



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

---

**Weekly Market Brief**  
*Week Ending June 28<sup>th</sup>, 2024*

**SAUDI ARABIAN MARKET**

**Saudi Arabia Macroeconomic Developments**

- According to SAMA, Saudi Arabia's point-of-sale (POS) spending came in at SAR8.34 billion (\$2.22 billion) last week, with 30.3 percent of the total originating in Riyadh.
- According to the National Debt Management Center, Saudi Arabia has completed its riyal-denominated sukuk issuance for June at SAR4.4 billion (\$1.17 billion). The first tranche amounted to SAR1.6 billion (\$427 million) and the second to SAR53 million (\$14.1 million) for sukuk maturing in 2027. The third tranche amounted to SAR2.76 billion (\$736 million) for sukuk maturing in 2034.
- Saudi Arabia recorded a SAR41.4 billion trade surplus in April 2024, slightly below last year's SAR41.6 billion (\$11.1 billion) but the highest since September amid a surge in non-oil exports. Non-oil shipments jumped 12.4 percent, primarily driven by increased sales of plastics, rubber, and their products at 20.5 percent. Total exports declined 1 percent to SAR101.7 billion (\$27.1 billion), due to a 4.2 percent drop in the sales of oil products, accounting for 78 percent of overall exports.
- The unemployment rate in Saudi Arabia inched up to 3.5 percent in the first quarter of 2024 from a downwardly revised 3.4 percent in the previous quarter. The jobless rate for women was 11.8 percent, while reaching 1.8 percent for men. The labor force participation rate declined by 1.0 percentage points from the fourth quarter of 2023 to 66.0 percent in the first quarter.

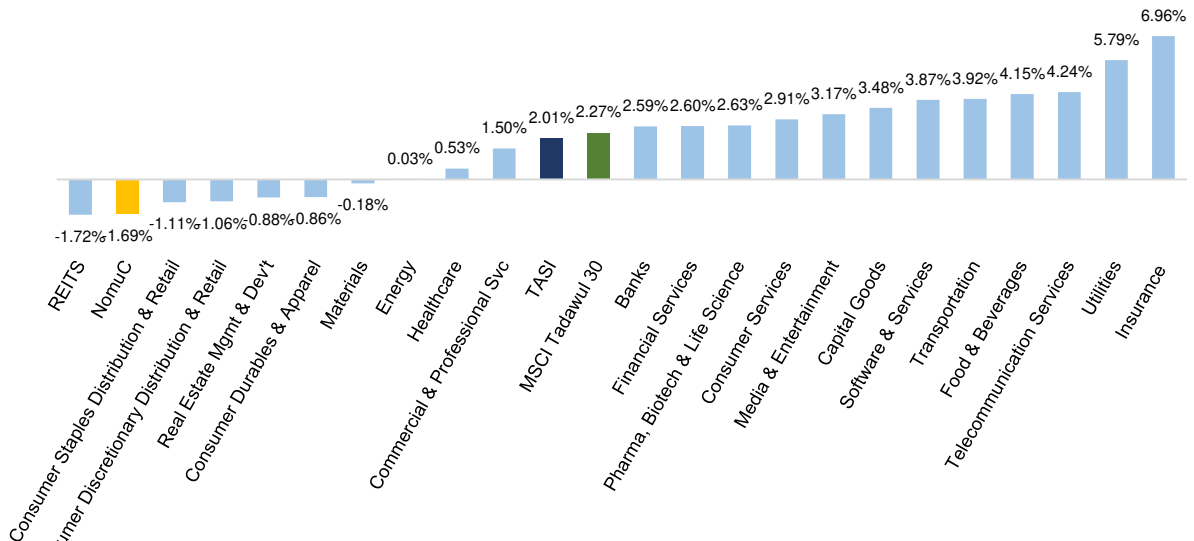


U.S.-Saudi Business Council  
 مجلس الأعمال السعودي الأمريكي

**Tadawul**

The TASI increased by 2.01 percent last week and closed at 11,729 points. Fifteen sectors finished the week in positive territory. ‘Insurance’ led as it gained 6.96 percent. ‘REITS’ led the declines, dropping 1.72 percent. The NomuC parallel market index decreased 1.69 percent and closed at 26,302 points, while the MSCI Tadawul 30 grew 2.27 percent and closed the week at 1,470 points.

