



## Summary

**Real Economy:** The GDP flash estimates put real GDP growth at 4.4 percent year-on-year in Q4 2024, boosted by significant growth in non-oil GDP by 4.6 percent, while oil GDP also rose by 3.4 percent. Moreover, domestic cement sales rebounded in full year 2024 by 4.4 percent year-on-year. Latest available data show non-oil exports rising by almost 20 percent year-on-year in November, and by 5.6 percent month-on-month.

**Consumer Spending:** Consumer spending rose by 7.5 percent in 2024. The value of POS transactions grew by almost 9 percent, while cash withdrawals saw their first annual rise in five years, albeit marginally, at 0.7 percent. 'Public utilities' and 'electronics' recoded the largest declines, while 'jewelry' and 'telecommunications' saw some of the biggest annual gains.

**SAMA Foreign Reserve Assets:** SAMA FX reserves declined by \$13 billion month-on-month in December, to stand at \$437.2 billion. This meant that FX reserves rose by \$0.3 billion during the course of the year.

**Money Supply, Bank Deposits and Credit:** The broad measure of money supply (M3) rose by 8.8 percent last year. Time & savings deposits increased by 10 percent, while demand deposits rebounded by 9.8 percent, following a two-year decline. Meanwhile, the volume of new mortgages rebounded during the year, rising by 16 percent in 2024, after declines in the previous two years.

**Inflation:** Consumer prices in December rose by 1.9 percent year-on-year, and remained almost flat month-on-month. Overall in 2024, inflation averaged 1.7 percent, matching our forecast. In full year 2024, 'Food and beverages' rose by 0.8 percent, and 'Housing and utilities' by 8.8 percent. We expect inflation to remain stable, despite potential pressure from global trade uncertainties.

**Oil-Global:** The spot Brent crude price was up 6 percent on average in January, boosted by additional US sanctions targeting Russian oil tankers and more caution from Chinese buyers over Iranian crude given the potential for tighter US sanctions enforcement under the new Trump administration.

**Oil-Saudi Arabia:** Saudi oil production averaged 8.9 mbpd in November and is set to start increasing gradually in April. Total exports of crude and refined products were broadly stable at 7.3 mbpd in November, with crude exports up to 6.2 mbpd and refined exports down to 1.1 mbpd.

**Stock Market:** The TASI ended January above 12,400, up 3.2 percent month end to month end, helped by oil prices and positive momentum in the domestic economy. This is the highest level for the index since May 2024.

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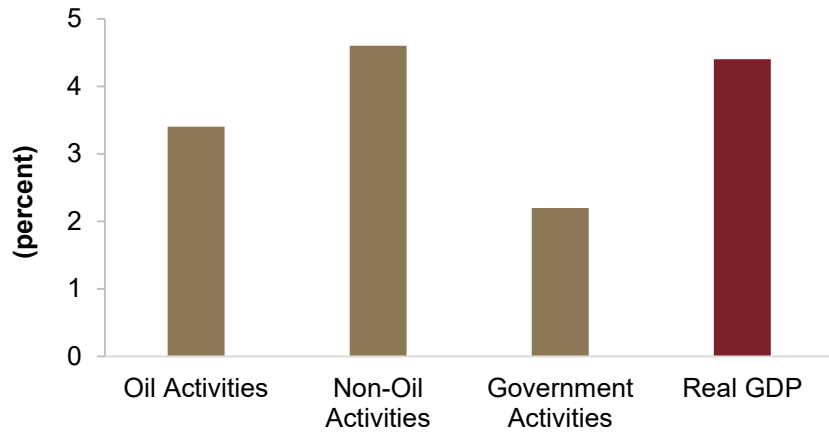


## Real Economy

The GDP flash estimates put real GDP growth at 4.4 percent year-on-year in Q4 2024, boosted by significant growth in non-oil GDP by 4.6 percent, while oil GDP also rose by 3.4 percent. Moreover, domestic cement sales rebounded in full year 2024 by 4.4 percent year-on-year. Latest available data show non-oil exports rising by almost 20 percent year-on-year in November, and by 5.6 percent month-on-month.

