



Monetary and Banking Developments

1st Quarter, 2014

Economic Research Department

Rajab, 1435H – May, 2014

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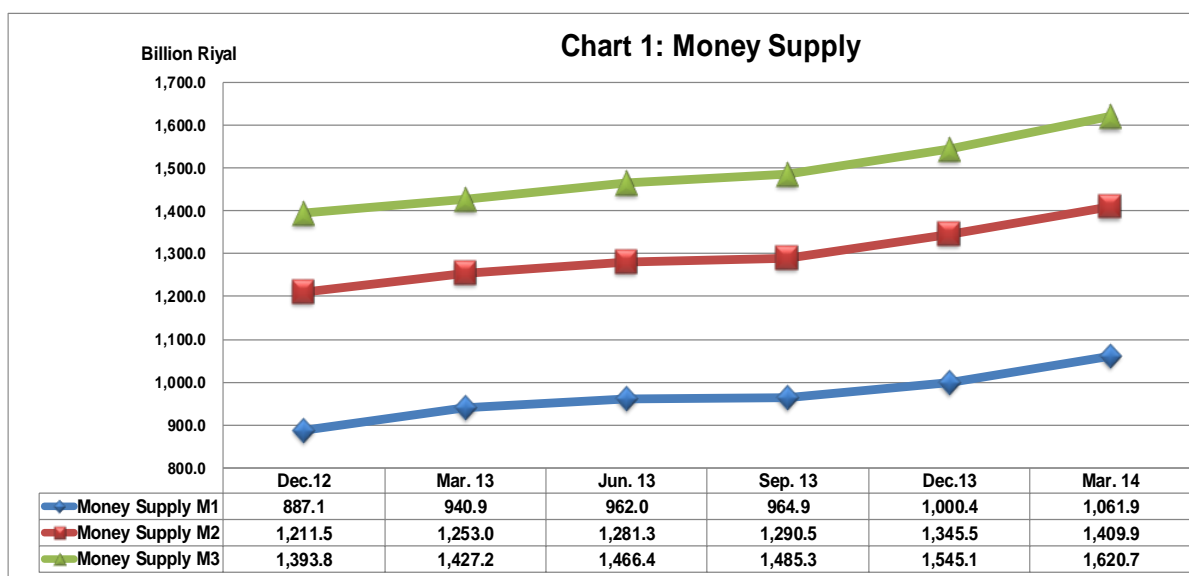
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First: Monetary Developments

1.1 Money Supply

Broad money supply (M3) increased by 4.9 percent (SAR 75.5 billion) to SAR 1,620.7 billion during the first quarter of 2014, compared to an increase of 4.0 percent (SAR 59.9 billion) during the preceding quarter. It also achieved an annual growth rate of 13.6 percent (SAR 193.5 billion) at the end of the first quarter of 2014 (Chart 1).



A breakdown of the components of money supply (M3) during the first quarter of 2014 indicates that narrow money (M1) rose by 6.1 percent (SAR 61.4 billion) to SAR 1,061.8 billion or 65.5 percent of total money supply (M3), compared to a rise of 3.7 percent (SAR 35.6 billion) during the preceding quarter. Money supply (M1) also registered an annual rise of 12.8 percent (SAR 120.9 billion) at the end of the first quarter of 2014. Also, Money supply (M2) went up by 4.8 percent (SAR 64.4 billion) to SAR 1,409.9 billion or 87.0 percent of total money supply (M3) during the first quarter of 2014 against an increase of 4.3 percent (SAR 55.0 billion) in the preceding quarter.

Money supply (M2) registered an annual increase of 12.5 percent (SAR 156.8 billion) at the end of the first quarter of 2014.

1.2 Monetary Base

Monetary base rose by 1.6 percent (SAR 5.5 billion) to SAR 349.0 billion during the first quarter of 2014, compared to an increase of 12.5 percent (SAR 38.3 billion) during the preceding quarter. It also registered an annual growth of 20.1 percent (SAR 58.3 billion) at the end of the first quarter of 2014.

A breakdown of the components of the monetary base indicates that currency in circulation outside banks went up by 2.5 percent (SAR 3.5 billion) to SAR 146.7 billion during the first quarter of 2014, compared to an increase of 2.9 percent (SAR 4.1 billion) during the preceding quarter. Currency in circulation outside banks registered an annual increase of 19.5 percent (SAR 23.9 billion) at the end of the first quarter of 2014.

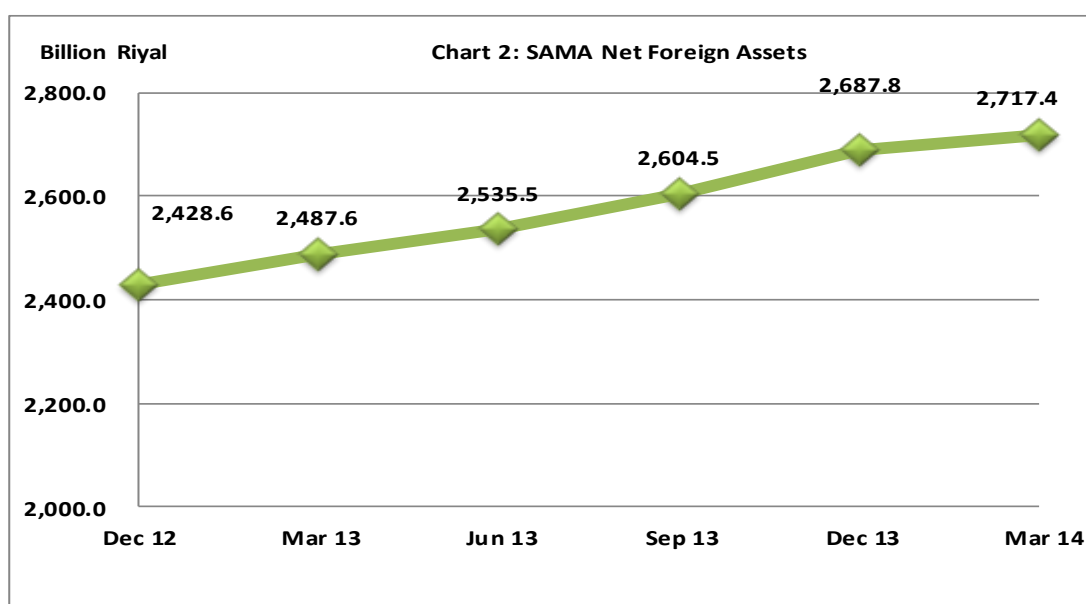
Banks' deposits with SAMA increased by 0.2 percent (SAR 0.31 billion) to SAR 177.5 billion during the first quarter of 2014 compared to a rise of 25.4 percent (SAR 35.9 billion) during the previous quarter. Banks' deposits with SAMA registered an annual rise of 18.4 percent (SAR 27.6 billion) at the end of the first quarter of 2014. Cash in vaults recorded an increase of 7.0 percent (SAR 1.6 billion) to SAR 24.8 billion, compared to a decline of 6.7 percent (SAR 1.7 billion) during the preceding quarter. It also registered an annual increase of 37.7 percent (SAR 6.8 billion) at the end of the first quarter of 2014.

