



## Summary

**Global Economy:** The US labor market held up in March and April, although the numbers point to ongoing softening which is likely to continue in the coming months. The US dollar stabilized a bit over the last week, while US treasury yields edged up in early May on more resilient US data than the market expected. China's manufacturing PMIs declined in April.

**Saudi Real Economy:** The Q1-25 GDP flash estimate put real GDP growth at 2.7 percent year-on-year, boosted by growth in non-oil GDP by 4.2 percent. Oil GDP declined by 1.4 percent. However, the non-oil PMI declined in April with softer growth in new orders, despite robust rises in business activity and employment. Weaker growth in new orders likely reflects global uncertainty related to US trade policy.

**Consumer Spending:** Total consumer spending recorded a significant increase in March, rising by 17 percent year-on-year and 20 percent month-on-month. This surge was primarily driven by elevated demand during the holy month of Ramadan.

**SAMA Foreign Reserve Assets:** SAMA's FX reserves increased in March, rising by \$21.3 billion, to reach \$454.3 billion, the highest level in six months.

**Money Supply, Bank Deposits and Credit:** The broad measure of money supply (M3) increased by 8.2 percent year-on-year and 0.7 percent month-on-month in March. Total bank deposits grew by 8 percent year-on-year. Credit growth accelerated to 16.3 percent continuing to outstrip deposit growth. The volume of new mortgages continued to expand, up by 10 percent year-on-year.

**Inflation:** Consumer prices in March rose by 2.3 percent year-on-year and 0.3 percent month-on-month. 'Food and beverages' recorded a 2 percent increase –the highest in two years– primarily driven by heightened demand during Ramadan. Inflation in 'Housing and utilities' continued to cool, with prices up by 6.9 percent.

**Tourism:** The latest tourism establishments statistics from GaStat show that the number of tourist hospitality facilities increased from 2,343 in Q4 2023 to 4,425 in Q4 2024 (up 88 percent year-on-year). The number of Saudis employed in tourism-related activities reached 242,000.

**Oil-Global:** Oil prices have come under further pressure as tariff uncertainty weighs on the oil demand outlook and as OPEC+ ramps up supply plans for May and June. The price is likely to remain weak in the near term. Enforcement of tighter US sanctions on Iran or a relaxation of US tariffs, including a breakthrough in US-China trade relations, are factors which could boost oil prices from their current lows.

**Oil-Saudi Arabia:** In line with the new OPEC+ plan, Saudi oil production is slated to increase to 9.37mbpd in June, the highest level since June 2023. However, the higher volumes will only partially offset the negative impact of lower oil prices.

**Stock Market:** The TASI dropped 2.3 percent on average in the month of April, ending the month close to 11,700, underperforming global markets which recovered some ground during the month. On 4 May TASI dropped close to 11,400, dragged lower by the slump in oil prices.

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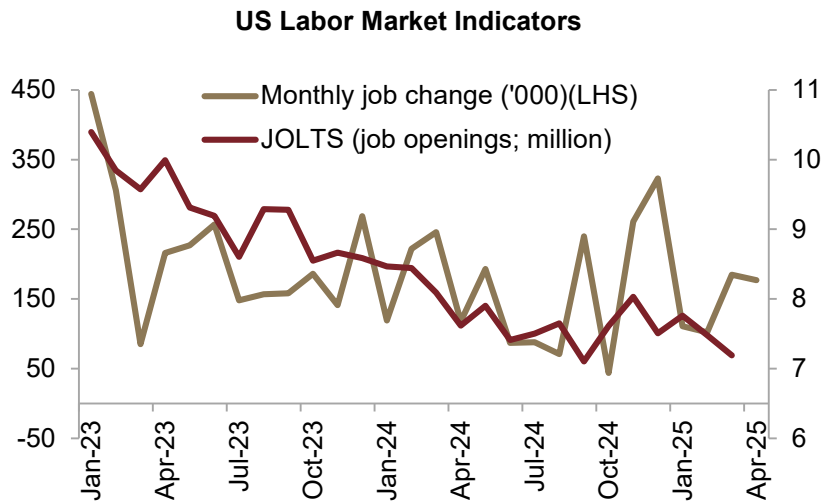
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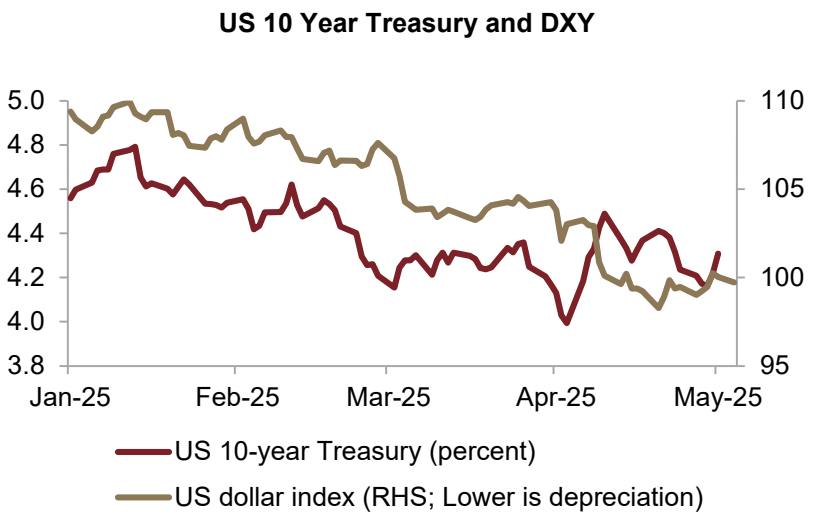
# Global Economy

It will take longer for official data to reveal the impact of US tariff policy. The US labor market held up in March and April, although the numbers point to ongoing softening (for example in the number of job openings) which is likely to continue in the coming months. The US dollar stabilized a bit over the last week, while US treasury yields edged up in early May on more resilient US data than the market expected. China's manufacturing PMIs declined in April.

