



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

Unlocking Opportunities in U.S.-Saudi Trade 2024

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October 10th, 2024



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

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400+

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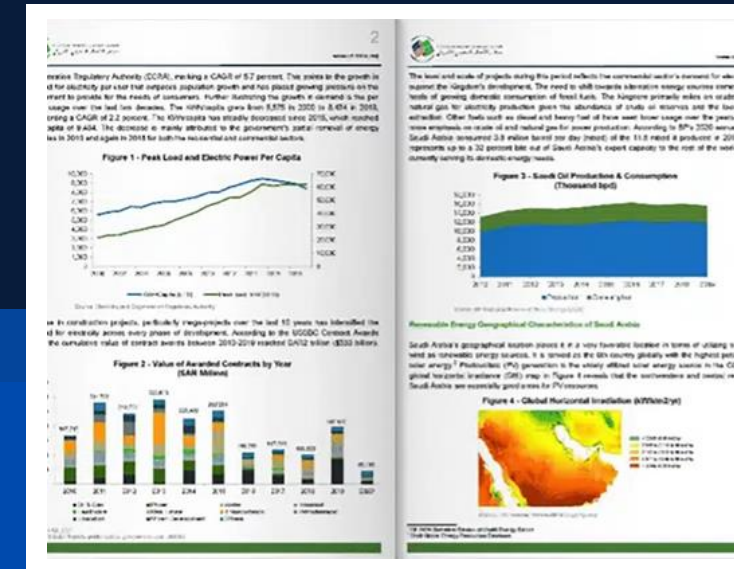
Business Advisory

- ✓ Partner identification and introduction
- ✓ Access to executive decision makers
- ✓ Customized strategic advice



Networking Events

- ✓ Business development missions to /from Saudi Arabia
- ✓ Sector specific business conferences, briefings, luncheons, and dinners



Research

- ✓ Weekly digest of top news in Saudi Arabia
- ✓ Exclusive monthly and quarterly market analysis
- ✓ Customized market research



Visas

- ✓ Expedited visa processing
- ✓ Invitation letters
- ✓ Document ratification and certification

Introduction

Objective: Provide strategic insights on U.S.-Saudi trade in 2024

Key focus areas:

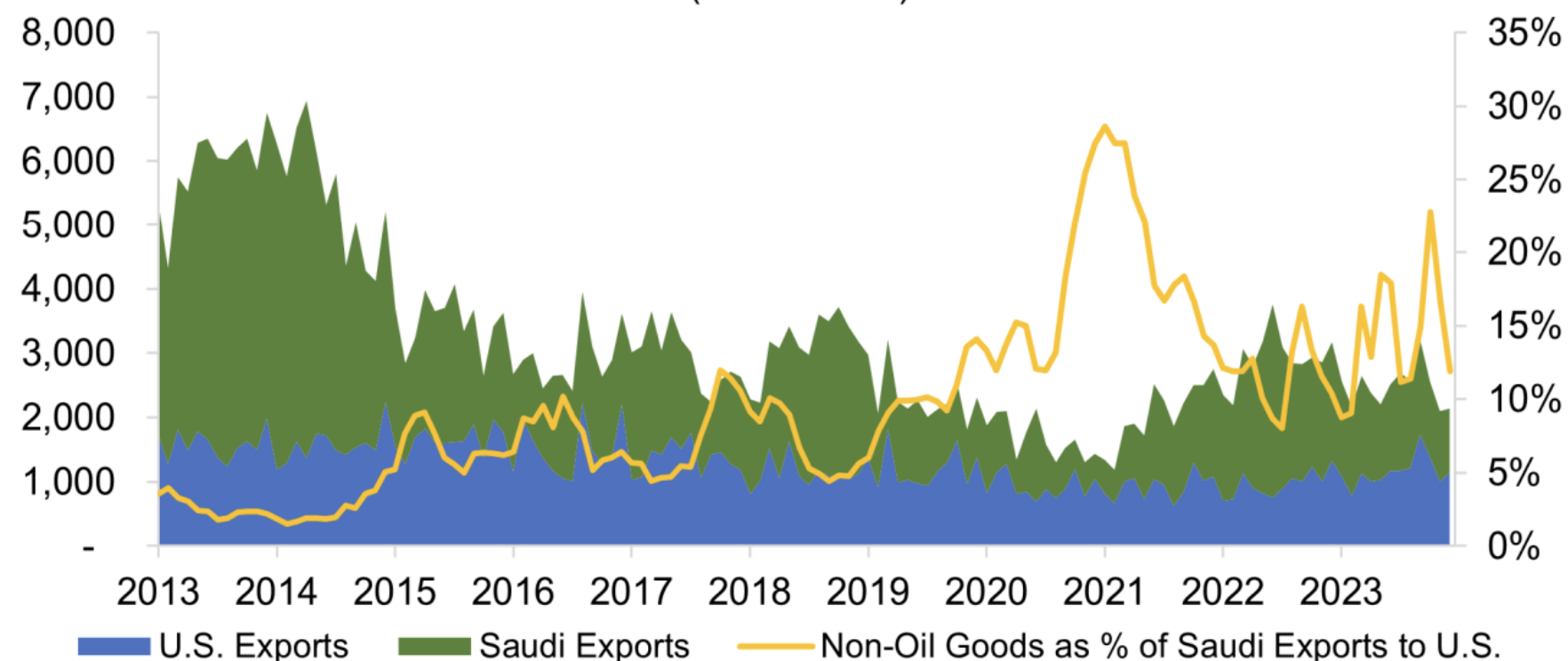
- ✓ Key drivers behind the 20 percent growth in U.S. exports to Saudi Arabia
- ✓ Analysis of the decline in Saudi oil exports and its impact on overall trade
- ✓ Trends in non-oil exports, including expansion into metals and industrial products
- ✓ Insights into how the U.S.-Saudi trade relationship is evolving in 2024 and beyond

