



Summary

Real Economy: Cement sales declined in June by 3.6 percent year-on-year. Meanwhile, latest available data show non-oil exports up by 8 percent year-on-year in May. However, “petrochemicals” and “plastics and rubber” exports were down by 6 and 3 percent year-on-year in May, respectively. Non-oil real GDP growth strengthened in Q2, according to the flash estimate.

Consumer Spending: Total consumer spending was down by 2.4 percent year-on-year in June, with a monthly decline of 7.6 percent. Cash withdrawals decreased by 10.7 percent year-on-year, while POS transactions were up by 2 percent. Looking at POS transactions by sector, notable declines were seen in ‘education’ and ‘electronics’.

SAMA Foreign Reserve Assets: SAMA’s FX reserves were marginally up in June by \$0.3 billion, to stand at almost \$468 billion. The monthly gain came from foreign securities, which rose by \$3.3 billion, while bank deposits were down by \$3 billion.

Money Supply, Bank Deposits and Credit: The broad measure of money supply (M3) rose by 9 percent year-on-year in June, the largest rise in four months, with a monthly gain of 2.6 percent. Total deposits were up 9.4 percent year-on-year, as demand deposits continued trending up by 7 percent. Meanwhile, residential new mortgages for individuals declined in June, down by 11 percent year-on-year, and by 31 percent month-on-month.

Inflation: Consumer prices rose by 1.5 percent year-on-year in June, marking the lowest inflation rate since the start of the year. Within the CPI basket, ‘Food and beverages’ prices were up by 1.1 percent year-on-year, and by 0.1 percent month-on-month. Meanwhile, ‘Restaurants and hotels’ also rose by 2.4 percent year-on-year, and by 0.3 percent month-on-month.

Oil-Global: Oil supply has been restrained, both within OPEC+ and in the US. Oil prices on average increased in July, with Brent oil prices at \$87 per barrel. Prices dropped towards the end of the month on demand fears linked to slowing US growth, subdued Chinese demand and limited policy stimulus so far in China.

Oil-Saudi Arabia: Saudi crude oil production averaged 8.8 million barrels per day (mbpd) in June, in line with OPEC+ agreed levels. Output will remain at similar levels until at least October, when the OPEC+ agreement allows for gradual monthly increases.

Stock Market: TASI continued the upward trend in July, and rose by 3.7 percent on a month-on-month basis, back to above the 12,000-point level last seen in May. TASI’s performance came in line with most regional and global markets during the month.

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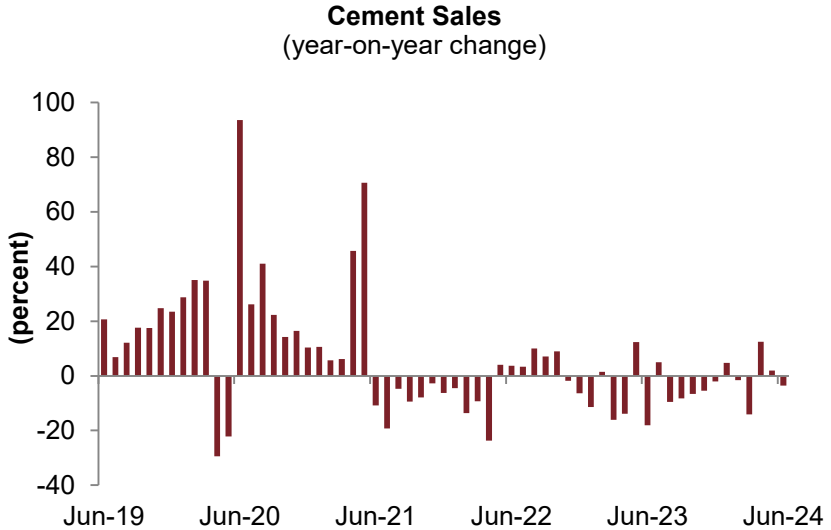
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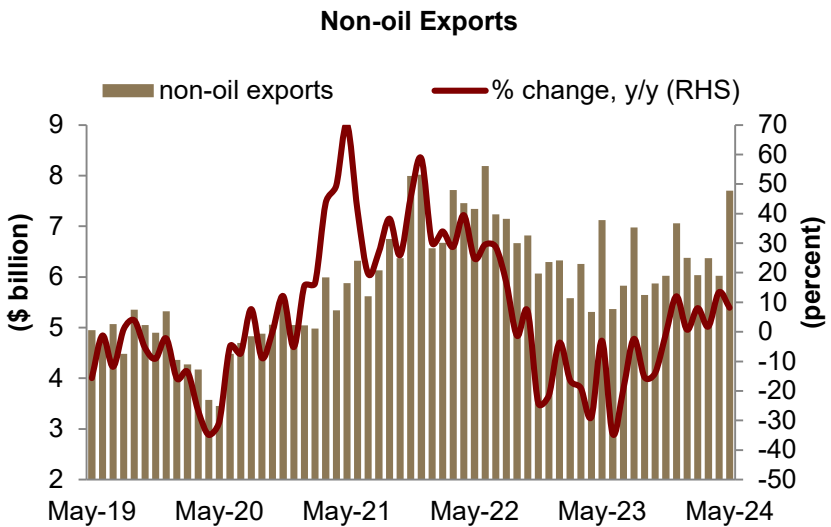
Real Economy

