



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

Weekly Market Brief
Week Ending March 7th, 2025

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Riyadh Bank Saudi Arabia's PMI fell to 58.4 points in February 2025, down from the decade-high of 60.5 points in January, but still indicates growth in the non-oil private sector by beating forecasts. Output, exports, and employment all saw notable gains in response to rising global demand.
- Saudi Arabia's economy grew 1.3 percent in 2024, supported by an expansion in non-oil activities despite a decline in the oil sector. Gross domestic product grew 4.5 percent YoY during the fourth quarter of 2024, the highest quarterly increase in two years. The jump was due to a 4.7 percent rise in non-oil activities and a 3.4 percent uptick in oil activities.

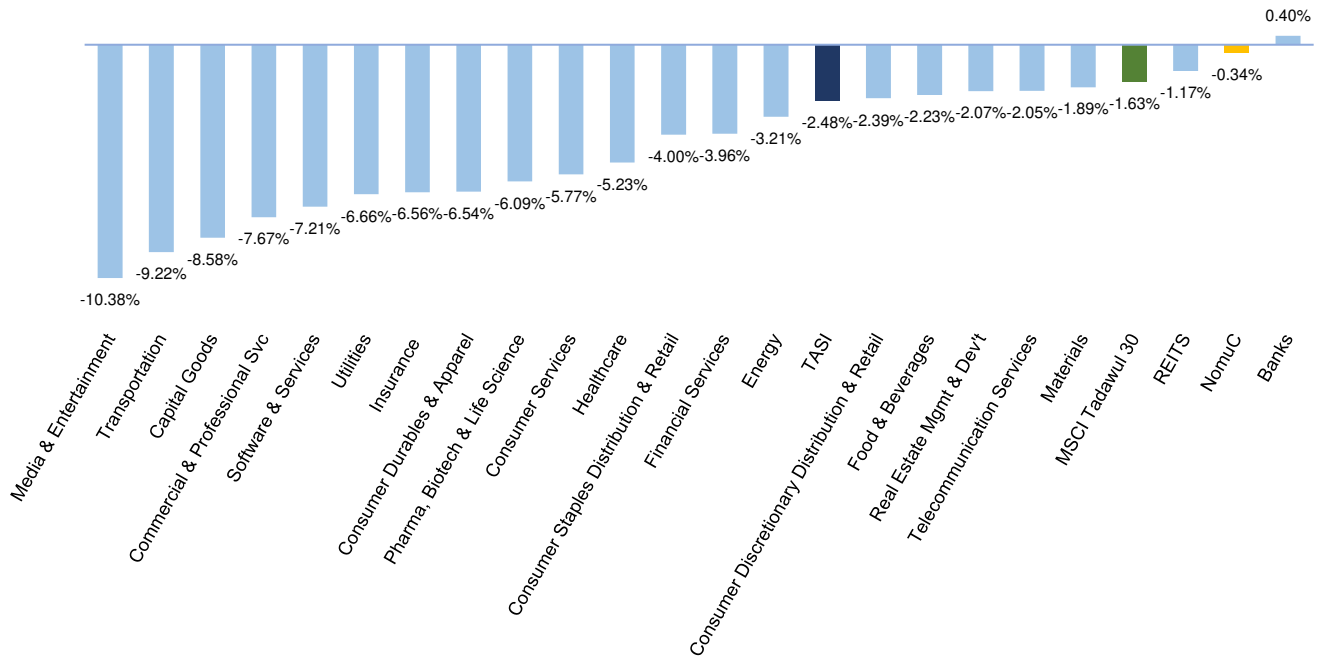


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Tadawul

The TASI suffered further losses this week, experiencing a 2.48 percent drop to 11,811 points. 'Banks,' the only sector to end the week in positive territory, showed a 0.40 percent gain. 'Media & Entertainment' declined for the second week in a row, losing 10.38 percent. The NomuC parallel market fell by 0.34 percent, ending the week at 31,296 points. The MSCI Tadawul 30 fell 1.63 percent to 1,490.08 points.

Tadawul Weekly Index Performance - March 7th, 2025



Source: Tadawul, USSBC



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Business, Trade, & Investment

- The Saudi Electricity Company (SEC) and ACWA Power announced the signing of a PPA for the Qurayyah Independent Power Plant Expansion Project with the Saudi Power Procurement Company (SPPC). The deal, worth SAR13.4 billion (\$3.5 billion), aims to enhance energy reliability and sustainability in the Kingdom with a combined cycle system.
- Saudi Aramco contracted Larsen & Turbo for a SAR5.63 billion (\$1.5 billion) carbon capture and storage plant. The facility will capture CO2 from various industrial streams and is planned to be operational by 2027.
- Hyundai Engineering & Construction Co. (E&C) was contracted by SEC to install 380kV transmission lines in Madinah and Jeddah by November 2027. The combined value of these contracts are SAR1.46 trillion (\$389 billion) and will cover 491 total kilometers.
- Consumer spending in Saudi Arabia jumped 34.7 percent to SAR17.5 billion (\$4.6 billion) in the week leading up to Ramadan, driven by increased food purchases and retail activity.

Banking

Money Supply M1, M2, and M3 increased by 1.45 percent, 0.70 percent, and 0.23 percent, respectively during the week of February 27th.



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U.S. MARKETS

U.S. Macroeconomic Developments

- The ISM Manufacturing PMI fell to 50.3 points in February 2025 from 50.9 points in January, below forecasts of 50.5 points. The reading pointed to slower growth in the manufacturing sector.
- Weekly jobless claims in the U.S. fell from 242,000 to 221,000. Federal employees had the highest number of jobless claims in four years with the Department of Government Efficiency (DOGE) planning 172,017 more layoffs.
- The Bureau of Economic Analysis (BEA) reported that the trade gap surged by 34 percent to an all-time high as President Trump triggered 25 percent tariffs on imports from Mexico and Canada while doubling duties on Chinese goods to 20 percent.

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 5.59 percent and finished the week at \$73.64. Global benchmark Brent crude declined by 3.36 percent to \$70.36 a barrel, while U.S. West Texas Intermediate (WTI) crude slipped by 3.90 percent and closed at \$67.04.
- Oil prices declined after U.S. President Donald Trump threatened sanctions on Russia if it fails to reach a cease-fire with Ukraine.
- Saudi Aramco trimmed official selling prices (OSPs) for the first time in three months, with Aramco's April price sheet showing Arab Light at \$3.50 per barrel over Oman/Dubai, a 40-cent cut.

THE WEEK AHEAD

- Saudi Arabia releases Industrial Production for January on March 11
 - U.S. releases Inflation Rate for February on March 12
 - U.S. releases Producer Price Inflation for February on March 13
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