U.S.-Saudi Trade Relationship: 2023 Overview and Key Trends

- ✓ **2023 trade:** SAR112B (\$29.7B), down by 15%
- ✓ **U.S. exports:** Up 20%, SAR52B (\$13.8B)
- ✓ **Saudi non-oil exports:** Down 15%, SAR8.5B (\$2.3B)
- ✓ **Total Saudi exports:** SAR60B (\$16B), down from SAR88B (\$23.5B)
- ✓ **Oil exports:** SAR51.5B (\$13.7B), lower than 2022 but above 2019 levels
- ✓ **Diversification:** Growth in metals and industrial products
- ✓ **U.S.:** 2nd-largest goods supplier to Saudi Arabia

U.S.-Saudi Trade Balance

U.S.-Saudi Trade Balance
(Million USD)

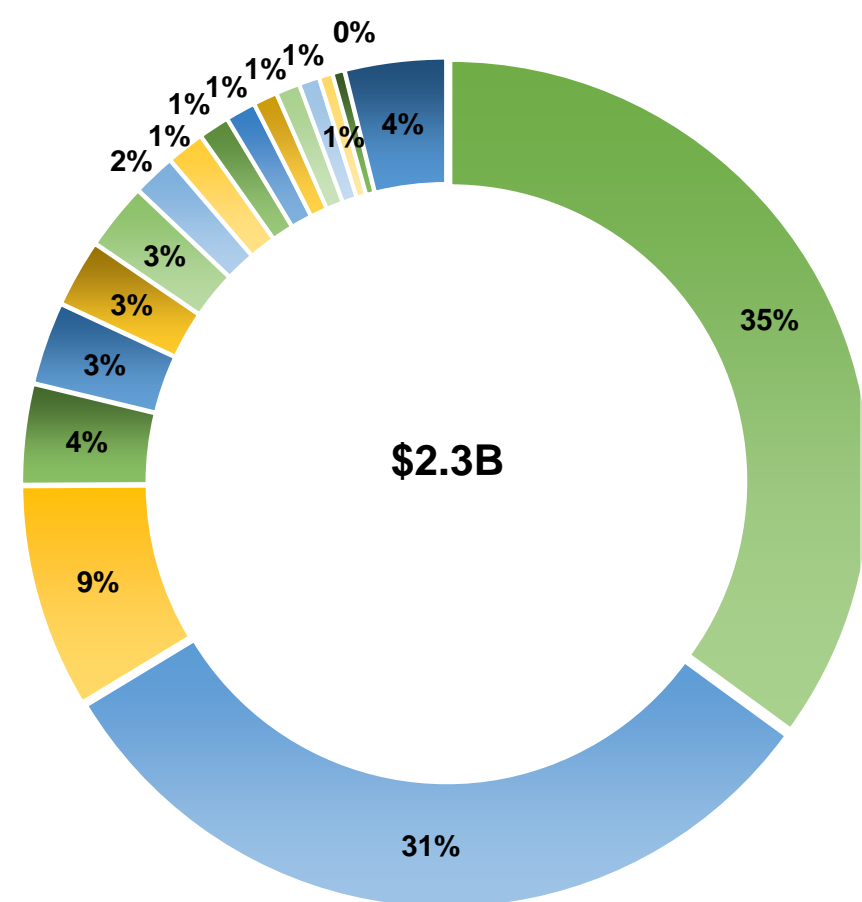


Source: U.S. Department of Commerce

- ✓ Saudi Arabia exported SAR 51.5B (\$13.7B) in crude oil to the U.S., despite a SAR 26.2B (\$7B) decline
- ✓ U.S. global oil imports in 2023 were SAR945B (\$252B), down 19% YoY
- ✓ Top oil suppliers: Canada, Mexico, Saudi Arabia, Iraq, and Colombia, totaling SAR690.3B (\$184B)
- ✓ Non-oil exports to the U.S. fell 15% YoY to SAR 8.5B (\$2.3B)
- ✓ Saudi non-oil exports hit a record SAR 10B (\$2.6B) in 2021 & 2022, signaling structural shifts

Saudi Non-Oil Exports

Saudi Non-Oil Exports to U.S.
(2023)



