



المركز الوطني لإدارة الدين  
NATIONAL DEBT MANAGEMENT CENTER

# Annual Borrowing Plan Report

## Fiscal year **2025**



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## Introduction

The National Debt Management Center (“NDMC”) has prepared this report as a general statement of the 2025 annual borrowing plan. This report contains NDMC’s forecasts related to certain data included in the report and its plan. Such forecasts and data may materially change subject to domestic and international market conditions. Neither the Ministry of Finance nor the NDMC accepts any liability for, or obligation to publish any revisions to, the forecasts or the data in this report to reflect changes in market conditions after the publication date. The report and data included in this report do not constitute investment advice, and they shall not be considered as a solicitation or offer to sell or purchase any securities, deal in any product, or enter any transaction.

# 01



## NDMC's Objectives



## NDMC Objectives

### The NDMC aims to

01

Contribute to setting and developing the Kingdom's public debt policy, and securing the Kingdom's financing needs in the short, medium, and long term.

02

Ensure the kingdom sustainable access to broad range of debt markets for issuing sovereign debt instruments at fair prices grounded in sound risk management practices and frameworks.

03

Proactively monitor and manage the kingdom's credit rating affairs in coordination with government agencies.

04

Provide advisory services for governmental bodies, companies in which the government owns more than (50%) and public institutions in NDMC's expertise, including collecting and monitoring of direct and indirect public debt data, provide advisory services related to hedging policies, investor relations management in public debt instruments, credit rating affairs, or other related services.



02



# Executive Summary



## Executive Summary



**The sovereign outstanding debt portfolio reached a total of SAR 1,216 bn by the end of 2024**, of which 61% represents domestic debt and 39% international debt. Furthermore, the split between fixed and floating rate debt of the total debt portfolio reached 88% fixed rate debt and 12% floating rate debt. In addition, the Debt-to-GDP ratio by the end of 2024 is estimated to reach to 29.7%.



**In April 2024, the Kingdom revised the funding plan announced in the Annual Borrowing Plan (ABP), increasing the targeted funding activities from SAR 86 bn to a level up to SAR 138 bn.** This step comes with the aim of capitalizing on market opportunities to achieve proactive financing for the coming year and utilizing it to bolster the state's general reserves or seize additional opportunities to enhance transformative spending during this year, thereby accelerating strategic projects and programs of Saudi Vision 2030.



In alignment with the objectives of the Saudi Vision 2030, and as part of the strategy to support the continuity and completion of the developmental projects in the Kingdom, **the NDMC have executed additional funding activities over the set Annual Borrowing Plan (ABP).**



In line with the NDMC's objective of effectively managing and evaluating the future refinancing risk associated with the Kingdom's debt portfolio, **the NDMC successfully executed a domestic liability management transaction exceeding SAR 64 bn in total value.**



**By 2024 year-end, total borrowing activities including the liability management transaction have reached a total of SAR 245 bn**, of which SAR 168 bn was secured locally and SAR 77 bn was secured internationally.



**As per the Ministry of Finance (MoF) Official Budget Statement of 2025, the budget deficit is expected to reach SAR 101 bn. In addition, outstanding debt maturities due in 2025 stand at SAR 38 bn. Therefore, total government funding needs for the year would reach up to SAR 139 bn.**



The NDMC continues to monitor risks associated with liquidity, refinancing, interest rates, foreign exchange, and credit ratings.



**Fitch Affirmed the Kingdom's rating at "A+" with a stable outlook in February 2024, while Standard & Poor's Revised the kingdom's outlook from Stable to Positive in September 2024. In addition, Moody's upgraded the Kingdom's rating from "A1" to "Aa3" with a stable outlook in November 2024.**



# 03



## Fiscal Developments and Economic Outlook





## Fiscal Developments and Economic Outlook<sup>(1)</sup>

### 3.1 Fiscal Developments

Saudi Arabia's FY2025 Budget outlines total revenues of SAR 1,184 bn, with expenditures projected at SAR 1,285 bn, resulting in a budget deficit of SAR 101 bn (2.3% of GDP). Over the medium term, revenues are expected to grow to SAR 1,289 bn by 2027, while expenditures are estimated to reach to SAR 1,429 bn, reflecting ongoing investments in transformational initiatives under Saudi Vision 2030. The budget deficit is anticipated to reach to SAR 140 bn (3.0% of GDP) by 2027, driven by expansionary spending to support economic diversification and infrastructure development.

