

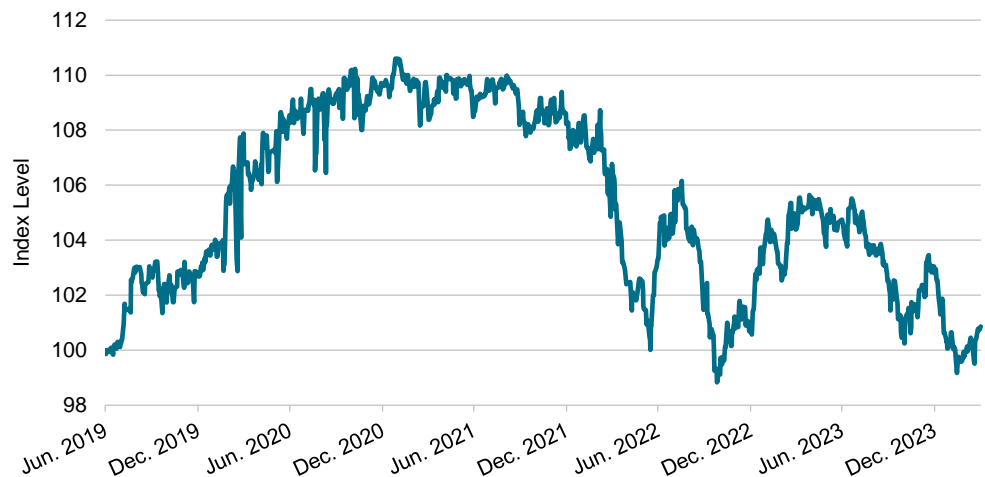
iBoxx Tadawul SAR Government Sukuk Indices – Q1 2024

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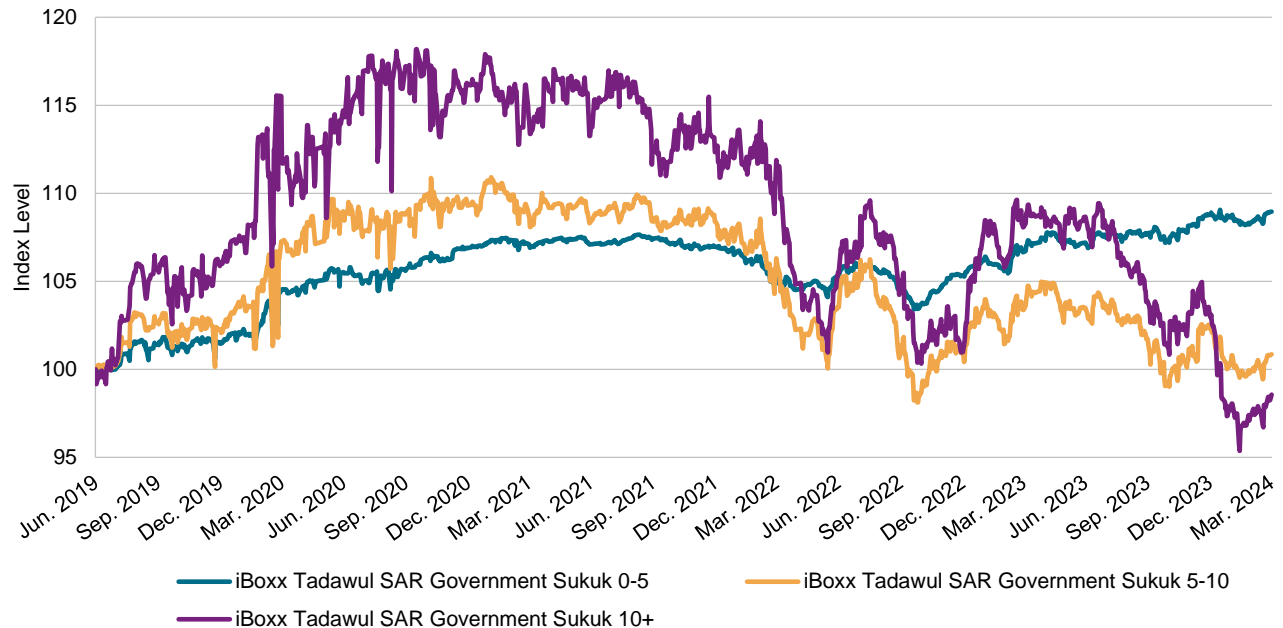
iBoxx Tadawul SAR Government Sukuk Index

Exhibit 1: iBoxx Tadawul SAR Government Sukuk Index Returns



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Index performance is based on total return in SAR. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

The iBoxx Tadawul SAR Government Sukuk Index started the year with two consecutive months of losses (-2.41% and -0.42%), almost revisiting the lows of October 2022 in February before rebounding with a 0.96% gain in March. The index closed the first quarter of the year with a -1.89% return.