The 177,000 net increase in jobs was stronger than market expectations. Job openings, however, continued to trend down.



The US dollar stabilized a bit over the last week after significant depreciation so far this year. US 10-year treasury yields edged up in early May on more resilient US data than the market expected.



China's manufacturing PMIs declined in April. The average of the official and the Caixin PMIs fell below 50 in April. The new export orders component dropped sharply. China's services and construction PMIs also declined, but remained above 50.

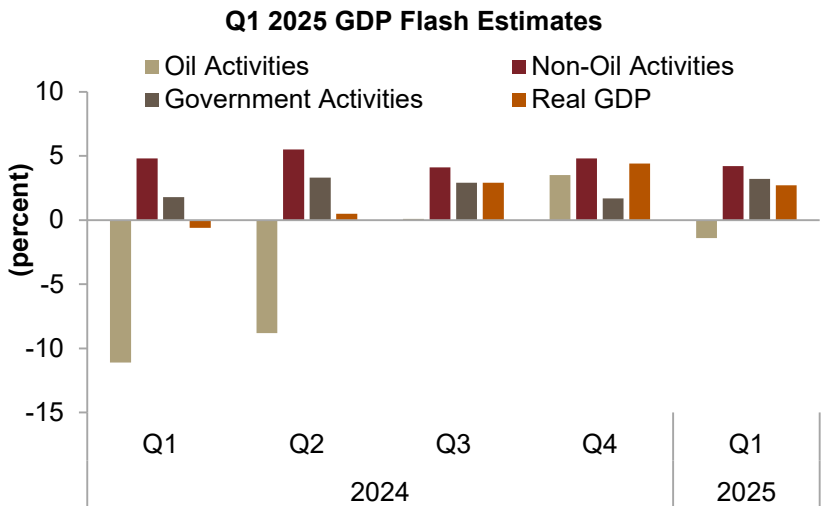




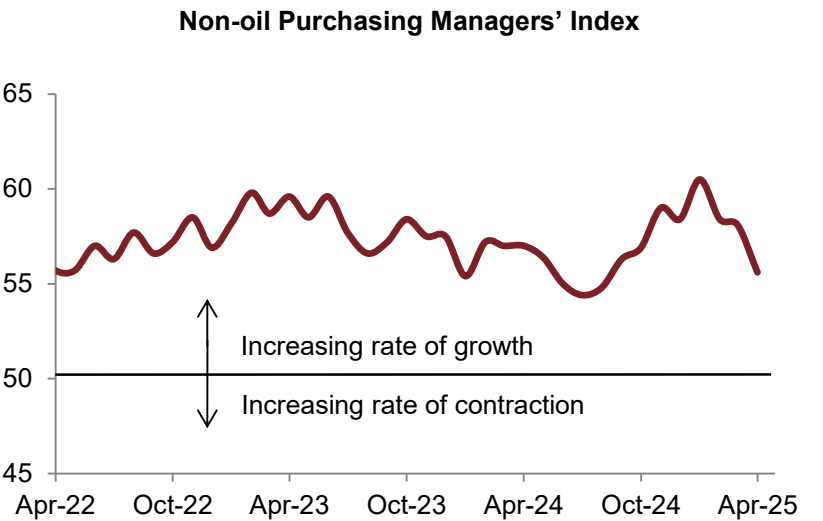
## Saudi Real Economy

The GDP flash estimate for Q1 2025 put real GDP growth at 2.7 percent year-on-year, mainly boosted by growth in non-oil GDP by 4.2 percent, while oil GDP declined by 1.4 percent. Meanwhile, the non-oil PMI declined in April with softer growth in new orders, despite robust rises in business activity and employment. Latest available data show non-oil exports rising by 14.3 percent year-on-year in February.

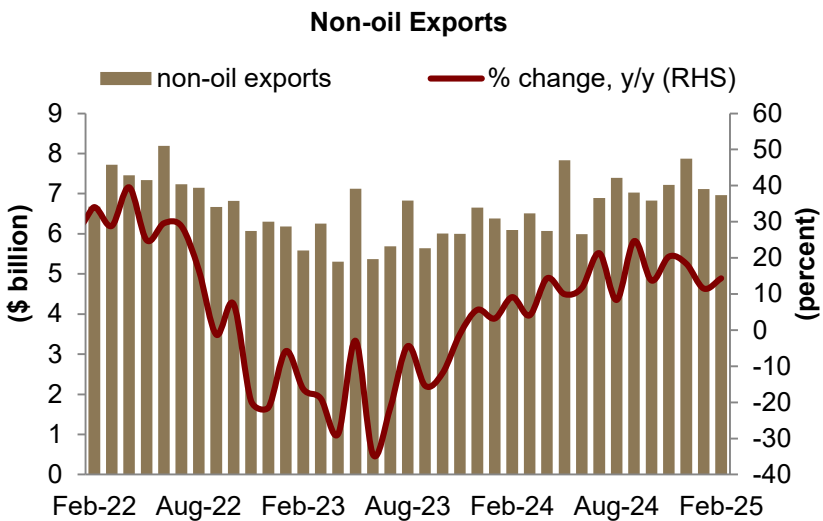
The GDP flash estimates for Q1 2025 put real GDP growth at 2.7 percent year-on-year. GaStat announced a comprehensive update to GDP data, rebasing the real growth figures from 2018 to 2023.



The non-oil PMI declined in April with softer growth in new orders, despite robust rises in business activity and employment. Weaker growth in new orders likely reflects global uncertainty related to US trade policy.



Non-oil exports rose by 14.3 percent year-on-year in February, but decreased by 2 percent month-on-month.