SAR Billion unless stated otherwise	2021	2022	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Estimates	Projections		
<b>Total Revenues</b>	965	1,268	1,212	1,230	1,184	1,198	1,289
<b>Total Expenditures</b>	1,039	1,164	1,293	1,345	1,285	1,328	1,429
<b>Budget Balance</b>	-73	104	-81	-115	-101	-130	-140
<b>Budget Balance</b> As a % of GDP	-2.2%	2.5%	-2.0%	-2.8%	-2.3%	-2.9%	-3.0%

### 3.2 Economic Outlook

Real GDP is projected to grow by 4.6% in 2025, supported by the growth in the GDP of non-oil activities and the ongoing role of the private sector as a key driver of economic growth. Nominal GDP is forecasted to reach SAR 4,352 bn in 2025 and is expected to increase further to SAR 4,718 bn by 2027, reflecting the impact of Saudi Vision 2030 reforms. The fiscal policy aims to balance economic growth with fiscal sustainability, leveraging private sector participation and diversification efforts to drive long-term economic transformation.

SAR Billion unless stated otherwise	2021	2022	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Estimates	Projections		
<b>Real GDP Growth</b>	5.1%	7.5%	-0.8%	0.8%	4.6%	3.5%	4.7%
<b>Nominal GDP</b>	3,278	4,157	4,003	4,091	4,352	4,431	4,718

<sup>(1)</sup> As per the Ministry of Finance (MoF) Official Budget Statement of 2025, and actual levels are as per the budget performance reports including the GDP published levels.



04



# Sovereign Debt Portfolio

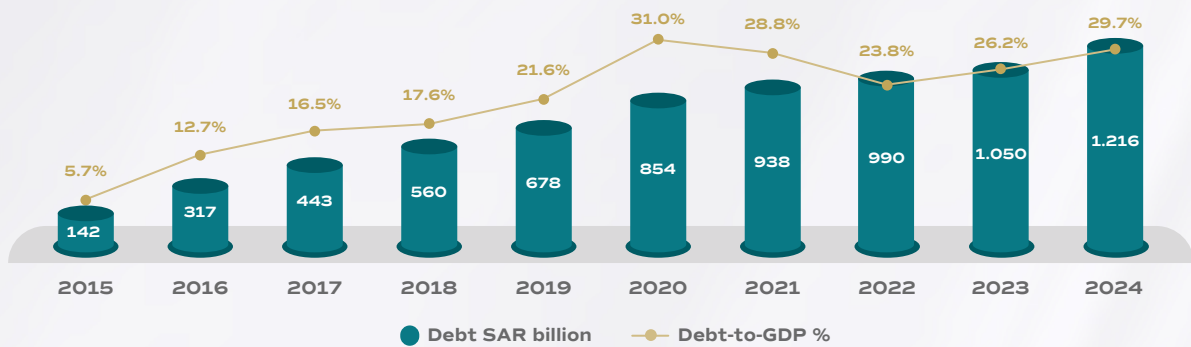


## Sovereign Debt Portfolio

### 4.1 Debt Portfolio Overview

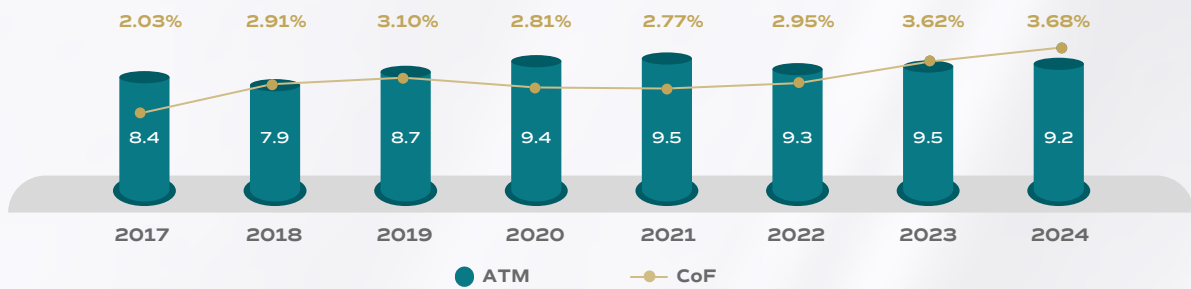
The sovereign outstanding debt portfolio reached a total of SAR 1,216 bn by the end of 2024, of which 61% represents domestic debt and 39% international debt. Furthermore, the split between fixed and floating rate debt of the total debt portfolio reached 88% fixed rate debt and 12% floating rate debt.