Cement sales declined in June by 3.6 percent year-on-year. Meanwhile, latest available data show non-oil exports up by 8 percent year-on-year in May. However, “petrochemicals” and “plastics and rubber” exports were down by 6 and 3 percent year-on-year in May, respectively. According to the Q2 2024 flash estimates, non-oil real GDP growth was 4.4 percent year-on-year and growth in government activities was 3.6 percent - both stronger than in Q1.

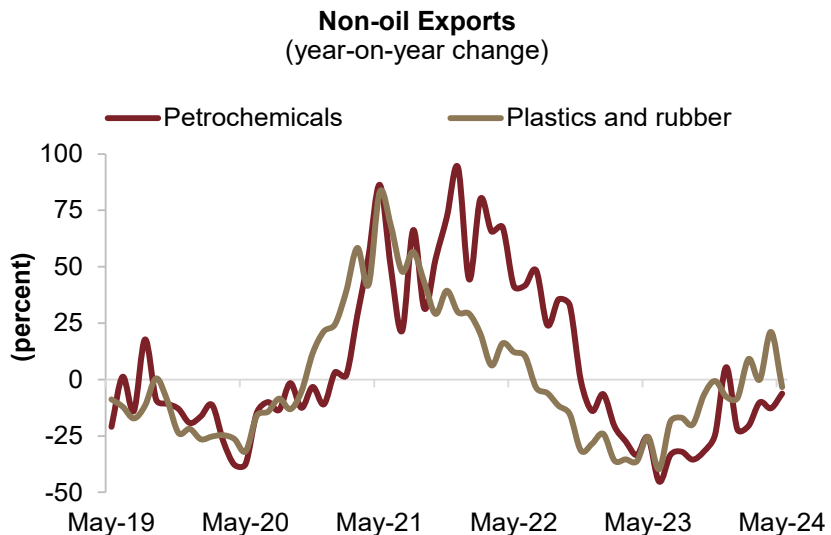
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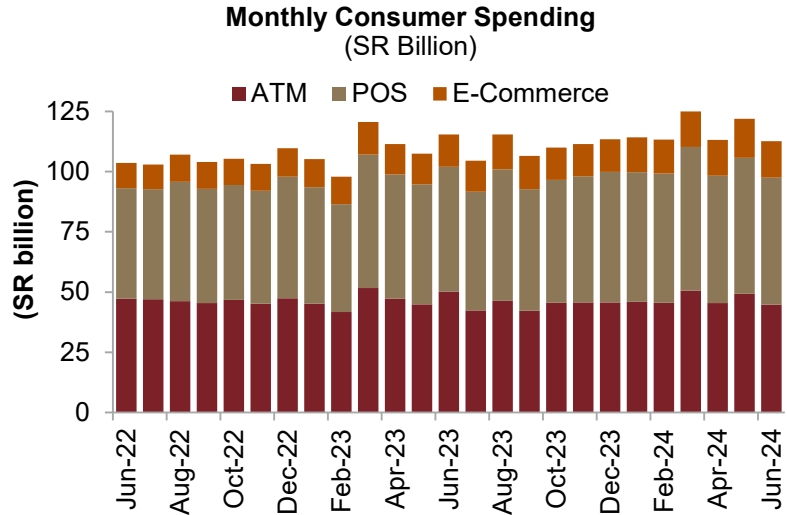




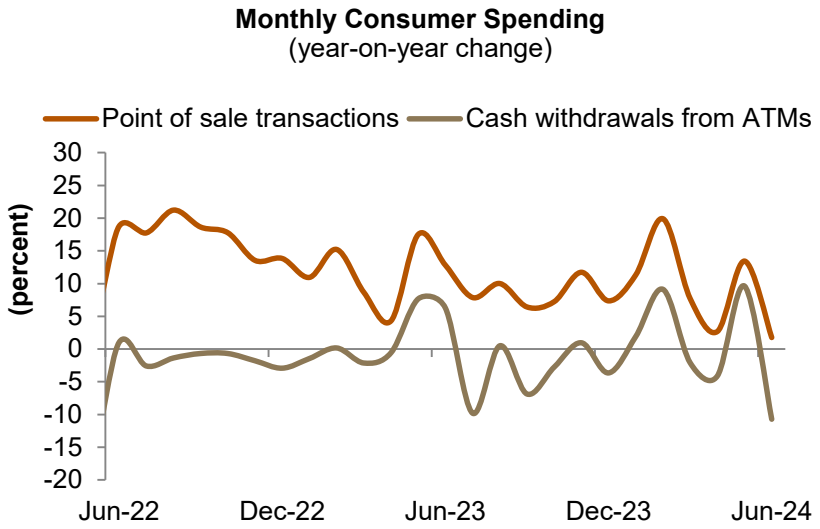
Consumer Spending

Total consumer spending was down by 2.4 percent year-on-year in June, with a monthly decline of 7.6 percent. Cash withdrawals decreased by 10.7 percent year-on-year, while POS transactions were up by 2 percent. Looking at POS transactions by sector, notable declines were seen in 'education' and 'electronics'.

