2,32	N/A	N/A	10,08	5,37	32,59	0,15	21,89	16,66	4,23

Source: The World Bank Database

Table 13: Selected Financial Data on LMIG-OIC Member States (2012)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Lower middle income group US$ 1,036 to US$ 4,085	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bangladesh	42,78	13,11	9,41	59,81	464,13	7,65	N/A	N/A	1,32	1,77	20,10	61,18	9,45	5,42	9,73
2	Cameroon	14,09	N/A	N/A	16,74	48,91	1,70	N/A	N/A	N/A	0,63	25,00	N/A	6,31	2,55	11,55
3	Cote d'Ivoire	16,64	28,95	0,60	28,69	224,81	4,53	N/A	N/A	N/A	N/A	N/A	2,31	N/A	N/A	N/A
4	Djibouti	28,93	N/A	N/A	80,33	81,70	5,00	N/A	N/A	9,65	1,30	27,50	N/A	11,70	11,70	11,40
5	Egypt, Arab Rep.	29,11	22,07	7,67	59,78	368,19	4,83	N/A	N/A	4,36	1,00	13,90	37,79	14,90	7,20	9,80
6	Guyana	33,28	21,43	N/A	45,96	N/A	7,66	N/A	N/A	12,34	N/A	N/A	N/A	N/A	N/A	N/A
7	Indonesia	29,89	43,23	9,99	39,19	N/A	8,64	N/A	N/A	5,85	3,10	25,29	23,30	17,32	12,24	1,77
8	Kyrgyz Republic	13,29	2,50	0,08	16,64	153,38	7,16	N/A	N/A	7,46	3,00	18,50	3,36	28,30	18,30	7,20
9	Mauritania	23,87	N/A	N/A	25,36	66,23	4,08	N/A	N/A	11,19	1,40	8,40	N/A	N/A	17,50	25,70
10	Morocco	73,31	54,88	3,65	84,12	N/A	22,21	N/A	N/A	N/A	1,00	11,80	6,21	12,30	8,50	5,00
11	Nigeria	11,79	12,23	0,91	34,94	500,36	6,35	N/A	N/A	8,39	2,41	18,94	8,79	18,25	10,82	3,71
12	Pakistan	16,84	19,44	5,33	29,82	250,99	8,54	N/A	N/A	5,54	1,47	14,77	31,31	15,35	9,03	14,47
13	State of Palestine	6,75	23,35	N/A	66,93	615,16	10,60	N/A	N/A	6,51	1,82	16,26	N/A	20,32	10,83	3,08
14	Senegal	29,85	N/A	N/A	35,78	132,54	4,45	N/A	N/A	N/A	1,71	17,40	N/A	16,68	9,57	18,39
15	Sudan	12,04	N/A	N/A	18,05	N/A	2,88	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	Syrian Arab Republic	N/A	N/A	N/A	N/A	196,31	3,85	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	Tajikistan	12,13	N/A	N/A	11,05	410,10	5,76	N/A	N/A	13,42	0,15	0,74	N/A	25,90	20,49	9,51
18	Uzbekistan	N/A	N/A	N/A	20,77	921,93	45,87	N/A	N/A	N/A	1,89	16,29	N/A	24,26	11,42	0,53
19	Yemen, Rep.	5,13	N/A	N/A	23,49	88,57	1,81	N/A	N/A	5,00	1,20	13,60	N/A	29,60	8,80	25,50