- 31 Fertilizers
- 29 Organic Chemicals
- 98 Special Classification Provisions, Nesoi
- 73 Articles Of Iron Or Steel
- 54 Manmade Filaments, Including Yarns & Woven Fabrics
- 76 Aluminum And Articles Thereof
- 81 Base Metals Nesoi; Cermets; Articles Thereof
- 84 Nuclear Reactors, Boilers, Machinery Etc.; Parts
- 56 Wadding, Felt Etc; Sp Yarn; Twine, Ropes Etc.
- 39 Plastics And Articles Thereof
- 72 Iron And Steel
- 63 Textile Art Nesoi; Needlecraft Sets; Worn Text Art
- 40 Rubber And Articles Thereof
- 25 Salt; Sulfur; Earth & Stone; Lime & Cement Plaster
- 28 Inorg Chem; Prec & Rare-earth Met & Radioact Compd
- 99 Special Import Provisions, Nesoi
- Other

- ✓ **Fertilizers:**
 - Largest non-oil export to U.S., totaling SAR3 billion (\$790 million), up 2% YoY
- ✓ **Organic Chemicals:**
 - Second largest, valued at SAR2.6 billion (\$706 million), growing 13% YoY
- ✓ **Articles of Iron Or Steel**
 - Third largest, at SAR683 million (\$182 million), accounting for 48% of metals

Saudi Non-Oil Exports

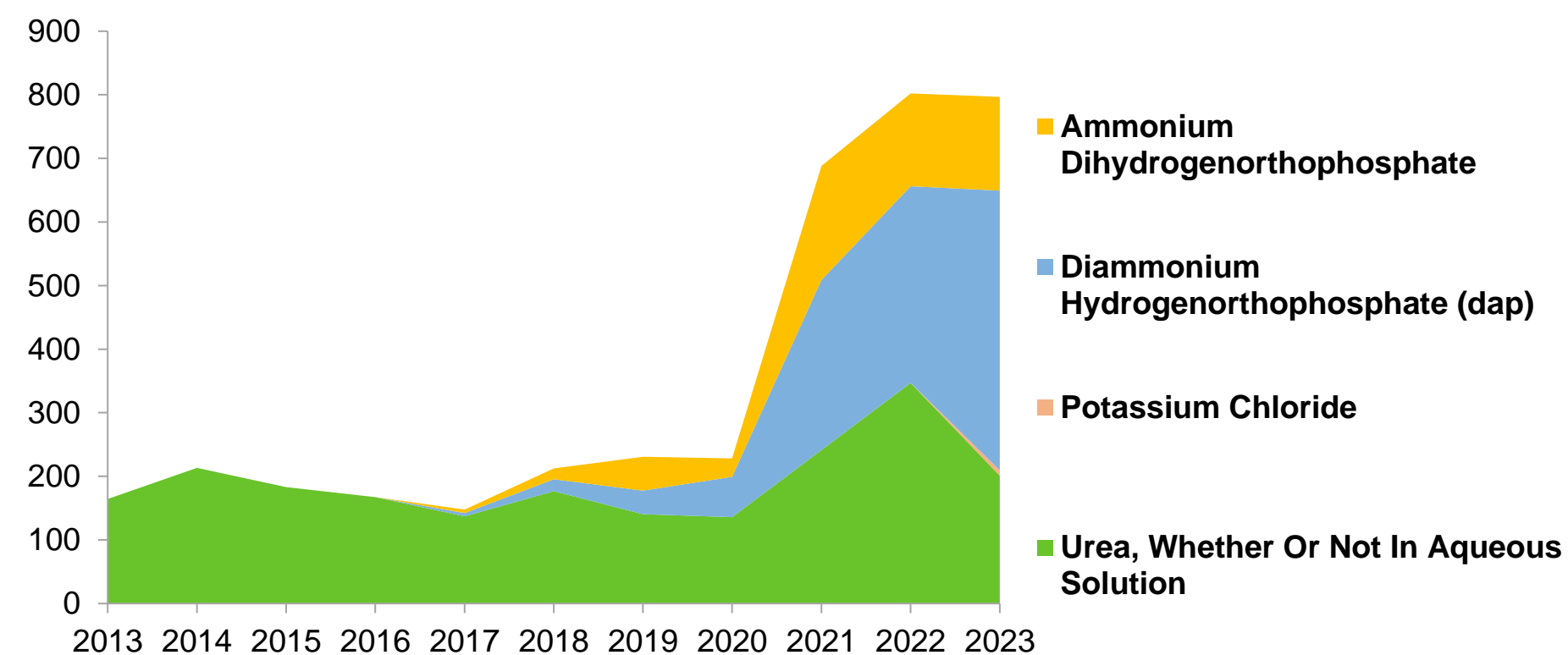
✓ Fertilizer Dominance:

- Fertilizers led accounting for 35%, with phosphate fertilizers making up 75% of total fertilizer exports

✓ Shift in Fertilizers and Organic Chemicals:

- Urea exports dropped 42%, while phosphate fertilizers saw strong growth
- Organic chemical exports to the U.S. totaled SAR2.6 billion (\$706 million), growing 13% YoY
- Cyclic hydrocarbons, mainly paraxylene and benzene, made up 85% of organic chemical exports, totaling SAR2.2 billion (\$599 million)
- Paraxylene exports grew 32%, reaching SAR2.1 billion (\$567 million), while benzene totaled SAR113 million (\$30 million)