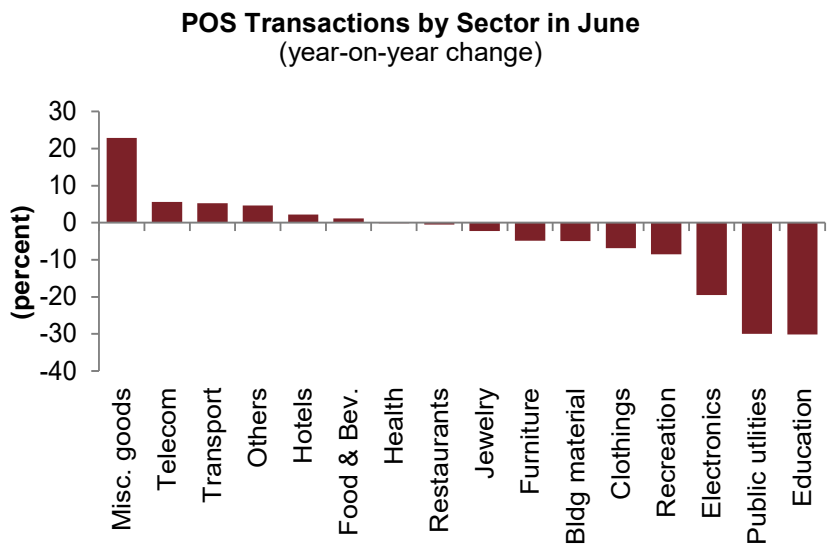
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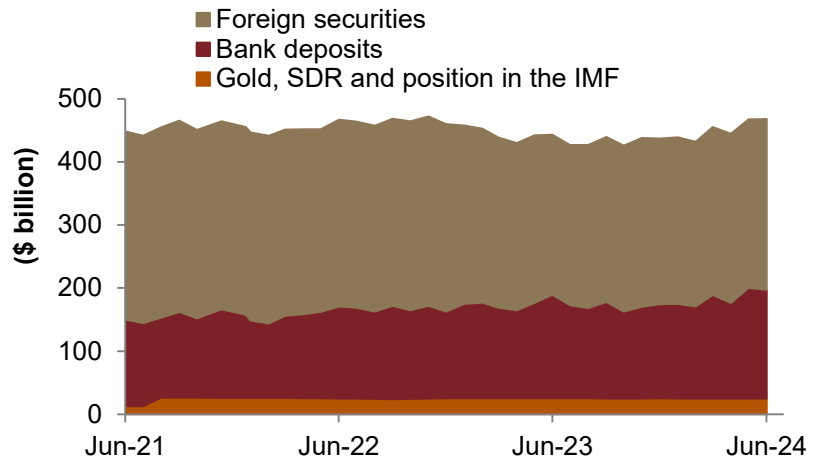


SAMA Foreign Reserve Assets

SAMA's FX reserves were marginally up in June by \$0.3 billion, to stand at almost \$468 billion. The monthly gain came from foreign securities, which rose by \$3.3 billion, while bank deposits were down by \$3 billion. The current account surplus and inflows from external debt issuance have supported FX reserves so far in 2024.

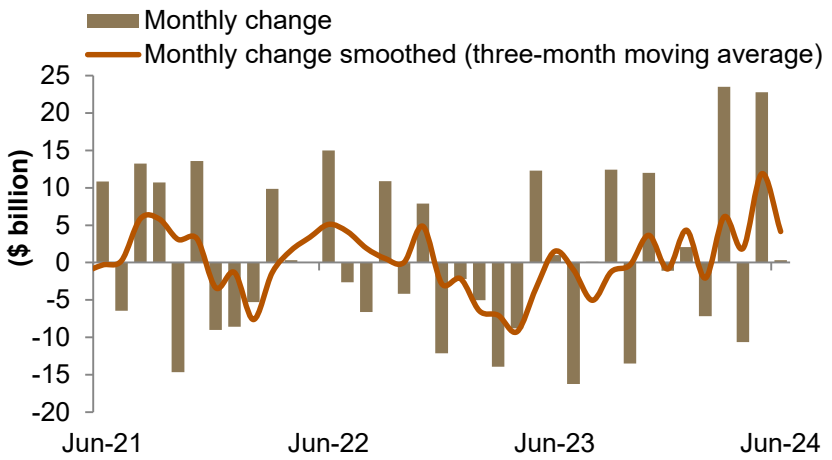
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SAMA Total Foreign Reserve Assets