Despite the increase in the debt portfolio level by the end of 2024, Debt-to-GDP ratio remains within an acceptable level and in line with the kingdom's medium term debt strategy, where 2024 Debt-to-GDP<sup>(2)</sup> ratio reached to 29.7%, compared to 26.2% at the end of 2023.



### 4.2 Cost of Funding (CoF) and Average Time to Maturity (ATM)

The Cost of Funding (CoF)<sup>(3)</sup> of the Kingdom's debt portfolio has reached approximately 3.68% by the end of 2024. In addition, the outstanding debt portfolio includes maturities ranging up to 40 years, and the debt portfolio Average Time to Maturity (ATM) reached 9.2 years by the end of 2024 compared to 9.5 years by the end of 2023.



<sup>(2)</sup> Gross Domestic Product (GDP) are as per the General Authority for Statistics.

<sup>(3)</sup> Cost of Funding is based on a cash basis.

# 05



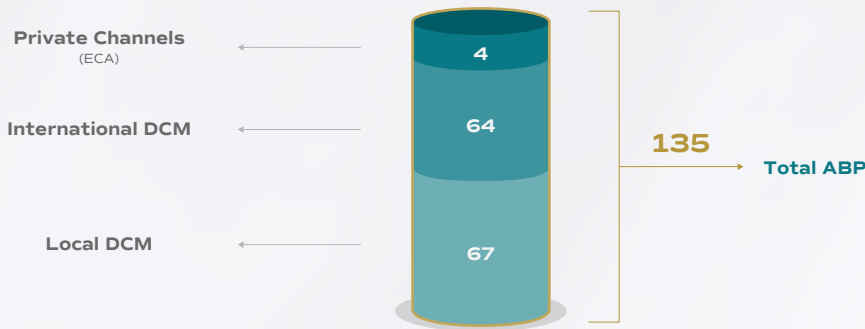
## Performance of the Fiscal Year 2024



## Performance of The Fiscal Year 2024

### 5.1 Annual Borrowing Plan of 2024

In April 2024, the Kingdom revised the funding needs announced in the Annual Borrowing Plan (ABP), increasing the targeted funding activities from SAR 86 bn to a level up to SAR 138 bn. This step comes with the aim of capitalizing on market opportunities to achieve proactive financing for the coming year and utilizing it to bolster the state's general reserves or seize additional opportunities to enhance transformative spending during this year, thereby accelerating strategic projects and programs of Saudi Vision 2030.



### 5.2 Additional Funding Activities

In alignment with the objectives of the Saudi Vision 2030, and as part of the strategy to support the continuity and completion of the developmental projects in the Kingdom, the NDMC have executed additional funding activities totaling **SAR 45 bn** that includes the following:



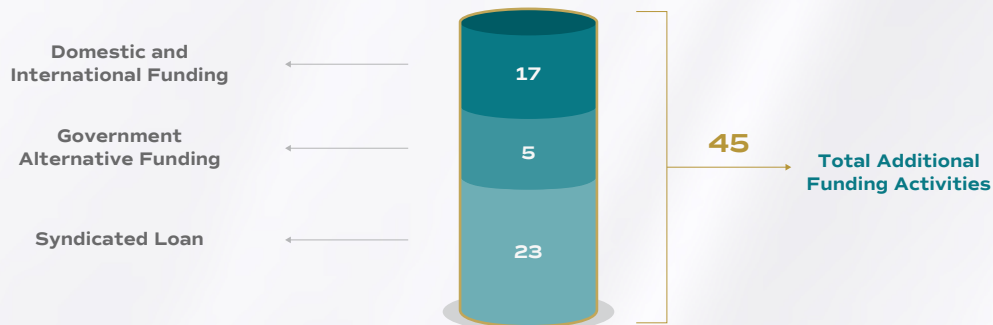
**The syndicated loan** arranged by the NDMC in alignment with the Ministry of Finance (MoF) of approximately **SAR 23.3 bn to support the construction sector.**



**The drawdowns of SAR 5 bn** from an outstanding **financing agreement** that was signed in 2022, which is related to financing infrastructure and capital expenditures in the water sector.



