



# CAPITAL MARKET OVERVIEW

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FIRST  
QUARTER

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## FOREWORD

**The Saudi capital market had an optimistic start to the year despite ongoing volatility, building a strong foundation for our capital market's continued growth through the rest of 2024. We continue to invest in diversified investment opportunities for domestic and international investors and remain focused on the advancement of the broader capital market ecosystem amid Saudi Arabia's ongoing economic transformation.**

While the regional macroeconomic environment continues to face global pressures, recently there have been positive developments for Saudi consumers and Saudi investors and the capital market. Unemployment dropped to 7.70% in Q4 2023 from 8.60% in Q3 2023, representing the lowest unemployment rate Saudi Arabia has experienced in over eight quarters. The inflation rate increased slightly to 1.67% in Q1 2024 from 1.60% in Q4 2023.

In Q1 2024, the Saudi Exchange experienced a high level of activity, with the total number of trades on the Saudi Exchange's Main Market rising 32.04% to 35,016,401 compared to Q4 2023. Impressively, in Q1, the value traded on Main Market increased to SAR 575.88 billion, a 60.45% increase compared with the previous quarter.

The Saudi Exchange's Nomu-Parallel Market also experienced steady growth, with its market capitalization increasing by 5.24% to reach SAR 50.83 billion in Q1 2024 compared to Q4 2023. The value traded on the Nomu-Parallel Market soared to SAR 3.32 billion, a 94.15% increase from the last quarter.

As a testament to the Saudi Exchange's continued investment in growing the country's debt market, the total size of issuance of sukuk and bonds reached SAR 563.95 billion, up 2.57% from SAR 549.84 billion in the previous quarter. The Exchange also welcomed three newly listed sukuk during the first quarter of 2024.

Developing a robust IPO pipeline has been an important goal of the Saudi Exchange, and the Exchange has taken significant steps to expand the diversity of listings and provide greater support to companies throughout their listing journey. In this report's Leadership Insights section, Nasser Alajaji, Saudi Exchange Chief of Listings, discusses the Exchange's encouraging IPO pipeline and the recent milestone exceeding 400 listings across all securities.

Attracting new investors and enhancing liquidity is a key focus for the Saudi Exchange. As we continue to expand our product offerings and build a sophisticated market infrastructure, we are seeing growing interest and excitement among local and international investors and



issuers about the diverse opportunities available to them within the market.

In Q1 2024, these efforts yielded clear results as the value of foreign investors' holdings increased by 4.55% to SAR 418.86 billion on the Main Market, and by an impressive 46.26% to reach SAR 864.41 million on Nomu - Parallel Market, compared to Q4 2023.

At the close of a successful first quarter of 2024, we are well-positioned to further extend and build upon our growth throughout 2024. Helping the Saudi capital market fulfill its potential as a leading global capital market and a financial hub that connects the East and West remains a key focus, and we are proud to share our advancements toward that goal with you in this report.

**Mohammed Al Rumaih**  
CEO of Saudi Exchange



## Q1 KEY HIGHLIGHTS

SAUDI CAPITAL MARKET

**94.15% and  
60.45%**

The Q-on-Q growth of the value traded on Nomu - Parallel and Main Market to **SAR 3.32 billion and SAR 575.88 billion** during Q1 2024, respectively.

**35,016,401**

The number of trades on Main Market in Q1 2024, up 32.04% from Q4 2023.

**418.86  
BILLION SAR  
(111.66 BILLION USD)**

Value of foreign investor ownership on the Main Market in Q1 2024, **up 4.55%** from Q4 2023.

**563.95  
BILLION SAR**

Total Sukuk and Bonds issuance size increased by 7.0% on Q1 2024 compared to Q1 2023.

**54.68%**

Total number of Sukuk and Bonds Trades have increased to 12,003 in Q1 2024 compared to 7,760 in Q1 2023.



# THE SAUDI ARABIAN ECONOMIC OVERVIEW

(Based on data available at the time of publication)

Having navigated a challenging macroeconomic environment for much of the year, the fourth quarter of 2023 marked a more positive turn for Saudi Arabia's economic outlook. Real GDP contracted by -0.6%, much less than the -2.3% contract experienced in Q3 2023. Despite this small decline, in Q4 2023 non-oil activities still grew by 4.6%, a 1% quarter-on-quarter increase compared to the 3.6% non-oil growth experienced in Q3 2023 and another strong indicator of the success of the Kingdom's ongoing economic diversification efforts. Comparatively, the OECD average GDP growth stood at 0.3%, while the G20 average GDP growth was 0.7%.

In a positive development, the Saudi nationals' unemployment rate decreased to 7.70% in Q4 2023, marking the lowest level in over eight quarters.

