



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

Weekly Market Brief
Week Ending January 3rd, 2024

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Saudi Arabia's unemployment rate dropped to 3.7 percent in the third quarter of 2024, down 0.5 percentage points from last year. Labor force participation across Saudis and non-Saudis reached 66.6 percent during the third quarter, reflecting a YoY increase of 0.2 percentage points and a quarterly rise of 0.4 percentage points.
- Saudi banks issued SAR10.06 billion (\$2.7 billion) in new residential mortgages in November, a 51.23 percent increase YoY. Houses accounted for the majority of loans at SAR6.5 billion (\$1.73 billion), or 65 percent, followed by apartments at 31 percent and land purchases at 4 percent.
- Saudi Arabia's National Debt Management Center concluded its riyal-denominated sukuk issuance for December, raising SAR11.59 billion (\$3.09 billion). This marks a substantial 239.88 percent increase MoM, when the Kingdom raised SAR3.41 billion (\$909 million) in sukuk.
- Saudi Arabia's consumer spending soared in the final week of 2024, with point-of-sale (POS) transactions climbing 17.2 percent WoW to SAR13.8 billion (\$3.6 billion). The telecommunications sector led the growth in transaction value, reporting a 29.6 percent WoW increase to SAR132.5 million (\$35.3 million).

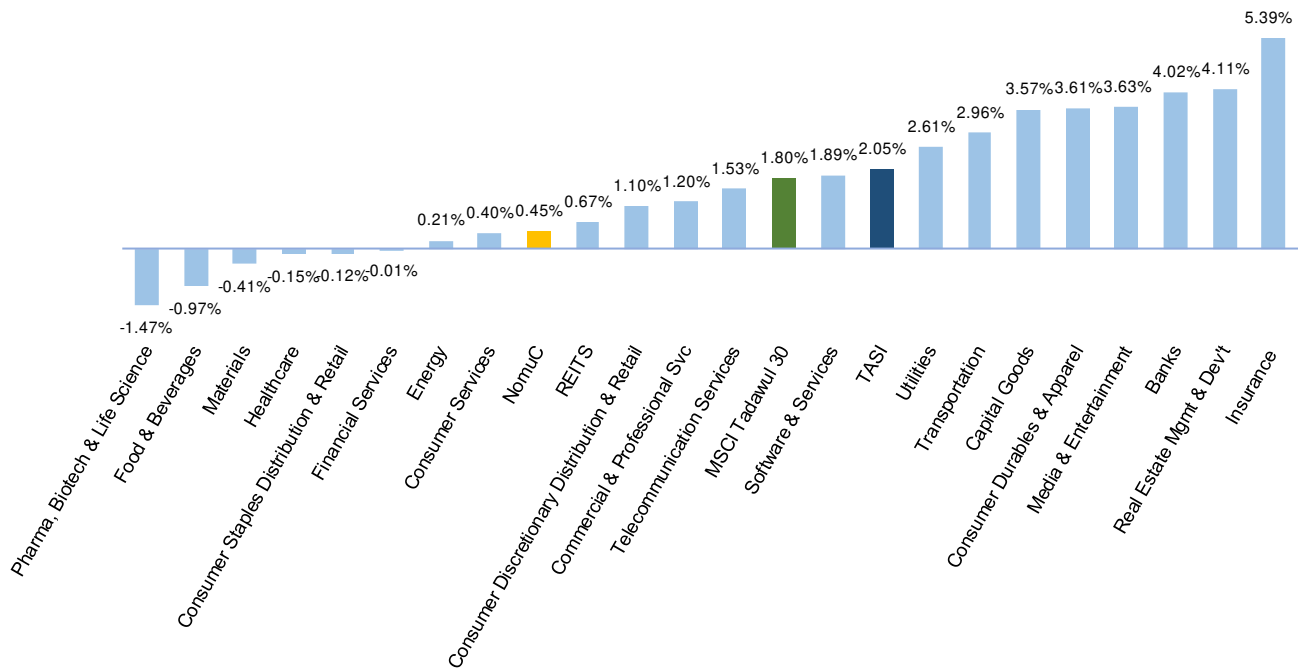


U.S.-Saudi Business Council
 مجلس الأعمال السعودي الأمريكي

Tadawul

The TASI increased by 2.05 percent compared to last week and closed at 12,102 points. Fifteen sectors ended the week in positive territory. ‘Insurance’ led as it gained 5.39 percent. ‘Pharma, Biotech & Life Sciences’ led the declines, as it slipped 1.47 percent. The NomuC parallel market index grew 0.45 percent and closed at 31,005 points, while the MSCI Tadawul 30 climbed by 1.80 percent and closed the week at 1,517 points.

Tadawul Weekly Index Performance - January 3rd, 2025



Source: Tadawul, USSBC



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

Business, Trade, & Investment

- Saudi Arabia's net foreign direct investment saw a QoQ rise of 37 percent during the third quarter of 2024, according to the General Authority of Statistics (GASat). The surge was primarily attributed to a significant decline in FDI outflows, which dropped by 74.36 percent.
- Saudi Arabia's non-oil exports surged 12.7 percent YoY in October, reaching SAR25.38 billion (\$6.76 billion). According to GASat, chemical products led the non-oil export categories, accounting for 26.8 percent of the total, while plastics and rubber products followed, contributing 23.7 percent.
- Tourism spending in Saudi Arabia saw an annual increase of 27.25 percent during the third quarter, hitting SAR25.05 billion (\$6.68 billion) spending by residents traveling abroad increased by 21.79 percent to reach SAR26.33 billion.

Banking

Money supply M1, M2, and M3 inclined by 4.92 percent, 1.95 percent, and 1.85, respectively during the week ending December 26th.



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

U.S. MARKETS

U.S. Macroeconomic Developments

- Residential construction outlays edged 0.1 percent higher in November 2024, offsetting the 0.1 percent drop in non-residential construction spending. Although the improvement was modest, residential construction as of last November has increased in three of the last four months.
- The ISM Manufacturing Index ended the year at 49.3 points. The composite index is just two tenths above its January reading. The prices paid index pushed higher again in December amid higher reported prices for raw materials in some industries.
- Pending home sales in the United States rose 2.2 percent MoM in November 2024, above forecasts of a 0.7 percent increase and following a downwardly revised 1.8 percent advance in October. Across major U.S. regions, the Midwest, South, and West experienced MoM gains in transactions, while the Northeast decreased.

Fixed Income

The yield on the ten-year U.S. Treasury decreased to 4.60 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) decreased by 0.60 percent and finished the week at 42,732. The S&P 500 fell by 0.48 percent and finished at 5,942 points. The NASDAQ declined by 0.51 percent and ended the week at 19,621 points.



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

GLOBAL OIL MARKETS

- Arab light crude decreased by 1.64 percent and finished the week at \$73.00. Global benchmark Brent crude grew by 3.15 percent to \$76.51 a barrel, while U.S. West Texas Intermediate (WTI) crude climbed by 4.76 percent and closed at \$73.96.
- Oil prices increased as cold weather in Europe and the U.S. as well as additional economic stimulus flagged by China helped push prices higher.

THE WEEK AHEAD

- U.S. releases ISM services PMI for December on January 7
 - U.S. releases Nonfarm Payroll for December on January 10
 - Saudi Arabia releases Industrial Production for December on January 10
-