

Kingdom of Saudi Arabia

Composite Rating: Aa3/-/A+

Bond/s: KSA 4.75 30

Country Overview

- Saudi Arabia is a key player in the global economy and one of the world's largest oil producers and exporters.
- In 2023, the Kingdom's total exports reached \$300 billion, driven primarily by crude petroleum, refined petroleum, ethylene polymers, and polypropylene polymers.
- While traditionally reliant on oil, Saudi Arabia is actively diversifying its economy, investing in sectors such as technology, tourism, entertainment, and financial services.

Macro Fundamentals

- The country's strong oil revenues provide a stable fiscal foundation, supporting economic growth and development initiatives.
- Prudent fiscal policies and government-led economic reforms, including Vision 2030, are driving long-term economic transformation.
- Saudi Arabia's sovereign wealth funds and investment-grade credit ratings reinforce its financial stability and resilience in global markets.

Risks & Catalysts

- Oil price volatility remains a key risk, as fluctuations directly impact government revenues and overall economic performance.
- The success of economic diversification efforts will determine long-term growth sustainability, requiring continued investment and regulatory reforms.
- Geopolitical tensions in the Middle East could pose risks to investor confidence, while strategic infrastructure and development projects may serve as catalysts for future growth.

Key Macro Indicators

	FY2021	FY2022	FY2023	FY2024	2025F
Real GDP Growth	5.10%	8.70%	0.08%	1.30%	-
Inflation Rate	3.06%	2.47%	2.33%	1.70%	-
Policy Rate	1.00%	5.00%	5.20%	5.00%	-
Fiscal Balance/GDP	2.30%	2.50%	2.00%	2.80%	-
Debt-to-GDP	28.60%	23.93%	26.23%	28.30%	-
Reserves/Import	-	-	-	-	-

Sources: International Monetary Fund (IMF), Metrobank Research

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