

Saudi Arabia Capital Market 2020

Leaders, Profitability and Business Model



Marmore MENA Intelligence

is a fully – owned research subsidiary of Kuwait Financial Center 'Markaz'. Since 2006, Markaz Research has been at the forefront in disseminating thought-provoking, hard-data backed research reports.

Marmore provides actionable solutions for business leaders and policymakers.

Customized/ Tailored Research:

Our business research services cater to client's unique requirements and include:

- Deep-dive reports on topics of choice
- White labelled Research Reports
- Competition landscape and Intelligence
- Presentation support for events/ webinars
- Exclusive reports for branding and investor relations
- Presentations for -C Suite executives
- Data/Information requirements

To learn more about the customized research services please [click here](#).

Consulting Services:

Marmore is often engaged by institutions to conduct consulting studies. Few of the reasons why clients partner with us are as follows:

- Our breadth of coverage and deep dive research capabilities enables us to be preferred partners
- Our experienced team is adept in data validation
- We conduct channel checks to authenticate information
- Having our Parent in Kuwait, we are well versed with cultural aspects of the region and attune our findings accordingly
- We have the ability to come up with solutions which actually works for the region

To learn more about consulting services please [click here](#).

Published Research: Over a decade, Marmore has published over 800 reports on various business domains and industries. Be it in-depth detailed study on an industry, short reports on economic developments or one pager on latest developments within the GCC region, Marmore has been very prompt in providing quick insights in an easy to consume format. To consume research, users can also subscribe to various [subscription packages](#) as offered by Marmore.

TABLE OF CONTENTS

Introduction to Saudi Capital Market Ecosystem	04
Revenue and Profitability Analysis	06
Market Leaders in Asset Management	09
Market leaders in Investment Banking	14
Brokerage Market share Analysis	16
Research services analysis	21
Social Media Presence	24
Way forward	27



Request free detailed report by writing to:

sgoenka@e-marmore.com

Chapter 1

Introduction to the Saudi Capital Market Ecosystem

The Saudi Arabian Capital Market is the largest in GCC. As of December 6, 2020, It constitutes 81.5% of the market capitalization and 87.9% of the region's value traded. The rise in its leadership position can also be attributed to the year-old (2019) listing of Saudi Aramco, the oil major.

Top Saudi banks have been providing investment banking services since the oil boom of the 1970s. Over the years, compulsive speculating in stocks began. With the establishment of The Capital Market Authority (CMA) in 2003, regulations were put in place to restrain such trading. Three years later, the market crashed; the Tadawul fell by 59.3% from the peak in February 2006 to a low in December 2006. More legislation followed. Consequently, most banks spun off their investment banking activities into separate subsidiaries. 'Boutique' investment banks also set up shop in the KSA during this time.



Request free detailed report by writing to:

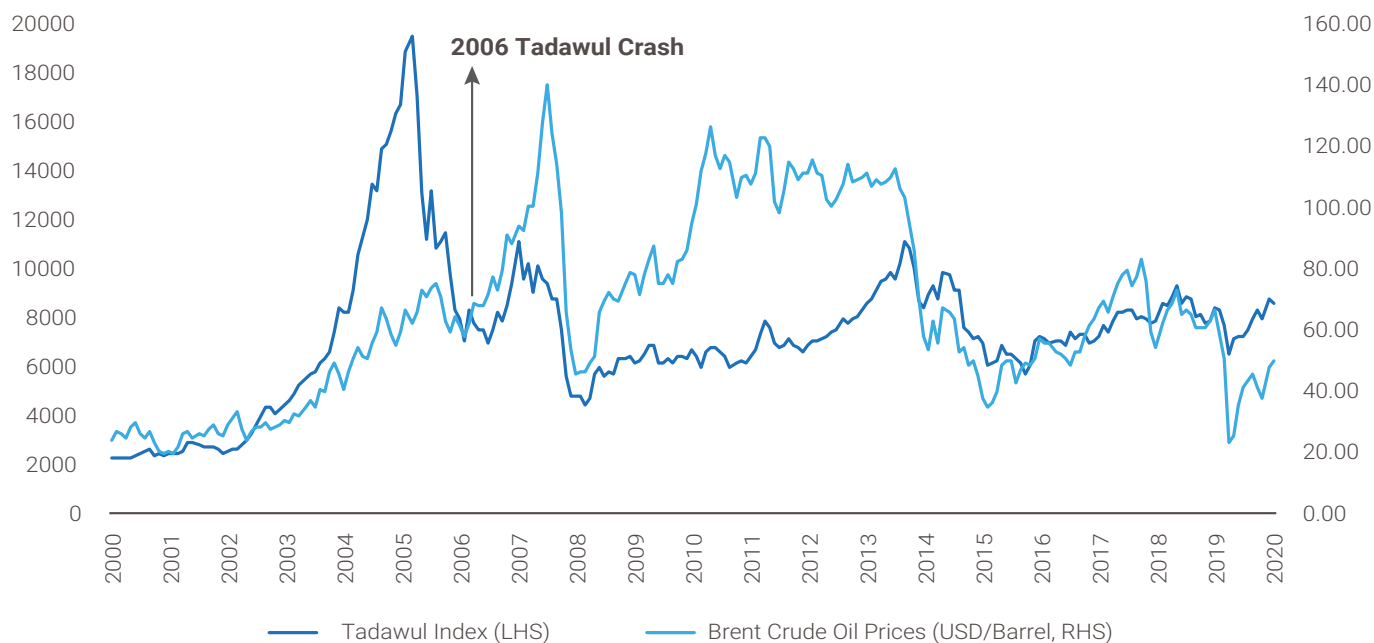
sgoenka@e-marmore.com



Request free detailed report by writing to:

sgoenka@e-marmore.com

Tadawul Index (Monthly closing price)



Source: Reinitiv

The below table gives a break-down of capital market participants by type of services provided. About 41% of the participants are all into asset management, investment banking, and brokerage. Most of the firms are subsidiaries of banks or financial institutions. There are only nine pure-play investment management firms in Saudi Arabia, while only three are pure-play asset management firms. None of the firms operate as a pure-play broker.