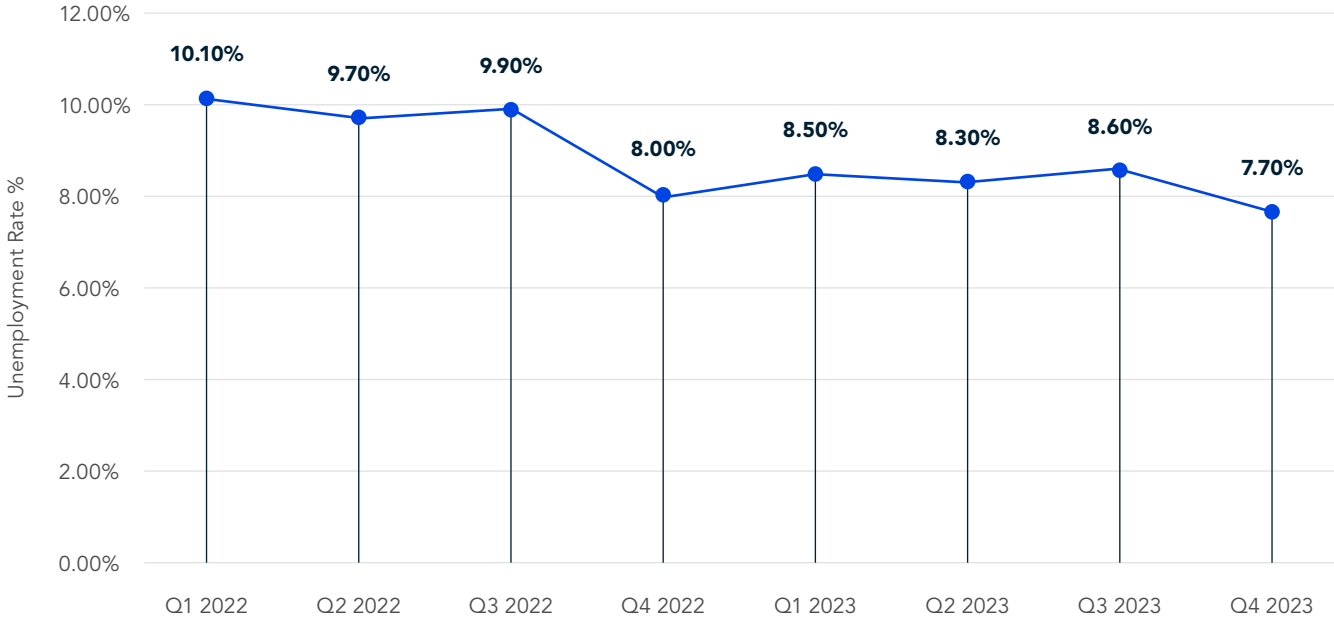
In the first quarter of 2024, Saudi consumers experienced minor relief as the inflation rate remained relatively stable, rising only slightly to 1.67%. Up by 0.07% compared to 1.60% in Q4 2023, this still marked the second-lowest inflation rate over the preceding eight quarters.

These metrics suggest a positive economic outlook for Saudi Arabia. Notably, the downward trend in the unemployment rate and only a slight increase in the inflation rate, along with the Kingdom's consistent and successful strides towards economic diversification, offer optimistic signals for consumers and the broader Saudi financial market.



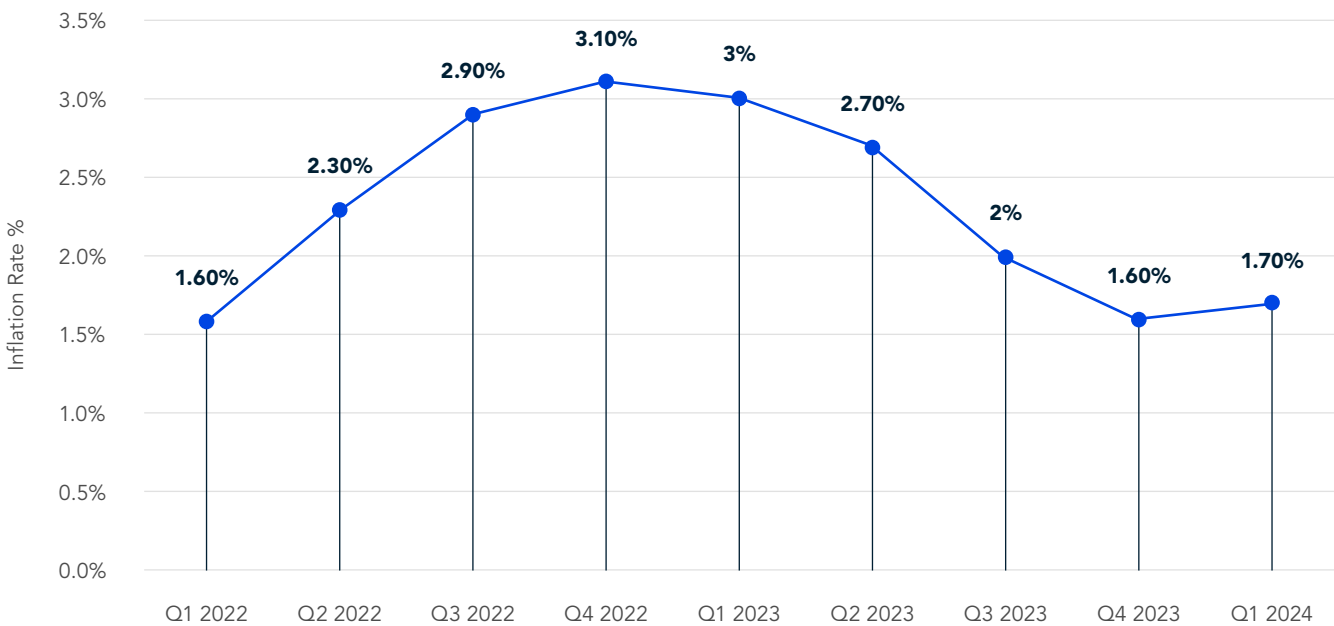
THE SAUDI ARABIAN ECONOMIC OVERVIEW

# SAUDI NATIONALS' UNEMPLOYMENT RATE Q-ON-Q



SOURCE: GENERAL AUTHORITY FOR STATISTICS (STATS.GOV.SA)  
LATEST AVAILABLE DATA IS UP TO Q4 2023

# INFLATION RATE Q-ON-Q



SOURCE: INFLATION RATE (SAMA.GOV.SA)  
LATEST AVAILABLE DATA IS UP TO Q1 2024



# MARKET ENHANCEMENTS AND UPDATES

## **The Saudi Exchange Welcomes 13 new listings across different platforms. (Equities, Debt and Funds)– Increasing Diversity Across Sectors and Products in the Saudi Capital Market**

In line with Vision 2030's goal of increasing diversity within the Saudi capital market and growing the non-oil economy. In the first quarter of 2024, the Saudi Exchange welcomed 13 new listings across a variety of sectors, including 3 companies on the Main Market, 6 companies on the Nomu-Parallel Market, 1 Corporate Sukuk, 2 Government Sukuks, and 1 ETF. Saudi Tadawul Group and Saudi Exchange are proud to continue playing a critical role in advancing Saudi Arabia's economy and to have supported these listings.