Exhibit 2: Total Return by Maturity

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Index performance based on total return in SAR. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

In Q1, the 0-5 year segment maintained its lead and performed the best, up 0.16%, followed by the 5-10 year maturity segment, which was down 1.43%. The 10+ year maturity segment, which is the most sensitive to interest rate changes, dropped to an all-time low in February before recovering by 1.22% in March, bringing its Q1 return to -4.35%.

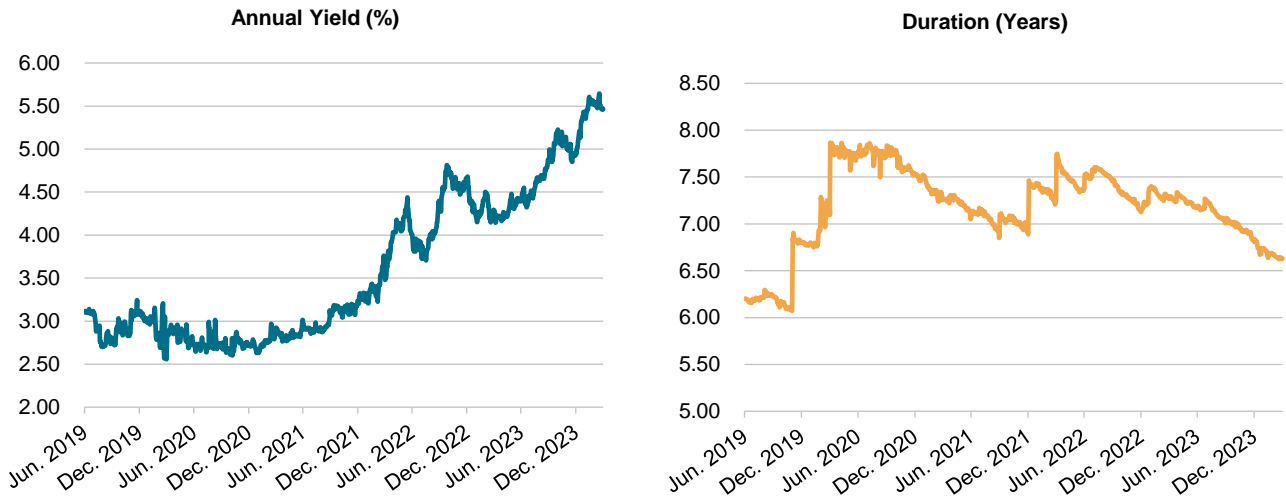
Exhibit 3: Key Analytics of the iBoxx Tadawul SAR Government Sukuk Index

Key Analytics	iBoxx Tadawul SAR Government Sukuk Index
Annual Yield (%)	5.46
Coupon (%)	3.27
Duration (Years)	6.63
Expected Remaining Life (Years)	8.69
Average Rating	A
Currency	SAR
Debt Type	Domestic Sovereign Sukuk
March Return (%)	0.96
Q1 Return (%)	-1.89
2024 Return (%)	-1.89

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Index performance based on total return in SAR. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

The annual yield of the index increased by 49 bps, while the duration continued its downward trajectory to 6.63 years at the close of Q1. The number of constituents decreased from 53 to 52 in Q1 after a sukuk with a notional amount of approximately SAR 4 billion matured in January.

