



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

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**Weekly Market Brief**  
*Week Ending March 21<sup>st</sup>, 2025*

**SAUDI ARABIAN MARKET**

**Saudi Arabia Macroeconomic Developments**

- Saudi Arabia's inflation held firm at 2 percent YoY in February. According to the General Authority for Statistics (GASTat), the increase was fueled by an 8.5 percent surge in housing rents, contributing to a 7.1 percent overall rise in the housing, water, electricity, gas, and fuels category.
- Global ratings agency S&P raised Saudi Arabia's rating to 'A+' from 'A' with a stable outlook, underpinned by the ongoing social and economic transformation in the country.
- The Organization for Economic Cooperation and Development (OECD) forecasts a 3.8 percent GDP growth in 2025, up from 1.2 percent in 2024. The OECD also forecasts that Saudi Arabia's inflation will remain low and stable, projected at 1.9 percent in 2025 and 2 percent in 2026.
- Saudi Arabia raised SAR2.64 billion (\$704 million) through sukuk issuances in March as the Kingdom continues to explore opportunities in debt markets to accelerate economic diversification efforts. The latest riyal-denominated offering follows a SAR3.07 billion (\$819 million) issuance in February and SAR3.72 billion (\$992 million) in January.

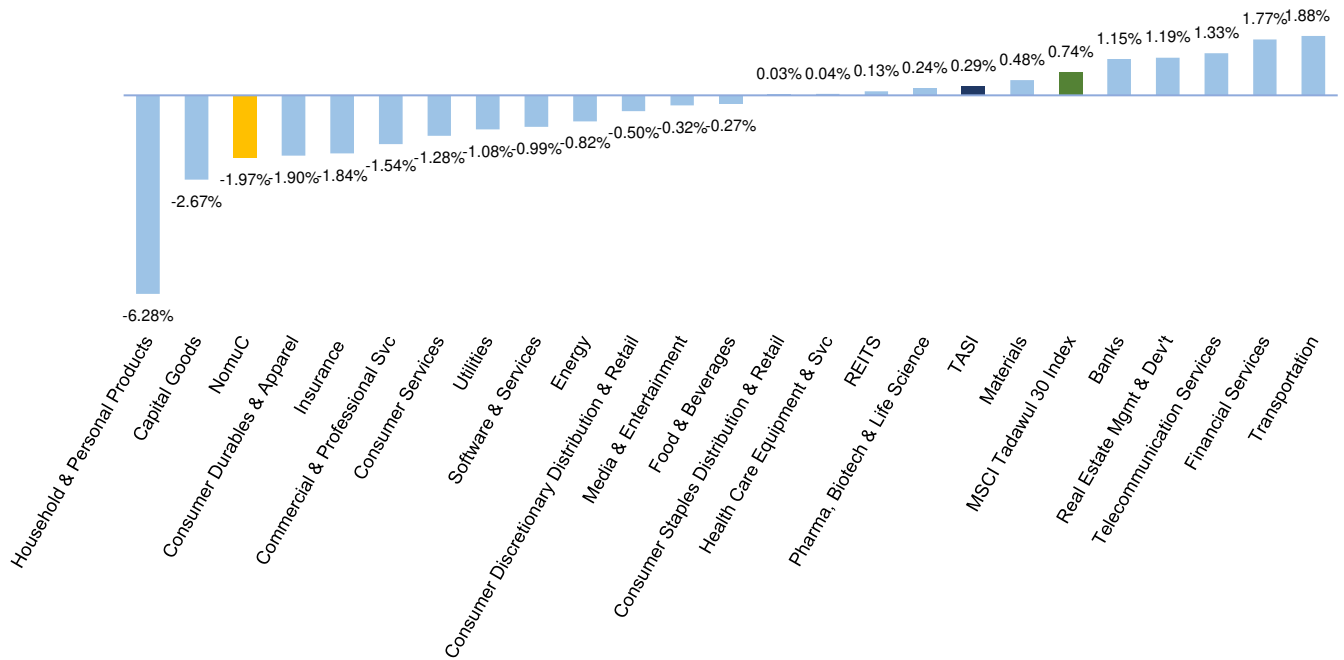


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**Tadawul**

The TASI increased 0.74 percent this week, its best week since January, closing at 11,760 points. Ten sectors ended the week in positive territory. The 'Transportation' sector led with a 1.88 percent increase. 'Household & Personal Products' led the declines, falling 6.28 percent. The NomuC parallel market index lost 1.97 percent, reaching 30,521 points. Meanwhile, the MSCI Tadawul 30 rose by 0.74 percent, closing at 1,490 points.

Tadawul Weekly Index Performance - March 21<sup>st</sup>, 2025



Source: Tadawul, USSBC



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**Business, Trade, & Investment**

- SAL Saudi Logistics Services and Sela agreed on a SAR4 billion (\$1.06 billion) deal to launch a new logistics zone in Riyadh's Falcon City.
- Saudi Arabia introduced a new financing initiative to incentivize private participation in sustainable and eco-friendly projects, strengthening environmental infrastructure and meteorological services. The initiative is reported to be worth SAR1 billion (\$266.6 million).
- Saudi Arabia's Hail region launched 23 new investment opportunities in Q1 2025, aiming to boost private investment. The projects include mixed-use residential and commercial developments. Hail hosted more than 1.1 million visitors in the first half of 2024.