1.3 SAMA's Balance Sheet

Preliminary data of SAMA's balance sheet indicate that total foreign assets rose by 1.2 percent (SAR 31.0 billion) to SAR 2,731.5 billion during the first quarter of 2014, compared to an increase of 3.2 percent (SAR 84.6 billion) during the previous quarter. Total foreign assets, also, registered an annual rise of 29.4 percent (SAR 621.0 billion) at the end of the first quarter of 2014. Net

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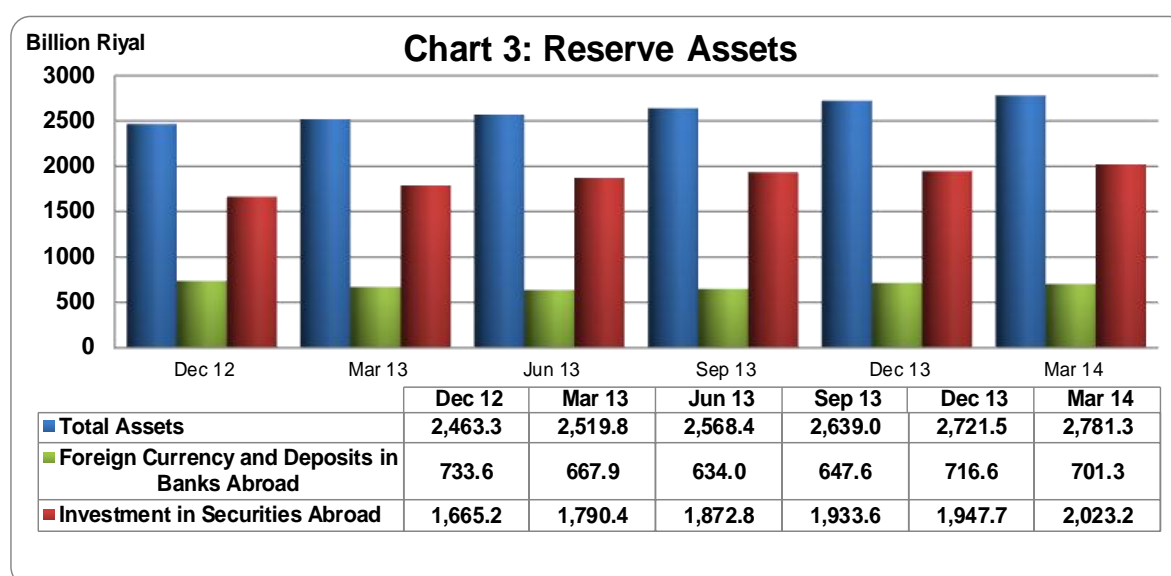
foreign assets went up by 1.1 percent (SAR 29.6 billion) to SAR 2,717.4 billion during the first quarter of 2014, compared to an increase of 3.2 percent (SAR 83.2 billion) during the preceding quarter. Net foreign assets recorded an annual increase of 29.2 percent (SAR 614.4 billion) at the end of the first quarter of 2014 (Chart 2).



Total deposits in domestic currency for foreign entities registered an increase of 10.9 percent (SAR 0.7 billion) to SAR 7.0 billion during the first quarter of 2014, compared to a rise of 12.3 percent (SAR 0.7 billion) during the preceding quarter, witnessing an annual rise of 88.1 percent (SAR 3.3 billion) at the end of the first quarter of 2014.

1.4 Reserve Assets

SAMA's total reserve assets denoted an increase of 2.2 percent (SAR 59.9 billion) to SAR 2,781.3 billion during the first quarter of 2014 against a rise of 3.2 percent (SAR 83.5 billion) during the preceding quarter, recording an annual increase of 30.2 percent (SAR 644.9 billion) at the end of the first quarter of 2014 (Chart 3).



A breakdown of the components of total reserve assets during the first quarter of 2014 indicates that the reserve position with the IMF stood at SAR 18.9 billion, decreasing by 2.2 percent (SAR 0.4 billion) from the previous quarter. Deposits abroad also went down by 2.1 percent (SAR 15.3 billion) below the previous quarter to SAR 701.3 billion. Investments in securities abroad increased by 3.9 percent (SAR 75.5 billion) over the preceding quarter to SAR 2,023.2 billion. Special drawing rights balance rose by 0.4 percent (SAR 0.1 billion) over the preceding quarter to SAR 36.3 billion. Gold reserve stood at SAR 1,624 million.

Second: Monetary Policy

During the first quarter of 2014, SAMA continued to pursue monetary policy aimed at achieving financial and price stability, supporting the various economic sectors in line with domestic and international economic developments and supporting domestic banks to perform their financing role in the domestic economy. SAMA adopted during the first quarter of 2014 the same measures taken earlier in the fourth quarter of 2013, i.e. maintaining the Repo agreements rate at 2.0 percent and the Reverse Repo agreements rate at 0.25 percent. SAMA's daily average Repo agreements stood at RIs 119 million during the first quarter of 2014 against RIs 74 million in the preceding quarter.

