



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

Weekly Market Brief
Week Ending February 14th, 2024

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Foreign remittances from Saudi Arabia recorded an increase of 14 percent YoY during 2024, reaching SAR144 billion (\$38.4 billion), which marks the highest level since 2022, according to the Saudi Central Bank (SAMA). The volume of remittances amounted to SAR126.8 billion (\$33.8 billion) in 2023, compared to SAR143 billion (\$38 billion).

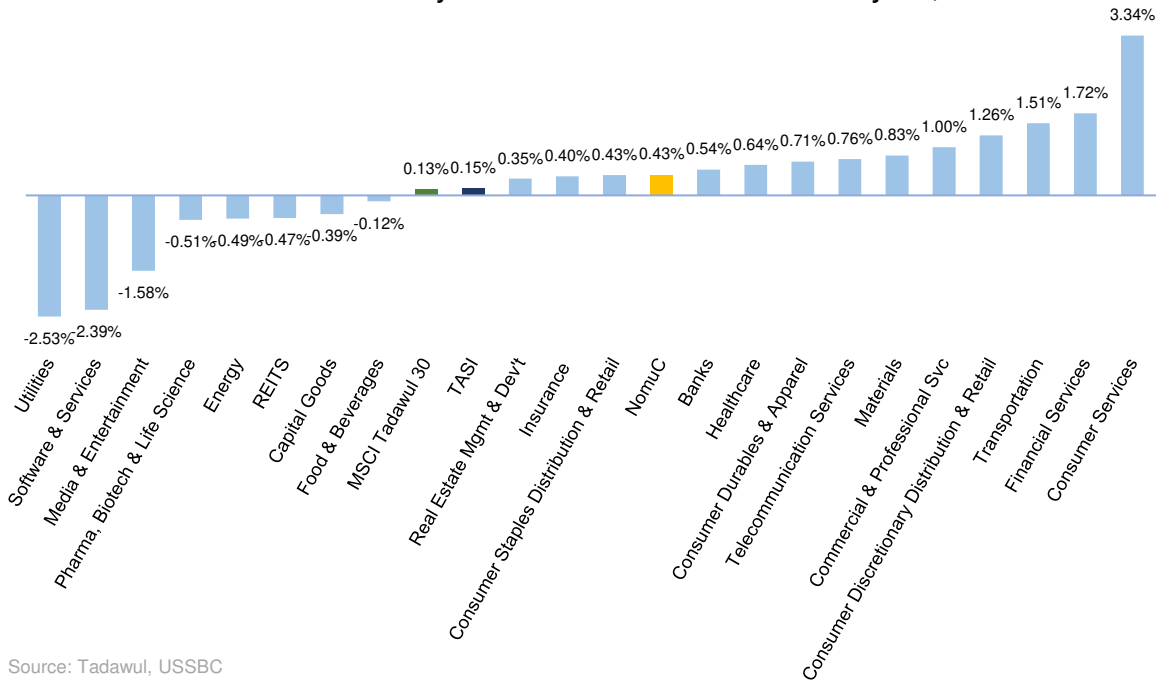


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Tadawul

The TASI increased by 0.15 percent compared to last week and closed at 12,433 points. Thirteen sectors ended the week in positive territory. 'Consumer Services' led as it gained 3.34 percent. 'Utilities' led the declines, as it slipped 2.53 percent. The NomuC parallel market index grew 0.43 percent and closed at 31,386 points, while the MSCI Tadawul 30 rose by 0.13 percent and closed the week at 1,545 points.

Tadawul Weekly Index Performance - February 7th, 2025





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Business, Trade, & Investment

- Acwa Power and Germany's SEFE Securing Energy for Europe signed a preliminary agreement for the delivery of 200,000 tons per year of green hydrogen to Germany and Europe by 2030.
- The Public Investment Fund (PIF) seeded a Saudi Arabia focused exchange traded fund managed by State Street Global Advisors with SAR750 million (\$200 million). The ETF is the first Saudi Arabian fixed income undertaking for collective investment in transferable securities ETF made available in Europe.
- Crown Prince H.R.H. Mohammed bin Salman designated "King Salman Automotive Cluster" as the official name of the cluster for automotive manufacturing activities, located within King Abdullah Economic City (KAEC).

Banking

Money supply M1, M2, and M3 increased by 1.09 percent, 1.17 percent, and 1.50, respectively during the week ending January 6th.



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U.S. MARKETS

U.S. Macroeconomic Developments

- The ISM Manufacturing Index rose above the 50-point line into expansion for the first time since 2022 to reach 50.9 points. Prices, production, employment and new orders all rose in a long-awaited rebound for a sector that has faced higher interest rates more acutely than others.
- Construction spending ended 2024 on a better-than-expected note with a 0.5 percent gain in December. As has been the case in recent months, private single-family construction and home improvement outlays propelled the overall increase.
- The U.S. trade deficit widened by \$98.4 billion, a record amount in December, leaving the deficit 17 percent larger in 2024 than in 2023. While the sharp widening is likely temporary, tariff policy remains in focus and is set to disrupt trade flows over the course of the year.

Fixed Income

The yield on the ten-year U.S. Treasury decreased to 4.49 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) decreased by 0.54 percent and finished the week at 44,303. The S&P 500 declined by 0.24 percent and finished at 6,025 points. The NASDAQ fell by 0.53 percent and ended the week at 19,523 points.



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GLOBAL OIL MARKETS

- Arab light crude decreased by 1.23 percent and finished the week at \$78.86. Global benchmark Brent crude dropped by 2.74 percent to \$74.66 a barrel, while U.S. West Texas Intermediate (WTI) crude slipped by 2.11 percent and closed at \$71.00.
- Oil prices fell last week as investors worried about U.S. President Donald Trump's renewed trade war on China and threats of tariffs on other countries.
- Saudi Arabia hiked the price of its flagship crude to Asia by the most in more than two years as the Kingdom responds to surging premiums for Middle Eastern crude and improving refinery margins. Saudi Aramco raised the price for its Arab Light oil to Asia for March by \$2.40 a barrel, according to Bloomberg. This is the biggest increase since August 2022. The gain is larger than the \$2 hike expected by traders and refiners surveyed by Bloomberg following significant swings in Middle Eastern crude prices in January.

THE WEEK AHEAD

- Saudi Arabia releases Industrial Production for December on February 10
 - U.S. releases Inflation Rate for January on February 12
 - U.S. releases Retail Sales for January on February 14
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