- Saudi Arabia's Al-Jouf province recorded a 98 percent growth rate YoY of new commercial registrations, and a 15 percent YoY growth in commercial activity in 2024. SMEs in the province also saw notable growth in 2024, climbing 33 percent YoY.

**Banking**

Money supply M1 fell by 1.69 percent, while M2 and M3 rose by 0.02 percent and 0.14 percent, respectively for the week ending March 13th.



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## **U.S. MARKETS**

### **U.S. Macroeconomic Developments**

- Despite a downward revision that makes last month's drop in retail sales the biggest monthly decline since 2021, overall retail sales rose a scant 0.2 percent in February.
- Housing starts jumped 11.2 percent in February, rebounding from an 11.5 percent decline in January. As mortgage rates remain elevated, builders have increased their use of mortgage rate buy-downs and other incentives to soften interest rate headwinds.
- As universally expected, the Federal Open Market Committee (FOMC) held its target range for the federal funds rate unchanged at 4.25-4.50 percent, a decision that was unanimously supported by all 12 voting members of the Committee. After cutting rates by a cumulative 100 bps at three consecutive policy meetings between September and December, the FOMC has now been on hold for the past two meetings.

### **Fixed Income**

The yield on the ten-year U.S. Treasury decreased to 4.25 percent.

### **Equity Markets**

The Dow Jones Industrial Average (DJIA) increased by 1.20 percent and finished the week at 41,985 points. The S&P rose 0.52 percent, closing out at 5,667 points, while the NASDAQ climbed by 0.17 percent, ending at 17,784 points.



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**GLOBAL OIL MARKETS**

- Arab light crude saw a 3.39 percent gain this week, finishing at \$76.81. Global benchmark Brent Crude grew 2.21 percent and closed at \$70.53. West Texas Intermediate climbed 1.58 percent to end at \$68.24.
- Oil prices increased a second consecutive week as fresh U.S. sanctions on Iran and the latest output plan from the OPEC+ producer group raised expectations of tighter supply.
- OPEC+ is expected to maintain its plan to raise oil output for a second consecutive month in May amid steady oil prices and plans to force some members to reduce pumping to compensate for past overproduction.

**THE WEEK AHEAD**

- U.S. releases Durable Goods Orders for February on March 26
  - Saudi Arabia releases Balance of Trade for January on March 27
  - U.S. releases GDP Growth Rate for Q4 on March 27
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