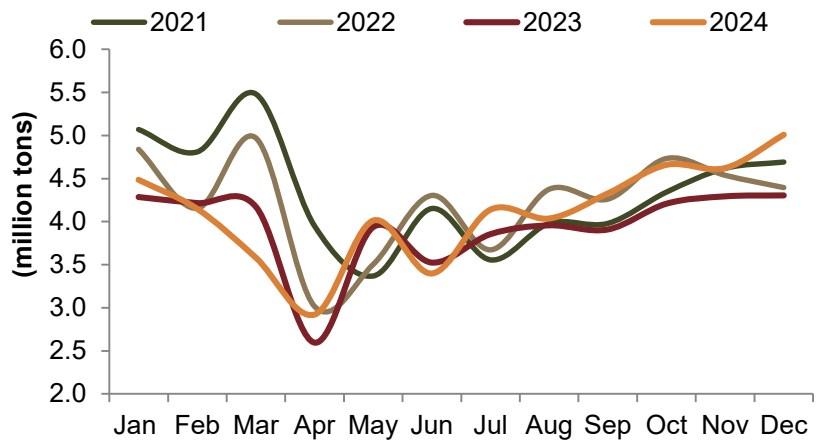
*The GDP flash estimates put real GDP growth at 4.4 percent year-on-year in Q4 2024. This makes full year 2024 GDP average at 1.3 percent.*

**GDP Flash Estimates for Q4 2024**  
(year-on-year change)



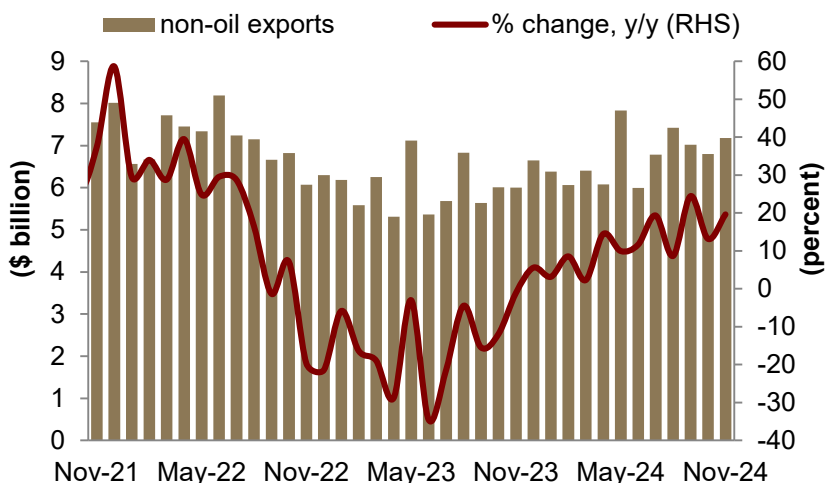
*Domestic cement sales rose in December by 16.4 percent year-on-year, showing a rebound in full year 2024 by 4.4 percent, year-on-year.*

**Domestic Cement Sales**



*Latest available data show non-oil exports rising by almost 20 percent year-on-year in November, and by 5.6 percent month-on-month.*

**Non-oil Exports**

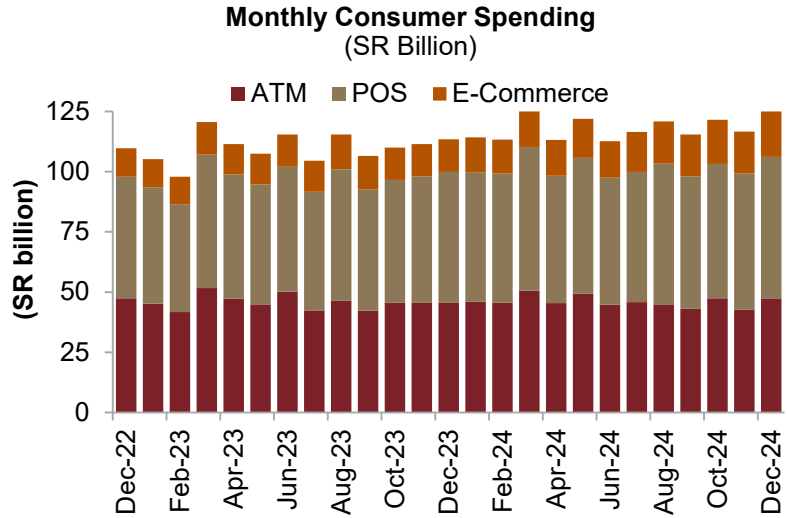




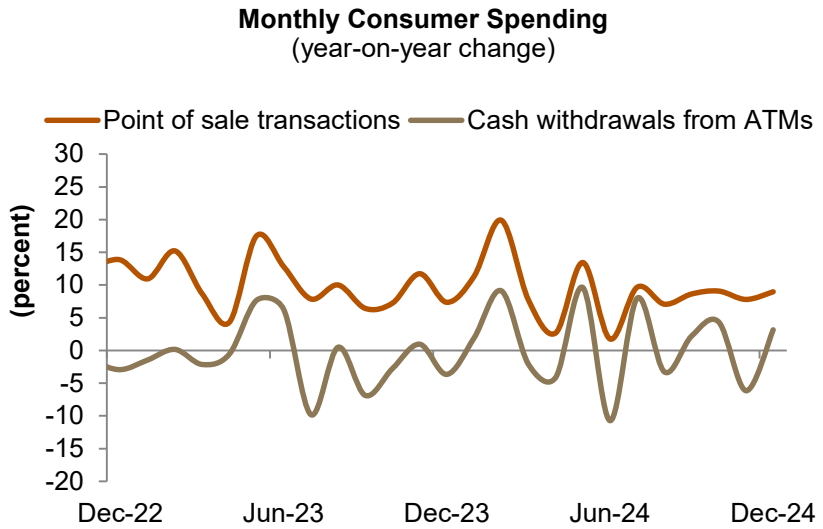
## Consumer Spending

Consumer spending rose by 7.5 percent in 2024. The value of POS transactions grew by almost 9 percent, while cash withdrawals saw their first annual rise in five years, albeit marginally, at 0.7 percent. 'Public utilities' and 'electronics' recoded the largest declines, while 'jewelry' and 'telecommunications' saw some of the biggest annual gains.

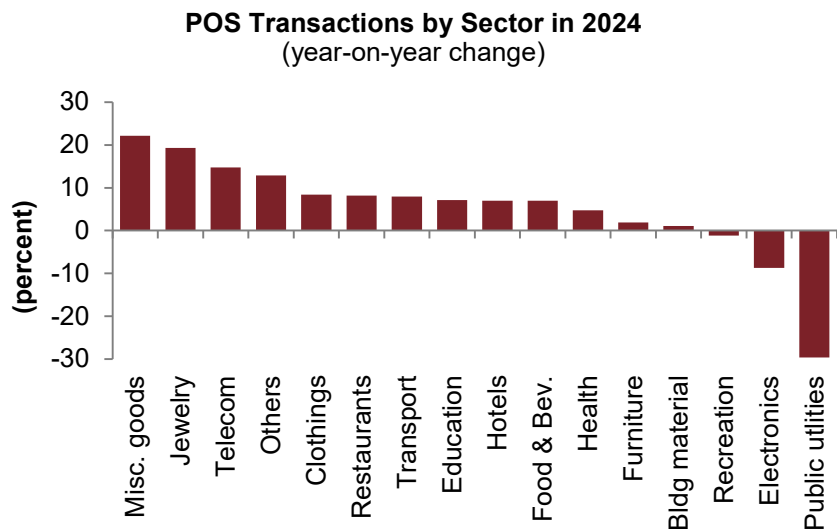
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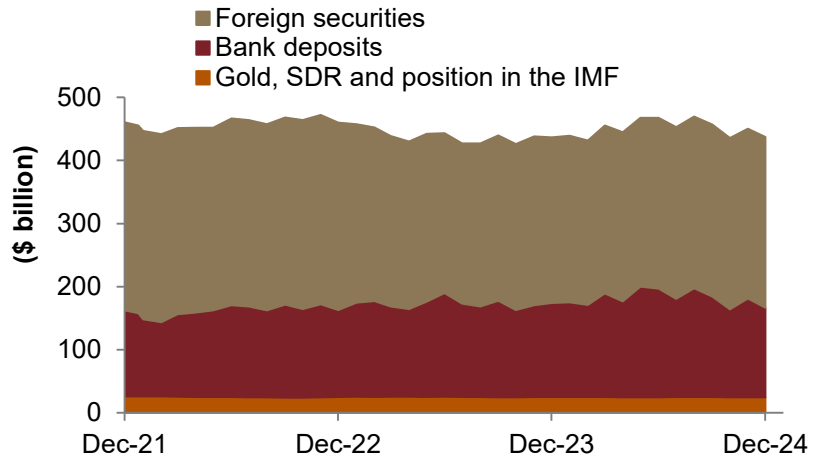


## SAMA Foreign Reserve Assets

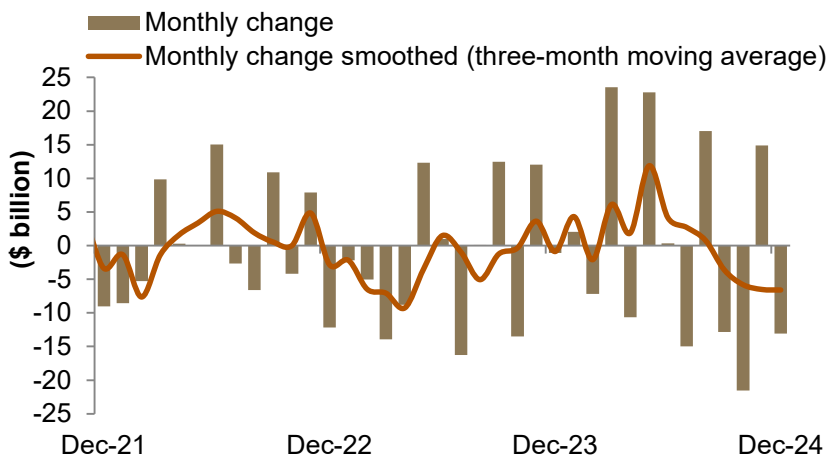
SAMA FX reserves declined by \$13 billion month-on-month in December, to stand at \$437.2 billion. The monthly decrease came from bank deposits (-\$14.8 billion), while foreign securities rose by \$1.9 billion during the month. This meant that FX reserves rose by \$0.3 billion during the course of the year.

*SAMA FX reserves declined by \$13 billion month-on-month in December...*

**SAMA Total Foreign Reserve Assets**

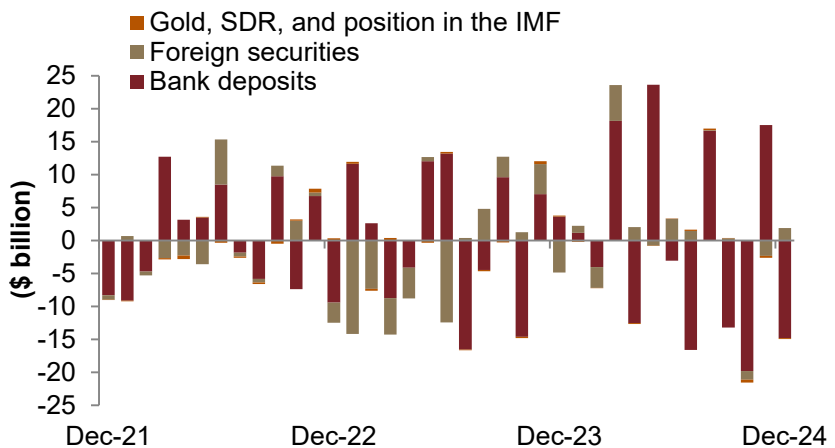


**SAMA Foreign Reserve Assets (monthly and three-month average change)**



*...to stand at \$437.2 billion. This meant that FX reserves rose by \$0.3 billion during the course of the year.*

**SAMA Foreign Reserve Assets (month-on-month change)**



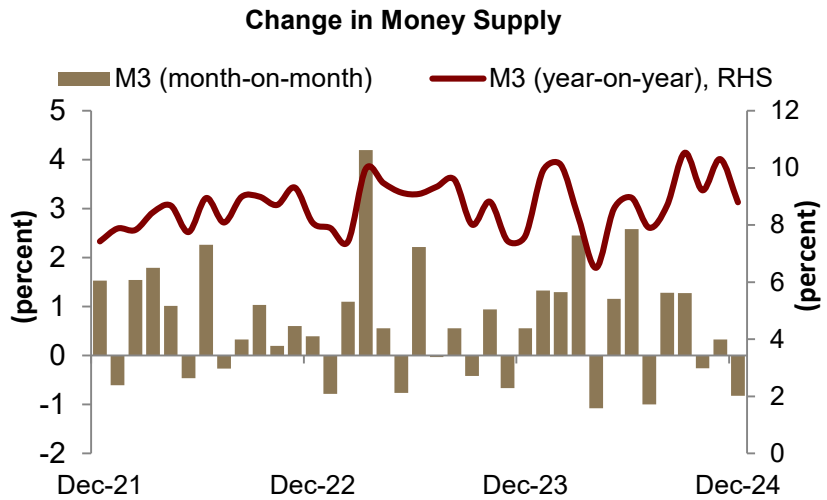
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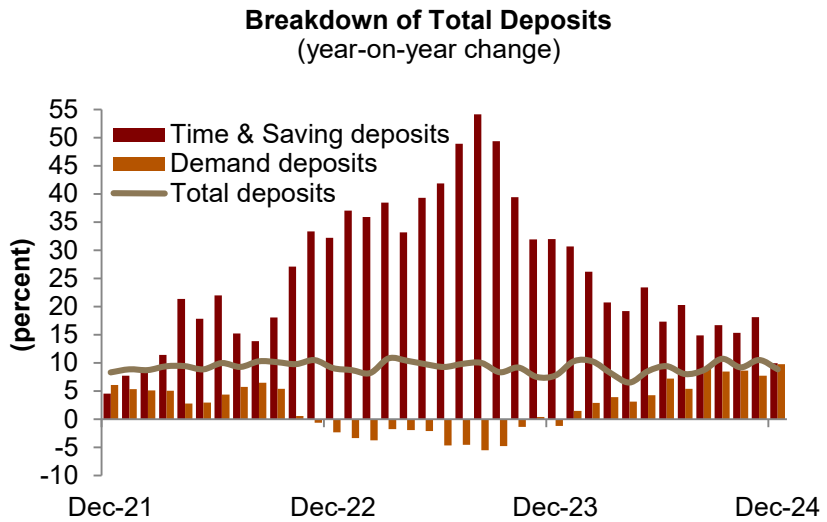
## Money Supply, Bank Deposits and Credit

