



Figure 2: Expected weight of Saudi Arabia on the FTSE Secondary EM index



Source: Deutsche Bank, FTSE, Bloomberg Finance LP

FTSE inclusion done; MSCI EM decision to be announced in June
Saudi Arabia is also nominated for inclusion in the widely tracked MSCI EM Index, with a decision on inclusion to be announced in June '18. A favorable decision could translate into some USD39bn in inflows, with actual inclusion expected for June '19. For more details on Saudi inclusion into MSCI EM please refer our [strategy report dated 20-Feb-18](#). It is interesting to observe that Saudi Arabia has already witnessed foreign fund inflows of USD619m in Jan'18 - the highest inflows on record - followed by USD364m in Feb'18. The inclusion by FTSE and the impending decision by MSCI could mark the start of a sustained period of higher inflows into Saudi equities, in our view.