

IFN Best Banks Poll 2019: Battle of the biggest



Where does the time go? It seems like just a few short months ago that we were celebrating the winners of 2018 — but a whole year has passed, and it is once again time to evaluate the supreme achievers of the past 12 months in the celebrated IFN Best Banks Poll for 2019. Now in its 15th year and covering 41 categories and 32 countries, the awards represent some of the most prestigious accolades in the Islamic finance industry, acting as a unique barometer for industry performance.

A lot has happened in the past year within the Islamic banking industry. We saw ongoing consolidation in the Gulf with major players such as Dubai Islamic Bank (DIB), Al Hilal Bank and Barwa Bank spreading their wings. We saw positive legislative progress, with Morocco, the Philippines and Bangladesh all introducing new Islamic frameworks in 2019. We saw Malaysia take the lead with its ambitious new Value-based Intermediation (VBI) Framework. And we saw Sukuk volumes make a strong recovery from their dip in 2018, with lower interest rates and abundant liquidity pushing the market ever higher.

But in an increasingly competitive environment, Islamic banks are having to box ever more clever when it comes to differentiating themselves — from digital facilities, blockchain innovation and fintech investment to sustainable finance, ethical investment, financing for the Halal economy and much more. So who has been cashing in on these opportunities, and leveraging their

position to bring the best performance to the table? With well over 14,000 votes received, the industry has now spoken — and this is what it said...

Supervisory heroes

Governing bodies and state supervisors play a fundamental role in supporting, guiding, directing and leading the industry — both in well established markets and new entrants. No matter where a country might be along the path to Islamic finance, the central bank is the pivot around which every other element must rotate.

The category of **Best Central Bank in Promoting Islamic Finance** is always one of the most closely-fought contests and this year was no exception. Unusually, last year's winner (the State Bank of Pakistan) did not make it to the shortlist this time around, with the 2018 runner-up and all-round Islamic banking pioneer Bank Negara Malaysia (BNM) instead taking the well-deserved top spot. The apex bank has played a leading role in the global and domestic development of Islamic finance for decades now, and 2019 was no exception — with its groundbreaking VBI initiative expected to drive a transformation toward ethical and sustainable banking practice that will act as a key driver for Islamic financial institutions. Not one to be left behind, BNM is also forging ahead in the digital space, with plans to issue at least five new digital banking licenses to fill gaps in the market.

In second place came the Central Bank of Oman, which stands as a shining example in the GCC of a strong, stable and cautious influence — and which in 2019 began to consider the possibility of moving away from its current window model toward a Qatar-esque fully-fledged Islamic banking market. Finally in third place came Bank Indonesia, which deserves a special mention for its positive support of the country's fledgling Sukuk industry over the year — including the issuance of Sukuk as

liquidity management instruments for local Islamic banks, which has boosted the volume of issuance of the overall market.

Battle of the biggest

Malaysian banks also dominated in many of the thematic categories this year, reflecting the strong year that the country's domestic Islamic banking industry has seen. CIMB Islamic took home the crown for **Best Islamic Bank for Treasury Management**, taking the title from 2018 winner, Pakistan's Meezan Bank. DIB came second, while Maybank Islamic came third. Malaysia's two leading banks battled it out in numerous other categories this year as well — including **Best Islamic Retail Bank**, where the roles were reversed and Maybank Islamic took home the prize with CIMB Islamic coming third and, once again, DIB taking second place. In the category for **Best Islamic Private Bank**, Maybank Islamic once again walked away with the honors, snatching the crown from last year's winner, Abu Dhabi Islamic Bank (ADIB), which came second, while ADCB Islamic Banking was third.

The most fiercely fought category between the two Malaysian giants was, of course, however the country award — a battle that received the some of the highest voting levels in the competition. This year, and for the fourth year in a row, CIMB Islamic came in top, with Maybank Islamic a close second and Bank Rakyat coming in third.

Innovation station

However, Malaysian banks did not dominate every category. The award for **Most Innovative Islamic Bank**, always one of the most popular in the poll, this year received a record number of votes and the highest out of all the categories. Although it was close, Dubai's Emirates Islamic finally walked away with the prize. The bank embarked on a major digitization drive over the past year, and

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has become a pacesetter in the digital race — including as the first Islamic bank in the UAE to launch a mobile banking app. In April 2019, the bank also became the first Islamic bank in the world to launch its own WhatsApp banking service, while in September it became the first UAE bank to offer dynamic currency conversion. DIB again took second place, while Pakistan's Meezan Bank came third.