Source: The World Bank Database

Table 14: Selected Financial Data on UMIG-OIC Member States (2012)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Upper middle income US$ 4,086 to US$12,615	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Albania	38,84	N/A	N/A	69,07	N/A	22,38	N/A	N/A	5,46	0,30	3,80	N/A	16,20	8,60	22,50
2	Algeria	14,33	N/A	N/A	42,23	285,16	5,01	N/A	N/A	6,25	1,99	23,27	N/A	23,41	7,87	11,46
3	Azerbaijan	20,01	N/A	N/A	14,66	400,73	9,98	N/A	N/A	8,13	0,74	6,23	N/A	16,83	14,58	5,68
4	Gabon	10,95	N/A	N/A	17,01	185,06	5,72	N/A	N/A	N/A	1,40	13,90	N/A	17,10	10,00	3,40
5	Iran	57,67	25,24	3,95	52,73	N/A	29,21	N/A	N/A	-3,81	N/A	N/A	17,78	N/A	N/A	N/A
6	Iraq	5,90	N/A	N/A	19,66	N/A	4,90	N/A	N/A	7,16	N/A	N/A	N/A	N/A	N/A	N/A
7	Jordan	72,80	87,27	9,01	113,68	N/A	19,69	N/A	N/A	5,01	1,10	8,60	10,29	19,00	13,30	7,70
8	Kazakhstan	36,66	11,54	0,55	25,65	N/A	3,36	N/A	N/A	N/A	1,45	13,75	3,33	17,47	14,52	28,25
9	Lebanon	87,60	23,83	0,94	234,98	890,09	29,56	N/A	N/A	1,48	1,20	15,21	3,99	12,98	0,00	3,79
10	Libya	10,52	N/A	N/A	64,70	818,23	11,51	N/A	N/A	3,50	N/A	N/A	N/A	N/A	N/A	N/A
11	Malaysia	117,60	156,20	40,82	115,70	N/A	11,19	N/A	N/A	1,81	1,58	17,31	28,57	17,64	9,39	2,02
12	Maldives	37,23	N/A	N/A	52,55	1320,67	15,80	N/A	N/A	6,75	N/A	N/A	N/A	N/A	N/A	N/A
13	Suriname	23,96	N/A	N/A	44,38	N/A	11,05	N/A	N/A	4,95	N/A	N/A	N/A	N/A	N/A	N/A
14	Tunisia	72,09	19,64	2,77	59,90	747,13	16,98	N/A	N/A	N/A	0,60	7,20	13,49	11,80	7,80	14,90
15	Turkey	54,40	39,14	44,18	51,12	917,97	18,25	N/A	N/A	N/A	2,35	19,58	136,51	17,89	12,10	2,74
16	Turkmenistan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,63	25,93	N/A	45,28	10,15	N/A

Source: The World Bank Database

Table 15: Selected Financial Data on HIG-OIC Member States (2012)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	High income group US$ 12,616 or more	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bahrain	69,13	52,23	1,00	N/A	N/A	N/A	N/A	N/A	4,95	1,20	11,50	1,86	19,30	12,60	5,80
2	Brunei Darussalam	31,20	N/A	N/A	55,30	1432,86	22,66	N/A	N/A	5,27	0,75	7,32	N/A	21,23	9,10	5,38
3	Kuwait	55,74	55,79	13,21	46,78	N/A	16,61	N/A	N/A	2,94	1,20	9,00	23,23	18,00	12,60	5,20
4	Oman	42,14	26,34	3,47	25,82	N/A	21,27	N/A	N/A	3,03	1,77	12,40	13,29	16,00	13,00	2,10
5	Qatar	36,52	66,53	8,07	38,34	618,84	13,29	N/A	N/A	3,71	2,40	17,70	12,17	18,90	N/A	1,70
6	Saudi Arabia	36,44	50,87	70,09	47,28	739,05	8,61	N/A	N/A	N/A	2,13	15,13	144,45	18,23	13,89	1,67
7	United Arab Emirates	60,89	18,25	4,74	82,85	N/A	11,75	N/A	N/A	N/A	2,00	11,50	25,34	21,20	16,80	8,40