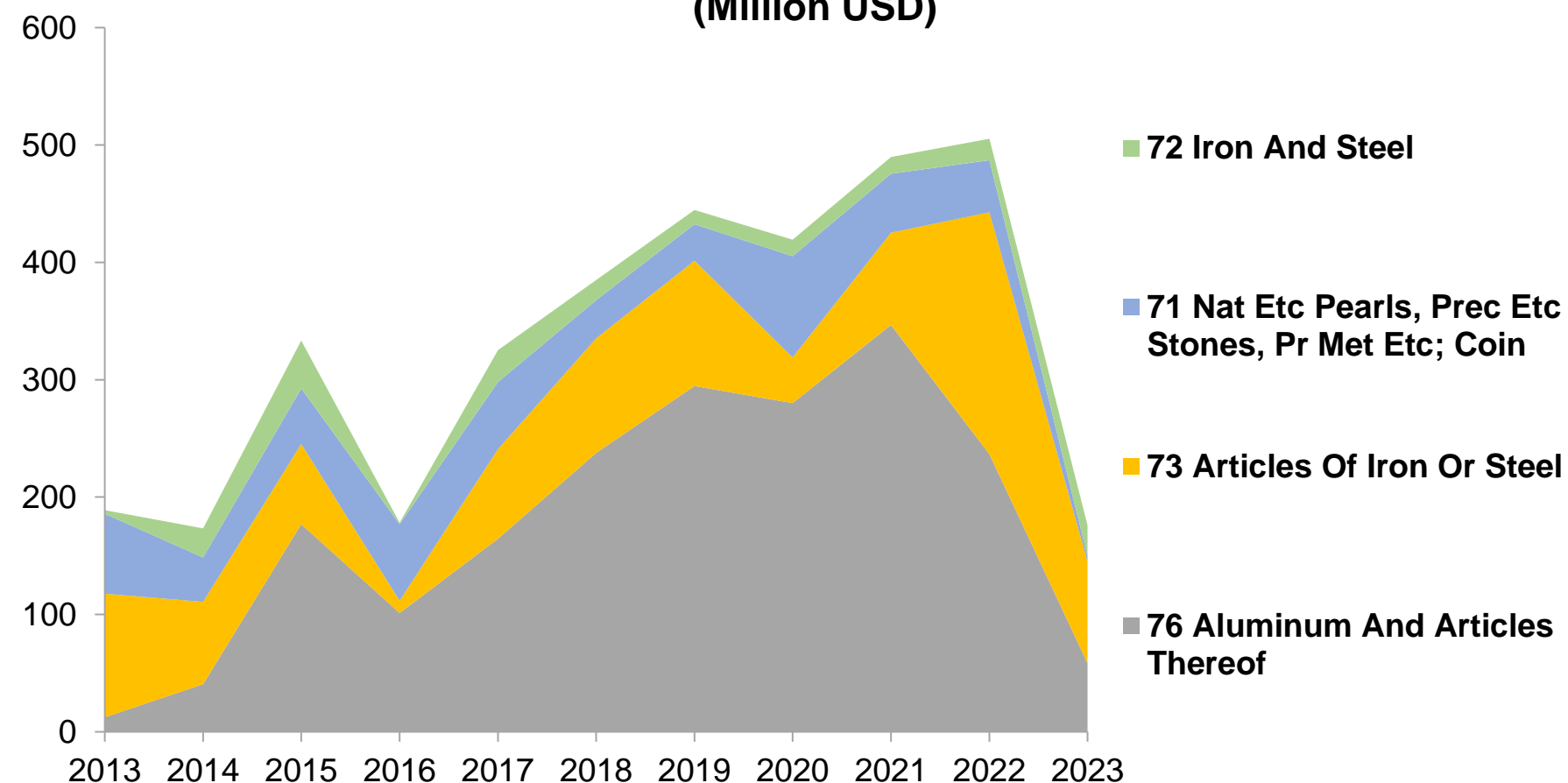
Saudi Fertilizer Exports to the U.S.
(Million USD)



Source: U.S. Department of Commerce

Saudi Non-Oil Exports

**Saudi Metals Exports to the U.S.
(Million USD)**



Source: U.S. Department of Commerce

✓ **Significant Decline in Metal Exports:**

- Saudi Arabia's metal exports fell 64% in 2023 to SAR683 million (\$182 million), down from SAR1.9 billion (\$505 million) in 2022, amid declining U.S. metal imports.

✓ **Top Metal Categories:**

- Articles of iron or steel were the largest exports at SAR325 million (\$87 million), while iron and steel grew 43% to SAR98 million (\$26 million).