The broad measure of money supply (M3) rose by 8.8 percent last year. Time & savings deposits increased by 10 percent, while demand deposits rebounded by 9.8 percent, following a two-year decline. Meanwhile, the volume of new mortgages rebounded during the year, rising by 16 percent in 2024, after declines in the previous two years.

*M3 rose by 8.8 percent last year, a faster rate than in 2023.*

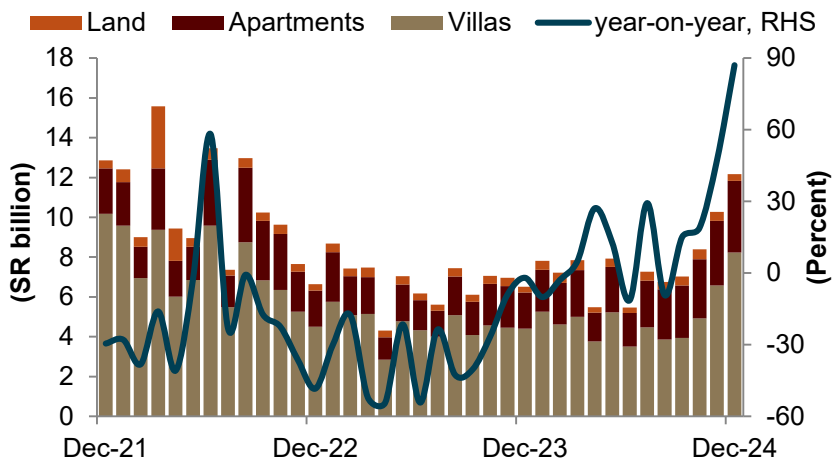


*Time & savings deposits increased by 10 percent, while demand deposits rebounded by 9.8 percent, following a two-year decline.*



*Meanwhile, the volume of new mortgages rebounded during the year, rising by 16 percent in 2024, after declines in the previous two years.*