## Consumer Spending

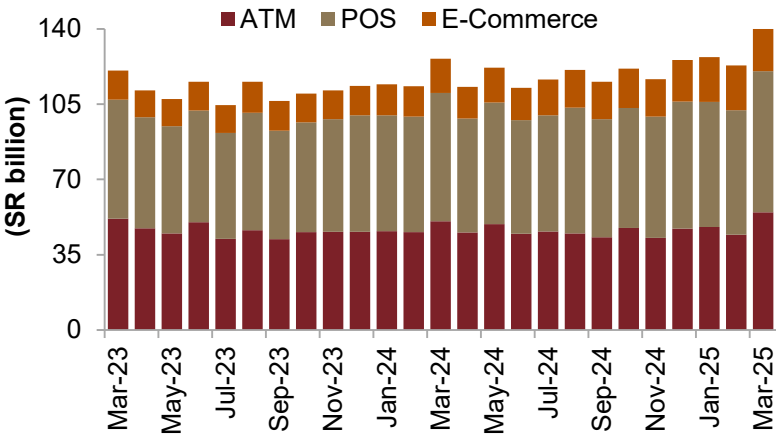
Total consumer spending recorded a significant increase in March, rising by 17 percent year-on-year and 20 percent month-on-month. This surge was primarily driven by elevated demand during the holy month of Ramadan. The annual growth was supported by a 10 percent increase in POS transactions, and an 8 percent rise in cash withdrawals. Among the spending categories, 'Jewelry' and 'clothing' saw the largest gains, reflecting seasonal demand as consumers prepared for Eid.

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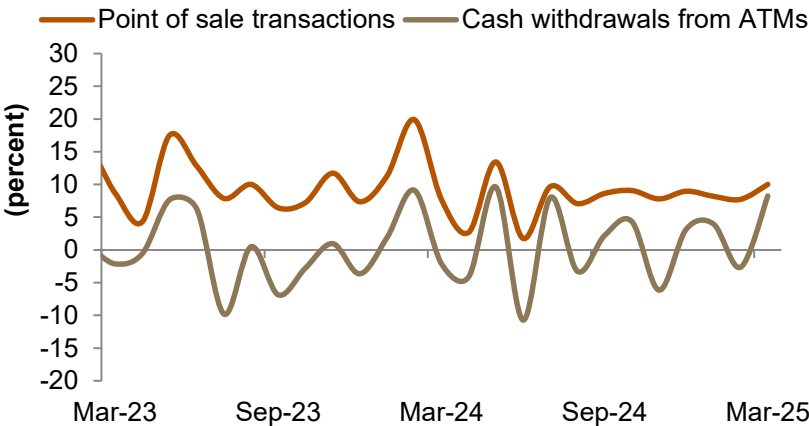
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Among the spending categories, 'Jewelry' and 'clothing' saw the largest gains, reflecting seasonal demand as consumers prepared for Eid. In addition, we believe that the recent increase in gold prices contributed to the overall rise in spending within 'jewelry'.

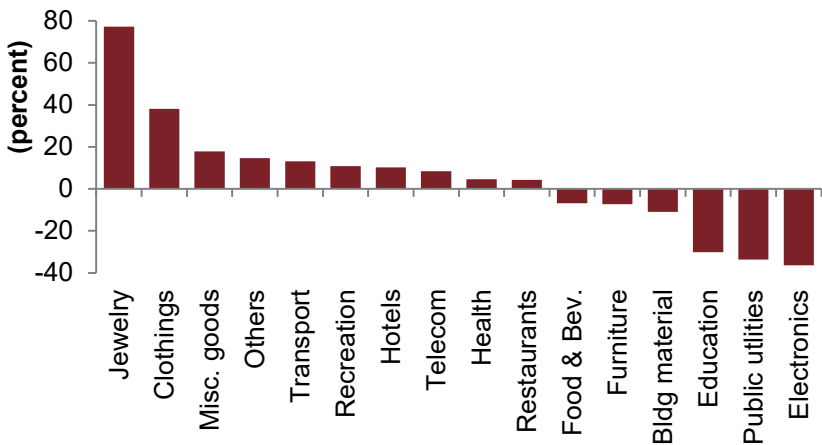
Monthly Consumer Spending (SR Billion)



Monthly Consumer Spending (year-on-year change)



POS Transactions by Sector in March (year-on-year change)