Source: The World Bank Database

Table 16: Selected Financial Data on LIG-OIC Member States (2013)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Low Income Group US$ 1045 or less	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Afghanistan	4,93	N/A	N/A	19,59	174,63	2,24	N/A	N/A	N/A	0,61	7,07	N/A	26,22	11,64	4,85
2	Benin	24,56	N/A	N/A	41,07	128,27	3,17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Burkina Faso	18,78	N/A	N/A	35,48	105,33	2,16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Chad	4,82	N/A	N/A	6,13	N/A	0,67	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Comoros	18,33	N/A	N/A	11,11	82,09	1,69	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Guinea	N/A	N/A	N/A	13,06	56,59	1,58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Guinea-Bissau	10,39	N/A	N/A	22,51	71,54	2,37	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Mali	20,89	N/A	N/A	32,36	164,15	5,12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Mozambique	22,93	N/A	N/A	44,87	N/A	3,78	N/A	N/A	6,53	2,00	2,00	N/A	15,10	8,70	2,89
10	Niger	13,31	N/A	N/A	17,55	36,05	1,32	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Sierra Leone	7,65	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,65	2,10	9,90	N/A	30,10	13,60	22,40
12	Somalia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Gambia, The	15,98	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14,56	N/A	N/A	N/A	N/A	N/A	N/A
14	Togo	28,53	N/A	N/A	51,08	157,89	4,51	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Uganda	15,33	N/A	N/A	19,08	194,39	2,62	N/A	N/A	11,41	3,62	21,18	N/A	22,88	16,50	5,63

Source: The World Bank Database

Table 17: Selected Financial Data on LMIG-OIC Member States (2013)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Lower middle income group US$ 1,046 to US$ 4,125	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bangladesh	42,26	N/A	N/A	68,85	498,64	7,84	N/A	N/A	1,81	1,92	22,39	N/A	10,80	6,04	8,64
2	Cameroon	14,14	N/A	N/A	19,16	51,71	1,80	N/A	N/A	N/A	1,47	54,97	N/A	7,87	3,63	10,30
3	Cote d'Ivoire	17,09	N/A	N/A	32,22	188,40	4,77	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Djibouti	30,91	N/A	N/A	80,31	93,79	5,27	N/A	N/A	9,90	1,20	28,50	N/A	9,60	9,60	14,50
5	Egypt, Arab Rep.	31,15	N/A	N/A	70,64	381,83	4,79	N/A	N/A	4,61	1,00	14,50	N/A	13,70	7,10	9,30
6	Guyana	30,77	N/A	N/A	49,02	N/A	7,95	N/A	N/A	12,37	N/A	N/A	N/A	N/A	N/A	N/A
7	Indonesia	26,88	N/A	N/A	40,33	N/A	9,49	N/A	N/A	5,39	3,05	24,47	N/A	19,82	12,47	1,69
8	Kyrgyz Republic	11,43	N/A	N/A	22,12	202,65	7,73	N/A	N/A	11,38	2,80	18,00	N/A	25,00	16,90	5,50
9	Mauritania	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,00	8,70	N/A	N/A	18,70	20,40
10	Morocco	71,86	N/A	N/A	87,21	N/A	23,29	N/A	N/A	N/A	1,00	10,60	N/A	13,30	8,60	5,90
11	Nigeria	12,46	N/A	N/A	40,68	638,71	5,76	N/A	N/A	8,78	2,25	18,88	N/A	17,12	10,39	3,39
12	Pakistan	18,03	N/A	N/A	34,26	262,60	8,78	N/A	N/A	4,81	1,11	12,39	N/A	14,86	8,91	12,99
13	State of Palestine	6,85	N/A	N/A	74,37	608,64	10,38	N/A	N/A	6,89	2,12	18,71	N/A	19,98	10,01	2,88
14	Senegal	28,62	N/A	N/A	37,81	131,69	4,67	N/A	N/A	N/A	N/A	N/A	N/A	16,63	10,23	20,62
15	Sudan	10,82	N/A	N/A	20,22	N/A	2,92	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	Syrian Arab Republic	N/A	N/A	N/A	N/A	187,52	3,84	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	Tajikistan	12,86	N/A	N/A	11,16	550,99	6,22	N/A	N/A	17,76	1,40	6,80	N/A	23,24	19,84	13,59
18	Uzbekistan	N/A	N/A	N/A	27,04	908,66	45,38	N/A	N/A	N/A	1,95	17,16	N/A	24,28	11,23	0,41
19	Yemen, Rep.	5,34	N/A	N/A	29,05	115,78	1,75	N/A	N/A	6,83	1,50	18,90	N/A	26,40	8,00	21,70

