

Success Story

Post-Trade Enhancements

Advancing Market Sophistication with Post-Trade Enhancements

Saudi Tadawul Group successfully implemented its second bundle of Post-Trade Transformation Program enhancements, marking a significant milestone in the modernization of the Saudi capital market. This initiative supports the Kingdom’s ambitious Vision 2030 and aims to position Saudi Arabia as a premier global financial hub. Building on the achievements of the first phase launched in 2022, this comprehensive package introduced critical infrastructure improvements across the Group’s subsidiaries to align with global best practices and enhance operational efficiency.

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With remarkable advancements in market infrastructure and alignment with international standards, we have **enhanced the market's efficiency, strengthened its global appeal and created unrivaled opportunities for investors and Stakeholders**, underscoring our commitment to driving innovation and building a resilient, competitive financial ecosystem.

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Comprehensive Upgrades across the Ecosystem

With significant updates across the Saudi Exchange, Edaa and Muqassa, the enhancements are the most extensive post-trade enhancements in the history of the Saudi capital market:

Saudi Exchange

implemented an **order flagging mechanism** to ensure trading continuity during disconnections, while market makers benefited from the automation and synchronization of bid-ask quotes, fostering tighter spreads and improved liquidity.

Edaa

adopted the **ISO 20022 messaging standard**, facilitating better communication and aligning with international standards, while also upgrading reporting capabilities for securities depository operations.

Muqassa

advanced its **multi-asset clearing engine to support seamless clearing** for equities, bonds, Sukuk, Repo, exchange-traded derivatives and OTC derivatives, further strengthening risk management frameworks and enabling better margining capabilities.

Driving Market Growth and Investor Confidence

These enhancements yielded significant benefits, including a reduction in systemic risk, streamlined market operations and diversified investment opportunities. By improving market stability and transparency, the program increased participation from domestic and international investors,

helping the Saudi capital market achieve global prominence. The advancements facilitated better liquidity provision, supported higher trading volumes and strengthened investor confidence in the reliability and resilience of the market infrastructure, fortifying the Saudi capital market’s role as a driving force for economic growth and a hub for global investment.