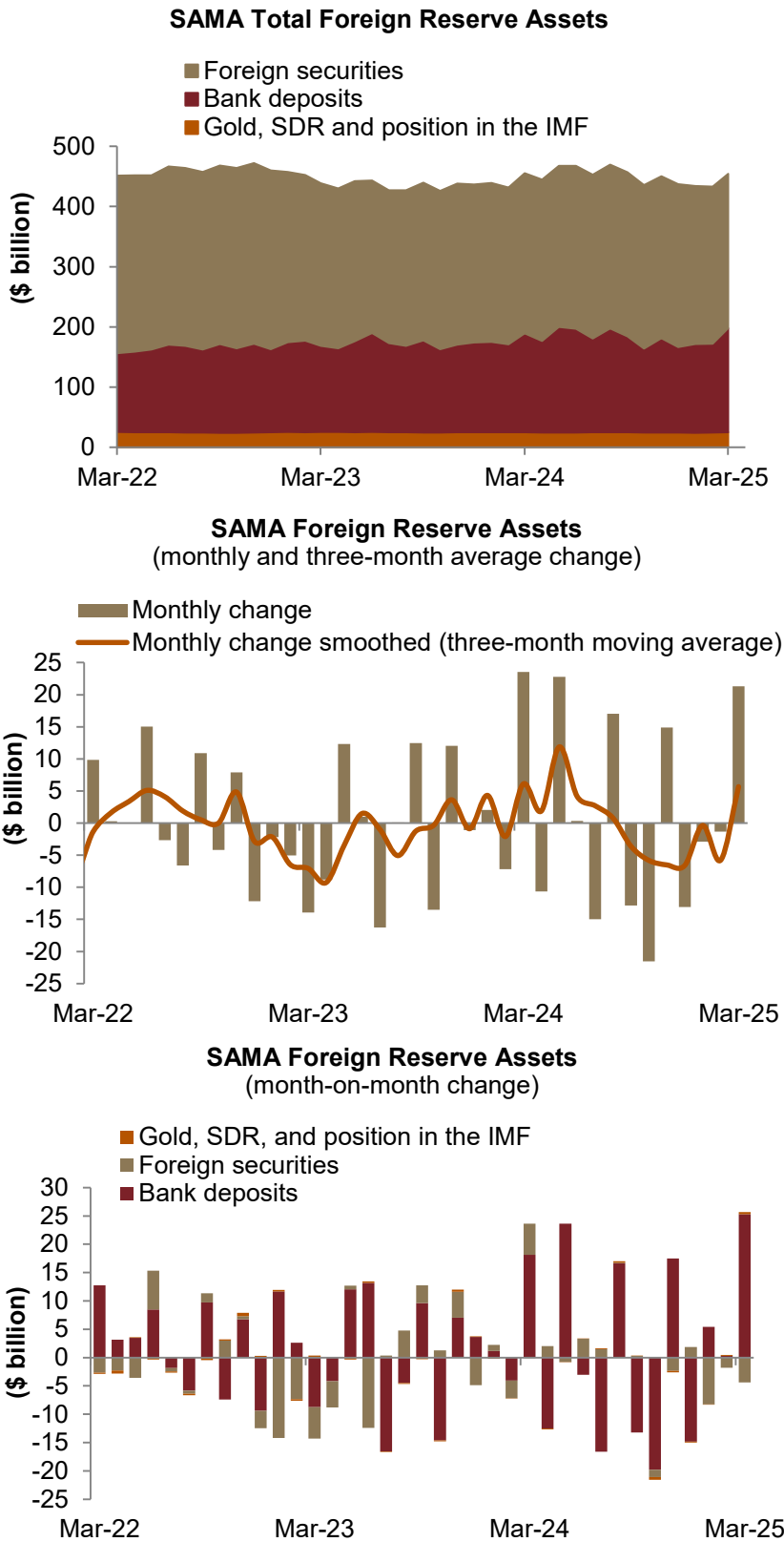
## SAMA Foreign Reserve Assets

SAMA's FX reserves increased in March, rising by \$21.3 billion, to reach \$454.3 billion, the highest level in six months. The monthly gain primarily resulted from a rise in bank deposits, up by \$25.3 billion, while foreign securities declined by \$4.4 billion.

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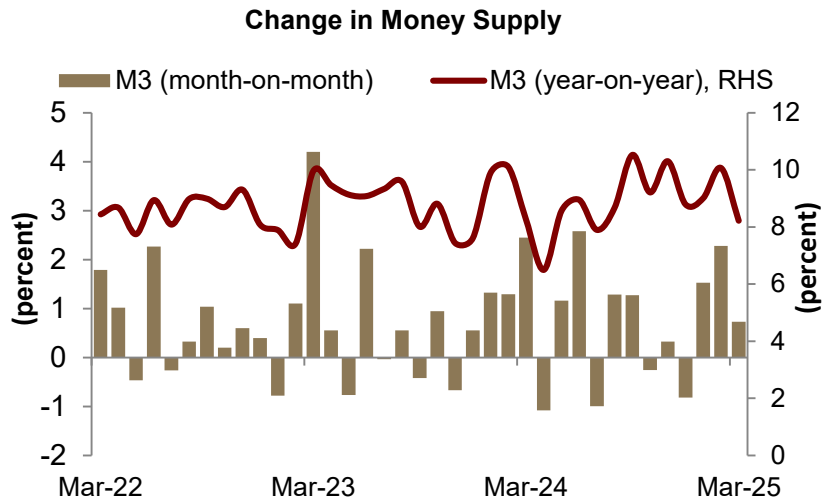




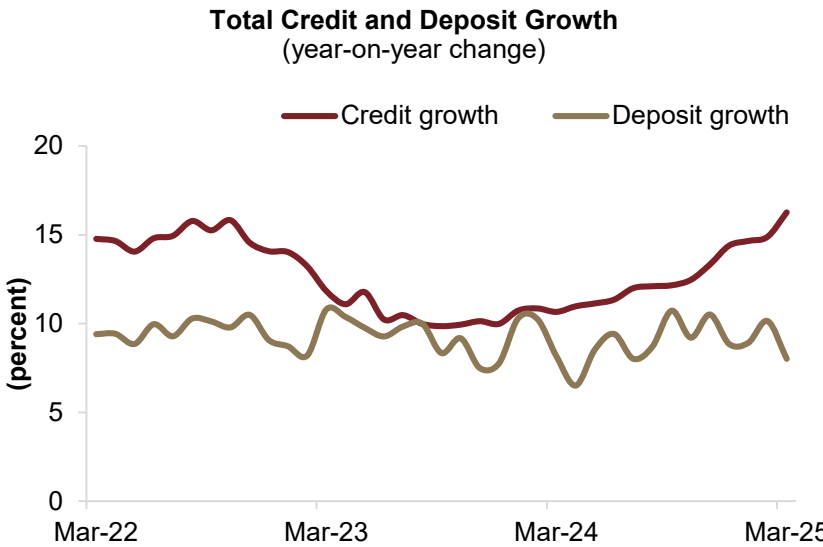
# Money Supply, Bank Deposits and Credit

The broad measure of money supply (M3) increased by 8.2 percent year-on-year and 0.7 percent month-on-month in March. Total deposits grew by 8 percent year-on-year. Credit growth accelerated to 16.3 percent, year-on-year, continuing to outstrip deposit growth. Despite the recent slowdown, the volume of new mortgages continued to expand, up by 10 percent year-on-year.