Breaking ground

The award for **Best New Islamic Bank** is another interesting field. Introduced for the first time in 2018 to recognize the bank that has most successfully achieved a new market entry, the inaugural award went to FAB Siraj, the Islamic banking arm of First Abu Dhabi Bank (FAB). This year saw an even wider field, with the laurels eventually going to Iraq's Al Taif Islamic Investment & Finance Bank. The bank itself has been in operation since 2006, but converted into a fully-fledged Islamic bank in March 2018 following the launch of a new brand identity and a migration onto a new core banking platform. Runner-up was Nigeria's Taj Bank, first licensed in July 2019, while Iraq's Ur Bank for Islamic Investment came third.

On the leasing side, Sri Lanka's LOLC Al-Falaah was yet again voted as **Best Islamic Leasing Provider**, with the UAE's Islamic Finance House coming a close second and ADIB third. In a surprise twist however, Standard Chartered was pipped at the post for **Best Islamic Trustee/Custodian** by Citibank, with 2018 runner-up HSBC Corporate Trustee again coming in second and Deutsche Bank bringing up the rear.

Asian heroes

From the global to the local, our country categories exist to showcase the headline act of every significant Islamic finance jurisdiction — the bank that has played the biggest part in driving forward the industry. In some this might be the big boys, the bright stars — but in other markets, new entrants and agile challenger banks can win the day. In the IFN Best Banks Poll size does not matter — the priority is progress.

Maybank might have lost out in Malaysia but the bank's Indonesian

arm, Maybank Indonesia, won the day across the pond via its Shariah window — knocking 2018 winner Bank Danamon off the top spot. 2017 winner CIMB Niaga once again came in second, while Bank Muamalat Indonesia was third. Maybank Syariah Indonesia had a sterling year in 2019, driven by a focus on retail and digital banking along with its core SME business, and has big expansion plans for 2020 supported by Maybank Indonesia.

In **Brunei**, it will come as no surprise that Bank Islam Brunei Darussalam once again took top honors, with CIMB Brunei again coming second and Perbadanan Tabung Amanah Islam Brunei in third place. In **Thailand**, CIMB Thai took the top spot this year while previous winner Islamic Bank of Thailand fell to second place and the Al-Islamiah Saving Cooperative came third.

In **Australia**, Best Islamic Financial Institution went to Amanah Islamic Finance for the third year in a row. A pioneering mortgage manager headed up by CEO Asad Ansari, Amanah works hard to fill the gap for Shariah compliant home loans in Australia. The Islamic Co-Operative Finance Australia was runner-up and Hejaz Financial Services came third.

Although there is little Islamic finance within **Japan** itself, Japanese institutions have made a name for themselves within the industry outside of their home country, and their efforts have earned them a category all to themselves. For 2019, the award for Best Japanese Bank Offering Islamic Financial Services goes once again to MUFG Bank, rebranded from Bank of Tokyo Mitsubishi UFJ (the 2017 winner) in April 2018, Japan's largest bank and the eighth-largest in the world.

It was a big year for MUFG Bank in its home country, and in March 2019 the bank partnered with Morgan Stanley to become the first entity in Japan to market domestic Islamic bonds, following a change in the previously prohibitive tax law. Sumitomo Mitsui Banking Corporation came second while Mizuho Financial Group came in third — but with the Islamic finance landscape heating up in Japan and the regulatory

environment becoming more inclusive, we could see a shakeup in the category for 2020, so watch this space.

Moving south, in **Pakistan** there were no surprises, with the award going to dominant player Meezan Bank (runner-up was DIB Pakistan and third place went to BankIslami Pakistan), while the **Bangladeshi** crown once again went to Islami Bank Bangladesh (with Exim Bank and ICB Islamic Bank coming in second and third respectively). Best Islamic Bank in **Sri Lanka** went to 2018 winner LOLC Al-Falaah for yet another year, with Amana Bank and Bank of Ceylon's Shariah unit An-Noor as runner-up.