Daily average Reverse Repo agreements totaled RIs 93.7 million in the same period compared to RIs 65.5 million in the previous quarter. In addition, SAMA maintained the Cash Reserve Ratio of demand deposits at 7.0 percent and time and savings deposits at 4.0 percent.

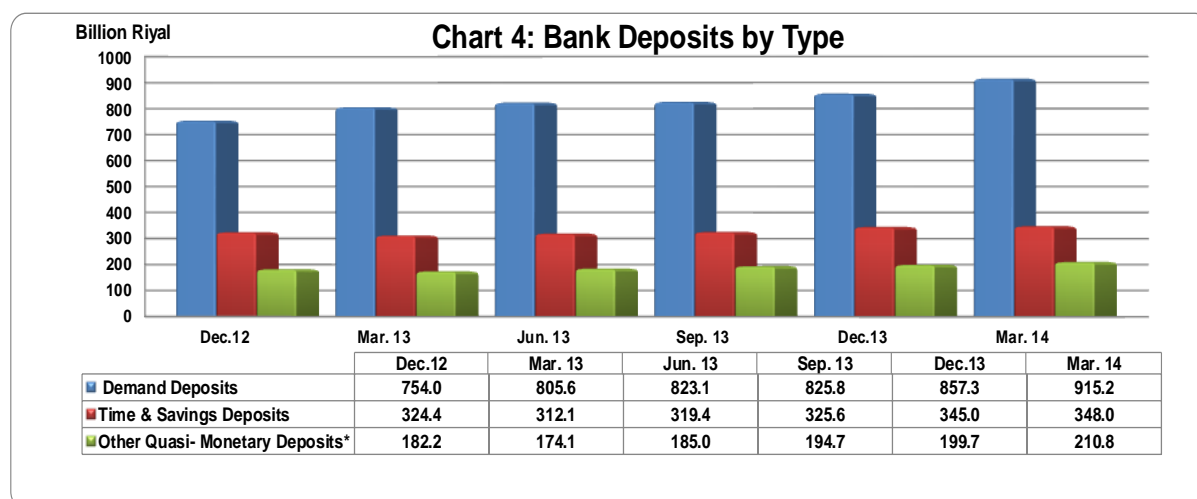
SAMA continued to maintain the price of treasury bills at 80.0 percent of the interest rate of Saudi inter-bank deposits (SIBID) and the ceiling on the weekly issuance of treasury bills at SAR 9 billion in order to encourage domestic banks to increase lending.

The three-month Saudi interbank offered rate (SIBOR) rose by 0.95 percent at the end of the first quarter of 2014. The three-month interest differential between the Riyal and the Dollar was in favor of the Riyal, standing at 72 basis points at the end of the first quarter of 2014, compared to 68 basis points at the end of the preceding quarter.

Third: Banking Developments

3.1 Bank Deposits

Total bank deposits recorded a rise of 5.1 percent (SAR 72.0 billion) to SAR 1,474.0 billion during the first quarter of 2014 compared to a rise of 4.1 percent (SAR 55.8 billion) during the preceding quarter, recording an annual rise of 14.1 percent (SAR 182.1 billion) at the end of the first quarter of 2014. The ratio of total bank deposits to total broad money supply (M3) stood at 90.9 percent (Chart 4).



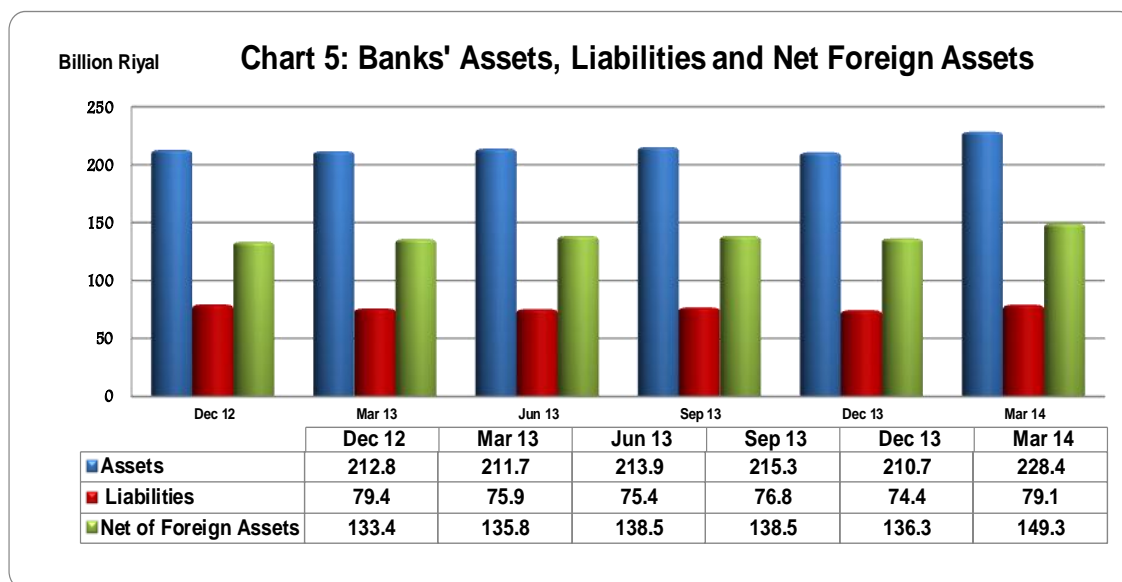
A review of the components of deposits by type during the first quarter of 2014 indicates that demand deposits rose by 6.8 percent (SAR 57.9 billion) to SAR 915.2 billion compared to a rise of 3.8 percent (SAR 31.5 billion) during the preceding quarter, recording an annual rise of 13.6 percent (SAR 109.5 billion). Time and savings deposits went up by 0.9 percent (SAR 3.0 billion) to SAR 348.0 billion against an increase of 6.0 percent (SAR 19.4 billion) during the preceding quarter, recording an annual rise of 11.5 percent (SAR 35.9 billion). Other quasi-monetary deposits also went up by 5.6 percent (SAR 11.2 billion) to SAR 210.8 billion compared to a rise of 2.5 percent (SAR 4.9 billion) during the preceding quarter, recording an annual rise of 21.1 percent (SAR 36.7 billion).