**A mix of domestic and international funding activities totaling approximately SAR 17 bn which includes an international Revolving Credit Facility (RCF) of SAR 9.4 bn, and SAR 7.2 bn of domestically secured debt.** This funding comes with the aim of capitalizing on market opportunities to achieve proactive financing.



## Performance of The Fiscal Year 2024

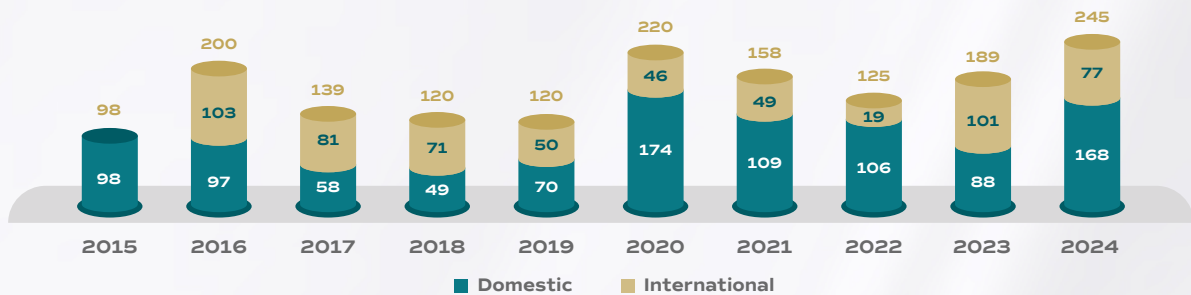
### 5.3 Liability Management Transaction

In alignment with the NDMC's objective of effectively managing and evaluating the future refinancing risk associated with the Kingdom's debt portfolio, the NDMC successfully executed a domestic liability management transaction exceeding SAR 64 bn in total value. This transaction involved a partial redemption of domestic securities maturing in 2024, 2025, and 2026, and were exchanged for new securities with longer maturities. This proactive approach demonstrates the NDMC's commitment to maintaining a sound and sustainable debt management strategy.

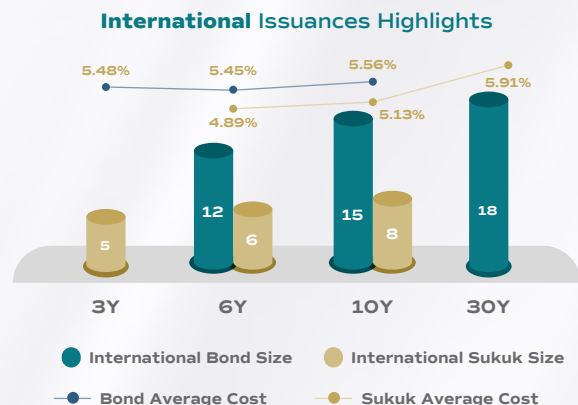
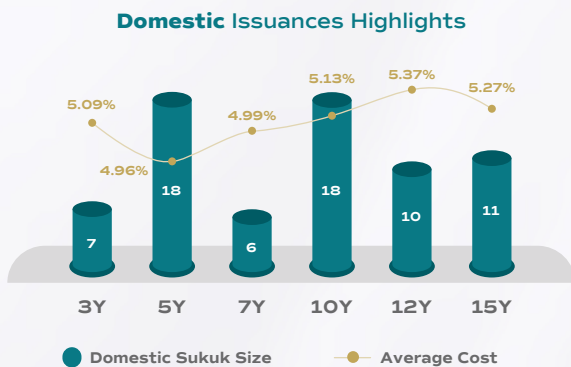


### 5.4 Total Borrowing Activities

By the end of 2024, NDMC executed the ABP, secured additional funding activities, and managed to execute a domestic Liability Management Transaction. Total borrowing activities including the liability management transaction have reached to SAR 245 bn<sup>(4)</sup>, of which SAR 168 bn was secured locally and SAR 77 bn was secured internationally.