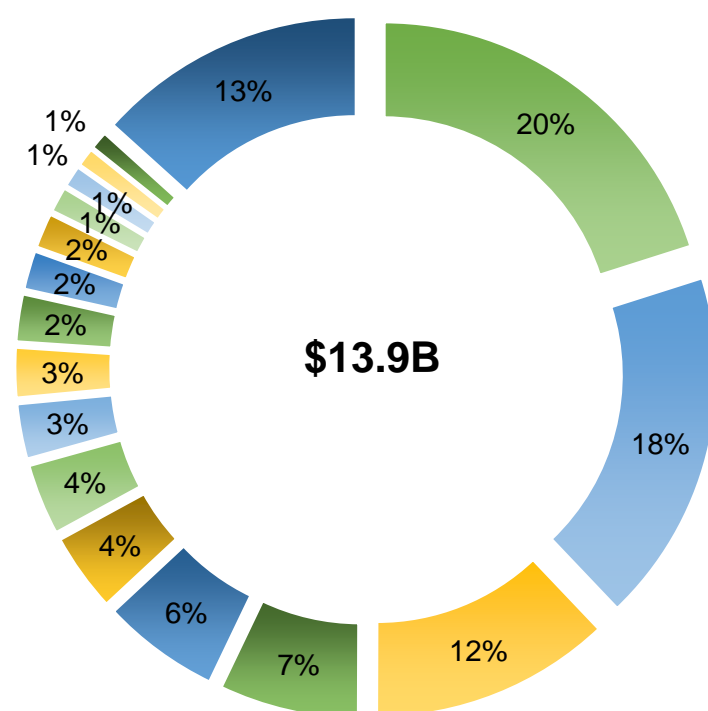
Fastest Saudi Non-Oil Exports in 2023

Fastest Growing Saudi Exports to the U.S.

Commodity	2022 Value (\$)	2023 Value (\$)	YoY Growth
Inorg Chem; Prec & Rare-earth Met & Radioact Compd	\$152,344	\$11,861,654	7686%
Tools, Cutlery Etc. Of Base Metal & Parts Thereof	\$364,273	\$5,525,475	1417%
Vehicles, Except Railway Or Tramway, And Parts Etc	\$445,010	\$4,302,670	867%
Paper & Paperboard & Articles (inc Papr Pulp Artl)	\$2,400,505	\$7,394,633	208%
Base Metals Nesoi; Cermets; Articles Thereof	\$19,890,636	\$57,895,218	191%
Optic, Photo Etc, Medic Or Surgical Instrments Etc	\$2,147,726	\$5,696,759	165%
Iron And Steel	\$18,279,917	\$26,050,632	43%
Organic Chemicals	\$627,665,197	\$706,302,573	13%
Fertilizers	\$776,023,888	\$790,587,767	2%

U.S. Exports to Saudi Arabia

U.S. Exports to Saudi Arabia (2023)



- 87 Vehicles, Except Railway Or Tramway, And Parts Etc
- 84 Nuclear Reactors, Boilers, Machinery Etc.; Parts
- 88 Aircraft, Spacecraft, And Parts Thereof
- 85 Electric Machinery Etc; Sound Equip; Tv Equip; Pts
- 90 Optic, Photo Etc, Medic Or Surgical Instrments Etc
- 38 Miscellaneous Chemical Products
- 30 Pharmaceutical Products
- 93 Arms And Ammunition; Parts And Accessories Thereof
- 12 Oil Seeds Etc.; Misc Grain, Seed, Fruit, Plant Etc
- 98 Special Classification Provisions, Nesoi
- 10 Cereals
- 39 Plastics And Articles Thereof
- 08 Edible Fruit & Nuts; Citrus Fruit Or Melon Peel
- 73 Articles Of Iron Or Steel
- 21 Miscellaneous Edible Preparations
- 71 Nat Etc Pearls, Prec Etc Stones, Pr Met Etc; Coin
- Other



Motor Vehicles:

- Largest U.S. export to Saudi Arabia, totaling SAR10 billion (\$2.8 billion), up 32% YoY



Nuclear Reactors, Boilers, Machinery:

- Second largest, valued at SAR 9.3 billion (\$2.5 billion), growing 38% YoY



Aircraft, Spacecraft, Parts

- Third largest, at SAR6.3 billion (\$1.7 billion), with civilian aircraft rising 398%

Top Exporting States

Top U.S. States Exporting to Saudi Arabia (2023)

Rank	State	Total Value (\$)	Top Export
1	Texas	2,902,210,212	Motor Cars & Vehicles For Transporting Persons
2	California	886,295,489	Nuts Nesoï, Fresh Or Dried
3	North Carolina	845,949,634	Arms & Ammunition; Parts & Accessories Thereof
4	Michigan	654,460,253	Motor Cars & Vehicles For Transporting Persons
5	South Carolina	595,058,358	Civilian Aircraft, Engines, And Parts
6	Florida	550,157,888	Turbojets, Turbopropellers; Copper And Articles Thereof
7	Georgia	510,994,591	Turbojets, Turbopropellers; Copper And Articles Thereof
8	Alabama	505,389,490	Aircraft, Powered; Spacecraft & Launch Vehicles
9	New York	467,723,079	Phone Sets; Oth Apparatus Trans/recep Voice/img/data
10	Ohio	462,358,537	Motor Cars & Vehicles For Transporting Persons

TEXAS



Texas-Saudi Arabia Trade Overview:

- Top U.S. Trading State: Texas was the leading U.S. state trading with Saudi Arabia, exporting SAR11 billion (\$2.9 billion) in 2023.
- Texas accounted for 21% of total U.S. exports to Saudi Arabia.
- Year-over-Year Increase: Texas exports to Saudi Arabia increased by 32% compared to the previous year.