### Residential New Mortgages by Banks and Finance Companies (SR monthly total and year-on-year change)

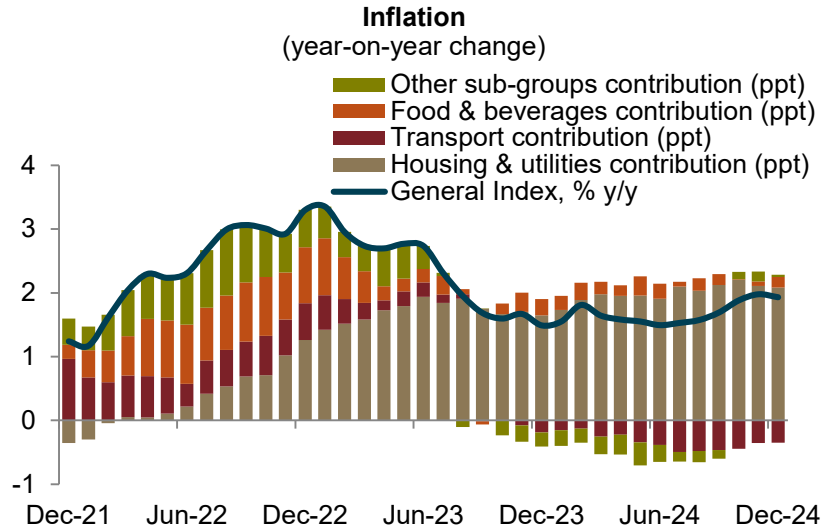




## Inflation

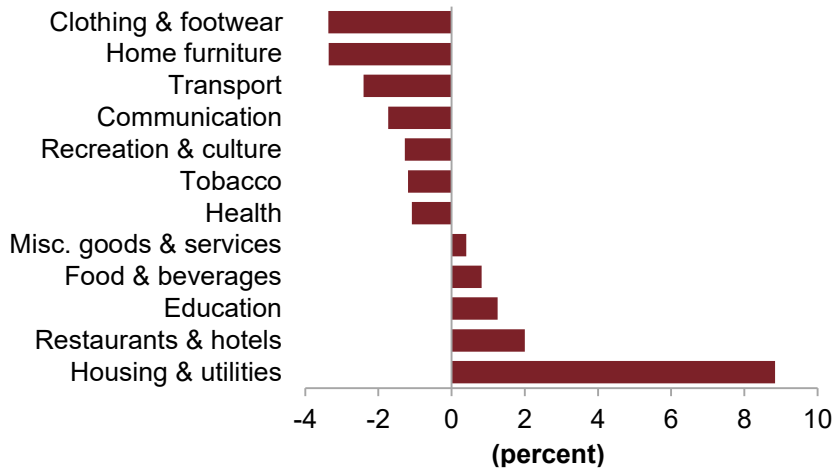
Consumer prices in December rose by 1.9 percent year-on-year, and remained almost flat month-on-month. Overall in 2024, inflation averaged 1.7 percent, matching our forecast. In full year 2024, 'Food and beverages' rose by 0.8 percent, and 'Housing and utilities' by 8.8 percent. We expect inflation to remain stable, despite potential pressure from global trade uncertainties.

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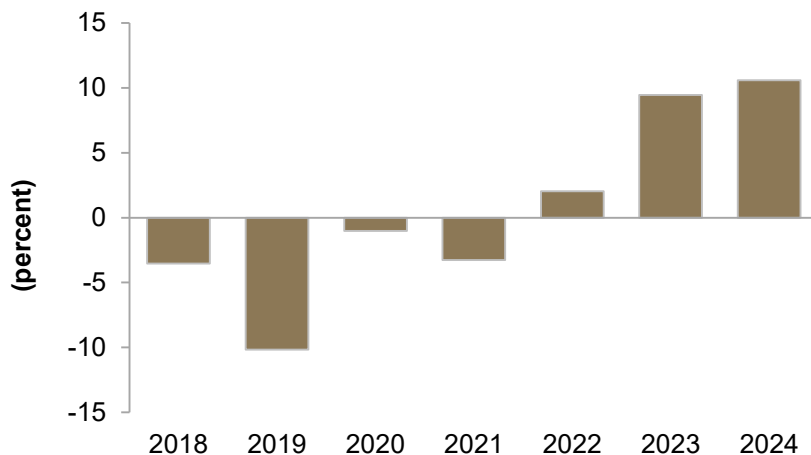
In full year 2024, 'Food & beverages' rose by 0.8 percent, while 'Housing & utilities' increased by 8.8 percent.

### Average Inflation Rates in 2024, by Sector (year-on-year change)



'Rentals for housing' saw another yearly rise in 2024, by an average of 10.6 percent compared with 9.5 percent in the previous year. Rents have been driven up by high mortgage rates and expatriate demand.