Source: The World Bank Database

Table 18: Selected Financial Data on UMIG-OIC Member States (2013)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Upper middle income US$ 4,126 to US$12,735	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Albania	39,31	N/A	N/A	71,20	N/A	22,27	N/A	N/A	5,66	0,50	6,43	N/A	17,90	9,30	23,50
2	Algeria	13,76	N/A	N/A	45,63	300,17	5,04	N/A	N/A	6,25	1,69	19,14	N/A	21,00	7,48	10,56
3	Azerbaijan	17,19	N/A	N/A	17,06	463,20	9,66	N/A	N/A	8,32	1,54	11,75	N/A	18,13	16,81	4,49
4	Gabon	9,70	N/A	N/A	18,70	179,84	9,86	N/A	N/A	N/A	1,60	14,70	N/A	11,60	9,20	3,50
5	Iran	55,48	N/A	N/A	N/A	N/A	26,82	N/A	N/A	-3,76	N/A	N/A	N/A	N/A	N/A	N/A
6	Iraq	5,39	N/A	N/A	22,97	N/A	5,38	N/A	N/A	7,38	N/A	N/A	N/A	N/A	N/A	N/A
7	Jordan	73,43	N/A	N/A	125,62	N/A	19,80	N/A	N/A	4,16	1,20	9,90	N/A	18,40	12,93	7,00
8	Kazakhstan	35,99	N/A	N/A	29,80	N/A	3,31	N/A	N/A	N/A	1,63	16,28	N/A	17,89	13,20	31,35
9	Lebanon	85,39	N/A	N/A	250,84	859,86	29,30	N/A	N/A	1,52	1,17	14,09	N/A	N/A	N/A	3,97
10	Libya	19,61	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,50	N/A	N/A	N/A	N/A	N/A	N/A
11	Malaysia	111,59	N/A	N/A	119,47	N/A	11,08	N/A	N/A	1,64	1,49	15,77	N/A	14,58	9,59	1,85
12	Maldives	44,77	N/A	N/A	61,37	1272,39	15,82	N/A	N/A	7,34	N/A	N/A	N/A	N/A	N/A	N/A
13	Suriname	23,56	N/A	N/A	51,62	N/A	10,89	N/A	N/A	4,89	N/A	N/A	N/A	N/A	N/A	N/A
14	Tunisia	72,54	N/A	N/A	64,35	779,16	17,54	N/A	N/A	N/A	0,20	3,00	N/A	8,30	6,00	16,50
15	Turkey	49,97	N/A	N/A	62,43	929,62	18,67	N/A	N/A	N/A	2,02	17,44	N/A	15,28	10,95	2,64
16	Turkmenistan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: The World Bank Database

Table 19: Selected Financial Data on HIGH-OIC Member States (2013)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	High income group US$ 12,736 or more	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bahrain	68,91	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4,88	1,10	17,20	4,51	19,20	11,80	5,60
2	Brunei Darussalam	30,94	N/A	N/A	55,79	1856,59	22,22	N/A	N/A	5,22	1,43	13,71	N/A	20,42	11,58	4,53
3	Kuwait	60,81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,54	1,00	7,40	71,70	18,90	12,20	3,60
4	Oman	41,17	N/A	N/A	28,29	N/A	19,70	N/A	N/A	3,02	1,80	11,00	36,55	16,20	13,50	2,00
5	Qatar	39,27	N/A	N/A	45,12	623,22	13,22	N/A	N/A	3,69	2,10	16,50	31,82	16,00	N/A	1,90
6	Saudi Arabia	34,19	N/A	N/A	52,58	734,51	8,64	N/A	N/A	N/A	2,00	14,61	119,57	17,87	13,60	1,31
7	United Arab Emirates	64,19	N/A	N/A	90,60	N/A	11,94	N/A	N/A	N/A	2,00	15,30	63,57	19,30	15,20	7,30