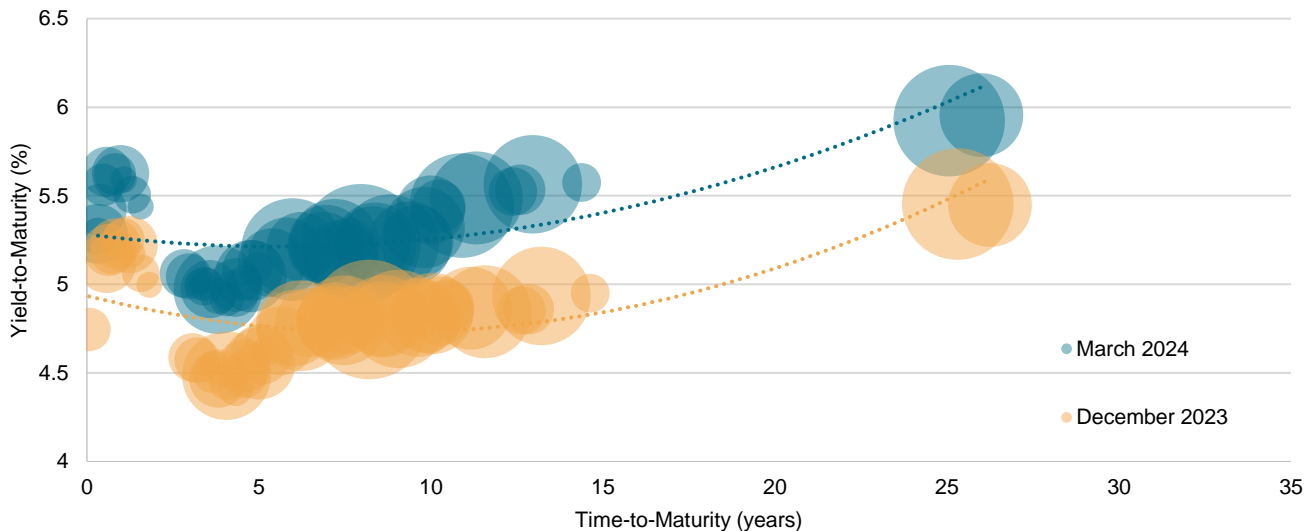
Exhibit 4: Key Analytics of the iBoxx Tadawul SAR Government Sukuk Index



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

As shown in Exhibit 5, the yield curve shifted upward as yields across all maturity segments rose. The shape of the curve remains largely unchanged as the yields of most medium-dated sukuk continue to be lower than the yields of short-dated sukuk.

Exhibit 5: Yield Curve of the iBoxx Tadawul SAR Government Sukuk Index



(Bubble Scale = Notional Amount Outstanding in SAR)
 Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Exhibit 6: Quarterly and Monthly Return by Maturity and Monthly Index Performance

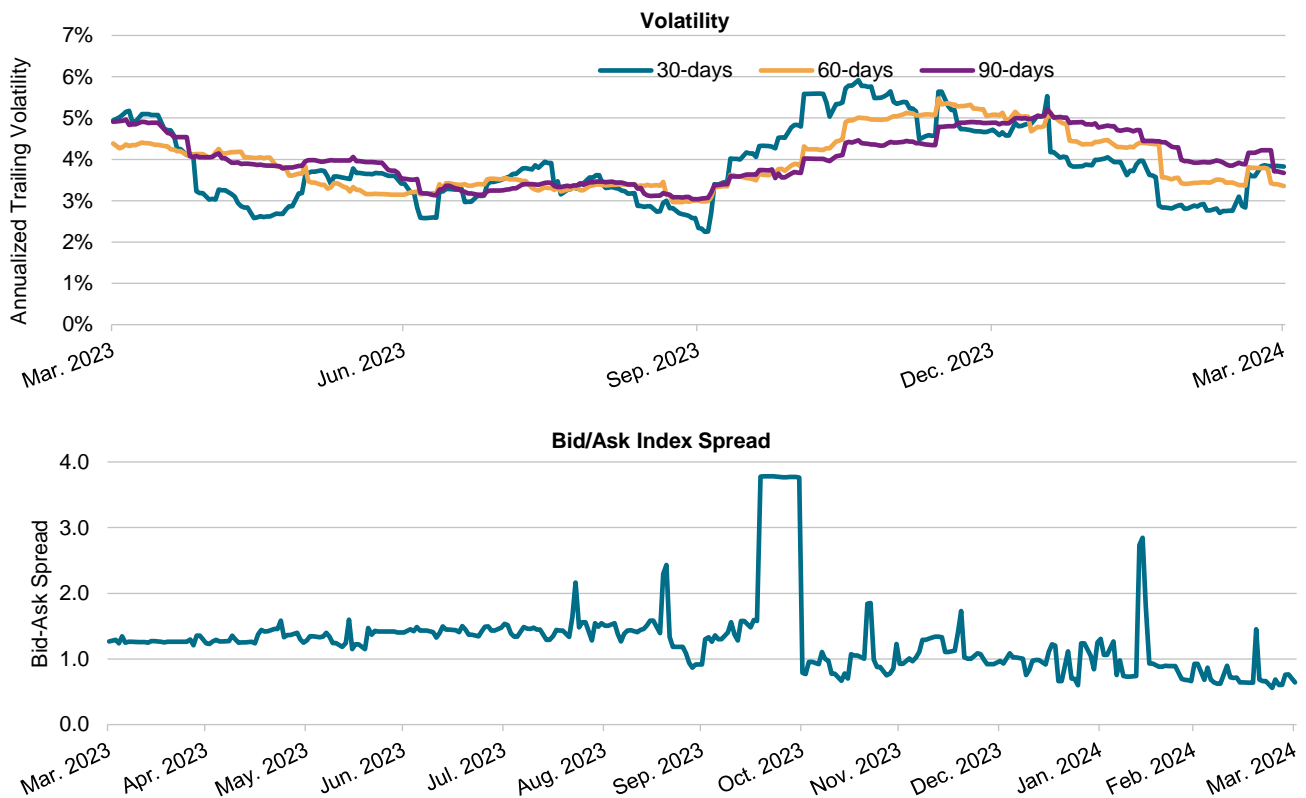
Period	Maturity				
	1-3 Years	3-5 Years	5-7 Years	7-10 Years	10+ Years
Q1 Return (%)	0.86	-0.51	-1.01	-1.62	-4.35
March Return (%)	0.49	0.66	0.86	1.04	1.22