### 5.5 Domestic and International Issuances Highlights



<sup>(4)</sup> Includes SAR 1.3 bn of the Government Saving Sukuk product, which is related to an initiative aiming to increase the savings ratio among individuals.

# 06



## Funding Plan for Fiscal Year 2025



## Funding Plan for The Fiscal Year 2025

As per the Ministry of Finance (MoF) Official Budget Statement of 2025, the budget deficit is expected to reach SAR 101 bn. In addition, outstanding debt maturities due in 2025 stand at SAR 38 bn. Therefore, total government funding needs for the year would reach up to SAR 139 bn to cover for both the expected deficit and the debt repayments.

Furthermore, the Government is committed to benefit from market opportunities to execute private transactions that can promote economic growth such as infrastructure development projects, CAPEX financing, and eligible ECA financing.

### 6.1 Debt Raising Guidelines for 2025

- The NDMC is committed to ensuring the Kingdom's sustainable access to various debt markets by issuing sovereign debt instruments at fair prices while maintaining prudent levels of risk. To achieve this objective, the NDMC will continue to diversify financing channels throughout 2025.
- This diversification will include expanding financing through export credit agencies (ECA's), financing infrastructure projects, and exploring tapping into new markets and currencies based on market conditions. These initiatives aim to expand the investor base and enhance the Kingdom's access to global capital markets.
- Total debt portfolio split between domestic and international will remain largely unchanged from historical levels.
- NDMC is expected to reduce net supply amount of USD public market in 2025 compared to previous year.
- The projected distribution of the funding channels for 2025 government funding needs are subject to market conditions, investor appetite, and may differ from the below illustrated ranges, including the net supply estimates:



### 6.2 Investor relations Strategy in 2025

In 2025, the NDMC will continue fostering strong relationships with domestic and international investors through a comprehensive outreach program. This includes conducting roadshows, participating in major global investor conferences, and organizing dedicated investor meetings. The NDMC will actively engage with investors across key regions, including Asia, Europe, and North America, to provide them with the latest updates on the Saudi economy, discuss ESG and sustainability initiatives, and showcase the Kingdom's ambitious Vision 2030 transformation agenda. Additionally, the NDMC will extend invitations to international investors to visit the Kingdom and engage directly with government leaders and witness the progress of the giga-projects that are shaping the nation's future. Diversifying the investor base is a central objective for the NDMC in 2025, and these proactive engagement efforts will play a crucial role in achieving this goal.



# 07



## Risk Management



## Risk Management

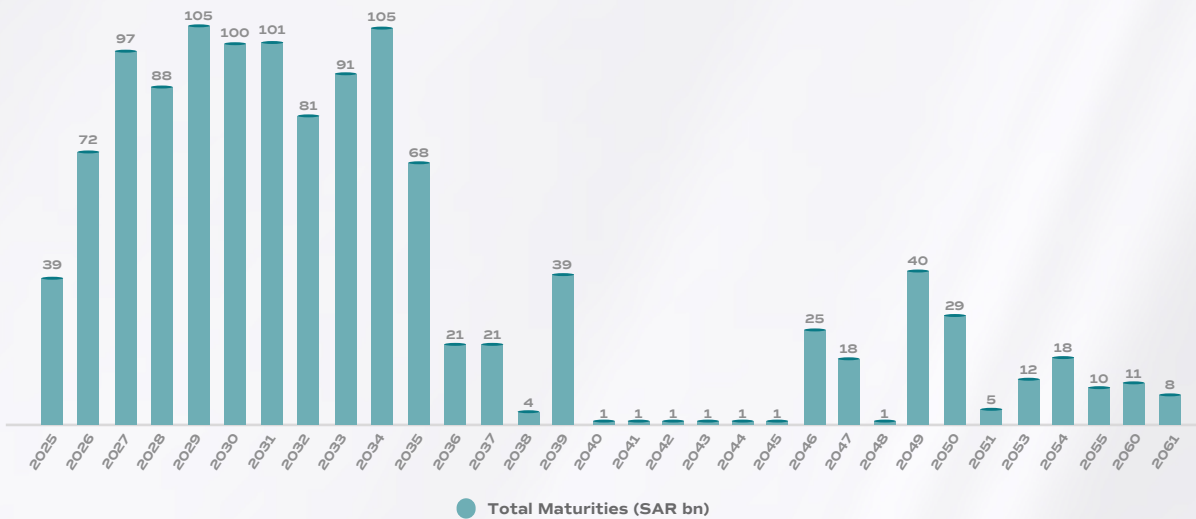
Managing sovereign debt risk is an integral element of the NDMC's debt strategy. The NDMC balances debt-raising decisions against five key risk factors which are liquidity, refinancing, interest rates, foreign exchange, and credit rating risk.