Source: The World Bank Database

Table 20: Selected Financial Data on LIG-OIC Member States (2014)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Low Income Group US$ 1045 or less	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Afghanistan	4,05	N/A	N/A	N/A	N/A	N/A	9,96	3,57	N/A	1,09	8,84	N/A	25,40	12,70	6,12
2	Benin	24,01	N/A	N/A	N/A	N/A	N/A	15,98	7,14	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Burkina Faso	20,69	N/A	N/A	N/A	N/A	N/A	13,42	8,66	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Chad	5,78	N/A	N/A	N/A	N/A	N/A	7,70	4,63	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Comoros	21,12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8,75	N/A	N/A	N/A	N/A	N/A	N/A
6	Guinea	N/A	N/A	N/A	N/A	N/A	N/A	6,17	2,87	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Guinea-Bissau	13,12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8	Mali	20,82	N/A	N/A	N/A	N/A	N/A	13,25	2,89	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Mozambique	24,75	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6,22	2,17	22,97	N/A	15,89	10,11	3,52
10	Niger	14,11	N/A	N/A	N/A	N/A	N/A	3,49	1,98	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Sierra Leone	6,20	N/A	N/A	N/A	N/A	N/A	14,15	10,94	12,81	1,80	9,80	N/A	23,60	20,50	33,80
12	Somalia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Gambia, The	15,30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,99	N/A	N/A	N/A	N/A	N/A	N/A
14	Togo	30,10	N/A	N/A	N/A	N/A	N/A	17,61	6,67	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Uganda	13,57	N/A	N/A	N/A	N/A	N/A	27,78	16,78	10,72	3,54	22,00	N/A	22,22	13,02	4,13

Source: The World Bank Database

Table 21: Selected Financial Data on LMIG-OIC Member States (2014)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Lower middle income group US$ 1,046 to US$ 4,125	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bangladesh	42,78	N/A	N/A	N/A	N/A	N/A	29,14	7,45	3,92	N/A	N/A	N/A	N/A	N/A	N/A
2	Cameroon	14,09	N/A	N/A	N/A	N/A	N/A	11,35	7,72	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Cote d'Ivoire	16,64	N/A	N/A	N/A	N/A	N/A	15,14	8,85	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Djibouti	28,93	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,45	0,50	8,90	N/A	10,20	10,20	16,20
5	Egypt, Arab Rep.	29,11	N/A	N/A	N/A	N/A	N/A	13,65	4,08	4,79	1,00	14,50	N/A	12,50	6,50	8,90
6	Guyana	33,28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,76	N/A	N/A	N/A	N/A	N/A	N/A
7	Indonesia	29,89	N/A	N/A	N/A	N/A	N/A	35,95	26,56	3,85	2,74	21,35	N/A	18,72	12,76	2,07
8	Kyrgyz Republic	13,29	N/A	N/A	N/A	N/A	N/A	18,47	4,86	5,66	2,60	18,70	N/A	21,80	16,20	4,50
9	Mauritania	N/A	N/A	N/A	N/A	N/A	N/A	20,45	10,57	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Morocco	73,31	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,10	12,00	N/A	13,50	8,70	6,50
11	Nigeria	11,79	N/A	N/A	N/A	N/A	N/A	44,17	27,07	7,21	2,46	20,72	N/A	16,42	11,02	3,72
12	Pakistan	16,84	N/A	N/A	N/A	N/A	N/A	8,71	3,28	4,47	1,47	16,10	N/A	17,08	9,97	12,27
13	State of Palestine	6,75	N/A	N/A	N/A	N/A	N/A	24,24	5,10	5,59	1,78	17,75	N/A	18,90	9,75	2,62
14	Senegal	29,85	N/A	N/A	N/A	N/A	N/A	11,92	6,57	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	Sudan	12,04	N/A	N/A	N/A	N/A	N/A	15,27	7,47	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	Syrian Arab Republic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	Tajikistan	12,13	N/A	N/A	N/A	N/A	N/A	11,46	1,54	19,04	-3,47	-19,68	N/A	16,67	14,86	21,21
18	Uzbekistan	N/A	N/A	N/A	N/A	N/A	N/A	40,71	1,84	N/A	2,00	17,60	N/A	23,81	11,70	0,40
19	Yemen, Rep.	N/A	N/A	N/A	N/A	N/A	N/A	6,45	0,86	N/A	N/A	N/A	N/A	N/A	8,40	24,70