## **Saudi Exchange Launches TASI50 Index (January 2024)**

On January 7, 2024, the Saudi Exchange launched a new index based on the total market capitalization of the top 50 companies listed on the Exchange. The TASI50 Index provides investors with a comprehensive overview of the performance of the top 50 companies listed on the Saudi Exchange and allows investors to track and benchmark performance based on specific criteria. The launch of the TASI50 index is a significant step in diversifying the investment offerings on the Exchange for both local and foreign investors and represents an important milestone in the realization of the objectives outlined in the Financial Sector Development Program under Vision 2030. The launch of the TASI50 Index follows the launch of the Saudi Exchange's size Indices and IPO Index in September 2023.

## **Saudi Tadawul Group acquires a strategic stake in Dubai Mercantile Exchange creating Gulf Mercantile Exchange (January 2024)**

On January 18, 2024, the Saudi Tadawul Group announced it had agreed to acquire a 32.6% stake in DME Holdings Limited, the Dubai Mercantile Exchange's parent company. As part of this, the Dubai Mercantile Exchange would be rebranded to the Gulf Mercantile Exchange (GME), reflecting its position as a Middle Eastern commodities market leader with global relevance. Notably, the GME is uniquely positioned to capture global commodities demand given its ability to serve as a bridge between production and global end markets. With the Group's partnership, the GME will also be well-positioned to capture energy, metals, and agricultural commodity markets and will support the region's ongoing transition to a sustainable economy – a key future growth path – through the launch of derivatives contracts.

All trades executed on the GME are cleared through the Chicago Mercantile Exchange – which is regulated by the U.S. Commodity Futures Trading Commission – driving global liquidity and connectivity into the Saudi capital market and allowing the Saudi Exchange to further align with international best practices. Furthermore, with the option to increase the stake in GME in the future, this investment will contribute to the diversification of the Saudi Tadawul Group's revenue and is aligned with their growth strategy and ambitions as part of Vision 2030. The acquisition demonstrates the Saudi Tadawul Group's commitment to serving as a leader across the broader Gulf capital markets as well as serving issuers and investors across the globe.



# LEADERSHIP INSIGHTS

## Growth of the Saudi Exchange's IPO Pipeline and the Road to 400 Listings

In March 2024, the Saudi Exchange welcomed its 400th listing across all securities, marking a key milestone in the Exchange's efforts to grow and strengthen its IPO pipeline. The listing reaffirms the Exchange's pivotal role in the Kingdom's economy, underpinned by robust international investor interest and a diverse range of securities available in the market.

Below, **Nasser Alajaji, Saudi Exchange Chief of Listings**, discusses the Exchange's IPO pipeline, the path to 400 listings and how the milestone reflects the Saudi Exchange's position as a leading market on the global stage.



## What does this milestone signify for the Saudi Exchange's IPO pipeline and the growth of the Saudi capital market overall?

We believe that the 400th listing is not just a number, but a clear testament to the work the Saudi Exchange and Saudi Tadawul Group have undertaken to support and drive rapid growth and change within the Saudi capital market.

Guided by Vision 2030 and the Financial Sector Development Program, our efforts have yielded tremendous results and transformed the Saudi capital market into a true leader both in the region and beyond. Notably, in 2023, the Tadawul All Share Index grew by 14.2%, outpacing the 9.8% growth of the benchmark MSCI Emerging Market Index.

In a testament to our economic diversity and the growth spurred by Vision 2030, the Saudi Exchange has consistently ranked among the top 10 exchanges in the world measured by IPO proceeds. Moreover, last year, the Saudi capital market raised around SAR 13 billion in both the Main Market and Nomu-Parallel Market (\$3.5 billion) in IPO proceeds, representing over 70% of GCC IPOs. The Saudi capital market also raised around SAR 3.7 billion in both Main Market and Nomu-Parallel Market (around \$1 billion) in IPO proceeds for the 1st quarter of 2024.

Looking ahead, we are dedicated to enhancing our market to support the continued growth of our IPO pipeline and realize the Exchange's potential as a contributor to global IPO growth and success.

## How has the Saudi Exchange encouraged listings and strengthened its IPO pipeline?

In recent years, we have made significant changes to our market to draw in new investors and issuers and improve the experience for market participants, including strengthening and evolving our core infrastructure, implementing a range of enhancements, introducing new products and increasing connectivity with other markets, among others.

Importantly, we have evolved our market with a focus on developing a robust, diverse IPO pipeline and building an Exchange where companies want to list. Through our listing incentives program and the publication of our listing guide, we are ensuring that companies looking to list have all the necessary information and assistance they need at every step of the process. Further, we have eased the listing requirements for smaller companies on both the Main Market and the Nomu-Parallel Market.

Additionally, we offer issuers increased access to international investors through our expanding relationships with foreign exchanges and clearing houses, such as Edaa's linkage with Euroclear, the Brussels-based international central securities depository. The linkage provides international investors an additional channel to access the sukuk and bond market and unlocks a new source of capital for issuers.