### 7.1 Liquidity

The NDMC, in cooperation with relevant stakeholders, ensures that the domestic debt market is deep enough to absorb contemplated new debt issuance. This proactive approach helps preserve strong liquidity levels in the domestic market.

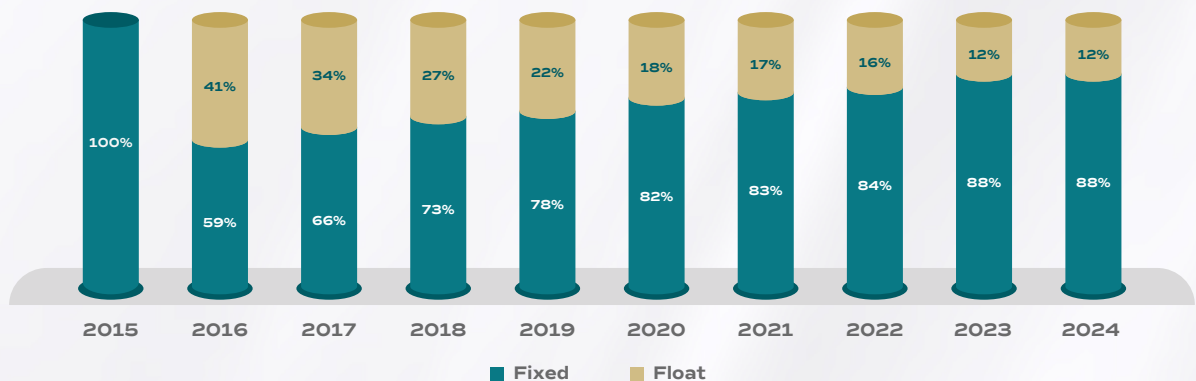
### 7.2 Refinancing

The outstanding maturities due in 2025 amounts to SAR 38 bn<sup>(5)</sup>. Future refinancing risk is managed through the execution of liability management transactions and by carefully calibrating new securities throughout the year to preserve the Average Time to Maturity (ATM) of the total debt portfolio.



### 7.3 Interest Rate Exposure

By the end of 2024, the split between fixed and floating rate debt of the total debt portfolio reached 88% fixed rate debt and 12% floating rate debt. This balanced approach helps mitigate the impact of fluctuating interest rates on the Kingdom's debt servicing costs. The NDMC continuously assesses market conditions and interest rate risk.

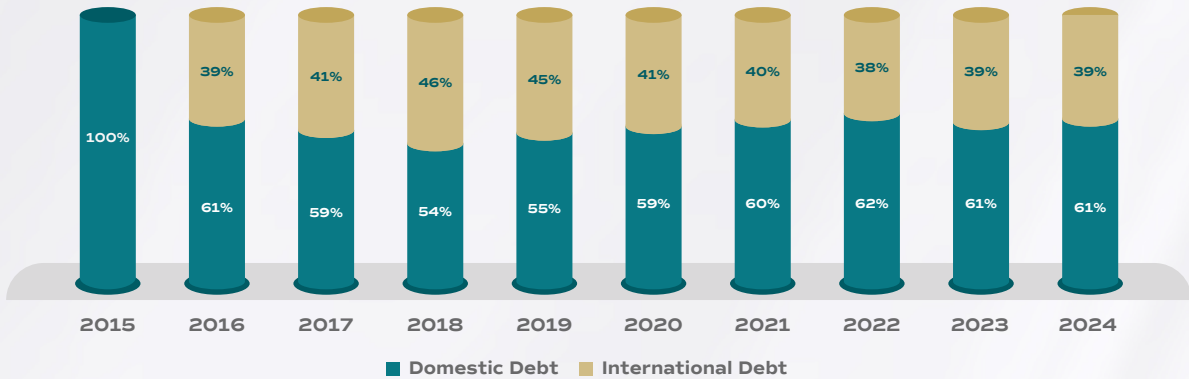


<sup>(5)</sup> Excludes SAR 1.3 bn of the Government Saving Sukuk product, which is related to an initiative aiming to increase the savings ratio among individuals.