3.2 Commercial Banks' Assets and Liabilities

Total assets and liabilities of commercial banks stood at SAR 1,990.6 billion at the end of the first quarter of 2014, increasing by 5.1 percent (SAR 97.4 billion) compared to a rise of 3.1 percent (SAR 57.7 billion) in the preceding quarter. They recorded an annual growth rate of 12.3 percent (SAR 218.5 billion) at the end of the first quarter of 2014.

3.3 Commercial Banks' Foreign Assets and Liabilities

During the first quarter of 2014, total foreign assets of commercial banks increased by 8.4 percent (SAR 17.8 billion) to SAR 228.4 billion compared to a decline of 2.2 percent (SAR 4.7 billion) during the preceding quarter. They registered an annual rise of 7.9 percent (SAR 16.8 billion), constituting 11.5 percent of total commercial banks' assets compared to 11.1 percent at the end of the preceding quarter (Chart 5).



Commercial banks' total foreign liabilities went up by 6.4 percent (SAR 4.7 billion) to SAR 79.1 billion during the first quarter of 2014 against a decline of 3.2 percent (SAR 2.4 billion) in the preceding quarter, recording an annual growth rate of 4.3 percent (SAR 3.3 billion) and constituting 4.0 percent

of commercial banks' total liabilities against 3.9 percent at the end of the preceding quarter. Commercial banks' net foreign assets went up by 9.6 percent (SAR 13.0 billion) to SAR 149.3 billion at the end of the first quarter of 2014 compared to a fall of 1.6 percent (SAR 2.3 billion) during the preceding quarter.

3.4 Commercial Bank Claims on the Private and Public Sectors

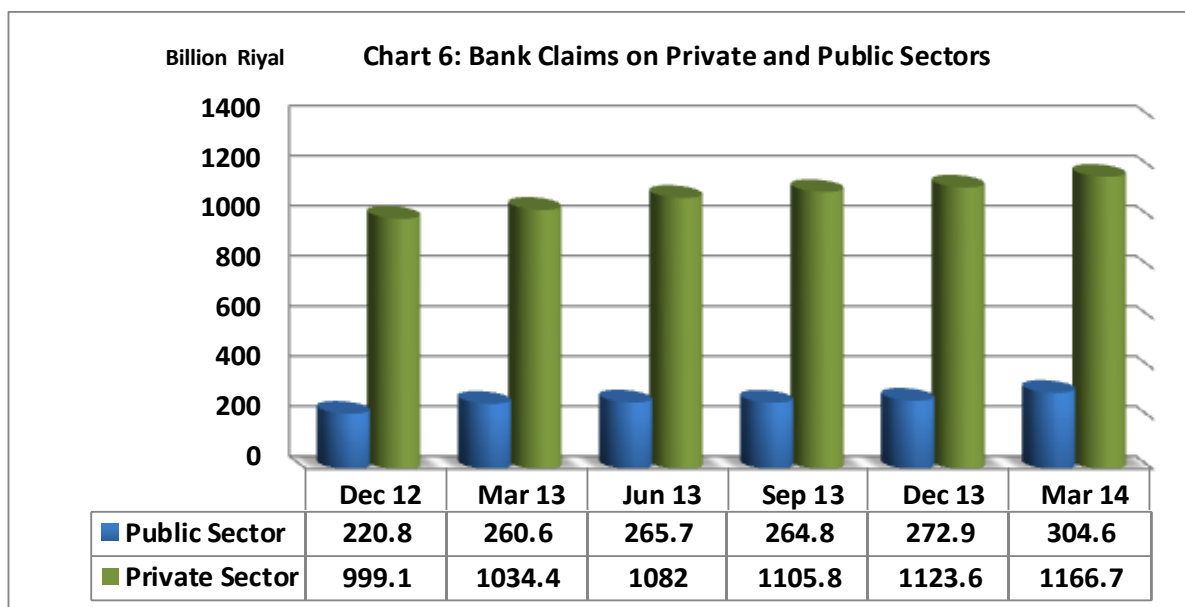
Total commercial bank claims on the private and public sector (bank credit and investments) went up by 5.4 percent (SAR 75.5 billion) to SAR 1,474.7 billion in the first quarter of 2014, compared to a rise of 1.8 percent (SAR 25.0 billion) in the preceding quarter, recording an annual rise of 13.7 percent (SAR 177.4 billion) at the end of first quarter of 2014. They represented 100.1 percent of total bank deposits at the end of the first quarter of 2014, compared to 99.8 percent at the end of the preceding quarter.

3.4.1 Commercial Bank Claims on the Private Sector

Total bank claims on the private sector increased by 3.8 percent (SAR 43.0 billion) to SAR 1,166.7 billion during the first quarter of 2014, compared to a rise of 1.6 percent (SAR 17.9 percent) in the preceding quarter. Total bank claims on the private sector showed an annual increase of 12.8 percent (SAR 132.2 billion) at the end of the first quarter of 2014. These claims represented 79.1 percent of total bank deposits at the end of first quarter of 2014, compared to 80.1 percent at the end of preceding quarter (Chart 6).

3.4.2 Commercial Bank Claims on the Public Sector

Bank claims on the public sector went up by 11.6 percent (SAR 31.7 billion) to SAR 304.6 billion during the first quarter of 2014 compared to a rise of 3.0 percent (SAR 8.0 billion) during the preceding quarter. They recorded an annual growth of 16.9 percent (SAR 43.9 billion). The share of bank claims on the public and quasi-public sector represented 20.7 percent of total bank deposits at the end of the first quarter of 2014 compared to 19.5 percent at the end of the preceding quarter (Chart 6).