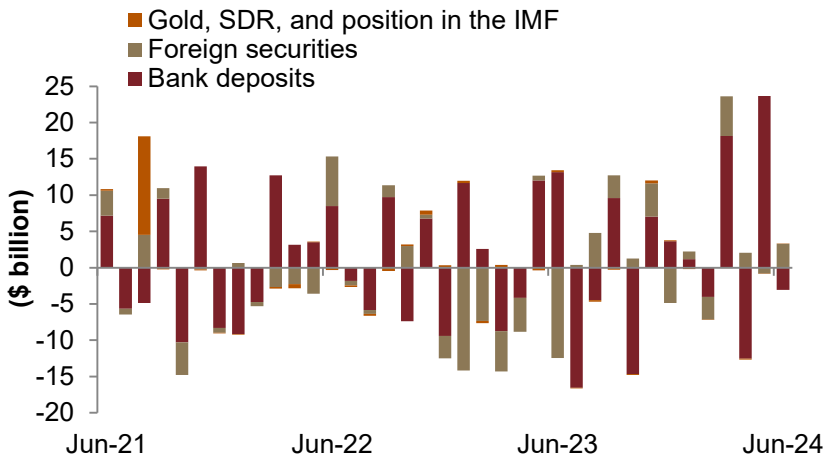
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SAMA Foreign Reserve Assets
(monthly and three-month average change)



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

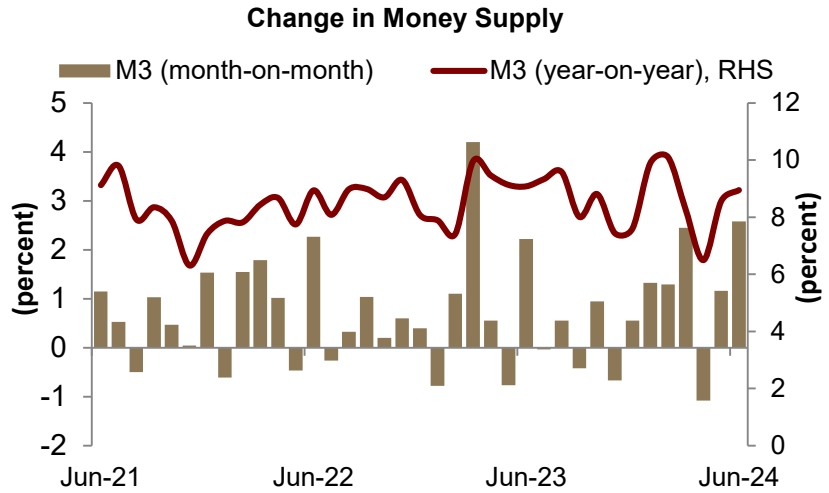




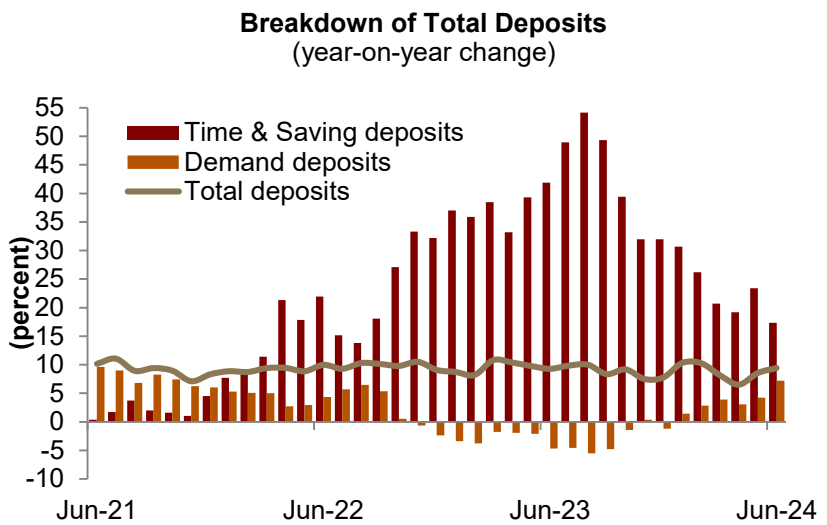
Money Supply, Bank Deposits and Credit

The broad measure of money supply (M3) rose by 9 percent year-on-year in June, the largest rise in four months, with a monthly gain of 2.6 percent. Total deposits were up 9.4 percent year-on-year, as demand deposits continued trending up by 7 percent. Meanwhile, residential new mortgages for individuals declined in June, down by 11 percent year-on-year, and by 31 percent month-on-month.