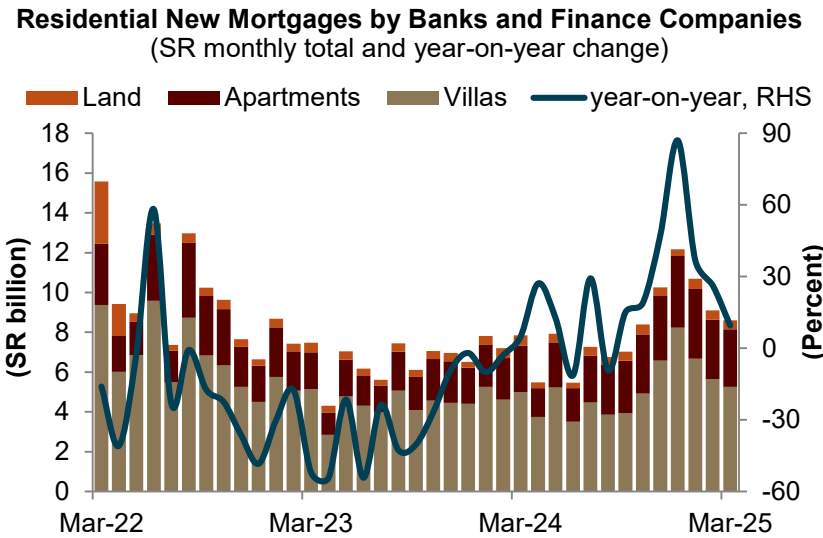
M3 rose in March by 8.2 percent year-on-year, and by 0.7 percent month-on-month.



Credit growth accelerated to 16.3 percent, year-on-year, continuing to outstrip deposit growth.



The volume of new mortgages continued to expand, up by 10 percent year-on-year, though this marks a notable slowdown from the six-month average growth rate of 40 percent.

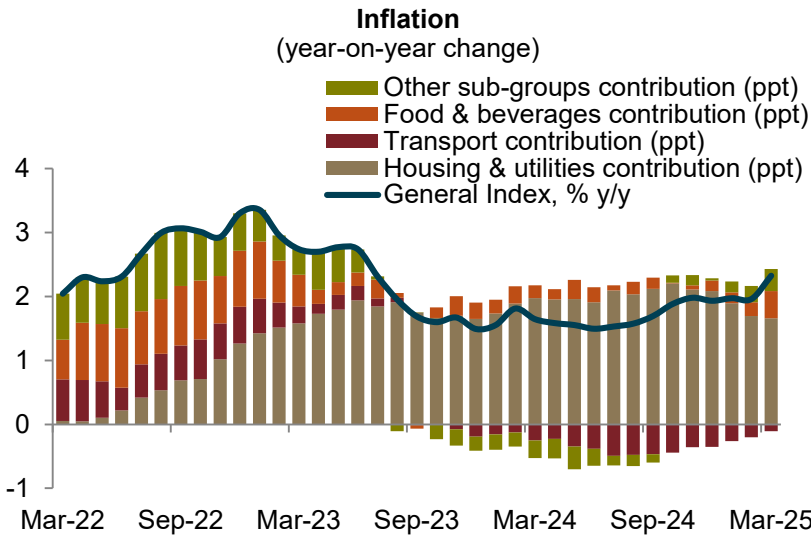




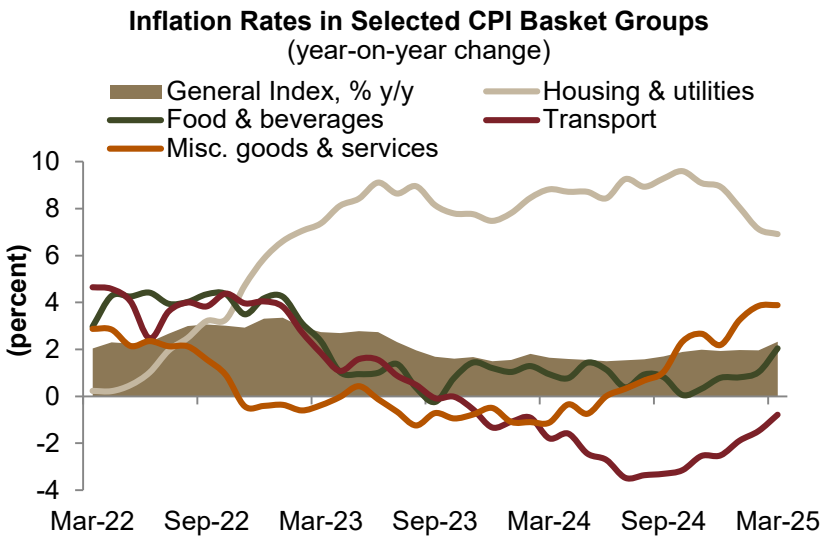
## Inflation

Consumer prices in March rose by 2.3 percent year-on-year and 0.3 percent month-on-month. 'Food and beverages' recorded a 2 percent increase –the highest in two years– primarily driven by heightened demand during Ramadan. Inflation in 'Housing and utilities' continued to cool, with prices up by 6.9 percent. Meanwhile, the downward trend in 'transport' is tapering off, influenced by rising prices in 'new cars'.