Source: The World Bank Database

Table 22: Selected Financial Data on UMIG-OIC Member States (2014)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Upper middle income US$ 4,126 to US$12,735	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Albania	38,84	N/A	N/A	N/A	N/A	N/A	37,99	7,48	6,74	0,90	10,53	N/A	16,80	9,00	22,80
2	Algeria	14,33	N/A	N/A	N/A	N/A	N/A	50,48	13,77	6,25	N/A	N/A	N/A	N/A	N/A	N/A
3	Azerbaijan	20,01	N/A	N/A	N/A	N/A	N/A	29,15	5,33	8,69	1,70	11,60	N/A	19,20	17,00	12,70
4	Gabon	10,95	N/A	N/A	N/A	N/A	N/A	30,15	18,01	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Iran	57,67	N/A	N/A	N/A	N/A	N/A	92,18	21,63	-2,94	N/A	N/A	N/A	N/A	N/A	N/A
6	Iraq	5,90	N/A	N/A	N/A	N/A	N/A	10,97	3,53	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	Jordan	72,80	N/A	N/A	N/A	N/A	N/A	24,62	3,75	4,47	1,40	11,40	N/A	18,60	12,87	5,60
8	Kazakhstan	36,66	N/A	N/A	N/A	N/A	N/A	53,91	8,05	N/A	1,26	13,58	N/A	16,80	11,84	23,55
9	Lebanon	87,60	N/A	N/A	N/A	N/A	N/A	46,93	17,47	1,36	N/A	N/A	N/A	N/A	N/A	N/A
10	Libya	10,52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,50	N/A	N/A	N/A	N/A	N/A	N/A
11	Malaysia	117,60	N/A	N/A	N/A	N/A	N/A	80,67	33,77	1,54	2,97	30,00	N/A	15,36	9,95	1,65
12	Maldives	37,23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7,28	N/A	N/A	N/A	N/A	N/A	N/A
13	Suriname	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4,93	N/A	N/A	N/A	N/A	N/A	N/A
14	Tunisia	N/A	N/A	N/A	N/A	N/A	N/A	27,26	10,31	N/A	N/A	N/A	N/A	9,00	5,80	16,20
15	Turkey	54,40	N/A	N/A	N/A	N/A	N/A	56,51	9,11	N/A	1,73	15,17	N/A	15,93	11,30	2,80
16	Turkmenistan	N/A	N/A	N/A	N/A	N/A	N/A	1,79	0,65	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: The World Bank Database

Table 23: Selected Financial Data on HIGH-OIC Member States (2014)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	High income group US$ 12,736 or more	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bahrain	69,13	N/A	N/A	N/A	N/A	N/A	81,94	34,68	4,89	1,40	13,20	N/A	18,30	12,20	4,60
2	Brunei Darussalam	31,20	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,20	1,71	14,67	N/A	20,96	11,26	3,67
3	Kuwait	N/A	N/A	N/A	N/A	N/A	N/A	72,91	25,50	N/A	1,00	8,00	N/A	18,30	11,30	3,50
4	Oman	42,14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,07	1,80	12,20	N/A	15,11	11,73	2,00
5	Qatar	36,52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,61	2,08	16,54	N/A	16,26	N/A	1,74
6	Saudi Arabia	36,44	N/A	N/A	N/A	N/A	N/A	69,41	15,54	N/A	2,46	18,24	N/A	17,88	13,77	1,08
7	United Arab Emirates	60,89	N/A	N/A	N/A	N/A	N/A	83,20	32,12	N/A	1,80	13,70	N/A	18,10	12,30	6,50