Employment:

- Trade with Saudi Arabia supported an estimated 11,883 U.S. jobs.



Top export:

- Passenger motor vehicles, totaling SAR 3.7 billion (\$988 million), up 64% YoY.



Other major exports:

- Nuclear Reactors, Boilers, Machinery: SAR 2.4 billion (\$636 million)
- Optic, Photo, Medical Instruments: SAR 808 million (\$215 million)
- Miscellaneous Chemical Products: SAR 753 million (\$201 million)
- Electric Machinery: SAR 643 million (\$171 million)

CALIFORNIA



✓ **California-Saudi Arabia Trade Overview:**

- Second Largest U.S. Exporter: California ranked as the second largest U.S. state exporting to Saudi Arabia, with exports totaling SAR3.3 billion (\$886 million) in 2023.
- California's Share: The state accounted for 6% of total U.S. exports to Saudi Arabia in 2023.
- Year-over-Year Increase: Exports to Saudi Arabia grew by 12% compared to the previous year.

✓ **Employment Impact:**

- Trade with Saudi Arabia supported an estimated 4,316 U.S. jobs.

✓ **Top Export:**

- Nuts, Fresh or Dried: California's top export to Saudi Arabia, valued at SAR 647 million (\$173 million).

✓ **Other Major Exports:**

- Nuclear Reactors, Boilers, Machinery: SAR 518 million (\$138 million)
- Oil Seeds, Miscellaneous Grain, Seed, Fruit: SAR 393 million (\$105 million)
- Optic, Photo, Medical, or Surgical Instruments: SAR 389 million (\$104 million)

North Carolina



✓ North Carolina-Saudi Arabia Trade Overview:

- Third Largest U.S. Exporter: North Carolina rose to the third-largest U.S. state exporter to Saudi Arabia in 2023, with exports totaling SAR 3.2 billion (\$846 million).
- Year-over-Year Increase: Exports from North Carolina to Saudi Arabia grew by 17% compared to 2022.
- North Carolina's Share: The state accounted for 6% of total U.S. exports to Saudi Arabia in 2023.

✓ Employment Impact:

- Jobs Supported: Trade with Saudi Arabia supported an estimated 3,446 U.S. jobs.

✓ Top Export:

- Defense-Related Goods: Defense and military-related goods made up 61% of North Carolina's exports to Saudi Arabia, with growth across multiple subcategories.

Michigan



- ✓ **Michigan-Saudi Arabia Trade Overview:**
 - Exports Growth: Michigan's exports to Saudi Arabia grew by 15% year-over-year, reaching the highest level since 2013, with total exports valued at SAR 2.5 billion (\$655 million).
 - Michigan's Share: The state accounted for 5% of total U.S. exports to Saudi Arabia in 2023.

- ✓ **Employment Impact:**
 - Jobs Supported: Trade between Michigan and Saudi Arabia supported an estimated 2,674 U.S. jobs.

- ✓ **Top Export:**
 - Motor Vehicles: Michigan's largest export to Saudi Arabia, valued at SAR 1.9 billion (\$505 million).

- ✓ **Other Major Exports:**
 - Nuclear Reactors, Boilers, Machinery, and Parts: SAR 144 million (\$38 million).
 - Furniture and Equipment: Primarily for the medical, industrial, and chemical sectors.

South Carolina



✓ **South Carolina-Saudi Arabia Trade Overview:**

- Exports Surge: South Carolina experienced a 203% year-over-year increase in exports to Saudi Arabia, catapulting the state to the fifth-largest U.S. exporter to the country, with exports valued at SAR 2.2 billion (\$595 million).
- South Carolina's Share: The state accounted for 4% of total U.S. exports to Saudi Arabia in 2023.

✓ **Employment Impact:**

- Jobs Supported: Trade with Saudi Arabia supported an estimated 2,429 U.S. jobs.

✓ **Top Export:**

- Civilian Aircraft, Engines, and Parts: The dominant export, valued at SAR 1.5 billion (\$388 million), making up 65% of South Carolina's total exports.

✓ **Other Major Exports:**

- Motor Cars and Vehicles: SAR 284 million (\$76 million).
- Turbojets, Turbopropellers, & Other Gas Turbines: SAR 224 million (\$36 million).
- Organic Compound Precious Metal; Amalgams: SAR 98 million (\$26 million).