### Average Inflation Rates in 'Rentals for Housing' (year-on-year change)

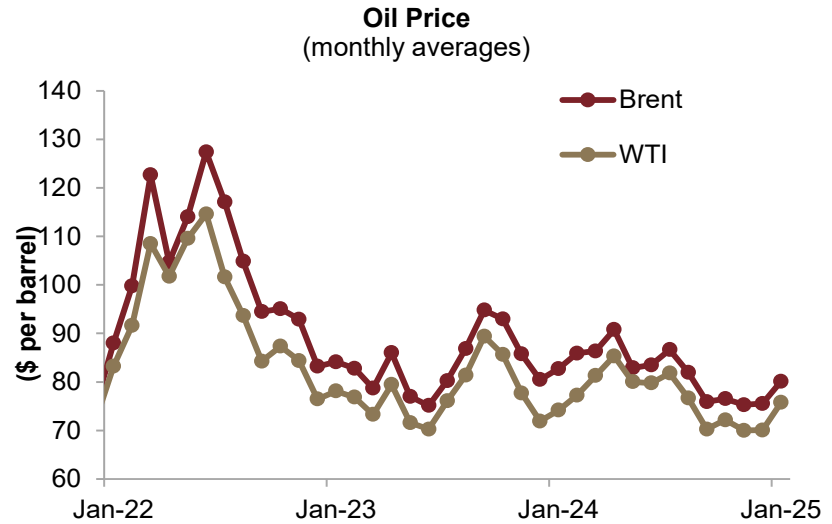




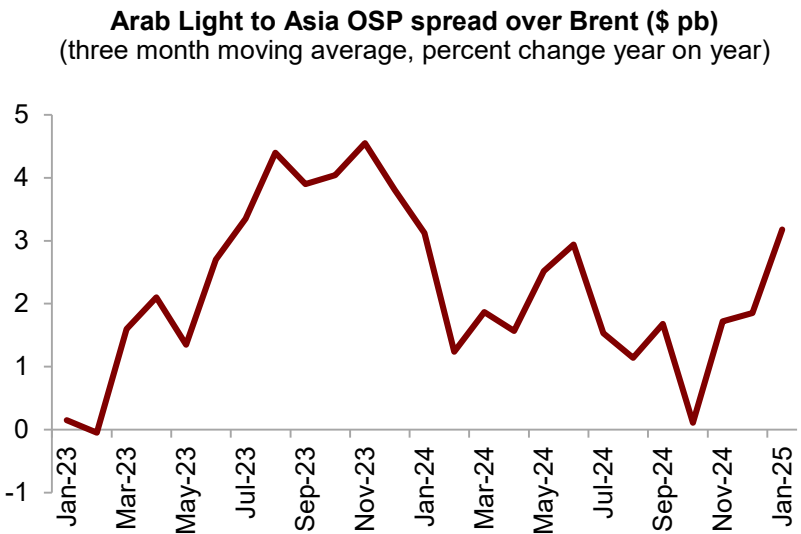
## Oil - Global

The spot Brent crude price was up 6 percent on average in January, boosted by additional US sanctions targeting Russian oil tankers and more caution from Chinese buyers over Iranian crude given the potential for tighter US sanctions enforcement under the new Trump administration.

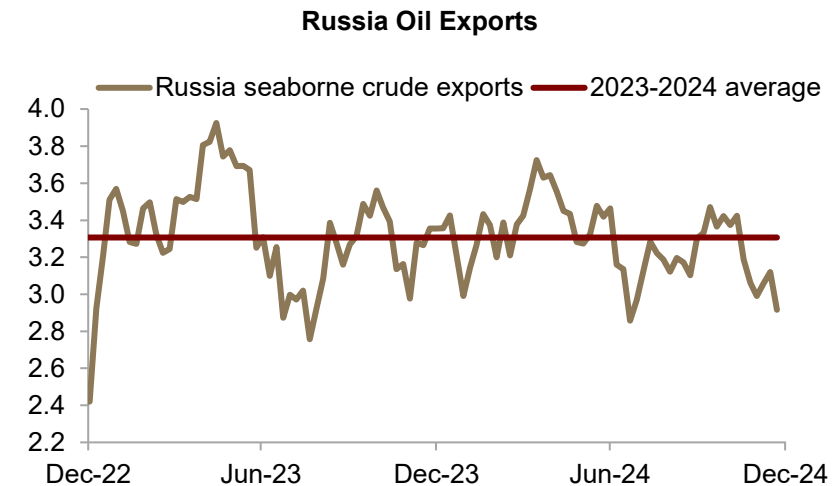
The spot Brent crude price averaged close to \$80 pb in January, up 6 percent on the December average.



The spread of Saudi Arabia's Arab Light selling price over Brent has increased in early 2025 in response to sanctions targeting Russia.



Russian seaborne exports maintained an average of 3.3 mbpd in 2024, the same as in 2023, but volumes likely will be lower in the first part of 2025 in response to sanctions.





## Oil - Saudi Arabia

Saudi oil production averaged 8.9 mbpd in November and is set to start increasing gradually in April. Total exports of crude and refined products were broadly stable at 7.3 mbpd in November, with crude exports up to 6.2 mbpd and refined exports down to 1.1 mbpd.

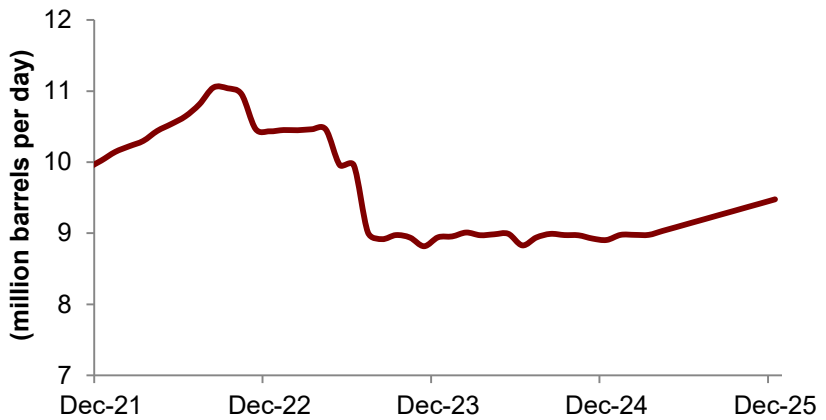
*Oil export revenue trended down gradually in the second half of 2024, totaling \$17 billion a month in October and November.*