Tadawul Weekly Index Performance - June 28<sup>th</sup>, 2024



Source: Tadawul, USSBC



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

---

**Business, Trade, & Investment**

- Saudi Arabia attracted SAR244 billion (\$65.1 billion) in foreign direct investment in the three years post-pandemic until 2023, placing it among West Asia's top recipients. According to the latest World Investment Report by the U.N. Conference on Trade and Development, the Kingdom's FDI outflows totaled SAR274 billion (\$73.1 billion) over the same period, with SAR60 billion (\$16 billion) recorded last year alone. This places Saudi Arabia among the top 20 economies globally for FDI outflows, ranking 16th.
- U.S. energy firm Sempra has signed a non-binding agreement with Saudi Aramco to supply liquefied natural gas from Phase 2 of the Port Arthur project in Texas. Saudi Aramco aims to buy 5 million tons per annum of LNG for 20 years and make a 25 percent equity investment in the proposed Phase 2 expansion, according to the deal terms.
- Saudi Arabia's property developer Dar Global plans to invest SAR1.1 billion (\$300 million) in New York, Miami, and Los Angeles in the coming months as it seeks partners to develop luxury homes in the United States.

**Banking**

Money supply M1 increased by 0.81 percent. Money supply M2 had no change. Money supply M3 increased by 0.06 percent, during the week ending June 20<sup>th</sup>.



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

---

## **U.S. MARKETS**

### **U.S. Macroeconomic Developments**

- The U.S. economy expanded an annualized 1.4 percent in Q1 2024, slightly higher than 1.3 percent in the second estimate, but continuing to point to the lowest growth since the contractions in the first half of 2022. Residential investment jumped 0.6 percent more than initially expected. Exports rose faster (1.6 percent vs 1.2 percent), and imports were revised lower (6.1 percent vs 7.7 percent) while government spending was revised up (1.8 percent vs 1.3 percent).
- New home sales fell 11.3 percent to a 619K-unit pace in May, the weakest pace since November 2023. The new home market has softened recently alongside higher mortgage rates, increased availability of existing homes and a more moderate pace of economic growth.
- Durable goods orders excluding defense in the U.S. decreased by 0.2 percent in May from April 2024, following a downwardly revised 0.5 percent decline in the previous period.

### **Fixed Income**

The yield on the ten-year U.S. Treasury declined to 4.36 percent.

### **Equity Markets**

The Dow Jones Industrial Average (DJIA) decreased by 0.08 percent and finished the week at 39,118 points. The S&P 500 decreased by 0.08 percent and finished at 5,460 points. The NASDAQ jumped by 0.24 percent and ended the week at 17,732 points.



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

---

**GLOBAL OIL MARKETS**

- Arab light crude increased 1.46 percent and finished the week at \$88.51. Global benchmark Brent crude rose 1.37 percent to \$86.41 a barrel, while U.S. West Texas Intermediate (WTI) crude jumped 1.00 percent and closed at \$81.54.
- Top oil exporter Saudi Arabia may cut prices for crude grades it sells to Asia for a second month in August. The potential price reduction for Asia, which accounts for about 80 percent of Saudi Arabia's oil exports, underscores the pressure faced by OPEC producers as non-OPEC supply continues to grow while the global economy faces headwinds.
- Oil prices will not change much in the second half of 2024 as concerns around demand from China and prospects of higher supply from key producers counter risks from geopolitical tensions, a Reuters poll indicated. A poll of 44 analysts and economists surveyed by Reuters in the last two weeks forecast the global benchmark, Brent crude, would average \$83.93 per barrel in 2024, just shy of the \$84.01 consensus in the previous month's poll.

**THE WEEK AHEAD**

- Saudi Arabia releases Bank Lending Growth Rate for May on July 1
  - U.S. releases Balance of Trade for May on July 3
  - U.S. releases Federal Funds Interest Rate Decision on July 3
-