Period	Monthly Returns for the iBoxx Tadawul SAR Government Sukuk Index						
	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024
Monthly Return (%)	-1.24	-2.00	1.70	0.60	-2.41	-0.42	0.96

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Volatility and Liquidity

Exhibit 7: Volatility and Duration-Adjusted Bid-Ask Spread of the iBoxx Tadawul SAR Government Sukuk Index Overall



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. The iBoxx Tadawul SAR Government Sukuk Index Overall (annualized) trailing volatility was derived from the trailing standard deviation of the index’s daily log return, based on a 30-day, 60-day and 90-day lookback period and shown alongside the duration-adjusted bid-ask spread. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

As seen in Exhibit 7, volatility calmed down slightly in Q1 and lowered to below 5% after testing the 6% region in Q4 2023 after the Israel-Hamas conflict broke out.

iBoxx Tadawul SAR Government Sukuk and Bond Index

Exhibit 8: iBoxx Tadawul SAR Government Sukuk and Bond Index Returns



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Index performance is based on total return in SAR. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

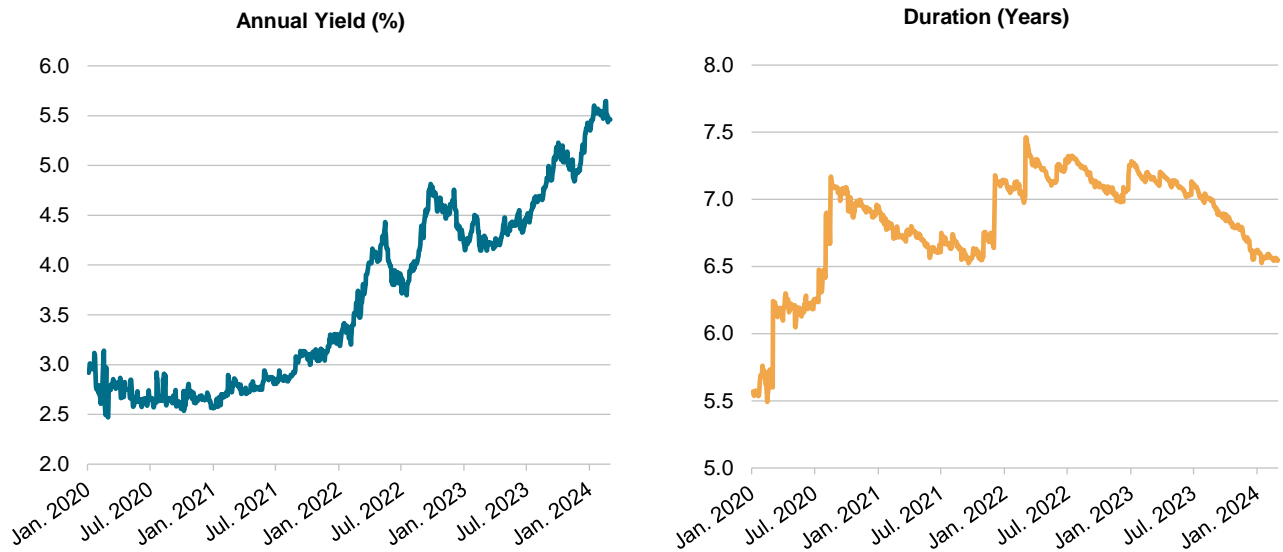
The iBoxx Tadawul SAR Government Sukuk and Bond Index ended Q1 with a return of -1.86%. Its yield increased by 49 bps, and its duration shortened by 0.14 years. On top of the 52 sukuk that exist in the iBoxx Tadawul SAR Government Sukuk Index, the iBoxx Tadawul SAR Government Sukuk and Bond Index has an additional nine bonds.

