



U.S.-Saudi Business Council
مجلس الأعمال السعودي الأمريكي

Weekly Market Brief
Week Ending November 10th, 2023

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Saudi Arabia's Purchasing Managers' Index (PMI) rose for the second consecutive month in October, increasing to 58.4 points from 57.2 points in September, driven by robust business conditions within the Kingdom.
- Saudi Arabia's total number of employees in the private sector reached 10.7 million workers in October, according to the Saudi National Labor Observatory.
- Saudi Arabia's Industrial Production Index rose by 0.8 percent in September compared to August, primarily driven by a slight increase in mining and quarrying activities. Mining and quarrying activities registered a monthly increase of 0.6 percent in September.

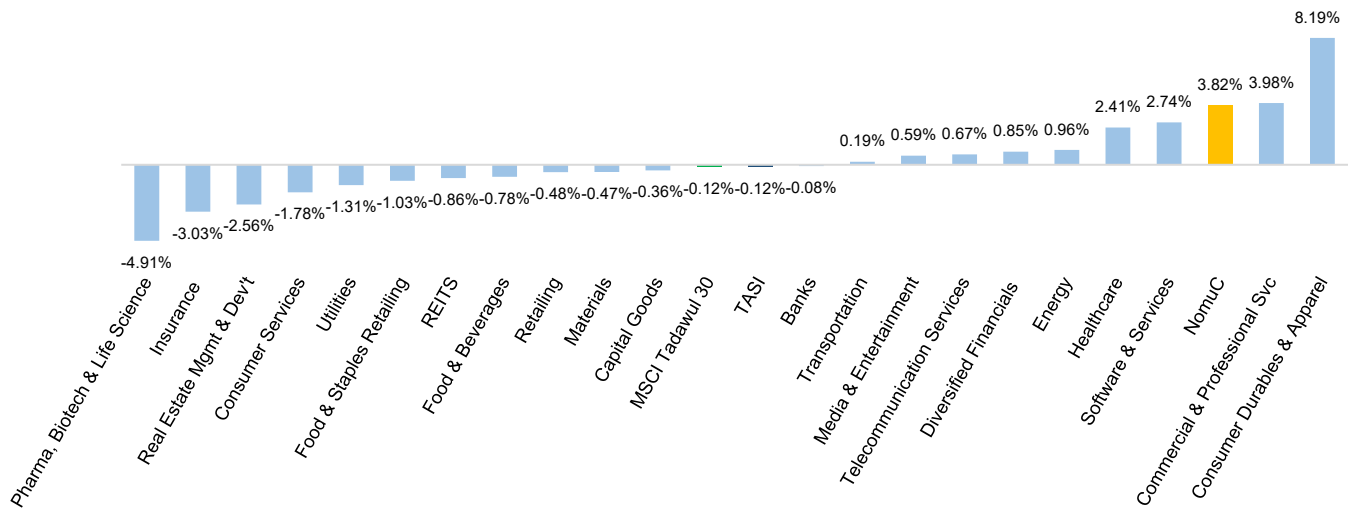


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Tadawul

The TASI decreased by 0.12 percent last week and closed at 10,841 points. Nine of the 21 sectors finished the week in positive territory with 'Consumer Durables,' 'Commercial & Professional Services,' and 'Software & Services' experiencing increases of 8.19 percent, 3.98 percent, and 2.74 percent, respectively. 'Pharmaceuticals, Biotech & Life Sciences' led the declines as it dropped 4.91 percent. The NomuC parallel market index increased by 3.82 percent and closed at 23,223 points, while the MSCI Tadawul 30 dropped 0.12 percent and closed the week at 1,406 points.

Tadawul Weekly Index Performance - November 9th, 2023



Source: Tadawul, USSBC

- Saudi Arabia led the initial public offering activities (IPO) in the Middle East and North Africa region during the third quarter of this year, hosting five out of the total six IPO listings. According to a report released by EY, these transactions collectively raised SAR1.2 billion (\$330 million).



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Business, Trade, & Investment

- Several investment contracts for projects in Taif Governorate, worth over \$2.93 billion, have been signed at Taif Investment Forum by Saudi companies and Chinese and Korean counterparts.
- Commercial flight operator The Helicopter Co. has secured a loan worth SAR800 million (\$231 million) from Manama-based Gulf International Bank to boost its fleet.
- Saudi exports gained momentum with a 12 percent increase in certificates of origin issued in October, according to the Ministry of Industry and Mineral Resources (MIMR). MIMR processed 38,988 certificates of origin in October compared to 34,745 recorded in September.
- Saudi Power Procurement Company (SPPC) announced that a consortium worth SAR3.8 billion (\$1 billion) of global clean energy leaders – Abu Dhabi Future Energy Company (Masdar), French utility major EDF Renewables, and Saudi infrastructure specialist Nesma Company – won the bid to develop a 1,100 MW solar power plant in Madinah.
- The PIF raised its stake in luxury carmaker Aston Martin to 20.5 percent from 17.9 percent, a bourse filing at the London Stock Exchange showed. With a 2.6 percent increase in its holdings, the PIF now holds a greater share in the U.K.-firm than Geely and Chinese entrepreneur Shufu Li.

Banking

Money supply M1, M2, and M3 all decreased by 2.27 percent, 1.04 percent, and 1.45 percent, respectively, during the week ending November 3rd.



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U.S. MARKETS

U.S. Macroeconomic Developments

- Employers added 150,000 new jobs in October 2023, and the unemployment rate increased to nearly a two-year high of 3.9 percent.
- The trade deficit widened to \$61.5 billion in September 2023, and imports increased 2.7 percent outpacing exports, which rose 2.2 percent.
- The ISM Services Index came in at 51.8 points for October 2023 marking the second straight monthly decline in the index.

Fixed Income

The yield on the ten-year U.S. Treasury decreased to 4.66 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) increased by 0.65 percent and finished the week at 34,238 points. The S&P 500 increased 1.31 percent and finished at 4,415 points. The NASDAQ increased by 2.37 percent and ended the week at 13,798 points.



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GLOBAL OIL MARKETS

- Arab light crude decreased 5.17 percent and finished the week at \$84.74. Global benchmark Brent crude declined 4.32 percent to \$81.22 a barrel, while U.S. West Texas Intermediate (WTI) crude dropped 4.47 percent and closed at \$76.42.
- Saudi Arabia will continue with its voluntary output cut of 1 million barrels per day until the end of December, the Ministry of Energy announced on Sunday.
- Pausing a five-month price hike cycle, Saudi Arabia kept its December official selling prices for the flagship Arab light crude it sells to Asia unchanged from the previous month at \$4 a barrel versus the Oman/Dubai average.

THE WEEK AHEAD

- U.S. releases YoY Inflation rate for October on November 14th
- Saudi Arabia releases YoY Inflation Rate for October on November 15th
- Saudi Arabia releases YoY Wholesale Prices for October on November 15th