



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

Weekly Market Brief
Week Ending December 27th, 2024

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- According to the General Authority for Statistics (GASat), Saudi Arabia's annual inflation rate remained stable at 2 percent in November YoY, driven primarily by higher housing costs. Housing rents increased by 10.8 percent YoY in November, while apartment rental prices surged 12.5 percent during the same period.
- Spending in Saudi hotels saw a weekly rise of 10.4 percent between Dec. 8 and 14, reaching SAR349.2 million (\$92.9 million), according to the latest Point of Sales (POS) figures. The surge is attributed to the ongoing festivities of Riyadh Season in the Saudi capital.
- Saudi Arabia's central bank (SAMA) lowered its benchmark interest rate to 5 percent, its third cut this year, aligning with the U.S. Federal Reserve's decision to reduce rates by 25 basis points. SAMA cut its repurchase agreement rate to 5 percent and the reverse repurchase agreement rate to 4.5 percent.

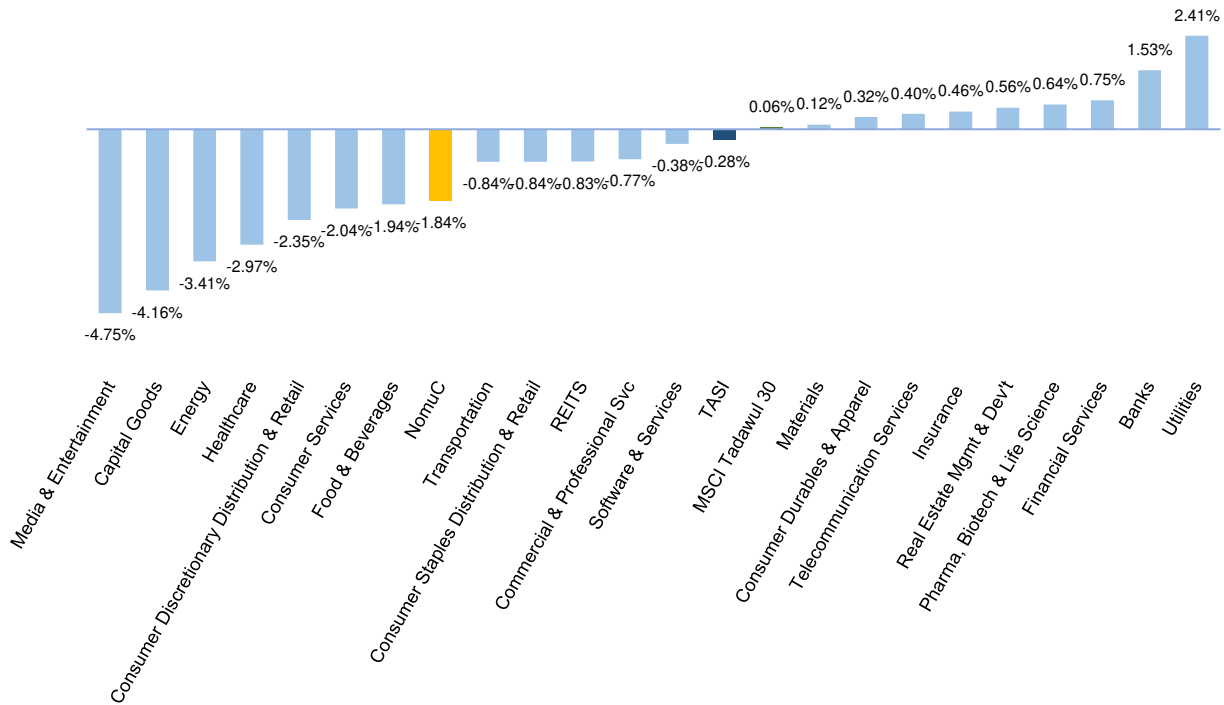


U.S.-Saudi Business Council
 مجلس الأعمال السعودي الأمريكي

Tadawul

The TASI decreased by 0.28 percent compared to last week and closed at 11,859 points. Eight sectors ended the week in positive territory. 'Utilities' led as it gained 2.41 percent. 'Media & Entertainment' led the declines, as it slipped 4.75 percent. The NomuC parallel market index fell 1.84 percent and closed at 30,866 points, while the MSCI Tadawul 30 grew by 0.06 percent and closed the week at 1,490 points.