## Can you provide more detail about the diversity of the Saudi Exchange's first 400 listings?

The Saudi Exchange is committed to increasing the diversity of our market's offerings, and we are pleased with the progress that has been made over a short period. At the time of our 400th listing, the Saudi Exchange had 216 listings on the Main Market, 85 listings on Nomu - Parallel Market, 71 Sukuk and Bonds, 19 REITs, 9 ETFs and 2 CEFs – indicating the broad array of financial instruments available to investors.

Importantly, as Saudi Arabia works to grow the non-oil economy under Vision 2030, the diversity of listings is also reflected in the sectors of listed companies. For example, in Q1 2024, the top five industry groups traded by volume were Consumer Services, Materials, Consumer Staples Distribution & Retail, Energy and Banks.

We are proud to foster an environment where traders and investors can achieve their financial goals through a thriving capital market. As we continue to support the growth of the Saudi capital market, we are doing so with a focus on developing diverse opportunities for domestic and international investors, both in terms of the types of products available on our market and the size and sector of listed companies.



# EQUITIES

**The market capitalization on the Saudi Exchange's Nomu – Parallel Market increased in the first quarter of 2024, while on the Main Market, market capitalization fell slightly from the previous quarter. Still, the value traded, number of listed companies and the closing of the benchmark index increased across both markets compared to the previous quarter.**

While the market capitalization on the Saudi Exchange's Main Market decreased by 2.85% from the previous quarter to SAR 10.93 trillion, the value traded increased by an impressive 60.45% to SAR 575.88

billion and the number of trades increased substantially by 32.04% to 35,016,401 during the same period. The number of listed companies also continued to grow during the first quarter, with 3 new listings and no delistings on the Main Market.

The market capitalization on Nomu – Parallel Market continued to build on last quarter's growth, increasing by 5.24% from the previous quarter to SAR 50.83 billion, during which period there were 6 new listings and no delistings. The value traded also increased by 94.15% to SAR 3.32 billion during the same period.

## MAIN MARKET Q1 2024

MARKET CAPITALIZATION (SAR)

**10.93 trillion**  
**(-2.85%) ▼**

VALUE TRADED (SAR)

**575.88 billion**  
**(+60.45%) ▲**

LISTED COMPANIES

**234**  
**(+3) ▲**

TADAWUL ALL SHARE INDEX (TASI) CLOSING

**12,401.56**  
**(+3.63%) ▲**

## NOMU – PARALLEL MARKET Q1 2024

MARKET CAPITALIZATION (SAR)

**50.83 billion**  
**(+5.24%) ▲**

VALUE TRADED (SAR)