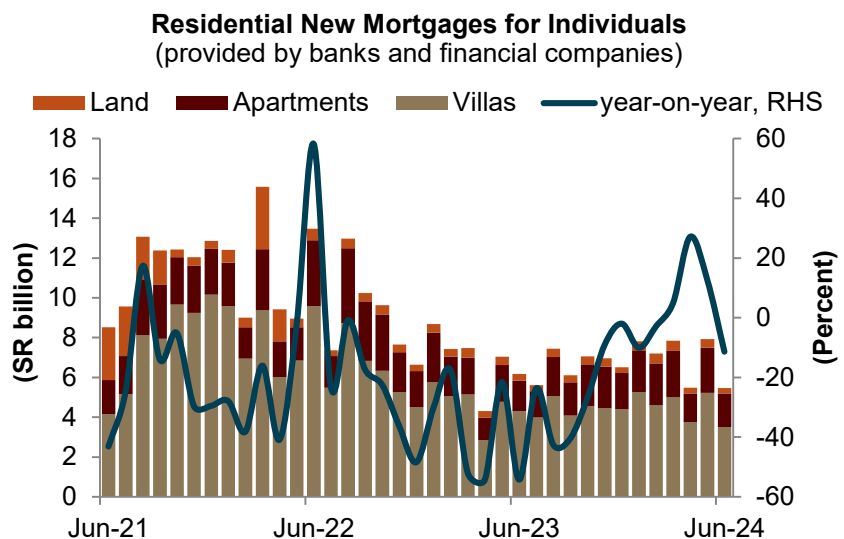
M3 rose by 9 percent year-on-year in June, the largest rise in four months, with a monthly gain of 2.6 percent.



Total deposits were up 9.4 percent year-on-year, as demand deposits continued trending up by 7 percent, mainly supported by private demand deposits.



Meanwhile, residential new mortgages for individuals declined in June, down by 11 percent year-on-year, and by 31 percent month-on-month.

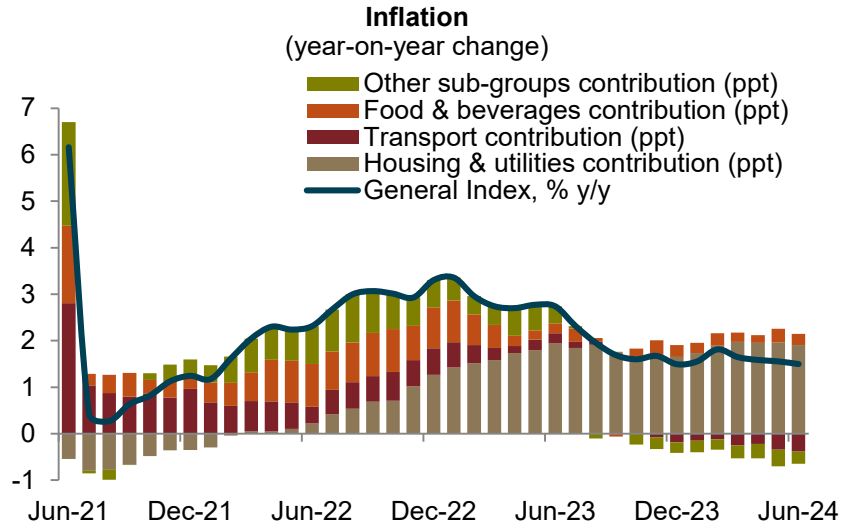




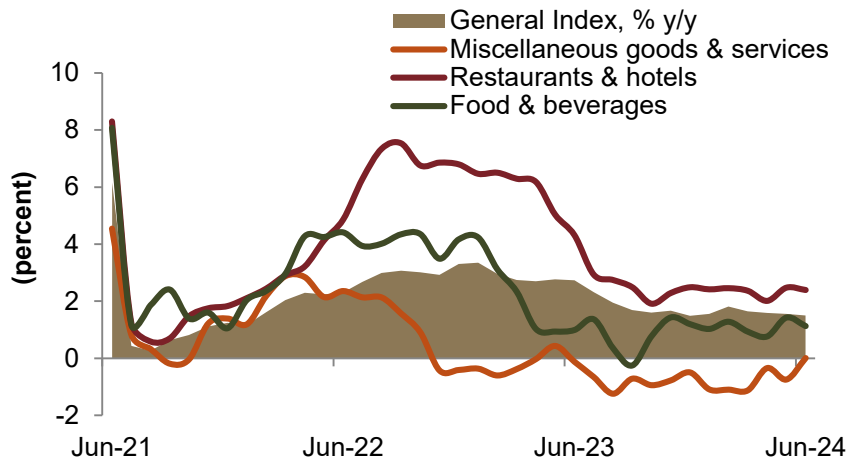
Inflation

Consumer prices rose by 1.5 percent year-on-year in June, marking the lowest inflation rate since the start of the year. Within the CPI basket, 'Food and beverages' prices were up by 1.1 percent year-on-year, and by 0.1 percent month-on-month. Meanwhile, 'Restaurants and hotels' also rose by 2.4 percent year-on-year, and by 0.3 percent month-on-month.

