

## Overseas Market Information

**Saudi Arabia****New Rules set for foreign investment in Tadawul**

Saudi Arabia's Capital Market Authority (CMA) issued new rules for foreign investment in the Saudi Stock Exchange (Tadawul) on 4th May, 2015, Riyadh is preparing to open the largest bourse in the region, with a capitalization of US\$ 590 billion, to qualified foreign investors (QFIs).

The rules will be effective from 1st June, 2015 and QFIs will be allowed to buy listed shares from 15th June, 2015. The rules permit QFIs, including banks, brokerages, fund managers and insurance companies, with at least SR 18.75 billion (US\$ 5 billion) in assets under management to invest. Each QFI may only own 5 per cent of a listed firm's shares. Overall, QFIs may own up to 20 per cent of shares of any listed company. QFIs may only own 10 per cent of the overall market value. Foreign entities will be able to hold up to 49 per cent of a single stock.

*(Source : MEED, Vol.59, No.19)*