African activity

Africa continues to be one of the most exciting places for growth in Islamic finance, and 2019 built upon previous years' progress to move ever further forward — including a new Islamic insurance law for Morocco, a second Sukuk facility listed in Nigeria and a proposed Islamic finance framework for Tanzania.

This year we expanded the African categories to cover some new and emerging frontier markets — including **Somalia**, where the award for Best Islamic Bank goes to Salaam Bank, with Salaam Somali Bank and Dahabshil Bank International in second and third. In **Sudan**, Africa Bank for Trade and Development knocked Al Baraka off the top spot for 2019, with Al Salam Bank (Sudan) voted in second place and Bank of Khartoum third. In **South Africa** however, Al Baraka Bank once again won the day (followed by Absa and FNB) while in **Kenya**, 2018 winner DIB Kenya won yet again, with National Bank of Kenya as the runner-up and Barclays Kenya in third — and 2017 winner Gulf African Bank interestingly nowhere in sight.

Moving north, BTI Bank (Bank Al-Tamweel Wa Al-Inma) won the day in **Morocco** (followed by Al Akhdar Bank and Bank Assafa); while 2018 winner ADIB Egypt retained pole position in **Egypt** with Al Baraka Bank Egypt and Faisal Islamic Bank of Egypt coming in close behind.

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Gulf glory

The GCC threw up few surprises this year, with the top banks largely just exchanging positions rather than making room for any wild cards. With the latest round of consolidation that occurred over the year however, 2020 could see a very different landscape. For 2019 however, we kick off with Best Islamic Bank in the **UAE**, which was taken by ADIB with 2018 winner DIB a close second and Emirates Islamic coming in third.

In **Saudi Arabia**, Al Rajhi Bank once again retained top spot, with Riyadh Bank coming in second and previous runner-up Alinma Bank third. In **Kuwait**, Kuwait Finance House claimed the win once again, with Boubyan Bank and Warba Bank second and third respectively. In **Qatar**, which has seen its own spate of mergers and acquisitions activity in the Islamic sector, 2017 winner Qatar Islamic Bank regained the crown, followed by 2018 winner QIIB in second and Masraf Al Rayan coming in third.

In **Oman**, Bank Muscat's Islamic arm Meethaq won top spot, with the country's only two fully-fledged Islamic banks, Bank Nizwa and Alizz Islamic Bank, coming second and third respectively. Meethaq launched its second Sukuk program in 2019 to strong demand.

Finally Bahrain Islamic Bank, one of the largest and oldest institutions in the Kingdom, once again took the prize for

Best Islamic Bank in **Bahrain** for 2019, followed by ABC Islamic in second and Al Baraka Bank Bahrain third.

In the wider Middle East, Syria International Islamic Bank retained its title as Best Islamic Bank in **Syria** (runner-up: Al Baraka Bank Syria; third: Cham Bank) while in **Yemen**, the prize was again won by the Islamic Bank of Yemen (runner-up: Saba Islamic Bank; third: Al Amal Microfinance Bank). In the **Palestine Territories**, Arab Islamic Bank once again took top spot (followed by Palestine Islamic Bank and Al Safa Bank). In **Lebanon**, Arab Finance House pushed its way to the top, shouldering out incumbent Al Baraka Lebanon with Al Bilad Islamic Bank for Investment & Finance and Lebanese Islamic Bank instead coming in second and third respectively.

For the fourth year in a row, Jordan Islamic Bank was voted Best Islamic Bank in **Jordan** with Al Rajhi Bank Jordan coming second and Islamic International Arab Bank third. In **Iraq**, World Islamic Bank for Investment and Finance came out top; while in **Iran**, 2017 winner Ansar Bank wins again with Cooperative Development Bank the runner-up. In **Afghanistan**, the prize was taken by the Islamic Bank of Afghanistan.

Western wins

Moving gradually west, in **Turkey** last year's winner Turkiye Finans Katilim Bankasi was knocked into third place by Albaraka Turk Katilim Bankasi which

finished first while Faisal Islamic Bank of Kibris came in second.

In the **US**, the title of Best Islamic Bank was awarded to UIF Corporation, winner for the third year in a row and the parent of 2016 winner University Islamic Financial (UIF), while Ameen Housing Co-operative came in second and Bank of Whittier third. And finally, in the **UK**, the Bank of London and The Middle East won the day with 2018 winner and retail pioneer Al Rayan Bank voted in second and Gatehouse Bank third.

