
TRADE BANK OF IRAQ LOOKS TO CHINA AND BOOSTS UAE PRESENCE

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08.07.2019

The National (7 July 2019)

Reuters

State-owned Trade Bank of Iraq (TBI) is expanding into China and the Arabian Gulf, seeking to lift its revenues from retail banking and international operations to 30 per cent by 2022 from 25 per cent now, its chairman said on Sunday.

The bank plans to open a representative office in China next year and is upgrading its licence in Abu Dhabi to an asset management company from a representative office.

TBI's revenues totalled \$550 million (Dh2 billion) in 2018 with trade finance contributing the lion's share. Its retail and international operations business accounts for 25 per cent of its revenues. The bank, owned by the Iraqi government and with assets of around \$30bn, helps fund about 80 per cent of the trade finance business in Iraq.

"With our expansion, in China, Abu Dhabi and Saudi Arabia, retail and international business will contribute 30 per cent of our total revenues by the end of the next three years," said chairman Faisal Al Haimus.

Trade between Iraq and China is significant in both the public and private sector with Chinese oil companies active in Iraq and the private sector importing a lot from China, he said.

TBI entered Saudi Arabia this year, opening its first branch in Riyadh. The branch, which will become fully operational in September, will focus on trade finance, Mr Al Haimus said. TBI has abandoned acquisition talks with an unnamed Gulf bank with branches in the UAE and Qatar as the latter decided it does not want to sell, he said.

The Iraqi bank last year put on hold plans to buy a commercial bank in Turkey because of the plunge in the Turkish lira

But TBI is still interested in acquiring a bank in Turkey, Iraq's biggest trade partner. There are a couple of banks we are still looking at, it is very early stages, Mr Al Haimus said, declining to name them.

TBI plays a major role in the rebuilding of Iraq and its infrastructure development and this will help bolster the lender' balance sheet, he said. TBI is also planning to launch a fund in the fourth quarter of 2019 focusing on lending to Iraqi banks for international trade, with approvals expected by October.

<https://www.thenational.ae/business/banking/trade-bank-of-iraq-looks-to-china-and-boosts-uae-presence-1.883601>

Kaynak/Source: