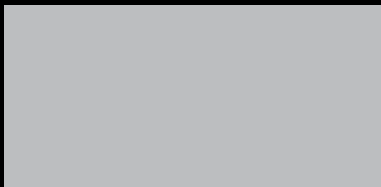




Objectives of Opening the Saudi Stock Market for Foreign Investment



نَسْتَمِرُّ فِي الثِّقَةِ
Investing confidence



Opening the Saudi Stock Market and allowing qualified foreign financial institutions to invest in it does not focus on attracting capital or liquidity to the market. However, it aims to achieve several objectives on the short and long term as following:

1. Promote CMA's efforts to increase institutional investment in the Saudi Capital Market which would contribute to market stability and reduce high volatility in prices through attracting the expertise of specialized foreign investors, with long term investment goals in the local market.
2. Transfer the knowledge and expertise to the local investors and financial institutions and to raise the level of professionalism of the market participants by attracting highly professional experts.
3. Enhance the market efficiency and motivate the listed companies and the specialized investment companies to raise their performance by improving the level of transparency, financial information disclosure and governance practices.
4. Strengthen the Saudi Capital market's position to become a leading market. In addition to increase the opportunities of raising its rating to be classified as an emerging market under the global indices, led by Morgan Stanley Capital International (MSCI) index which many markets seek to be part of.
5. Raise the level of research, studies and evaluation done on the market in general and on listed companies in particular which would provide more accurate information and more fair assessments.





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