Tadawul Weekly Index Performance - December 27th, 2024



Source: Tadawul, USSBC



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

Business, Trade, & Investment

- Saudi Arabian Mining Company (Ma'aden) completed the acquisition of all shares owned by Mosaic Phosphates BV in Ma'aden Wa'ad Al Shamal Phosphate Company, including related marketing rights for phosphate and fertilizer products. Maaden shareholders recently approved a proposal for the company's capital increase from SAR36.91 billion (\$9.84 billion) to SAR38.02 billion, through issuing 111.01 million ordinary shares.
- Saudi Arabia's non-oil exports, including re-exports, jumped 12.7 percent to SAR25.38 billion (\$6.8 billion) YoY during the month of October 2024 compared to the same month last year.
- Saudi Arabia's trade surplus narrowed to SAR20.8 billion (\$5.5 billion) in October 2024 from SAR29.1 billion (\$7.8 billion) in October of 2023, as exports fell much faster than imports. Exports declined by 10.7 percent YoY to SAR92.8 billion (\$24.7 billion), dragged by lower sales of oil products (-17.2 percent), which accounted for 72.6 percent of total exports.

Banking

Money supply M1, M2, and M3 declined by 0.40 percent, 0.15 percent, and 0.21, respectively during the week ending December 19th.



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

U.S. MARKETS

U.S. Macroeconomic Developments

- New orders for manufactured durable goods in the U.S. decreased 1.1 percent MoM to \$285.1 billion in November 2024, following an upwardly revised 0.8 percent rise in October and more than market forecasts of a 0.4%percent decline. Transportation equipment led the decline, down 2.9 percent.
- The U.S. trade deficit in goods widened to \$102.86 billion in November 2024, above market expectations of a \$100.7 billion deficit and after a downwardly revised \$98.3 billion in the prior month. Imports rose by 4.5 percent, largely due to higher purchases of capital goods of 4.3 percent, consumer goods up 1.1 percent, industrial supplies climbing by 6.9 percent, and automotive vehicles rising 3.2 percent.
- Sales of new single-family homes in the United States rose 5.9 percent from the previous month to a seasonally adjusted annualized rate of 664,000 in November of 2024, above market expectations of 650,000.

Fixed Income

The yield on the ten-year U.S. Treasury increased to 4.62 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) increased by 0.35 percent and finished the week at 42,992. The S&P 500 climbed by 0.67 percent and finished at 5,970 points. The NASDAQ grew by 0.76 percent and ended the week at 19,722 points.



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

GLOBAL OIL MARKETS

- Arab light crude increased by 1.67 percent and finished the week at \$74.22. Global benchmark Brent crude grew by 1.69 percent to \$74.17 a barrel, while U.S. West Texas Intermediate (WTI) crude climbed by 1.64 percent and closed at \$70.60.
- Oil prices recorded a weekly gain in low trading volume ahead of the year-end, buoyed by a larger-than-expected drawdown from U.S. crude inventories last week.
- Japan imported 31.49 million barrels of Saudi oil in November 2024, making up 44.3 percent of the total. Japan imported 71.18 million barrels of oil in November, of which 67.72 million barrels (95.1 percent) came from Arab countries.

THE WEEK AHEAD

- Saudi Arabia releases Employment Rate for Q3 on December 31
 - U.S. releases Construction Spending for November on January 2
 - U.S. releases ISM Manufacturing PMI for December on January 3
-