An analysis of bank credit by maturity (extended to the private and public sectors) during the first quarter of 2014 indicates that short-term credit increased slightly by 0.01 percent (SAR 0.03 billion) to SAR 603.3 billion, compared to a rise of 2.8 percent (SAR 16.6 billion) in the preceding quarter. Medium-term credit went up by 0.9 percent (SAR 1.9 billion) to SAR 213.9 billion, compared to a rise of 4.3 percent (SAR 8.8 billion) in the preceding quarter. Also, long-term credit rose by 12.8 percent (SAR 39.1 billion) to SAR 344.4 billion compared to a decline of 4.0 percent (SAR 12.6 billion) in the preceding quarter.

3.4.3 Commercial Bank Claims by Economic Activity

Total bank credit by economic activity increased by 3.7 percent (SAR 41.1 billion) to SAR 1,161.6 billion during the first quarter of 2014 compared to a rise of 1.2 percent (SAR 12.8 billion) in the preceding quarter, recording an annual rise of 29.4 percent (SAR 264.0 billion) at the end of first quarter of 2014. A review of bank credit extended to economic activities during the first quarter of 2014 shows increases such as in the finance sector by 13.1 percent (SAR 3.7 billion), the transport and communications sector by 8.4

percent (SAR 3.2 billion), the manufacturing and production sector by 7.1 percent (SAR 9.9 billion), the building and construction sector rose by 6.1 percent (SAR 4.7 billion), the other sectors by 5.5 percent (SAR 24.0 billion), the water, electricity and health services by 1.4 percent (SAR 0.5 billion) and the public and quasi-public sector by 0.2 percent (SAR 0.1 billion). However, bank credit extended to the mining and quarrying sector declined by 3.9 percent (SAR 0.6 billion), the agriculture and fishing sector by 3.7 percent (SAR 0.4 billion), the services sector by 1.8 percent (SAR 1.1 billion) and the commerce sector by 1.1 percent (SAR 2.7 billion).

3.5 Commercial Banks' Reserves, Capital, Profits and Branches

Capital and reserves of commercial banks increased by 14.4 percent (SAR 32.4 billion) to SAR 258.3 billion during the first quarter of 2014, compared to a decrease of 0.5 percent in the preceding quarter. Their ratio to total bank deposits stood at 17.5 percent at the end of the first quarter of 2014 compared to 16.1 percent at the end of the preceding year. The annual growth rate of capital and reserves of banks went up by 19.5 percent (SAR 42.1 billion) in the first quarter of 2014. Banks' profits stood at SAR 10.3 billion at the end of the first quarter of 2014 compared to SAR 7.5 billion in the preceding quarter, recording a rise of 36.5 percent (SAR 2.8 billion). They registered an annual rise of 10.5 percent (SAR 1.0 billion).

The number of commercial bank branches operating in the Kingdom during the first quarter of 2014 stood at 1,834, increasing by 66 over the preceding quarter.

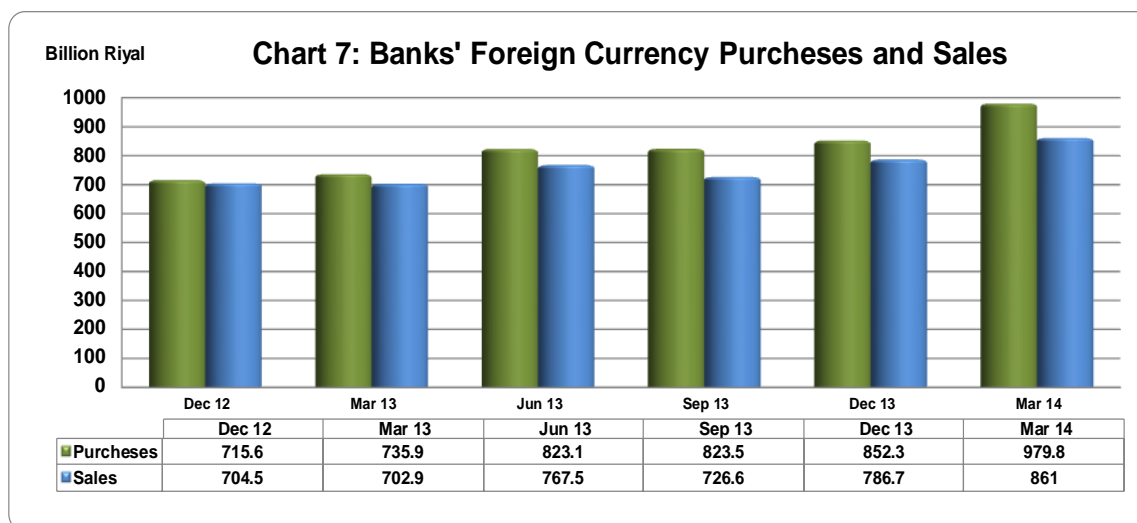
3.6 Commercial Banks' Purchases and Sales of Foreign Exchange

3.6.1 Commercial Banks' Purchases of Foreign Exchange

Commercial banks' total purchases of foreign exchange rose by 15.0 percent (SAR 127.5 billion) to SAR 979.8 billion during the first quarter of 2014, compared to a rise of 3.5 percent (SAR 28.7 billion) during the preceding quarter, recording an annual rise of 10.5 percent (SAR 92.9 billion). It could be noticed that purchases from other sources went up by 158.9 percent (SAR 44.6 billion), those from domestic banks by 15.3 percent (SAR 29.6 billion), from SAMA by 10.8 percent (SAR 14.7 billion), from foreign banks by 8.2 percent (SAR 34.2 billion) and from clients by 5.8 percent (SAR 4.5 billion) (Chart 7).

3.6.2 Commercial Banks' Sales of Foreign Exchange

Commercial banks' sales of foreign exchange rose by 9.4 percent (SAR 74.3 billion) to SAR 861.0 billion during the first quarter of 2014, compared to a rise of 8.3 percent (SAR 60.2 billion) during the preceding quarter. They recorded an annual increase of 6.6 percent (SAR 53.0 billion) during the first quarter of 2014. Comparing banks' total sales of foreign exchange during the first quarter of 2014 to its preceding quarter, sales to SAMA increased by 390.1 percent (SAR 1.5 billion), sales to banks within the Kingdom by 10.7 percent (SAR 19.6 billion), sales to other clients in the Kingdom by 9.4 percent (SAR 10.5 billion) and sales to banks abroad by 10.5 percent (SAR 39.5 billion). In contrast, sales to government agencies dropped by 25.0 percent (SAR 1.2 billion) and money changers by 15.7 percent (SAR 0.2 billion) (Chart 7).