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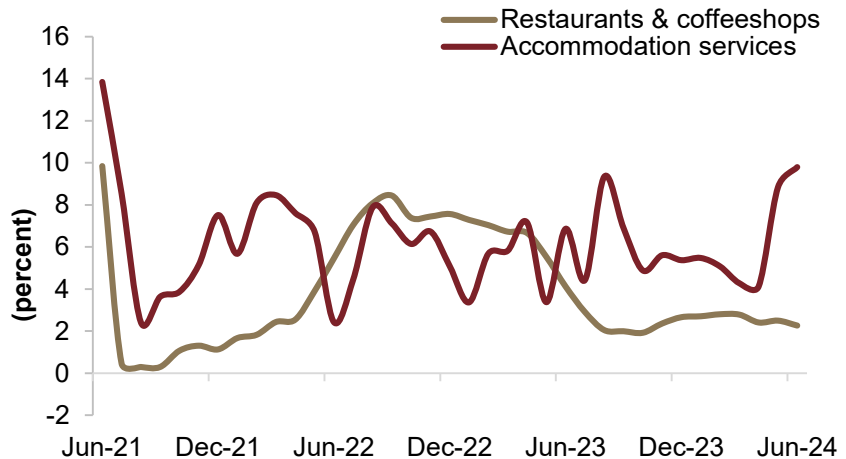


Inflation Rates in Selected CPI Basket Groups
(year-on-year change)



Within the CPI basket, 'Food and beverages' prices were up by 1.1 percent year-on-year, and by 0.1 percent month-on-month.

Prices in 'Restaurants & Hotels' Sub-group
(year-on-year change)



Meanwhile, 'Restaurants & hotels' also rose by 2.4 percent year-on-year, as prices in 'accommodation services' saw remarkable gains in May and June, likely driven by higher demand in the summer holidays.



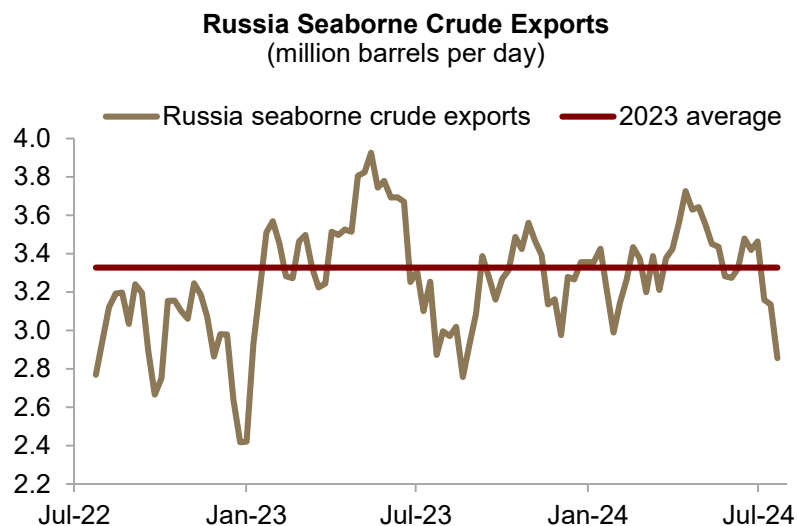
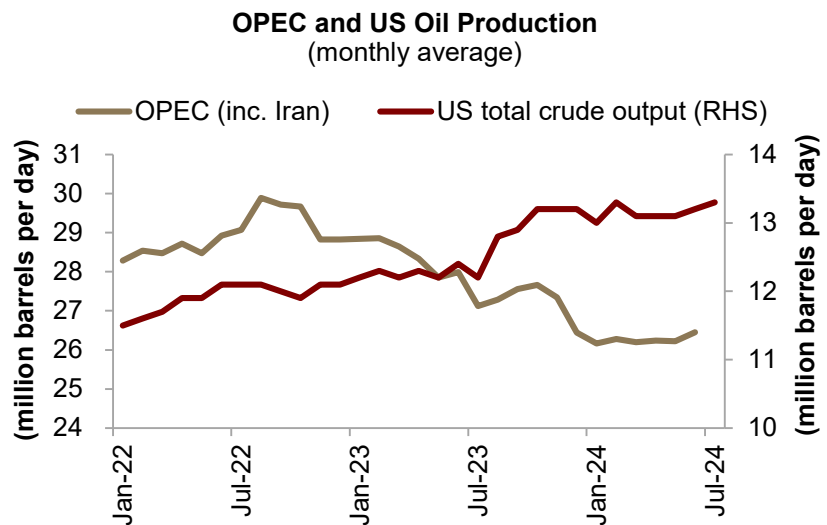
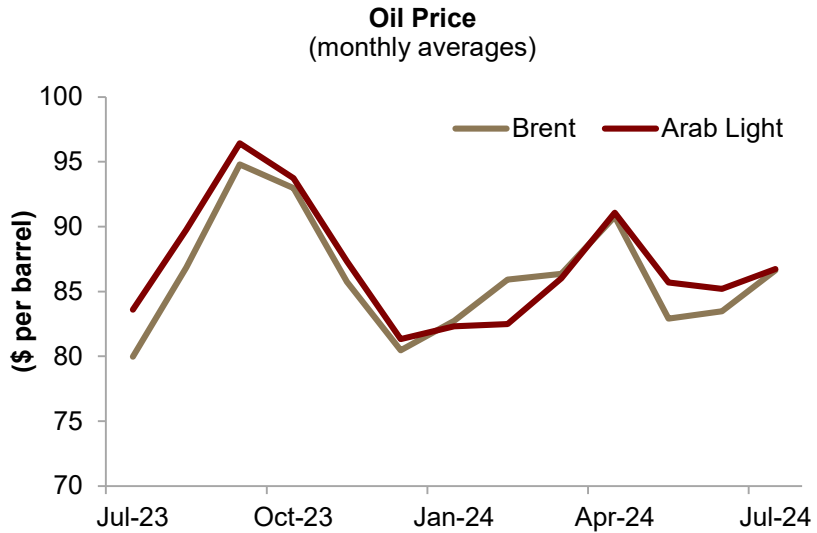
Oil - Global