**3.32 billion**  
**(+94.15%) ▲**

LISTED COMPANIES

**85**  
**(+6) ▲**

PARALLEL MARKET CAPPED INDEX  
(NOMUC) CLOSING

**26,030.03**  
**(+6.12%) ▲**

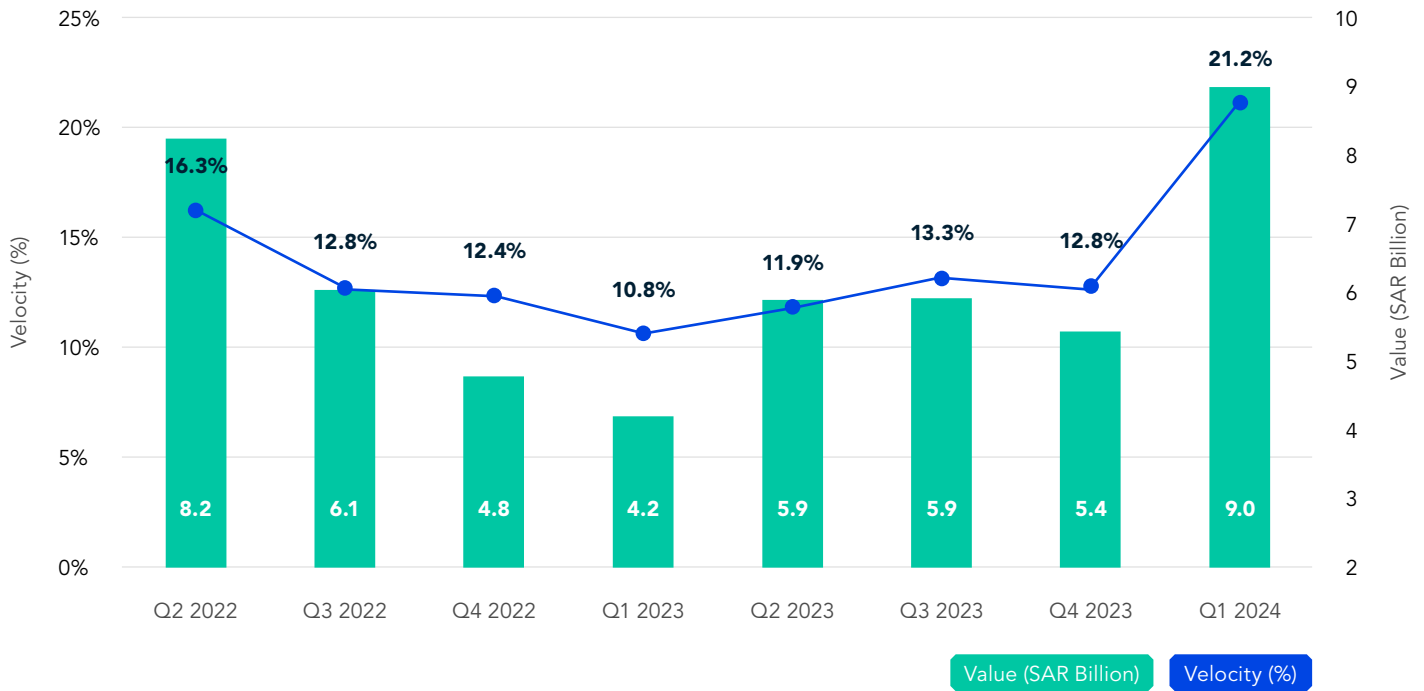




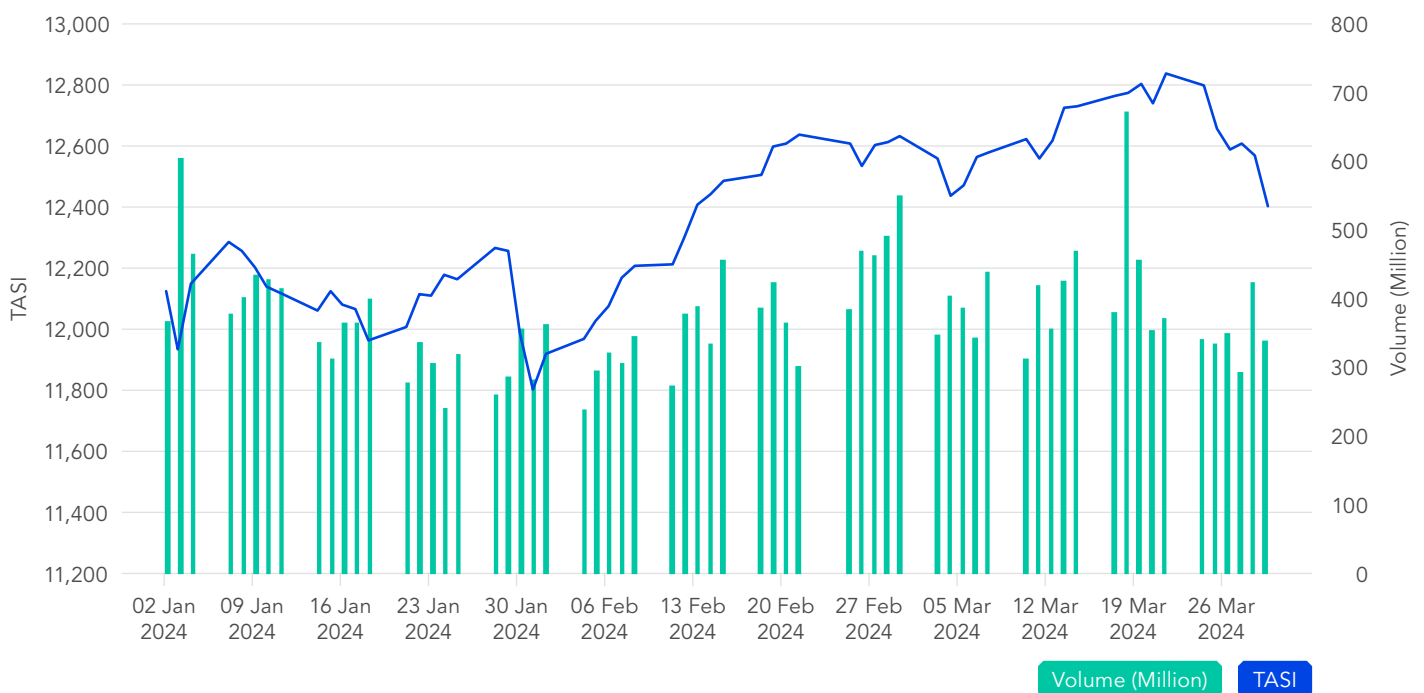
# EQUITIES

During the first quarter, the average of daily value traded on the Main Market increased to SAR 9.00 billion, up considerably by over 60% from the previous quarter.

