



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

Weekly Market Brief
Week Ending February 28th, 2025

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Saudi Arabia's non-oil exports increased by 18.1 percent YoY in December 2024, while re-exports rose by 23.4 percent during the same period. Overall merchandise exports declined by 2.8 percent, and imports grew by 27.1 percent YoY.
- The National Debt Management Center (NDMC) completed the issuance of an international euro-denominated bond under the Kingdom's Global Medium-Term Note Issuance Program (GMTN), with a total value of €2.25 billion (SAR8.86 billion). The green tranche, valued at €1.5 billion (SAR5.90 billion), was issued for a 7-year bond maturing in 2032. The second tranche amounted to €750 million (SAR2.96 billion) for a 12-year bond maturing in 2037.

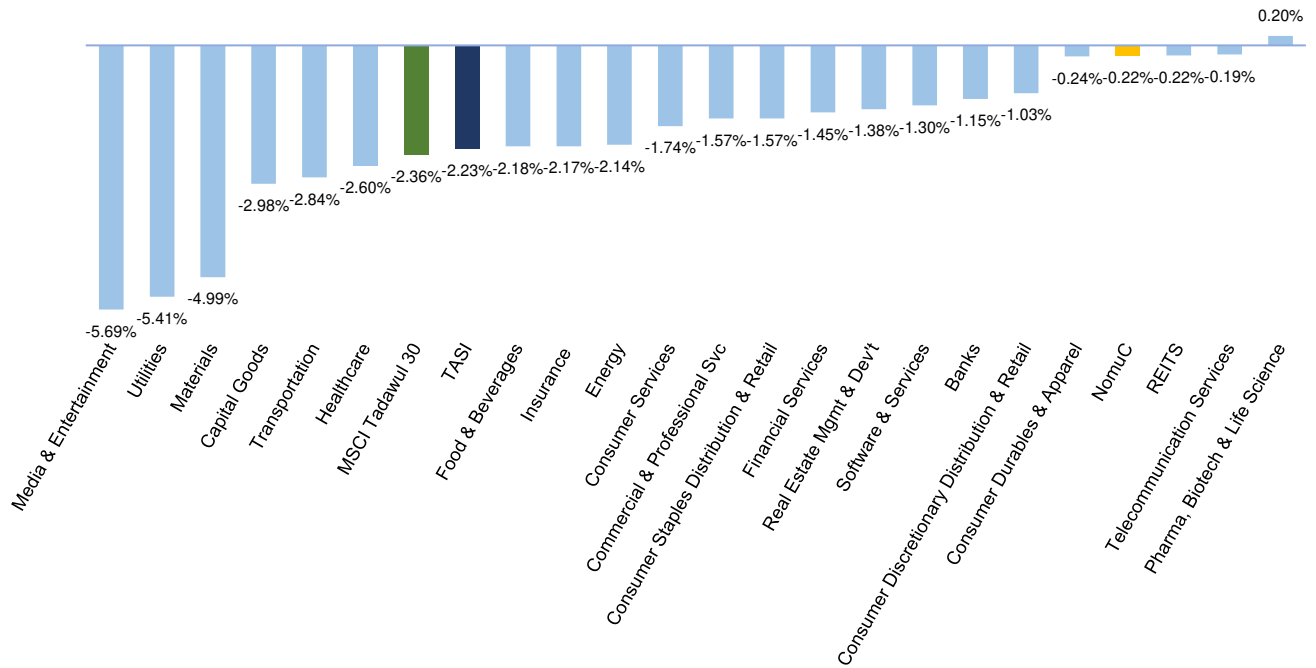


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Tadawul

The TASI decreased by 2.23 percent compared to last week and closed at 12,111 points. Only one sector ended the week in positive territory, as 'Pharma, Biotech & Life Sciences' gained 0.20 percent. 'Media & Entertainment' declined the most as it dropped 5.69 percent. The NomuC parallel market index fell by 0.22 percent, ending the week at 31,404 points, while the MSCI Tadawul 30 declined 2.36 percent, closing at 1,514 points.

Tadawul Weekly Index Performance - February 28th, 2025



Source: Tadawul, USSBC



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Business, Trade, & Investment

- The Saudi Authority for Industrial Cities and Technology Zones (MODON) announced the launch of an aviation industries cluster at the Modon Oasis in Jeddah, covering an area of 1.2 million square meters. The aviation cluster in Jeddah aims to create an attractive investment environment for localizing the aviation industry near King Abdulaziz International Airport and the Jeddah Islamic Port.
- The Ministry of Industry and Mineral Resources announced the issuance of new industrial licenses for aircraft maintenance, repair, and overhaul (MRO) services. The newly introduced industrial licenses, launched in collaboration with the General Authority of Civil Aviation (GACA) and the General Authority for Military Industries (GAMI), cover various activities, including aircraft and drone maintenance and repair, navigational and electronic systems servicing, and comprehensive aircraft overhaul operations.
- Saudi Arabia ranked as the most trusted government worldwide, with an 87 percent trust rate, according to the 2025 Edelman Trust Barometer. Additionally, Saudi Arabia ranked first globally in future outlook, with 69 percent of citizens believing the next generation will be better off.

Banking

Money supply M1, M2, and M3 increased by 1.07 percent, 0.81 percent, and 0.74 percent, respectively during the week ending February 20th.



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U.S. MARKETS

U.S. Macroeconomic Developments

- The headline consumer confidence index fell to an eight-month low of 98.3 points and the accompanying text in the release noted "a sharp increase in the mentions of trade and tariffs, back to a level unseen since 2019."
- New home sales declined 10.5 percent during January, adding to the list of negative housing data to start the year. January's 657K-unit pace of sales was down 1.1 percent YoY, indicating persistent high mortgage rates are discouraging home buying activity.
- New orders for durable goods jumped 3.1 percent in January, which came with upwardly revised data that reflected a better result at the end of last year (-1.8 percent versus -2.2 percent previously reported). Much of this MoM volatility can be traced to aircraft orders specifically reflecting a turbulent net orders trend at Boeing as strike-related challenges work their way through activity.

Fixed Income

The yield on the ten-year U.S. Treasury decreased to 4.24 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) increased by 0.95 percent and finished the week at 43,840. The S&P 500 fell by 0.98 percent and finished at 5,954 points. The NASDAQ dropped by 3.47 percent and ended the week at 18,847 points.



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GLOBAL OIL MARKETS

- Arab light crude decreased by 3.24 percent and finished the week at \$78.00. Global benchmark Brent crude declined by 1.67 percent to \$72.81 a barrel, while U.S. West Texas Intermediate (WTI) crude slipped by 0.66 percent and closed at \$69.76.
- Oil prices declined as markets braced for Washington's new tariffs and Iraq's decision to resume oil exports from the Kurdistan region.
- OPEC+ will decide this week whether to raise oil output in April as planned or freeze it as its members debate the global supply picture because of fresh U.S. sanctions on Venezuela, Iran, and Russia.

THE WEEK AHEAD

- U.S. releases ISM Manufacturing PMI for February on March 3
 - Saudi Arabia releases Riyadh Bank PMI for February on March 4
 - U.S. releases Non-Farm Payroll for February on March 7
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