Exhibit 9: Key Analytics of the iBoxx Tadawul SAR Government Sukuk and Bond Index

Key Analytics	iBoxx Tadawul SAR Government Sukuk and Bond Index
Annual Yield (%)	5.46
Coupon (%)	3.31
Duration (Years)	6.55
Expected Remaining Life (Years)	8.58
Average Rating	A
Currency	SAR
Debt Type	Domestic Sovereign Sukuk and Bonds
March Return (%)	0.94
Q1 Return (%)	-1.86
2024 Return (%)	-1.86

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Index performance is based on total return in SAR. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

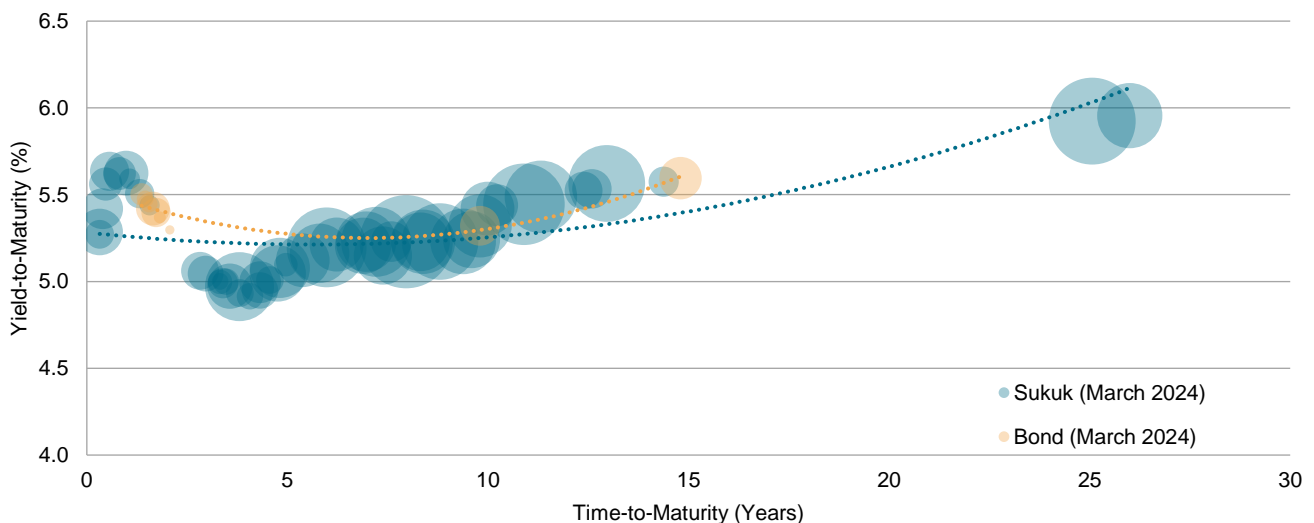
Exhibit 10: Key Analytics of the iBoxx Tadawul SAR Government Sukuk and Bond Index



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

The range of time-to-maturity of the bonds within the index was extended as two longer-dated bonds (9.8 years and 14.8 years) joined the other bonds in the index, which are in the 1-2-year maturity segment. With a collective notional amount of SAR 23.4 billion, the yield of SAR government bonds rose in tandem with the yield of SAR government sukuk, to about 5.4%.

Exhibit 11: Bonds versus Sukuk Yields in the iBoxx Tadawul SAR Government Sukuk and Bond Index



(Bubble Scale = Notional Amount Outstanding in SAR)

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2024. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

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