

Saudi Arabia is the Most Promising Private Debt Funds Market in MENA

According to 97% of Middle East-based institutional investors:

RIYADH , SAUDI ARABIA, November 25, 2024 /EINPresswire.com/ -- The "[Territory Guide: The Rise of Private Debt Funds in Saudi Arabia](#)" report revealed that 97% of Middle East-based surveyed institutional investors identify Saudi Arabia as the most promising market for private debt funds over the coming year—up from 82% in 2023.



The Kingdom's first-of-its-kind private debt funds-focused report was published today by Preqin, the global leader in alternative assets data, tools, and insights, and in partnership with [SVC](#). According to the report, private debt funds are becoming an increasingly attractive asset class in Saudi Arabia and are expected to grow as the Kingdom's private capital market continues to mature. This trend is driven by a growing interest from local and regional investors and global sources of capital, as well as the positive impact of the Vision 2030 reforms. Since Vision 2030 was launched in 2016 and up to 2024-Q3, more than a quarter (27.5%) of Middle East-focused private debt fund deals were based in Saudi Arabia.

The report also revealed that of the total private debt funds with Saudi Arabia exposure that closed between 2016 and 2024-Q3, mezzanine funds represent half of the total Saudi Arabia exposure, followed by direct lending and venture debt funds at 30% and 20%, respectively.

Commenting on the report, Dr. Nabeel Koshak, CEO and Board Member at SVC, said: "This first-of-its-kind report highlights the emergence of private debt funds as a key asset class in Saudi Arabia, driven by the Kingdom's Vision 2030 and its ambition to diversify the economy. At SVC, we continue our commitment to support the development of such reports that provide policymakers, investors, and founders with insights and data to inform strategic decisions and policies to nurture the private capital ecosystem further."

David Dawkins, lead author of the report at Preqin, quotes: "Global investment firms are not

alone in closely watching the growth and evolution of Saudi Arabia's nascent private debt industry. For other developing economies in the Middle East and beyond, Saudi Arabia's success in this area will strengthen the impetus for improving transparency to secure the capital needed for sustainable growth in a net zero world."

SVC is an investment company established in 2018 and is a subsidiary of the SME Bank, part of the National Development Fund (NDF). SVC aims to stimulate and sustain financing for startups and SMEs from pre-Seed to pre-IPO through investment in funds and direct investment in startups and SMEs.

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