



The Securities Clearing Center Company “Muqassa”

“Muqassa” is one of the key pillars of Saudi Arabia’s Financial Sector Development Program (FSDP), where its plays a significant role in developing market infrastructure to enhance market efficiency and is essential for the development of new products and services in the Saudi capital markets.

“During a year of growth and achievements, Muqassa demonstrated its ability to innovate, adapt and strengthen its role within Saudi Arabia's capital market infrastructure, delivering impactful results that solidified its reputation as a trusted and forward-thinking clearinghouse. This commitment to excellence and strategic growth set the stage for continued success and expanded influence both locally and regionally”.

Mr. Wael Abdullah Al-Hazzani
 CEO, Muqassa



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Ownership

100%

Owned by the Saudi Tadawul Group

Headquarters

Riyadh, Kingdom of Saudi Arabia

Paid up share capital

600 million

Number of shares

60 million

(SAR 10 each)

Key activities and services

Central counterparty clearing services for all cash market securities traded on the Saudi Exchange (equities, Sukuk and bonds, ETFs, REITs).

Central counterparty clearing services for all derivatives and securities traded on derivatives market (Index Futures, Single Stock Futures and Single Stock Option).

Repo clearing services.

In 2024, the Securities Clearing Center Company (Muqassa) demonstrated its strength as an innovative and purpose-driven organization, achieving significant milestones that reinforced its role as a cornerstone of Saudi Arabia's capital market infrastructure. The Go-Live of the second phase of the Post-Trade Transformation Program (PTTP) was a defining achievement, delivering numerous enhancements to the post-trade structure, emphasizing efficiency, market integrity and adherence to best practices. This ambitious upgrade boosted Muqassa's ability to support a well-balanced, high-performance market environment while meeting regulatory standards.

A major success was Muqassa's pivotal role in the smooth execution of the Saudi Aramco fully marketed offer (FMO), clearing transactions valued at SAR 42.1 billion. Muqassa also successfully cleared transactions valued at SAR 3.8 billion related to Saudi Telecom Company's Accelerated Bookbuild Offering. This showcased its capabilities in handling large-scale, high-stake transactions seamlessly. Further cementing its commitment to market resilience, Muqassa successfully participated in the Cyber Resilience Exercise (CRE), enhancing its readiness to address potential cyber threats, while also completing a compliance assessment with the Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO).

Vision

To be a leading clearing house that fosters stability in Saudi and regional financial markets.

Mission

To provide reliable, efficient and innovative clearing services.



Muqassa continued

Strategically, Muqassa took steps to expand its market offerings, including the approval from the Capital Market Authority (CMA) to amend its rules and procedures, paving the way for new functionalities and greater operational efficiency. The introduction of the full list of government Sukuk and bonds as acceptable collateral expanded financial flexibility, ensuring broader risk management options for members. In addition, Muqassa received SAMA and CMA approvals for its recovery plan, a critical component for market stability, ensuring the organization can maintain operations during times of crisis and thereby uphold confidence in the financial system.

Muqassa also demonstrated its proactive approach to risk management by establishing a Risk Working Group to support its Risk Management Committee with strategic advisory inputs, ensuring alignment with international best practices. Throughout 2024, Muqassa maintained a perfect track record with zero clearing member defaults and consistent, smooth operations, further underscoring its commitment to reliability. These accomplishments, paired with Muqassa's adherence to international standards and continuous operational enhancements, underline its mission of driving innovation, ensuring stability and contributing meaningfully to the growth of Saudi Arabia's capital markets.



Derivatives Market

13

Derivatives Clearing Members¹

DCMs: 4 | NCMs: 4 | GCMs: 5

121

MT30 Index Futures Contracts Cleared

3,501

Single Stock Futures (SSFs) Contracts Cleared

59

Single Stock Options (SSOs) Contracts Cleared

ﷲ 39.21

million

Value of Cleared Products

69.24 million

Collateral under Management²

Cash Market

40

Cash Market Clearing Members¹

DCMs: 10 | NCMs: 23 | GCMs: 7

ﷲ 1,574.2

billion

Value of Cleared Products

4.56 billion

Collateral under Management

1. Includes General Clearing Members (GCM), Direct Clearing Members (DCM) and Non-Clearing Members (NCM)
 2. Considering collaterals relating to the derivatives market only

Muqassa maintained stability and consistency across its organizational, structural and strategic frameworks. Muqassa chose to focus on refining its existing service structure and ensuring the continued delivery of high-quality clearing services. This approach enabled Muqassa to build upon its established operational strengths and deliver seamless, reliable support to market participants.