Source: The World Bank Database

Table 24: Selected Financial Data on LMIG-OIC Member States (2014)

	Categories	Financial Depth				Financial Access				Financial Efficiency				Financial Stability		
	Lower middle income group US$ 1,046 to US$ 4,125	Domestic credit to private sector by banks (% of GDP)	Market capitalization of listed companies (% of GDP)	Stock market total value traded to GDP (%)	Outstanding deposits with commercial banks to GDP (%)	Depositors with commercial banks (per 1,000 adults)	Bank Branches (per 100,000 adults)	Account at a financial institution +15 age	Saved at a financial institution +15 age	Interest rate spread (lending rate minus deposit rate, %)	Return on Asset	Return on Equity	Stocks traded, turnover ratio (%)	Bank Regulatory Capital to Risk Weighted Assets	Bank Capital to Assets	Bank Nonperforming Loans to Total Loans
1	Bangladesh	42,26	N/A	N/A	68,85	498,64	7,84	N/A	N/A	1,81	1,92	22,39	N/A	10,80	6,04	8,64
2	Cameroon	14,14	N/A	N/A	19,16	51,71	1,80	N/A	N/A	N/A	1,47	54,97	N/A	7,87	3,63	10,30
3	Cote d'Ivoire	17,09	N/A	N/A	32,22	188,40	4,77	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Djibouti	30,91	N/A	N/A	80,31	93,79	5,27	N/A	N/A	9,90	1,20	28,50	N/A	9,60	9,60	14,50
5	Egypt, Arab Rep.	31,15	N/A	N/A	70,64	381,83	4,79	N/A	N/A	4,61	1,00	14,50	N/A	13,70	7,10	9,30
6	Guyana	30,77	N/A	N/A	49,02	N/A	7,95	N/A	N/A	12,37	N/A	N/A	N/A	N/A	N/A	N/A
7	Indonesia	26,88	N/A	N/A	40,33	N/A	9,49	N/A	N/A	5,39	3,05	24,47	N/A	19,82	12,47	1,69
8	Kyrgyz Republic	11,43	N/A	N/A	22,12	202,65	7,73	N/A	N/A	11,38	2,80	18,00	N/A	25,00	16,90	5,50
9	Mauritania	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,00	8,70	N/A	N/A	18,70	20,40
10	Morocco	71,86	N/A	N/A	87,21	N/A	23,29	N/A	N/A	N/A	1,00	10,60	N/A	13,30	8,60	5,90
11	Nigeria	12,46	N/A	N/A	40,68	638,71	5,76	N/A	N/A	8,78	2,25	18,88	N/A	17,12	10,39	3,39
12	Pakistan	18,03	N/A	N/A	34,26	262,60	8,78	N/A	N/A	4,81	1,11	12,39	N/A	14,86	8,91	12,99
13	State of Palestine	6,85	N/A	N/A	74,37	608,64	10,38	N/A	N/A	6,89	2,12	18,71	N/A	19,98	10,01	2,88
14	Senegal	28,62	N/A	N/A	37,81	131,69	4,67	N/A	N/A	N/A	N/A	N/A	N/A	16,63	10,23	20,62
15	Sudan	10,82	N/A	N/A	20,22	N/A	2,92	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
16	Syrian Arab Republic	N/A	N/A	N/A	N/A	187,52	3,84	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17	Tajikistan	12,86	N/A	N/A	11,16	550,99	6,22	N/A	N/A	17,76	1,40	6,80	N/A	23,24	19,84	13,59
18	Uzbekistan	N/A	N/A	N/A	27,04	908,66	45,38	N/A	N/A	N/A	1,95	17,16	N/A	24,28	11,23	0,41
19	Yemen, Rep.	5,34	N/A	N/A	29,05	115,78	1,75	N/A	N/A	6,83	1,50	18,90	N/A	26,40	8,00	21,70