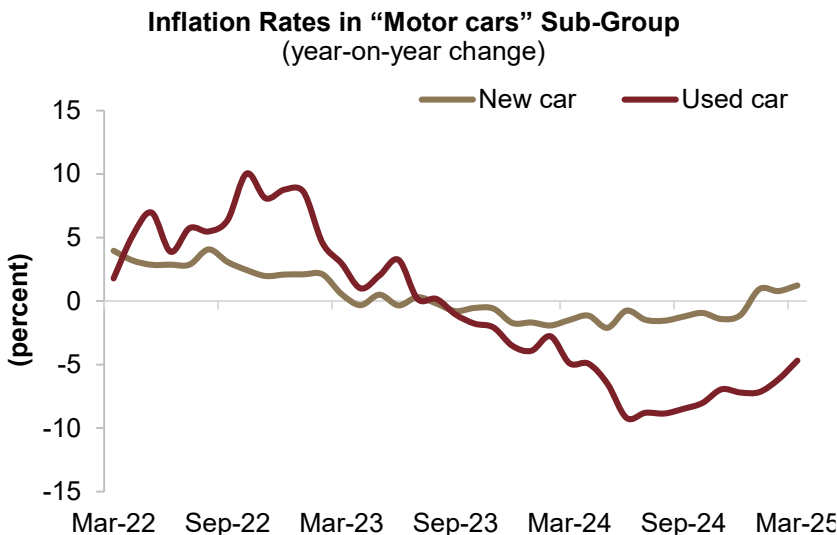
Consumer prices in March rose by 2.3 percent year-on-year, the highest rate in 20 months.



'Food & beverages' rose by 2 percent, mainly affected by higher demand during Ramadan. 'Housing & utilities' continues to see cooling inflation, up by 6.9 percent. Meanwhile, the downward trend in 'transport' is beginning to taper off...



...influenced by rising prices in 'new cars', which were up by 1.2 percent in March. This continues an upward trend that began in Q1 2025, following a 20-month period of declining prices.



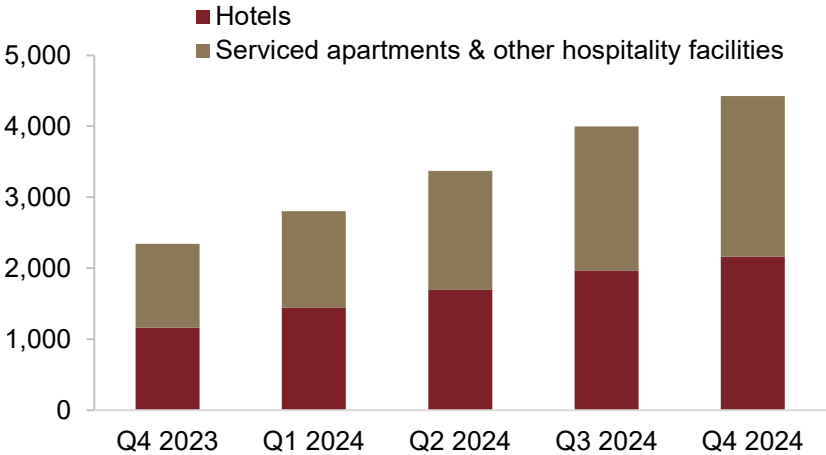




## Tourism Establishments Statistics Q4 2024

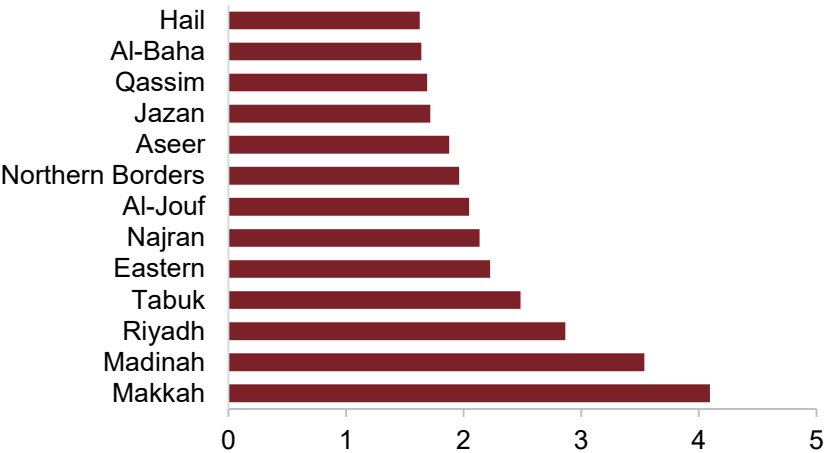
The latest tourism establishments statistics from GaStat show that the number of tourist hospitality facilities increased from 2,343 in Q4 2023 to 4,425 in Q4 2024 (up 88 percent year-on-year). The average hotel stay ranged between 2 and 4.1 nights across regions, with Makkah recording the highest length during Q4. Meanwhile, the number of Saudis employed in tourism-related activities reached 242,000, with females representing 46 percent of the total.

**Number of Tourist Hospitality Facilities**  
(Q4 2024)



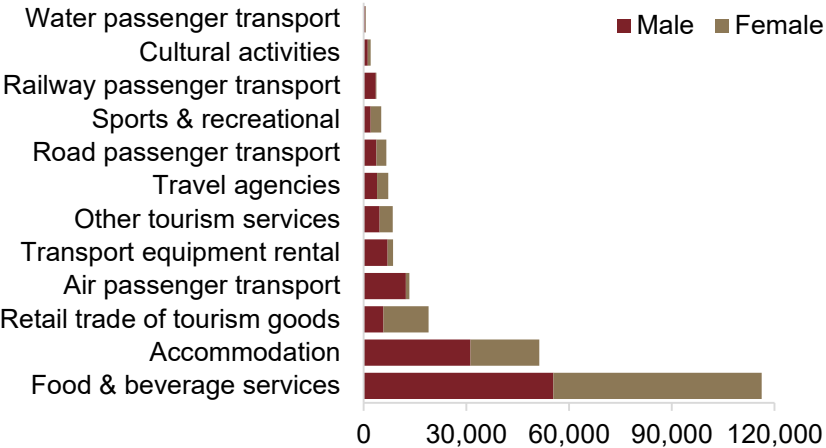
*The number of tourist hospitality facilities saw a robust rise in 2024.*

