

## Kingdom of Saudi Arabia

**Composite Rating:** Aa3/-/A+

**Bond/s:** KSA 5.125 28

**Outlook:**

### 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 USD 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

	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>2025F</b>
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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