## AVERAGE DAILY VALUE TRADED & VELOCITY



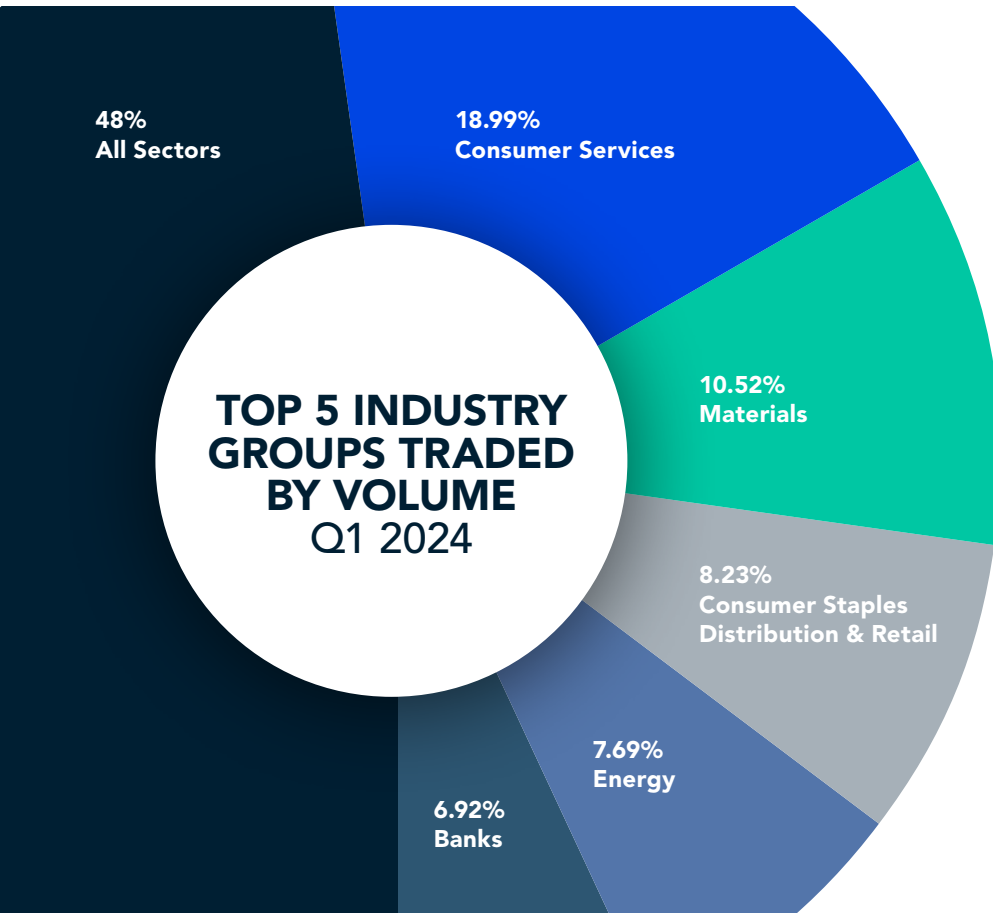
## PERFORMANCE OF TASI & VOLUME TRADED



NOTE: TRADING WAS CLOSED ON FEBRUARY 22 DUE TO SAUDI FOUNDING DAY.



During the first quarter of 2024, consumer services and materials were the most active industry groups in terms of volume traded, while materials and banks were the most active in terms of value traded.

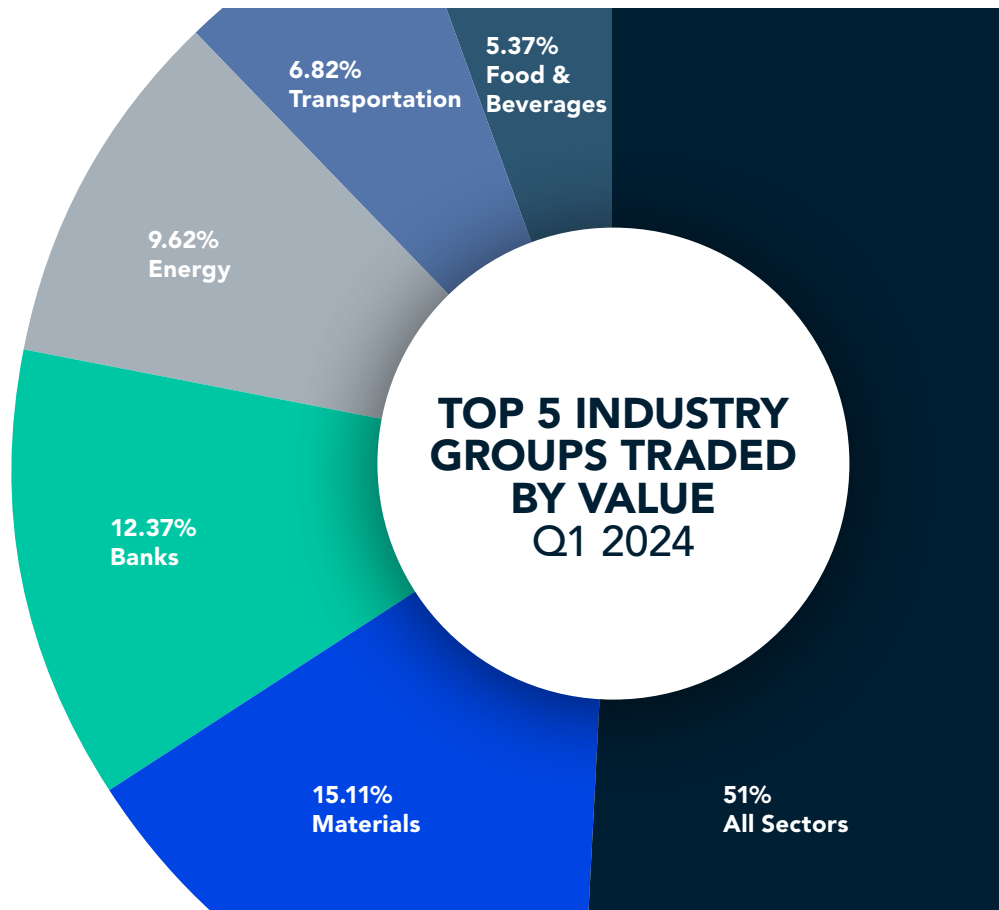


**All Sectors**

Consumer Services	18.99%
Materials	10.52%
Consumer Staples Distribution & Retail	8.23%
Energy	7.69%
Banks	6.92%
Capital Goods	6.79%
Financial Services	6.15%
Real Estate Mgmt & Dev't	5.74%
Insurance	4.56%
Health Care Equipment & Svc	3.88%
Telecommunication Services	3.29%
Consumer Durables & Apparel	3.04%
Food & Beverages	3.02%
Commercial & Professional Svc	2.45%
Consumer Discretionary Distribution & Retail	2.02%
Transportation	1.94%
Software & Services	1.48%
Media and Entertainment	1.04%
REITs	0.89%
Utilities	0.86%
Pharma, Biotech & Life Science	0.50%

**All Sectors**

Materials	15.11%
Banks	12.37%
Energy	9.62%
Transportation	6.82%
Food & Beverages	5.37%
Insurance	5.08%
Health Care Equipment & Svc	4.95%
Telecommunication Services	4.90%
Real Estate Mgmt & Dev't	4.60%
Consumer Services	4.17%
Capital Goods	4.15%
Consumer Staples Distribution & Retail	3.44%
Software & Services	3.21%
Media and Entertainment	3.13%
Utilities	2.97%
Consumer Discretionary Distribution & Retail	2.45%
Financial Services	2.08%
Commercial & Professional Svc	1.98%
Pharma, Biotech & Life Science	1.97%
Consumer Durables & Apparel	1.31%
REITs	0.34%





# SUKUK & BONDS

The total size of sukuk and bonds issuance on the Saudi Exchange rose by 2.57% to SAR 563.95 billion in the first quarter of 2024, with three new listings and two delistings.