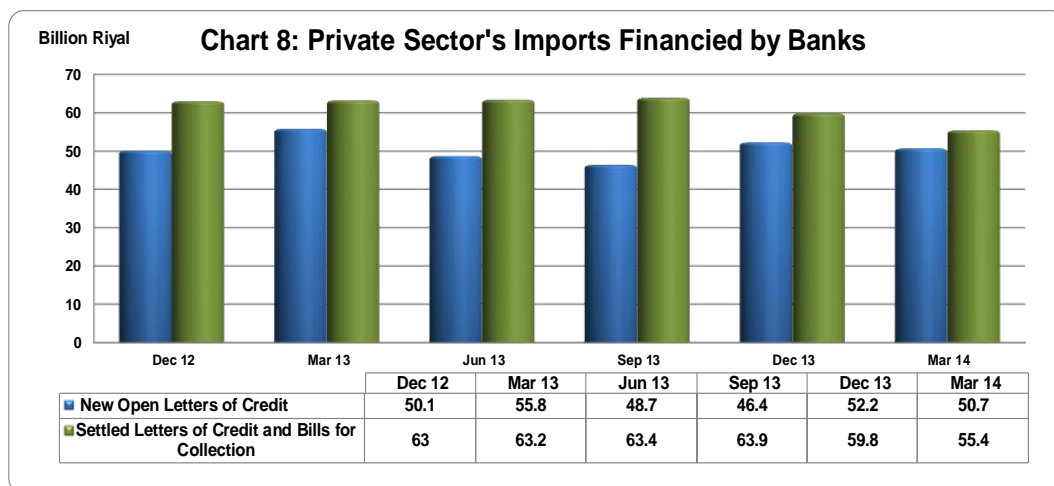


3.7 Private Sector Imports Financed by Commercial Banks

Imports of the private sector financed through commercial banks by settled letters of credit and bills for collection recorded a decrease of 7.4 percent (SAR 4.4 billion) to SAR 55.4 billion during the first quarter of 2014, compared to a decline of 6.5 percent (SAR 4.1 billion) in the preceding quarter, recording an annual decrease of 11.6 percent (SAR 7.2 billion). Appliance imports increased by 23.4 percent (SAR 0.3 billion), construction materials by 12.5 percent (SAR 0.6 billion) and imports of machinery by 14.3 percent (SAR 0.6 billion). However, other goods went down by 9.0 percent (SAR 2.5 billion), foodstuffs imports by 6.3 percent (SAR 0.5 billion), vehicle imports by 20.5 percent (SAR 2.7 billion) and textiles and clothing by 22.2 percent (SAR 0.2 billion).

Private sector's imports financed through commercial banks by new opened letters of credit recorded a decline of 2.9 percent (SAR 1.5 billion) to SAR 50.7 billion during the first quarter of 2014, compared to a rise of 12.7 percent (SAR 5.9 billion) in the preceding quarter, recording an annual decrease of 4.2 percent (SAR 2.2 billion). Appliance imports increased by 73.6 percent (SAR 0.9 billion), construction materials by 51.4 percent (SAR 2.0 billion), machinery by 24.8 percent (SAR 1.2 billion) and textiles and clothing

imports by 17.9 percent (SAR 0.1 billion). In contrast, foodstuffs imports decreased by 18.6 percent (SAR 1.0 billion), other goods by 15.7 percent (SAR 3.7 billion) and vehicle imports by 8.4 percent (SAR 1.0 billion) (Chart 8).

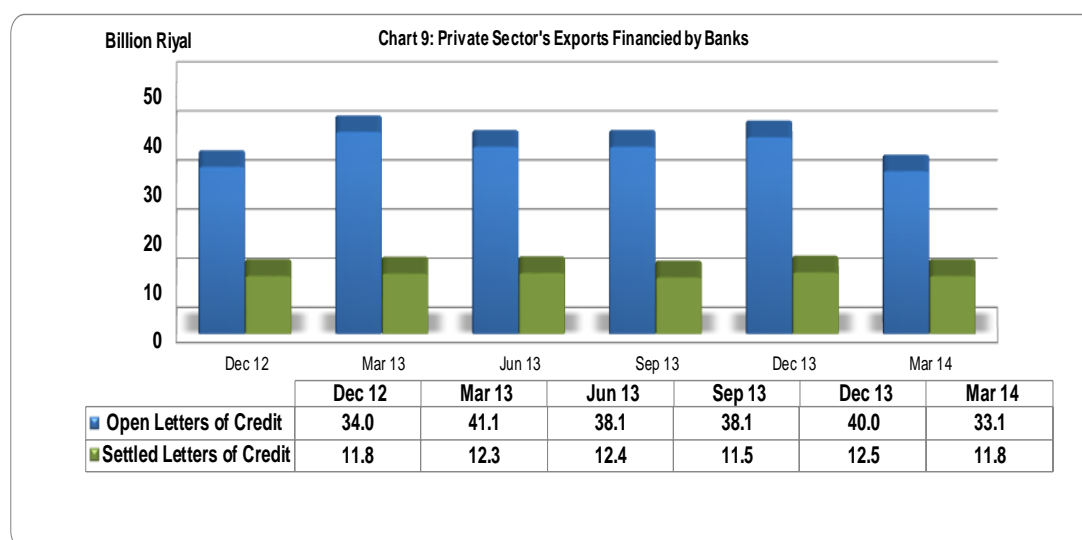


3.8 Private Sector Exports Financed by Commercial Banks

The private sector's exports financed through commercial banks by open letters of credit decreased by 17.3 percent (SAR 6.9 billion) to 33.1 billion during the first quarter of 2014, compared to a rise of 5.1 percent (SAR 2.0 billion) in the preceding quarter, recording an annual decline of 5.1 percent (SAR 1.8 billion). Financing exports of agriculture and livestock production went down by 98.5 percent (SAR 2.7 billion), other industrial products by 11.6 percent (SAR 4.1 billion) and chemicals and plastics by 4.6 percent (SAR 0.08 billion) (Chart 9).