Oil prices on average increased in July month-on-month, with Brent oil prices at \$87 per barrel, and WTI at \$82 per barrel. However, prices dropped towards the end of the month on demand fears. The supply picture has been restrained, with OPEC+ production marginally lower and US production broadly stable so far in 2024. Concerns about global demand, with Chinese demand subdued and the US economy slowing, are weighing on crude prices.

Monthly averages in July were higher month-on-month. Concerns over the demand outlook weighed on prices towards month end. Data is pointing to slower US growth. And in China there has been limited policy so far to stimulate the economy.

Global supply growth has been limited. OPEC crude output has remained flat as per the OPEC+ agreements. Overall OPEC+ output has declined slightly from end-2023. Total US production has also been fairly stable in the first half of 2024, following the sizeable increase in 2023.

Russia's seaborne crude exports fell below 3 mbpd in July. They averaged 3.3 mbpd in 2023. Lower crude exports may reflect stronger refinery runs. Nonetheless Russian crude output is running lower this year than in 2023.

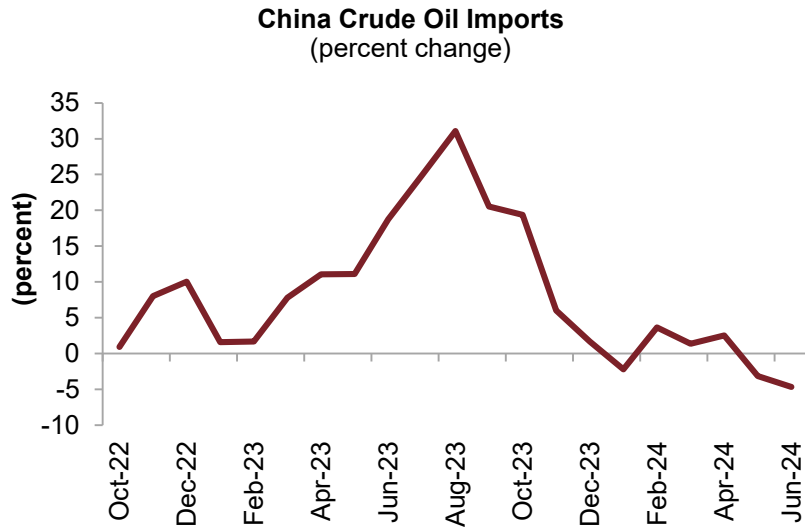




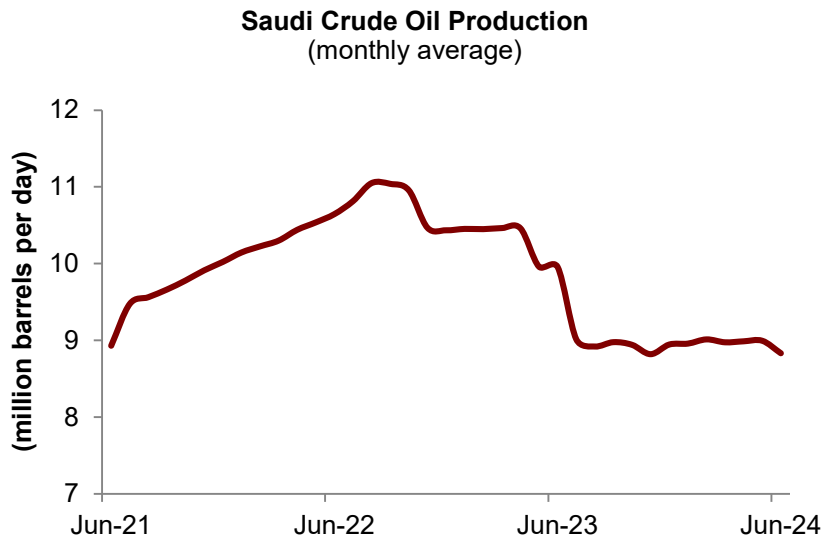
Oil - Saudi Arabia

Saudi crude oil production averaged 8.8 million barrels per day (mbpd) in June, in line with OPEC+ agreed levels. Meanwhile, latest available official data showed that Saudi crude oil and refined products exports saw a marginal decline to 7.3 mbpd in May.