Performance across other sukuk and bonds metrics contracted slightly in the first quarter. Notably, the number of trades declined only slightly to 12,003 in the first quarter, which still represented a 54.68% increase year-on-year from the first quarter of 2023.

## SUKUK / BONDS Q1 2024 OVERVIEW

TOTAL SIZE OF ISSUANCE (SAR)

**563.95 billion**  
**(+2.57%) ▲**

SUKUK AND BONDS MARKET INDEX CLOSING

**891.72**  
**(-2.57%) ▼**

LISTED SUKUK AND BONDS

**71**  
**(+1) ▲**

## Q1 2024 V. Q4 2023

Q1 2024

% CHANGE Q-ON-Q

NUMBER OF TRADES

**12,003**

**-6.00% ▼**

NOMINAL VALUE TRADED (SAR)

**1.85 billion**

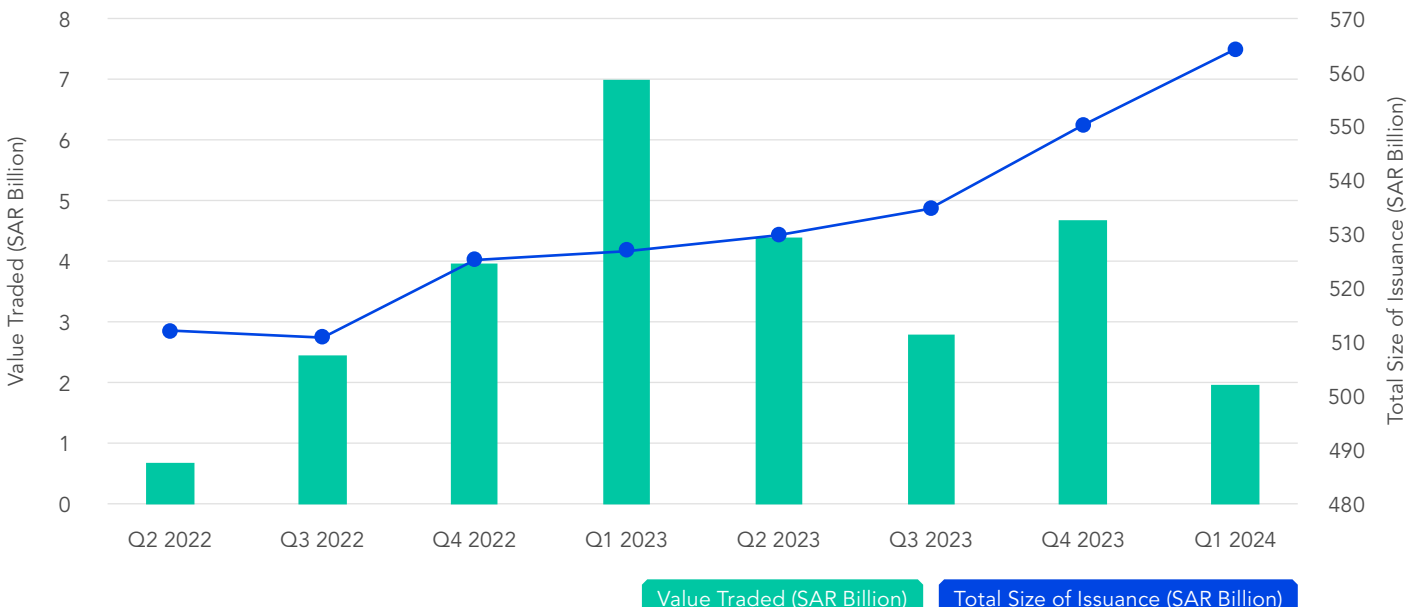
**-60.63% ▼**

VALUE TRADED (SAR)

**1.97 billion**

**-61.70% ▼**

## SUKUK & BONDS TOTAL SIZE OF ISSUANCE AND VALUE TRADED



\*AS AT THE END OF THE QUARTER



# DERIVATIVES

The value of derivatives contracts traded on the Saudi Exchange decreased to SAR 8.68 million during the first quarter of 2024, a decrease of 18.56% compared to the previous quarter.

Concurrently, the volume of contracts traded on the Saudi Exchange declined to 1,357 and the number of trades declined to 39.