Source: The World Bank Database

DEFINITIONS OF SELECTED FINANCIAL BENCHMARKING DATA[51]

Financial Depth	
Private Credit by Deposit Money Banks and Other Financial Institutions to GDP (%)	Domestic credit to private sector by banks refers to financial resources provided to the private sector by other depository corporations (deposit taking corporations except central banks), such as through loans, purchases of nonequity securities, and trade credits and other accounts receivable, that establish a claim for repayment. For some countries these claims include credit to public enterprises.
Stock Market Capitalization to GDP (%)	Market capitalization is the share price times the number of shares outstanding. Listed domestic companies are the domestically incorporated companies listed on the country's stock exchanges at the end of the year. Listed companies do not include investment companies, mutual funds, or other collective investment vehicles.
Stocks traded, total value (% of GDP)	Stocks traded refer to the total value of shares traded during the period. This indicator complements the market capitalization ratio by showing whether market size is matched by trading.
Financial Access	
Bank Accounts per 1,000 Adults	Depositors with commercial banks are the reported number of deposit account holders at commercial banks and other resident banks functioning as commercial banks that are resident nonfinancial corporations (public and private) and households. For many countries data cover the total number of deposit accounts due to lack of information on account holders. The major types of deposits are checking accounts, savings accounts, and time deposits.
Bank Branches per 100,000 Adults	Commercial bank branches are retail locations of resident commercial banks and other resident banks that function as commercial banks that

[51] World Bank Global Financial Development Database

	provide financial services to customers and are physically separated from the main office but not organized as legally separated subsidiaries.
Adults with an Account at a Formal Financial Institution to Total Adults (%)	The-percentage of adults with an account (self or together with someone else) at a bank, credit union, another financial institution (e.g., cooperative, microfinance institution), or the post office (if applicable) including adults who reported having a debit card to total adults.
Adults Saving at a Financial Institution in the Past Year to Total Adults (%)	The percentage of adults who report saving or setting aside any money using an account at a formal financial institution such as a bank, credit union, microfinance institution, or cooperative in the past 12 months.
Financial Efficiency	
Interest rate spread (lending rate minus deposit rate, %)	Interest rate spread is the interest rate charged by banks on loans to private sector customers minus the interest rate paid by commercial or similar banks for demand, time, or savings deposits.
Bank Return on Asset	This ratio indicates how profitable a company is relative to its total assets. The return on assets (ROA) ratio illustrates how well management is employing the company's total assets to make a profit. The higher the return, the more efficient management is in utilizing its asset base.
Bank Return on Equity	The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.
Financial Stability	
Capital Adequacy Ratio	The capital adequacy of deposit takers. It is a ratio of total regulatory capital to its assets held, weighted according to risk of those assets.
Bank Capital to Asset Ratio	Bank capital to assets is the ratio of bank capital and reserves to total assets. Capital and reserves include funds contributed by owners, retained

	earnings, general and special reserves, provisions, and valuation adjustments. Capital includes tier 1 capital (paid-up shares and common stock), which is a common feature in all countries' banking systems, and total regulatory capital, which includes several specified types of subordinated debt instruments that need not be repaid if the funds are required to maintain minimum capital levels (these comprise tier 2 and tier 3 capital). Total assets include all nonfinancial and financial assets.
Bank Non-Performing Loans to Gross Loans (%)	Ratio of defaulting loans (payments of interest and principal past due by 90 days or more) to total gross loans (total value of loan portfolio). The loan amount recorded as nonperforming includes the gross value of the loan as recorded on the balance sheet, not just the amount that is overdue.

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