



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

Weekly Market Brief
Week Ending January 31st, 2025

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Saudi Arabia's real gross domestic product grew 4.4 percent YoY in the fourth quarter of 2024, marking its highest growth in two years. The Kingdom's non-oil activities grew by 4.6 percent YoY in the three months to the end of December, reflecting ongoing efforts to diversify the economy.

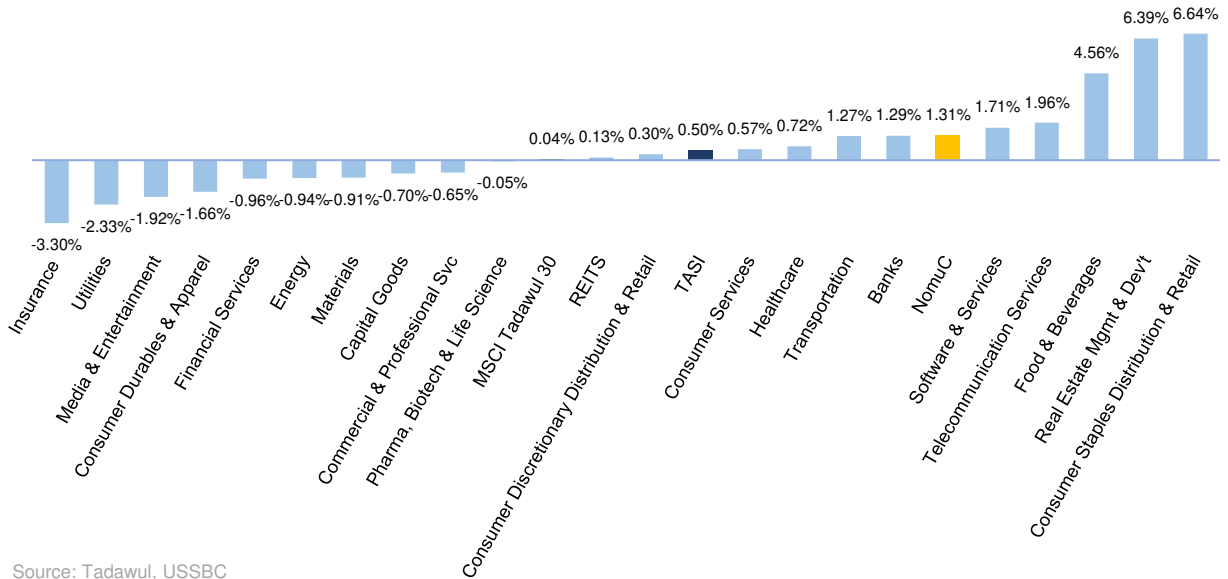


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Tadawul

The TASI increased by 0.50 percent compared to last week and closed at 12,415 points. Eleven sectors ended the week in positive territory. 'Consumer Staples Distribution & Retail' led as it gained 6.64 percent. 'Insurance' led the declines, as it slipped 3.30 percent. The NomuC parallel market index grew 1.31 percent and closed at 31,250 points, while the MSCI Tadawul 30 jumped by 0.04 percent and closed the week at 1,543 points.

Tadawul Weekly Index Performance - January 31st, 2025



Source: Tadawul, USSBC



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Business, Trade, & Investment

- The Public Investment Fund has successfully priced a SAR15 billion (\$4 billion) bond issuance, divided into two tranches. PIF issued SAR9 billion (\$2.4 billion) in five-year debt instruments and an additional SAR6 billion (\$1.6 billion) in securities with a maturity of nine-and-a-half years, under its Euro Medium-Term Note Program.
- The Saudi Capital Market Authority (CMA) announced that foreigners are allowed to invest in listed Saudi companies that own real estate in the cities of Makkah and Madinah, effective from Monday, January 27. Foreign investment in these companies would be limited to shares of Saudi companies listed on the capital market, as well as to convertible debt instruments, or both.
- Custodian of the Two Holy Mosques H.R.H. King Salman issued an order approving new financial settlement rules for individuals and entities involved in corruption cases, aimed at recovering embezzled funds and ensuring swift justice in such cases.

Banking

Money supply M1, M2, and M3 increased by 0.80 percent, 0.81 percent, and 0.58, respectively during the week ending January 23rd.



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U.S. MARKETS

U.S. Macroeconomic Developments

- New home sales beat expectations and rose 3.6 percent during December, the second consecutive monthly gain. The solid performance adds evidence that the temporary late-summer dip in mortgage rates spurred a rebound in residential investment in the fourth quarter of 2024.
- Overall durable goods orders slipped 2.2 percent during December and brought downward revisions to November revealing another 2 percent decline. The majority of this weakness can be traced to aircraft orders specifically.
- As universally expected, the Federal Open Market Committee (FOMC) left its target range for the federal funds rate unchanged at 4.25 percent–4.50 percent at the conclusion of its meeting. With the pace of real economic activity holding up and with inflation remaining above target, the FOMC may keep rates on hold until the second half of 2025.

Fixed Income

The yield on the ten-year U.S. Treasury decreased to 4.58 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) increased by 0.27 percent and finished the week at 44,544. The S&P 500 declined by 1.00 percent and finished at 6,040 points. The NASDAQ fell by 1.64 percent and ended the week at 19,627 points.



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GLOBAL OIL MARKETS

- Arab light crude decreased by 1.40 percent and finished the week at \$79.84. Global benchmark Brent crude dropped by 1.02 percent to \$76.76 a barrel, while U.S. West Texas Intermediate (WTI) crude slipped by 2.85 percent and closed at \$72.53.
- Oil prices continued their second straight week of losses as the markets expect the proposed tariffs would drive up fuel prices for Americans and hit global economic growth and demand for energy.
- Sluggish demand from China and oversupply worries will keep oil prices anchored below \$80 a barrel this year, a Reuters poll showed, although tougher U.S. sanctions on Russian crude and geopolitical tensions could provide price support.

THE WEEK AHEAD

- Saudi Arabia releases Riyad Bank PMI for January on February 4
 - U.S. releases ISM Services PMI for January on February 5
 - U.S. releases Unemployment Rate for January on February 7
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