



Regulatory framework and approach

- The Saudi Arabian Monetary Agency regulates exchange rate policy, and is also responsible for implementing monetary policy (<http://www.sama.gov.sa>).
- SAMA has two policy rates, the official repo rate and the reverse repo rates. Banks can tender government T-bills to the repo in exchange for SAR funding. SAMA also uses changes in reserve requirements to tighten or loosen credit conditions.
- The Saudi Riyal is a fully deliverable and convertible currency.

Onshore SAR products

FX spot market

Avg. ticket size:	USD 25 - 100mn
Bid/ask spread:	SAR 0.0004
Avg. daily volume:	USD 1-3bn
Ref. source:	Reuters Page <SAMA01>
Trading hours:	7:30-17:00 London

FX forwards/swaps

Avg. ticket size:	USD 25mn (FX forwards); USD 25mn (FX swaps)
Liquid tenors:	<5Y
Bid/ask spread:	0.0020 – 0.0040 (1y)
Avg. daily volume:	USD 1.5-3.0bn
Ref. source:	Reuters Page <DBMEFWD>

FX options

Avg. ticket size:	USD 50mn
Liquid tenors:	<1Y
Bid/ask spread:	0.6 vol

IRS market

Avg ticket size:	USD 5-10k DV01
Bid/ask spread:	10bps 5Y
Fixing:	3M SAIBOR
Ref source:	<SAIBOR=>