**Average Quarterly Hotel Stay, by Region**  
(by number of nights, Q4 2024)



*Makkah recorded the highest hotel stay in Q4 2024.*

**Number of Saudi Employees in Tourism Activities**  
(by gender, Q4 2024)



*The growing tourism sector will benefit from a recent resolution to localize 41 professions in tourism, which should provide more various jobs for citizens in the coming three years.*

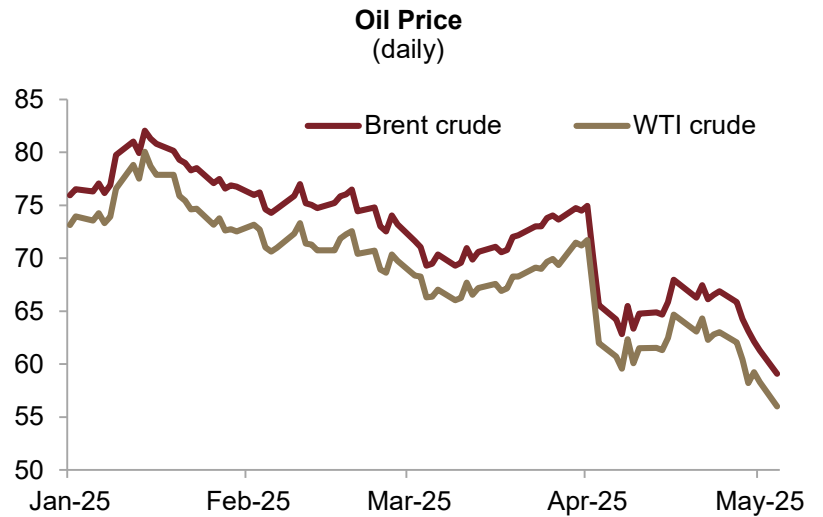




Oil - Global

Oil prices have come under further pressure in April and early May as tariff uncertainty weighs on the oil demand outlook and as OPEC+ ramps up supply plans for May and June. The price is likely to remain weak in the near term. Enforcement of tighter US sanctions on Iran or a relaxation of US tariffs, including a breakthrough in US-China trade relations, are factors which could boost oil prices from their current lows.

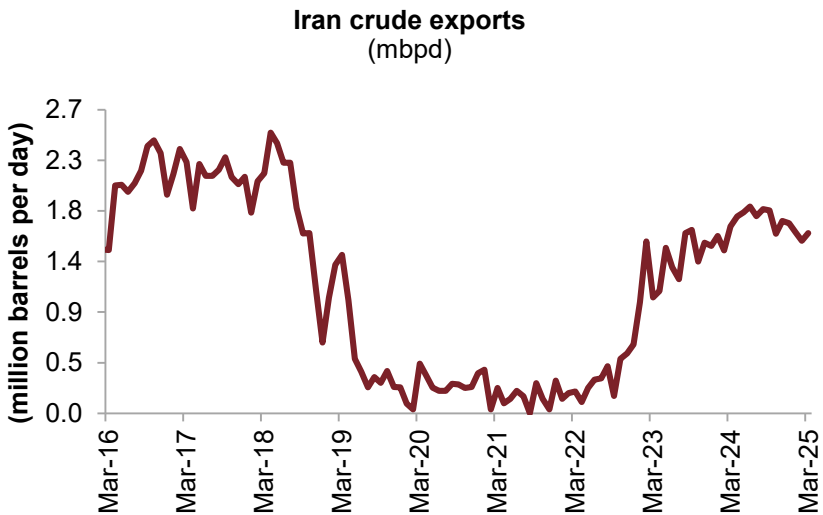
Brent crude dipped below \$60pb in early May and has averaged \$72pb year to date.



China's crude oil imports surged in March to the highest level since August 2023, according to Chinese customs data, and seem to have continued at high levels in April with China keen to take advantage of lower oil prices to refill oil stockpiles.



Iran's crude exports averaged 1.6mbpd in Q1-25. The US and Iran are in talks to try and agree a new nuclear deal. However, at the start of May, President Trump announced a tightening of sanctions aimed at Iran's oil exports. This could reduce crude supply from Iran, but could be reversed if the US and Iran can reach a nuclear deal.