A review of the geographical distribution of opened letters of credit during the first quarter of 2014 indicates a rise in the financing of exports to other European countries by 233.3 percent (SAR 1.3 billion) and Latin America by 101.0 percent (SAR 0.4 billion). However, the financing of exports to North America decreased by 47.3 percent (SAR 0.3 billion), the GCC countries by 41.1 percent (SAR 7.0 billion), Western Europe by 35.2

percent (SAR 0.2 billion), Arab countries by 8.4 percent (SAR 0.2 billion) and other countries by 5.9 percent (SAR 1.1 billion).



Fourth: Banking Technology Developments

4.1 Saudi Riyal Inter-bank Express System (SARIE)

Statistics of the Saudi Riyal Inter-bank Express System (SARIE) show that the value of transactions in the first quarter of 2014 totaled SAR 15.5 billion (nearly \$4.1 billion) through 2.0 million messages involving 14.6 million transfers carried out through SARIE. The value of single payment transactions totaled SAR 15.1 billion, whereas the total value of gross payment transactions stood at SAR 0.4 billion. Customers' payments stood at SAR 1.1 billion, decreasing by 1.1 percent from the preceding quarter. The total value of inter-bank payments transactions stood at SAR 14.3 billion.

4.2 Saudi Payments Network (SPAN)

As for SPAN developments, the total number of transactions executed via ATMs during the first quarter of 2014 was about 351 million, with cash withdrawals totaling SAR 167.9 billion, including transactions through banks' network and SPAN. Total transactions executed through POS terminals stood at 83.5 million with total sales of SAR 39.1 billion during the first quarter of 2014. The number of ATMs totaled 14,254 and the number of cards issued by domestic banks stood at about 18.7 million at the end of the first quarter of

2014. The number of POS terminals exceeded 113.3 thousand at the end of the same quarter.

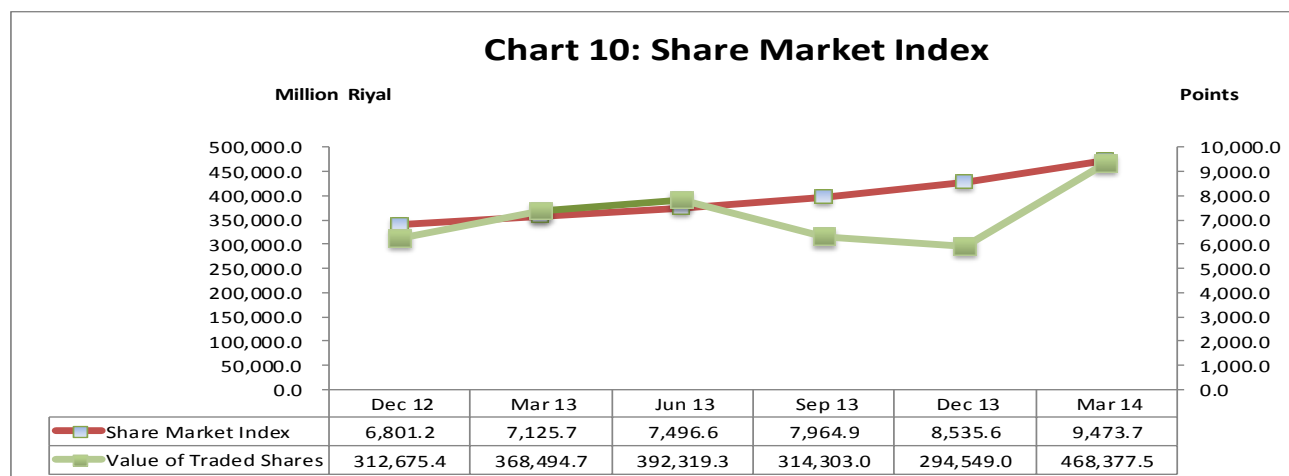
4.3 Clearing

The number of bank checks (outgoing and incoming) cleared at the clearing houses in the first quarter of 2014 totaled 1.7 million with a total value of SAR 223.1 billion. The number of individual and corporate checks totaled 1.5 million with a total value of SAR 161.9 billion, and the number of certified checks totaled 208.1 thousand with a total value of SAR 61.2 billion during the same period.

Fifth: Domestic Share Market Developments

The general share price index went up at the end of the first quarter of 2014 by 11.0 percent to 9,473.7 compared to a rise of 7.2 percent in the preceding quarter, recording an annual increase of 20.9 percent. The number of traded shares increased by 56.8 percent to 17.2 billion compared to decrease of 12.0 percent in the preceding quarter, while the number of annual traded shares fell by 45.7 percent. Total value of traded shares went up by 59.0 percent to SAR 468.4 billion in the first quarter compared to a decline of 6.3 percent in the preceding quarter, recording an annual decrease of 31.6 percent.

At the end of the first quarter of 2014, the market capitalization of issued shares went up by 9.8 percent to SAR 1,925 billion against an increase of 10.5 percent in the preceding quarter, recording an annual rise of 25.0 percent. Total number of transactions executed in the first quarter of 2014 rose by 49.5 percent to 7.8 million compared to a decrease of 14.8 percent in the preceding quarter, recording an annual fall of 42.3 percent (Chart 10).



Sixth: Investment Funds

Total assets of investment funds managed by investment companies went up by 5.1 percent (SAR 5.2 billion) in the first quarter of 2014 to SAR 1.08.4 billion compared to a decrease of 0.2 percent (SAR 0.2 billion) in the previous quarter, recording an annual growth rate of 20.1 percent (SAR 18.2 billion).

An analysis of the total assets of the funds indicates that their domestic assets increased by 8.6 percent (SAR 7.1 billion) to SAR 88.9 billion in the first quarter of 2014, compared to a rise of 3.3 percent (SAR 2.6 billion) in the preceding quarter. Domestic assets registered an annual increase of 24.0 percent (SAR 17.2 billion). Foreign assets went down by 8.6 percent (SAR 1.8 billion) to SAR 19.5 billion during the first quarter of 2014 against a drop of 11.6 percent (SAR 2.8 billion) in the preceding quarter, recording an annual rise of 5.0 percent (SAR 0.9 billion).