Muqassa maintained a 100% settlement ratio, ensuring no trades required in the cash substitution process, which highlights the efficiency and reliability of their clearing services. The average settlement ratio on the intended settlement day (ISD) stood at 99.93%, with only a minimal 0.07% of transactions settling within ISD+1 to ISD+8. Through strategic initiatives, strict regulatory compliance and a dedication to maintaining robust clearing processes, Muqassa continues to uphold its reputation and actively supports the stability and growth of Saudi Arabia's capital markets. Muqassa also successfully passed the annual audit and review processes for its ISO certification for the year 2024 - ISO 9001:2015 Quality Management System.

This exceptional performance significantly contributed to Saudi Tadawul Group's strategic progress, underscoring its robust financial contributions and the effectiveness of its operational improvements. Muqassa's impact was further amplified through strategic initiatives such as the launch of PTTTP Phase 2.0, the expansion of accepted collateral options and enhanced clearing services. These efforts not only strengthened Muqassa's role within the Group but also strengthened the overall market position of the Group, reflecting a solid alignment with the Group's growth and performance objectives.

Muqassa also played a vital role in supporting the Kingdom's ambitious Vision 2030 and the Financial Sector Development Program (FSDP) by aligning closely with the Group's strategic objectives. As a key contributor to the financial markets' growth and stability, Muqassa ensured the efficiency of its clearing and settlement processes while effectively managing risks. These efforts are instrumental in creating a robust infrastructure that underpins the broader development goals of the Saudi Financial Sector Development Program, contributing to a more resilient and diversified economy.

Expanding Services for Greater Impact

This year Muqassa expanded its portfolio with a range of new offerings, each designed to enhance its value proposition for clients and strengthen its role within the Group. Building on the successful launch of the Single Stock Options (SSO) in 2023, Muqassa extended its clearing services to cover 6 additional SSOs for listed companies. This move reinforced Muqassa's leadership in providing diverse derivative products tailored to market needs.

Another notable launch was PTTTP 2.0, introduced in November, which brought numerous new features to meet both local and international market requirements, further solidifying Muqassa's role in facilitating efficient market operations.

Muqassa also made significant developments in expanding collateral options. The acceptance of non-SAR cash collateral, along with extending non-cash collateral to all listed government bonds and Sukuks - while doubling the accepted percentage per security from 5% to 10% - increased overall market participation and usage of these options.

Additionally, Muqassa joined the International Swaps and Derivatives Association (ISDA) as part of its ongoing commitment to service excellence and strategic alliances. Muqassa also successfully maintained the ISO 9001:2015 certification, underscoring its ongoing commitment to high-quality operational standards. These initiatives collectively reflect Muqassa's drive to innovate and add tangible value for its clients and the Group as a whole.

Muqassa in 2025

Looking ahead to 2025, Muqassa aims to achieve international recognition, reinforcing its commitment to excellence and establishing a global presence. Muqassa plans to evolve from a national champion to a MENA regional hub for clearing, expanding its capabilities to clear non-domestic products across various asset classes.

Muqassa will also pursue new MoUs and partnerships, both regionally and globally, to enhance its collaborative footprint and strengthen its position in the international financial landscape. Strategic initiatives for the coming year include the introduction of new products and services, such as Tri-Party Repo and the launch of the Derivatives Program, which aims to establish Muqassa as the venue of choice for trading MENA derivatives. This program will focus on building a liquid and resilient market with transparent price discovery, backed by a robust and trusted central counterparty clearing house (CCP).

These strategic moves are expected to contribute significantly to diversifying the Saudi Tadawul Group's offerings, fostering financial growth and driving innovation. Muqassa's vision for 2025 emphasizes its ongoing transformation into a key regional player, continuously enhancing services, expanding market reach and contributing to the broader goals of the Saudi financial ecosystem.