**Saudi crude and refined export revenue**  
(\$ million)



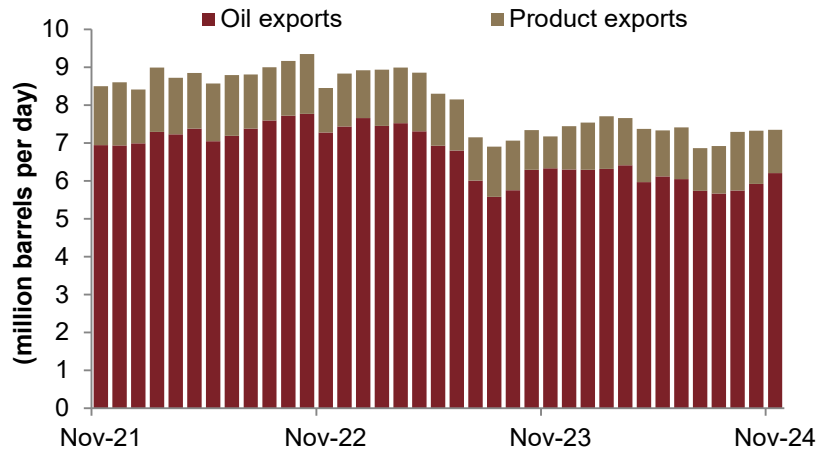
*Saudi production is set to start increasing gradually in April and will reach 9.5 mbpd by end- 2025, according to the current OPEC+ agreement.*

**Saudi Crude Oil Production**  
(monthly average)



*Total exports of crude and refined products were broadly stable at 7.3 mbpd in November, with crude exports up to 6.2 mbpd and refined exports lower month on month.*

**Saudi Crude Oil and Refined Product Exports**  
(monthly average)







## Stock Market

The TASI ended January above 12,400, up 3.2 percent month end to month end, helped by oil prices and positive momentum in the domestic economy. This is the highest level for the index since May 2024.

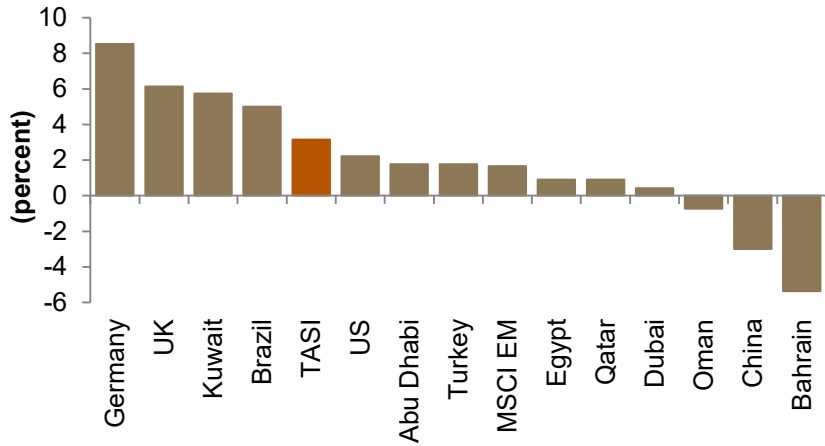
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**TASI Performance**



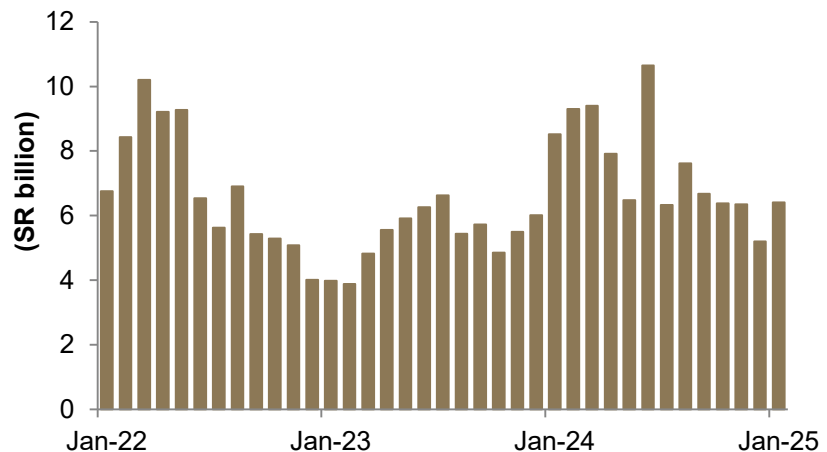
TASI outperformed most GCC markets in January with the exception of Kuwait which may have been boosted by positive news regarding domestic policymaking.

**Comparative Stock Market Performance (January)**



Average daily traded turnover picked up in January after the slump in December, but was still a long way short of levels in H1-24.

**Average Daily Traded Turnover (January)**





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