Drumroll please...

Now, the announcement you have all been waiting for...

Only one bank can take the crucial crown, the final title, the ultimate glory. So who will be the winner of the **IFN Best Overall Islamic Bank** for 2019?

With a prestigious and highly competitive shortlist comprising five of the industry's leading players (ADIB, CIMB Islamic, DIB, Maybank Islamic and Meezan Bank), the competition was fierce — and the suspense must continue a little longer! The final winner will, as always, be announced at the IFN Awards Ceremony to be held on the 8th March 2020 in Dubai — so book your tickets now.

We thank all nominees, voters and participants for your commitment, your dedication and your achievements. Congratulations to all! 🎉

Best Islamic Bank by Sector

BEST CENTRAL BANK IN PROMOTING ISLAMIC FINANCE

1st: **Bank Negara Malaysia** 2nd: Central Bank of Oman 3rd: Bank Indonesia

BEST ISLAMIC LEASING PROVIDER

1st: **LOLC Al-Falaah** 2nd: Islamic Finance House 3rd: Abu Dhabi Islamic Bank

BEST ISLAMIC PRIVATE BANK

1st: **Maybank Islamic** 2nd: Abu Dhabi Islamic Bank 3rd: ADCB Islamic Banking

BEST ISLAMIC RETAIL BANK

1st: **Maybank Islamic** 2nd: Dubai Islamic Bank 3rd: CIMB Islamic

BEST NEW ISLAMIC BANK

1st: **Al Taif Islamic Investment & Finance Bank** 2nd: Taj Bank 3rd: Ur Islamic Bank for Investment

MOST INNOVATIVE ISLAMIC BANK

1st: **Emirates Islamic** 2nd: Dubai Islamic Bank 3rd: Meezan Bank

BEST ISLAMIC TRUSTEE/CUSTODIAN

1st: **Citibank** 2nd: HSBC Corporate Trustee 3rd: Deutsche Bank

BEST ISLAMIC BANK FOR TREASURY MANAGEMENT

1st: **CIMB Islamic** 2nd: Dubai Islamic Bank 3rd: Maybank Islamic

Best Islamic Bank by Country

EUROPE

TURKEY

Albaraka Turk Katilim Bankasi
Faisal Islamic Bank of Kibris
Turkiye Finans Katilim Bankasi

UK

Bank of London & The Middle East
Al Rayan Bank
Gatehouse Bank (UK)

THE AMERICAS

US

UIF Corporation (University Islamic Financial)
Ameen Housing Co-operative (San Francisco)
Bank of Whittier

INDIAN SUBCONTINENT

PAKISTAN

Meezan Bank
Dubai Islamic Bank (Pakistan)
BankIslami Pakistan

BANGLADESH

Islami Bank Bangladesh
Exim Bank (Bangladesh)
ICB Islamic Bank

SRI LANKA

LOLC Al-Falaah
Amana Bank (Sri Lanka)
Bank of Ceylon (Shariah Unit: An-Noor)