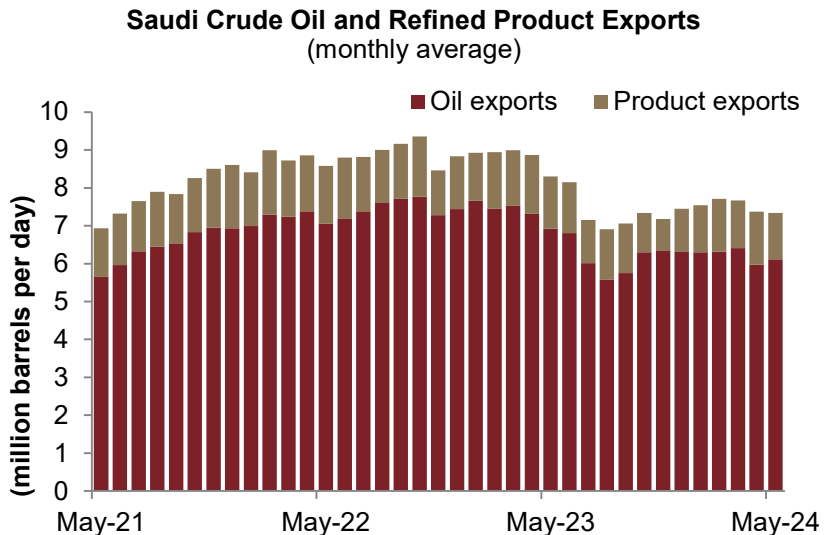
After growing significantly in 2023, China's imports of crude oil have dropped back in 2024. Lower demand, concerns about the health of China's economy and a modest policy response so far have weighed on oil prices.



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Stock Market

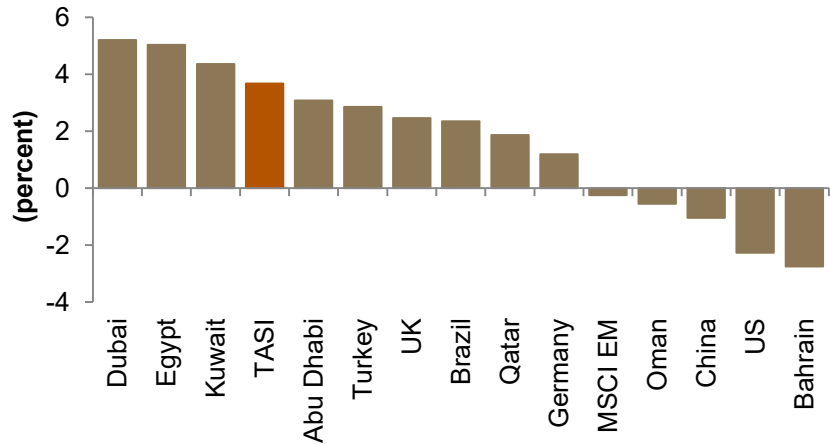
TASI continued the upward trend in July, and rose by 3.7 percent on a month-on-month basis, back to above the 12,000-point level last seen in May. TASI's performance came in line with most regional and global markets during the month. Meanwhile, average daily trading volumes eased in July compared with remarkable levels in June.

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TASI Performance

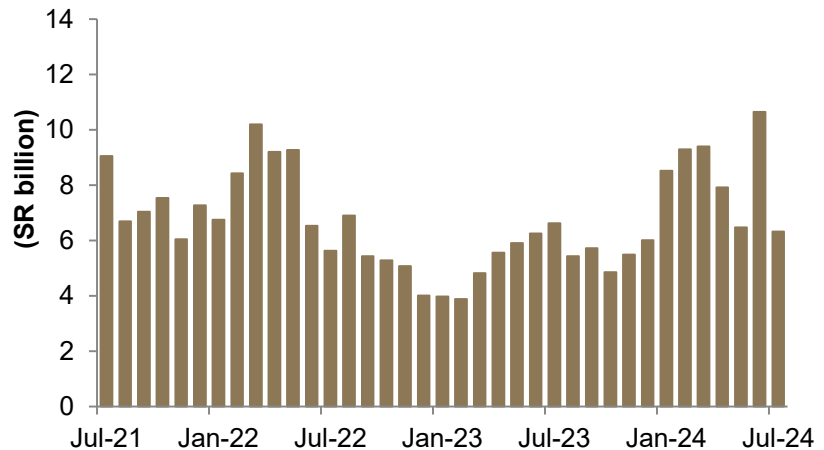


Comparative Stock Market Performance (July)



TASI's performance came in line with most regional and global markets during the month.

Average Daily Traded Volumes (July)



Meanwhile, average daily trading volumes eased in July compared with remarkable levels in June.



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