Non-Oil U.S. Importing States

Top 5 Non-Oil U.S. Importing States

Importing State	Key Imports	Other Notable Imports
Louisiana: Top U.S. importer of non-oil goods; SAR2.4 billion (\$632 million) imported, a 7% YoY decrease	Fertilizers (91%), SAR2.2 billion (\$577 million)	Organic chemicals, SAR127 million (\$34 million); Rubber, SAR56 million (\$15 million)
Texas: SAR1.8 billion (\$491 million) of non-oil goods imported, 29% YoY increase	Organic chemicals, SAR1.1 billion (\$300 million) (84% cyclic hydrocarbons)	Iron or steel articles, SAR266 million (\$71 million); Textiles, inorganic chemicals, nuclear reactors & boilers
North Carolina: SAR910 million (\$243 million) imported, 9% YoY decline	Organic chemicals (94%), SAR800 million (\$213 million)	Paraxylene (99% of organic chemical imports)
Georgia: SAR371 million (\$99 million) imported, 43% YoY decrease	Manmade filaments, SAR268 million (\$71 million)	Aluminum, SAR67 million (\$18 million)
Minnesota: SAR343 million (\$92 million) imported, 4,955% YoY increase	Fertilizers (96%), SAR329 million (\$88 million)	Aluminum, SAR3.8 million (\$1 million)

U.S.-Saudi Trade Outlook: Key Insights

✓ **Strategic Relationship:**

- The U.S.-Saudi trade partnership remains a cornerstone of economic engagement, evolving with global dynamics and shared strategic interests.

✓ **Foreign Direct Investment (FDI):**

- Critical to deepening U.S.-Saudi ties, FDI fosters the exchange of capital, technology, and expertise.
- As Saudi Arabia shifts away from oil, U.S. investments in non-oil sectors (manufacturing, technology, renewable energy) are vital for the Kingdom's Vision 2030 goals.

✓ **Economic Diversification:**

- Vision 2030 aims to reduce oil dependency and develop new industries, including chemicals, fertilizers, and advanced manufacturing.
- Non-oil sector development is key to long-term stability, with continued innovation and investment needed to boost competitiveness.

✓ **Human Capital Development:**

- Building a skilled workforce is essential for Saudi Arabia's diversification.
- U.S. partnerships in education, vocational training, and R&D will bolster innovation and entrepreneurship in the Kingdom.

✓ **Future Opportunities:**

- Collaboration in renewable energy, digital economy, and high-tech manufacturing offers promising growth areas.
- Strengthening U.S.-Saudi ties will contribute to global economic stability and mutual prosperity.



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Q&A Discussion

Moderator:

David Callahan

*Senior Vice President
dcallahan@ussaudi.org*

Speaker:

Albara'a Alwazir

*Director, Economic Research
alalwazir@ussaudi.org*

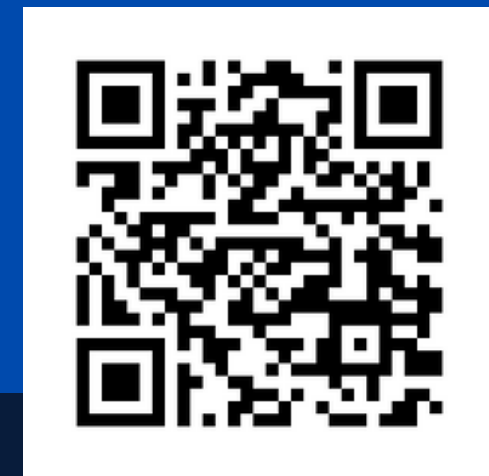


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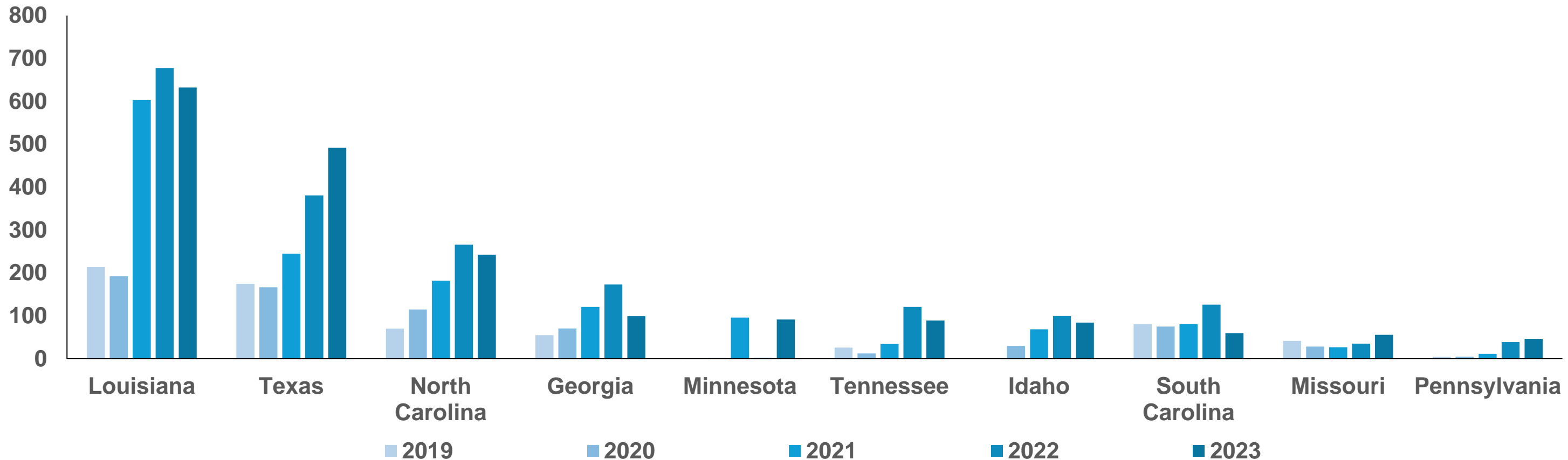
We hope to see you at our upcoming events