## Risk Management

### 7.4 Foreign Exchange Exposure

Given the Kingdom's strong reserve position, robust assets, and stable currency peg regime, the current and projected portfolio of international debt carries limited foreign exchange risk. EUR-denominated debt is the only non-USD exposure and represents around 1% of the total debt portfolio by the end of 2024.



### 7.5 Credit Rating

The NDMC coordinates the Kingdom's sovereign credit rating affairs in collaboration with relevant government entities. This collaborative approach ensures effective management of the Kingdom's creditworthiness, facilitating access to new global debt markets at favorable rates.

#### Kingdom of Saudi Arabia's Historical Credit Rating in 2022 and 2023

- Fitch revised outlook to positive in **April 2022**.
- Standard & Poor's revised outlook to positive in **March 2022**.
- Fitch upgraded The Kingdom to (A+) with stable outlook in **April 2023**.
- Standard & Poor's upgraded the Kingdom to (A) stable outlook in **March 2023**.
- Moody's Revised outlook to positive in **March 2023**.

#### Sovereign Rating for the Kingdom 2024:

**FitchRatings**

Affirmed the Kingdom's rating  
at **"A+"** with a **stable outlook**

in **February 2024**

**S&P Global**

Revised the kingdom's  
outlook from **Stable** to  
**Positive**

in **September 2024**

**MOODY'S**

upgraded the Kingdom's  
rating from **"A1"** to **"Aa3"** with  
a **stable outlook**

in **November 2024**

## Risk Management

### Main Highlights by the Credit Rating Agencies

#### Fitch Ratings

- The agency noted that Saudi Arabia's debt level is rising but remains low (compared to the "A" rated countries average of 50%).
- Saudi Arabia reflects a strong fiscal and external balance sheet.
- Fitch Rating indicates significant fiscal buffers in the form of deposits and other public sector assets.

#### S&P Global

- The positive outlook reflects the potential that the Saudi government's wide-ranging reforms and investments will underpin the development of the non-oil economy while upholding sustainable public finances.
- S&P highlights that the continued execution of Saudi Vision 2030 initiatives is expected to bolster strong non-oil growth prospects in Saudi Arabia over the medium term.
- S&P projects stronger growth averaging 4.3% over 2025-2027.

#### MOODY'S

- Moody's expects the non-hydrocarbon private sector GDP is expected to grow by approximately 4-5% in the coming years, among the highest in the Gulf Cooperation Council (GCC).
- The Kingdom will continue to benefit from sizeable government financial assets (GFAs) of 20-25% of GDP.
- The Kingdom's non-hydrocarbon mining sector is already demonstrating some potential with exports of phosphate fertilizers, aluminum, and various precious, industrial, and base metals including gold, copper, and zinc.

08



# 2025 Calendar of Domestic Sukuk Issuances



# 2025 Calendar of Domestic Sukuk Issuances

## January 1

Sun	Mon	Tue	Wed	Thr	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## February 2

Sun	Mon	Tue	Wed	Thr	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

## March 3

Sun	Mon	Tue	Wed	Thr	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

## April 4

Sun	Mon	Tue	Wed	Thr	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

## May 5

Sun	Mon	Tue	Wed	Thr	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

## June 6

Sun	Mon	Tue	Wed	Thr	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

## July 7

Sun	Mon	Tue	Wed	Thr	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## August 8

Sun	Mon	Tue	Wed	Thr	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

## September 9

Sun	Mon	Tue	Wed	Thr	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

## October 10

Sun	Mon	Tue	Wed	Thr	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## November 11

Sun	Mon	Tue	Wed	Thr	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

## December 12

Sun	Mon	Tue	Wed	Thr	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Fonding Day

Offer Day

Settlement Day

Eid Holidays

National Day



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