The number of subscribers to investment funds dropped by 0.7 percent (1,670) to 256.4 thousand in the first quarter of 2014, compared to a decline of 1.3 percent (3,434) in the preceding quarter. The number of subscribers recorded an annual decrease of 1.7 percent (32,863). The number of operating funds fell by 1.7 percent (4 funds) to 240 funds during the first quarter of 2014 compared to 236 in the previous quarter.

Seventh: Specialized Credit Institutions

The specialized credit institutions' total outstanding loans went up during the third quarter of 2013 by 1.1 percent (SAR 2.8 billion) to SAR 268.5 billion, compared to an increase of 3.0 percent (SAR 7.8 billion) in the preceding quarter, recording an annual rise of 13.0 percent (SAR 30.8 billion) at the end of the third quarter of 2013.

Total actual disbursements declined by 19.7 percent (SAR 2.3 billion) in the third quarter of 2013 compared to a decrease of 13.3 percent (SAR 1.8 billion) in the preceding quarter, recording an annual decrease of 48.0 percent. Total repayments to the specialized credit institutions went up by 90.0 percent (SAR 3.6 billion) in the third quarter of 2013 compared to a decline of 8.2 percent (SAR 0.4 billion) in the preceding quarter, registering an annual increase of 72.7 percent.

The specialized credit institutions' net credit went down by 77.4 percent (SAR 6.0 billion) in the third quarter of 2013, compared to a decline of 15.4 percent (SAR 1.4 billion) in the preceding quarter, recording an annual decline of 87.5 percent.

A breakdown of the loans extended by the specialized credit institutions shows that the disbursements by the Agriculture Development Fund went up by 4.6 percent (SAR 0.009 billion) in the third quarter of 2013 compared to a rise of 24.4 percent (SAR 0.04 billion) in the preceding quarter. However, disbursements by the Saudi Credit and Savings Bank decreased by 11.3 percent (SAR 0.2 billion) in the third quarter of 2013 compared to a decrease of 0.1 percent (SAR 0.001 billion) in the preceding quarter. Disbursements by the Saudi Industrial Development Fund went down by 132.7 percent (SAR 0.5 billion) in the third quarter of 2013 compared to a decline of 32.6 percent (SAR 0.2 billion) in the preceding quarter. Repayments to the Saudi Credit and Savings Bank increased by 55.9 percent (SAR 0.5 billion) compared to a

decline of 16.0 percent (SAR 0.2 billion) in the preceding quarter. Repayments to the Real Estate Development Fund went up by 157.4 percent (SAR 0.8 billion) in the third quarter of 2013 compared to a rise of 19.5 percent (SAR 0.09 billion) in the preceding quarter.

Eighth: Supervisory and Legislative Banking Developments

SAMA issued a number of circulars during the first quarter of 2014, as follows:

- Circular No. 351000032728 dated 13/03/1435H regarding FSB documents: Principles for An Effective Risk Appetite Framework (finalized document), and Guidance on Supervisory Interaction with Financial Institutions on Risk Culture (consultative document).
- Circular No. 351000039826 dated 28/03/1435H regarding Basel Committee on Banking Supervision Consultative Document relating to Revisions to the Basel Securitization Framework.
- Circular No. 351000046277 dated 11/04/1435H concerning SAMA's Consultative Draft Framework regarding Domestic Systemically Important Banks (D-SIBs).
- Circular No. 351000052529 dated 24/04/1435H concerning an electronic link between banks and the ministry of commerce and industry as one of the requirements to establish joint-stock companies.
- Circular No. 351000069276 dated 30/05/1435H regarding the continuation of monthly deduction from Real Estate Development Fund's borrowers' accounts up to full repayment of the debt or receiving a letter from the Real Estate Development Fund for ceasing deduction.
- Circular No. 3510000719525 dated 3/06/1435H concerning the extension or confiscation of banking letters of guarantee.
- Circular No. 351000075808 dated 13/06/1435H concerning applications for SAMA's no-objection letters for offering banking products.

Ninth: Prominent Regulatory Developments in the Saudi Economy during the First Quarter of 2014

The Council of Ministers issued the following Resolutions during the First Quarter of 2014:

- Resolution dated 05/03/1435H (06/01/2014) approving the Unemployment Insurance Law.
- Resolution dated 05/03/1435H (06/01/2014) approving the application for Housing Support through the Ministry of Housing's Portal.
- Resolution dated 12/03/1435H (13/01/2014) approving the Cancellation of the license for the establishment of the Optical Telecommunication Company that was approved by Royal Decree No. M/4 on 29/2/1435H.
- Resolution dated 24/04/1435H (24/02/2014) approving the establishment of a justice training center within the organizational structure of the Ministry of Justice with the name: "Justice Training Center", to contribute to promoting the competence and qualification of judges, notaries, legal recording officers, defendant summoners, members of the experts committee and other assistants and aides to judges.
- Resolution dated 2/05/1435H (3/03/2014) approving compelling all entry-visa applicants to the Kingdom and their companions for visit, visa period extension or transit purposes, to produce a valid insurance certificate that covers disease cases, emergencies needing ambulance transporting, and medical evacuation within the Kingdom. Haj and Omra performers, those coming for medical treatment purposes, holders of diplomatic, special and normal passports making diplomatic visits to international states' representations and organizations in accordance with the principle of reciprocal treatment, as well as government guests and the like are excluded from this requirement. Citizens wishing to go abroad should be made aware

of the importance of having a valid medical insurance policy covering emergency cases in the country they want to travel to.

- Resolution dated 9/05/1435H (10/03/2014) approving Rules and Procedures for the Work of Insurance Dispute and Violations Settlement Committees.
- Resolution dated 23/05/1435H (24/03/2014) approving licensing the establishment of the Saudi Arabian Industrial Investment Company (A Saudi joint-stock company).