- *Webinar: Key Insights from the USSBC Contract Awards Index (Q2 2024)*
 - Nov. 20, 2024
- *Webinar: SPARK and Aramco Namaat – Digital Hub for U.S. Investment*
 - Dec. 4, 2024

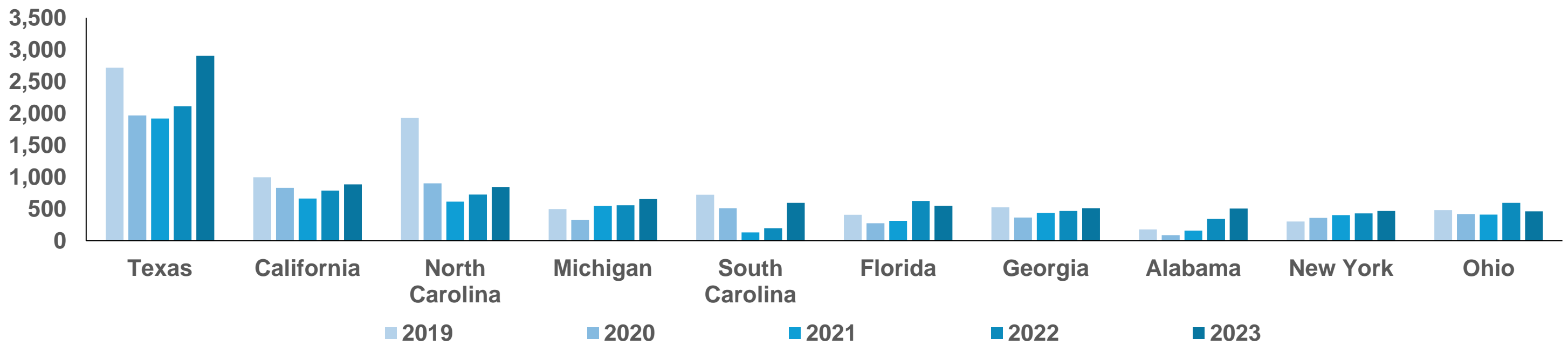
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Top U.S. Imports from Saudi Arabia (Non-Oil Goods, Million USD)



Top U.S. Exports to Saudi Arabia (Million USD)



Source: U.S. Department of Commerce

U.S. Exports of Goods to Saudi Arabia by State/Territory

State	2023 Exports (\$)	% of Total	Jobs Supported*
Texas	2,902,210,212	21.0%	11,883
California	886,295,489	6.4%	4,316
North Carolina	845,949,634	6.1%	3,446
Michigan	654,460,253	4.7%	2,961
South Carolina	595,058,358	4.3%	2,429
Florida	550,157,888	4.0%	2,252
Georgia	510,994,591	3.7%	2,160
Alabama	505,389,490	3.6%	2,065
New York	467,723,079	3.4%	1,912
Ohio	462,358,537	3.3%	1,896
Louisiana	454,040,507	3.3%	2,380
New Jersey	448,489,922	3.2%	1,831
Arizona	442,794,916	3.2%	2,091
Illinois	425,221,713	3.1%	1,740
Indiana	413,950,447	3.0%	1,690
Washington	345,952,523	2.5%	1,472
Pennsylvania	284,818,561	2.1%	1,198
Tennessee	276,885,788	2.0%	1,130
Wisconsin	271,594,154	2.0%	1,110
Kentucky	232,464,911	1.7%	967
Massachusetts	210,282,718	1.5%	861
Virginia	196,539,835	1.4%	964
Mississippi	172,103,851	1.2%	702
Minnesota	148,827,921	1.1%	619
Unknown	137,641,908	1.0%	562
Maryland	114,172,627	0.8%	466
Delaware	109,468,371	0.8%	446
Missouri	87,254,775	0.6%	356
New Hampshire	81,406,787	0.6%	332
Connecticut	78,931,967	0.6%	322
Arkansas	76,144,406	0.5%	311
Kansas	70,940,381	0.5%	290
Oklahoma	68,730,546	0.5%	280
Iowa	50,989,437	0.4%	210
Puerto Rico	45,484,441	0.3%	186
Oregon	42,190,921	0.3%	173
Utah	39,692,241	0.3%	163
Colorado	38,842,971	0.3%	160
Nevada	30,113,017	0.2%	123
Nebraska	13,003,820	0.1%	113
West Virginia	11,949,971	0.1%	49
Idaho	11,350,517	0.1%	60
Maine	10,440,412	0.1%	43
Vermont	7,869,703	0.1%	32
North Dakota	5,880,988	0.0%	25
Rhode Island	2,604,125	0.0%	11
New Mexico	2,148,207	0.0%	9
Montana	1,804,527	0.0%	7
South Dakota	1,414,228	0.0%	6
Wyoming	1,228,881	0.0%	5
Alaska	484,622	0.0%	2
District of Columbia	203,036	0.0%	1
Hawaii	137,351	0.0%	1
Total	13,847,090,482	100.0%	58,471

Source: U.S. Department of Commerce