Breakdown of Financial firms by business focus area

Type of Business	No: of Financial firms
Investment Banking + Asset Management + Brokerage	23
Investment Banking	9
Asset Management + Investment Bank	15
Investment bank + Brokerage	5
Asset Management + Brokerage	1
Asset Managers	3
Brokers	0
Total	56

Source: Refinitiv, Company filings, Marmore Analysis

HOW CAN MARMORE HELP ?

Marmore MENA Intelligence has been providing research services to various clients across the GCC region for well over a decade now. Our presence in Kuwait aids us in better understanding the nuances of the region and support our clients with research and consulting services.



ASSET MANAGERS

Right from raising funds to deployment of the same, there are so many activities that an asset management firm undertakes. Typically, Asset management teams are much smaller compared to the brokerage firms. Asset Managers can deploy Marmore for various activities as mentioned below:

- Economic Research
- Industry/Sector Research
- Stock Screener
- Equity Research (buy-side)
- Valuation
- Fund Research
- Competitors analysis
- Management Analysis
- Portfolio Analysis
- Portfolio rebalancing
- Risk Dashboard
- Fund monitoring and Reporting
- Attribution analysis
- Due Diligence
- Robo advisory
- Capital Market Expectation models
- Content Writing Support



INVESTMENT BANKS

Some of the activities wherein Investment Banks can engage Marmore include:

- Due Diligence
- Pitch book preparation
- Sector Expertise
- Macro-economic and Industry Research
- Deep dive Company research
- Valuation models (detailed)
- Deal Intelligence



BROKERS

As brokers rely on generating revenues through trading commissions, they are also required to maintain a sell-side research desk for their clients. Brokers could engage Marmore for the following functions:

- Equity Research (sell-side)
- Thematic Research
- Industry/Sector Research
- Financial Modelling and valuation
- Offshore Associate
- Real time Result Updates

Key Contacts



M.R. RAGHU

Managing Director

Marmore MENA Intelligene

+91 44 4231 6217

rmandagolathur@markaz.com

Request free detailed report by writing to:



sgoenka@e-marmore.com

Would prefer talking to us?

Call us at:



+91 44 4231 6217



SHISHIR GOENKA

Assistance Vice President, Research & Business Development

Marmore MENA Intelligene

+91 99622 56524

sgoenka@e-marmore.com

Disclaimer

This report has been prepared and issued by Marmore MENA Intelligence Ltd (Marmore), a fully owned research subsidiary of Kuwait Financial Centre "Markaz" K.P.S.C. Marmore is a private limited company registered with the Registrar of Companies in India.

This Report is owned by Marmore and is privileged and proprietary and is subject to copyrights. Sale of any copies of this Report is strictly prohibited. This Report cannot be quoted without the prior written consent of Marmore. Any user after obtaining Marmore's permission to use this Report must clearly mention the source as "Marmore." The Report is intended to be circulated for general information only and should not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction.

The information and statistical data herein have been obtained from sources we believe to be reliable, but no representation or warranty, expressed or implied, is made that such information and data is accurate or complete, and therefore should not be relied upon as such. Opinions, interpretations, estimates, and projections in this report constitute the current judgment of the author as of the date of this Report. They do not necessarily reflect the opinion of Markaz or Marmore or other identified parties and are subject to change without prior notice. Neither Marmore nor Markaz have an obligation to update, modify, or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast, or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn.

This Report may not consider the specific investment objectives, financial situation, and the particular needs of any specific person who may receive this report. Investors are urged to seek financial advice regarding the appropriateness of investing in any security or investment strategy discussed or recommended in this report and to understand that statements regarding future prospects may not be realized. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Investors should be able and willing to accept a total or partial loss of their investment. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily indicative of future performance.

Markaz may seek to do business, including investment banking deals, with companies covered in its research reports. Markaz may have interests in the areas covered in this research report. Markaz, Markaz managed entities, its clients, or its employees may have from time to time long or short positions in any security, derivative or other types of assets referred to in this research report. As a result, investors should be aware that Markaz may have a conflict of interest that could affect the objectivity of this report.

This report may provide the addresses of or contain hyperlinks to websites. Except to the extent to which the report refers to website material of Markaz and Marmore, Markaz has not reviewed the linked site and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to Markaz's or Marmore's own website material) is provided solely for your convenience and information, and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through this report or Markaz's or Marmore's website shall be at your own risk.

For further information, please contact 'Markaz' at P.O. Box 23444, Safat 13095, Kuwait; **Email:** enquiry@e-marmore.com; **Tel:** 00965 22248280; **Fax:** 00965 22495741.