SOUTHEAST ASIA

MALAYSIA

CIMB Islamic
Maybank Islamic
Bank Rakyat

INDONESIA

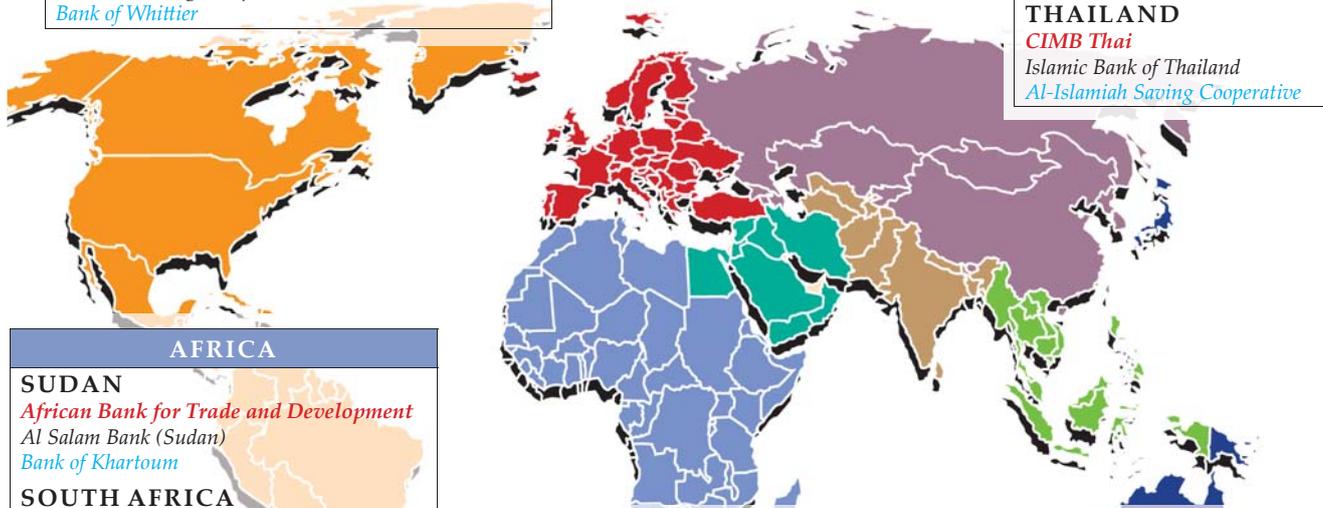
Maybank Syariah Indonesia
CIMB Niaga
Bank Muamalat Indonesia

BRUNEI

Bank Islam Brunei Darussalam
CIMB Brunei
Perbadanan Tabung Amanah Islam
Brunei (TAIB)

THAILAND

CIMB Thai
Islamic Bank of Thailand
Al-Islamiah Saving Cooperative



AFRICA

SUDAN

African Bank for Trade and Development
Al Salam Bank (Sudan)
Bank of Khartoum

SOUTH AFRICA

Al Baraka Bank South Africa
Absa Islamic Bank
FNB Islamic Banking

KENYA

Dubai Islamic Bank (Kenya)
National Bank of Kenya
Barclays Kenya

MOROCCO

BTI Bank (Bank Al-Tamweel Wa Al-Inma)
Al Akhdar Bank
Bank Assafa

EGYPT

Abu Dhabi Islamic Bank (Egypt)
Al Baraka Bank Egypt
Faisal Islamic Bank of Egypt

SOMALIA

Salaam Bank
Salaam Somali Bank
Dahabshil Bank International

ASIA PACIFIC

AUSTRALIA

Amanah Islamic Finance
Islamic Co-Operative Finance Australia
(ICFAL)
Hejaz Financial Services

JAPAN

*MUFG Bank (formerly known as Bank of
Tokyo-Mitsubishi UFJ)*
Sumitomo Mitsui Banking Corporation
Mizuho Financial Group

MIDDLE EAST

UAE

Abu Dhabi Islamic Bank
Dubai Islamic Bank
Emirates Islamic

SAUDI ARABIA

Al Rajhi Bank (Saudi Arabia)
Riyadh Bank
Alinma Bank

KUWAIT

Kuwait Finance House
Boubyan Bank
Warba Bank

QATAR

Qatar Islamic Bank
QIIB
Masraf Al Rayan

OMAN

Meethaq Islamic Banking (Bank Muscat)
Bank Nizwa
Alizz Islamic Bank

BAHRAIN

Bahrain Islamic Bank
ABC Islamic
Al Baraka Bank Bahrain

SYRIA

Syria International Islamic Bank
Al Baraka Bank Syria
Cham Bank

YEMEN

Islamic Bank of Yemen
Saba Islamic Bank
Al Amal Microfinance Bank

PALESTINE

Arab Islamic Bank (Palestine Territories)
Palestine Islamic Bank
Al Safa Bank

LEBANON

Arab Finance House
Al Bilad Islamic Bank for Investment & Finance
Lebanese Islamic Bank

JORDAN

Jordan Islamic Bank
Al Rajhi Bank (Jordan)
Islamic International Arab Bank

IRAN

Ansar Bank
Cooperative Development Bank
Bank Melli Iran

IRAQ

World Islamic Bank for Investment & Finance
International Islamic Bank
Iraqi Islamic Bank

AFGHANISTAN

Islamic Bank of Afghanistan
Afghanistan International Bank
Afghan United Bank

Note: Red: Winner; Black: Runner-up Blue: Third