## DERIVATIVES Q1 2024 OVERVIEW

VALUE TRADED

**8.68 million**  
**(-18.56%) ▼**

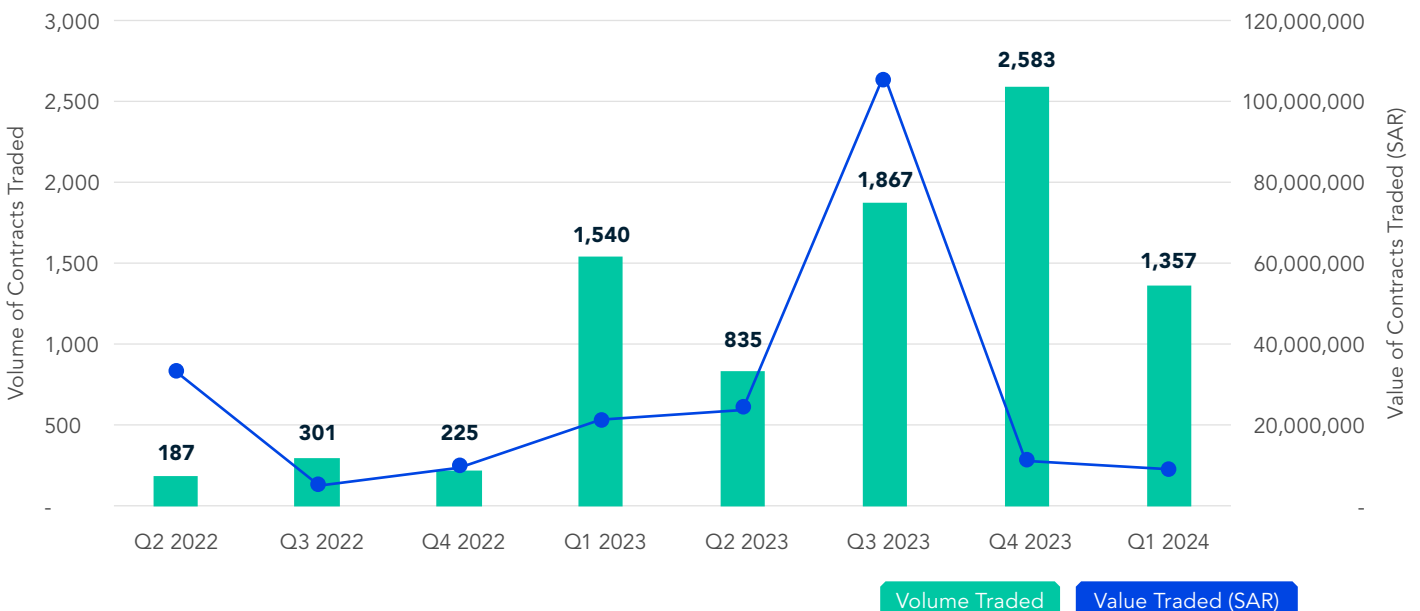
NUMBER OF TRADES

**39**  
**(-73.29%) ▼**

## DERIVATIVES MONTHLY TRADING STATISTICS Q1 2024

	JANUARY	FEBRUARY	MARCH
VOLUME TRADED	<b>139</b>	<b>915</b>	<b>303</b>
VALUE TRADED (SAR)	<b>589,650</b>	<b>5,469,821</b>	<b>2,628,504</b>
NUMBER OF TRADES	<b>18</b>	<b>16</b>	<b>5</b>

## VOLUME & VALUE TRADED OF DERIVATIVES CONTRACTS





# OWNERSHIP

Foreign ownership across both of the Saudi Exchange’s markets exhibited strong growth in the first quarter of 2024. The value of foreign investors’ holdings increased by 4.55% to SAR 418.86 billion in the Main Market compared to the previous quarter, representing a 20.73% rise year-on-year.

During the same period, the value of foreign investors’ holdings grew by 46.26% to SAR 864.41 million in Nomu – Parallel Market, representing an 80.45% rise year-on-year.

## FOREIGN INVESTOR OWNERSHIP\* Q1 2024 OVERVIEW

MAIN MARKET HOLDING VALUE (SAR)

**418.86 billion**  
**(+4.55%) ▲**

NOMU - PARALLEL MARKET HOLDING VALUE (SAR)

**864.41 million**  
**(+46.26%) ▲**

\*Includes SWAP Holders, Foreign Residents & Others, QFIs, Foreign DPMs and Foreign Strategic Investors

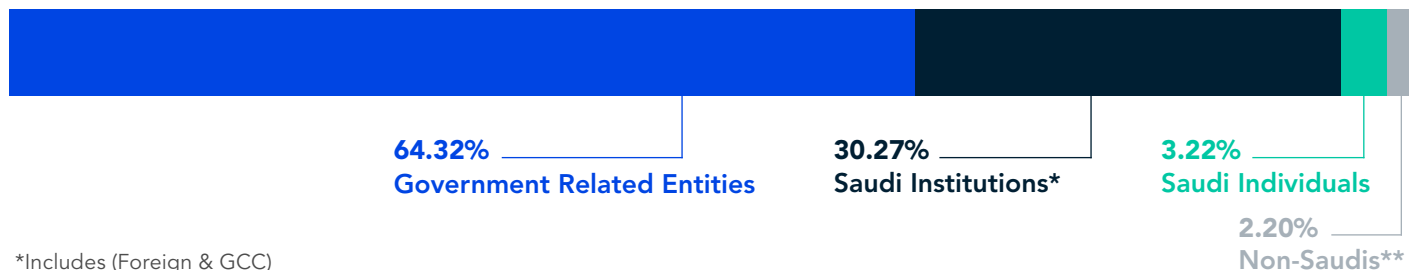
## OWNERSHIP BY INVESTOR TYPE Q1 2024 (MAIN MARKET)



\*Excluding GREs

\*\*Includes (Foreign & GCC)

## OWNERSHIP BY INVESTOR TYPE Q1 2024 (NOMU-PARALLEL MARKET)



\*Includes (Foreign & GCC)

QFIs continue to play an important role in the Saudi capital market. At the close of the first quarter of 2024, their holdings in Saudi-listed firms stood at SAR 332 billion, and the percent of the total market that

QFIs represent increased to 3.0%. These increases are encouraging in light of the continued efforts by the Saudi Exchange to create a mature and attractive investment destination for foreign investors.



# OWNERSHIP

## QFI TRADING VALUE - MAIN MARKET ONLY (BILLION SAR)



\* AS AT THE END OF THE QUARTER





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