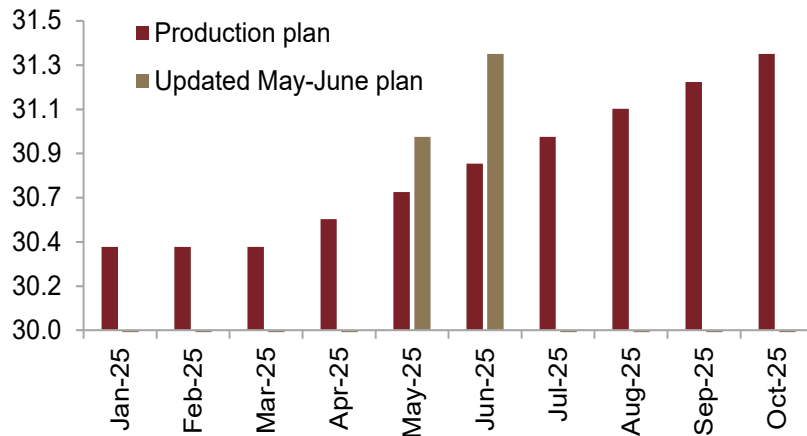


## Oil - Saudi Arabia

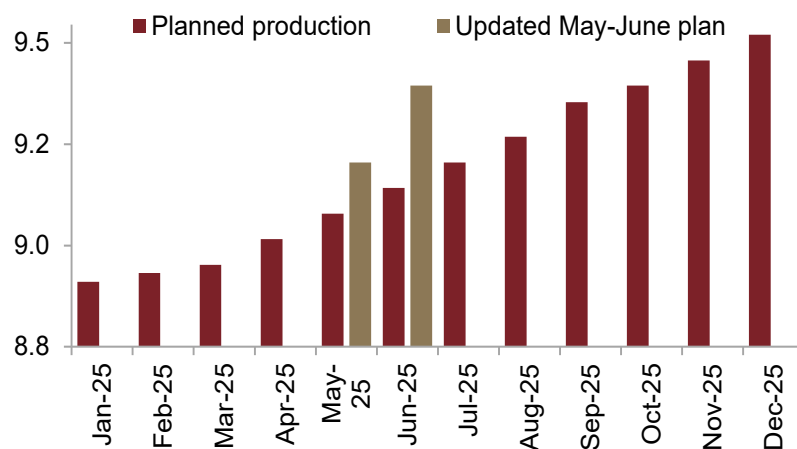
Saudi crude production edged up to 8.95mbpd in February and exports of crude and refined products surged by 0.5mbpd to just under 8mbpd from 7.4mbpd in January. Volumes will increase further as OPEC+ adjusted output plans higher.

*OPEC+ decided to increase June output by more than planned. This follows the upward adjustment for May. This means that output in June will be at levels initially planned for October.*

**OPEC+ Group of 8 Production Plans**  
(mbpd)

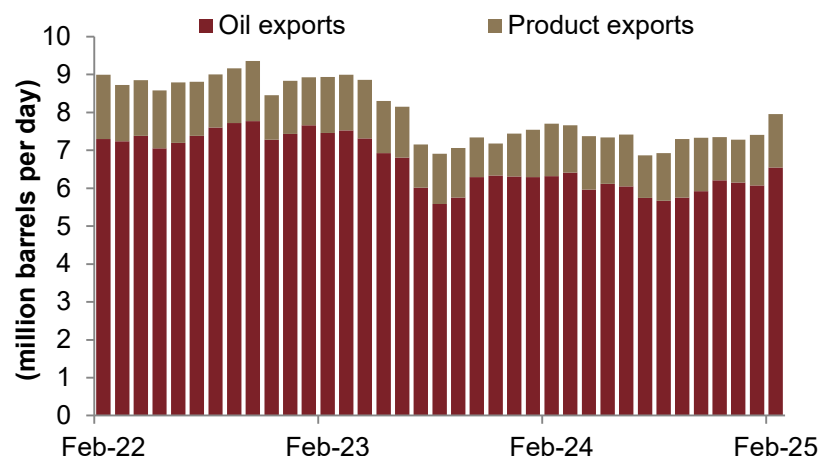


**Saudi Crude Oil Production Under OPEC+ Plan**  
(mbpd)



*In line with the new OPEC+ plan, Saudi oil production is slated to increase to 9.37mbpd in June, the highest level since June 2023. However, the higher volumes will only partially offset the negative impact of lower oil prices.*

**Saudi exports**  
(mbpd)



*Saudi crude and refinery exports surged by 0.5mbpd in February, largely due to higher volumes of crude exports. Export volumes were the highest since June 2023.*



# Stock Market

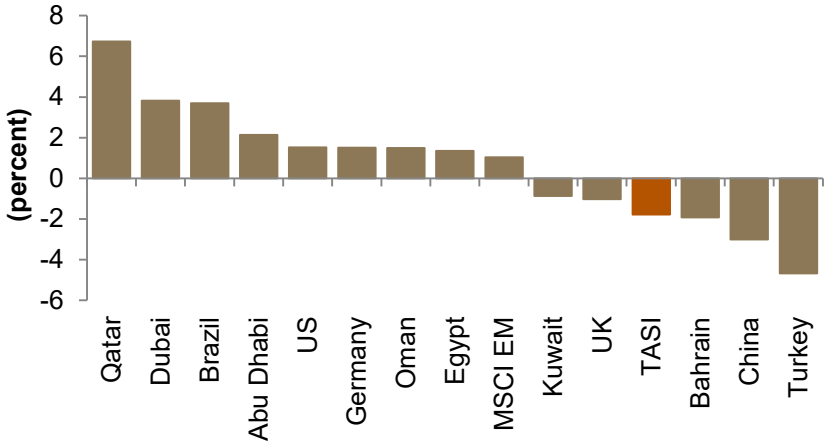
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TASI Performance

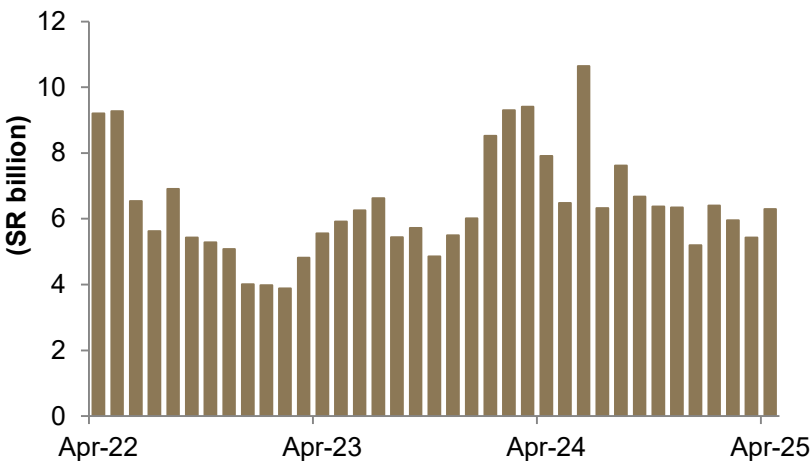


Comparative Stock Market Performance (April)



In April and early May the headline TASI index has underperformed key global markets and most regional markets.

Average Daily Traded Turnover (April)



Turnover increased in April, especially in the days after Liberation day tariff announcements in the US lead to volatility in global markets.



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