



## Summary

**Real Economy:** The non-oil PMI rose further in September, up to 56.3 from 54.8 in August, with noted growth in employment, output and new orders, as non-oil companies raised their activity levels at a robust pace through the third quarter. Meanwhile, cement sales saw another rise in August by 2 percent year-on-year. Latest available data show non-oil exports rising by 19 percent year-on-year.

**Consumer Spending:** Total consumer spending rose in August by 4.8 percent year-on-year, with a monthly gain of 3.8 percent, supported by a rise in POS transactions by 7 percent, despite a decline in cash withdrawals by 3.3 percent, year-on-year.

**SAMA Foreign Reserve Assets:** SAMA's FX reserves rebounded in August by \$17 billion, to reach almost \$470 billion. The monthly gain mainly came from bank deposits, which rose by \$16.6 billion, meanwhile, foreign securities saw a marginal rise of \$0.1 billion.

**Money Supply, Bank Deposits and Credit:** The broad measure of money supply (M3) rose in August by 8.7 percent year-on-year and by 1.3 percent month-on-month. Total deposits were up 8.7 percent year-on-year, as time and saving deposits climbed up by 15 percent. Meanwhile, demand deposits continued to see an upward trend.

**Inflation:** Consumer prices rose by 1.6 percent year-on-year in August, and by 0.1 percent month-on-month. Within the CPI basket, 'Food and beverages' prices rose by 0.9 percent year-on-year, and 'Housing and utilities' continued trending upwards.

**2025 Preliminary Budget Statement:** According to the preliminary budget statement, the 2024 budget deficit will widen to SR118 billion (2.9 percent of GDP) on higher government spending. For 2025 the preliminary budget projects declines in both revenue and spending and for the budget deficit to narrow, to SR101 billion (2.3 percent of GDP).

**Labor Market Q2 2024:** The latest labor market release from GaStat showed that the unemployment rate for citizens declined to 7.1 percent in Q2 2024 from 7.6 percent in Q1. Female unemployment eased to 12.8 percent in Q2 (versus 14.2 percent in Q1), while the rate for males also declined to 4 percent.

**Oil-Global:** Oil prices remain volatile, as concerns about weak demand and additional supply weigh on prices, while geopolitical risk adds a premium to prices. The US Federal Reserve's 50bps rate cut buoyed prices in mid-September, but the market weakened again as the focus shifted to OPEC+ supply increases and the likely return of Libyan output.

**Oil-Saudi Arabia:** Saudi crude oil production averaged 9 mbpd in August, in line with the OPEC+ agreement. Saudi exports of crude oil and refined products fell to 6.9 mbpd in July, according to latest official data.

**Stock Market:** TASI was slightly up in September on a month-on-month basis, rising by 0.3 percent, in line with many regional markets. TASI went through a volatile month, which saw a remarkable rise after the Fed's decision to cut rates by 50 bps, but sliding afterwards amid rising geopolitical tensions in the region.

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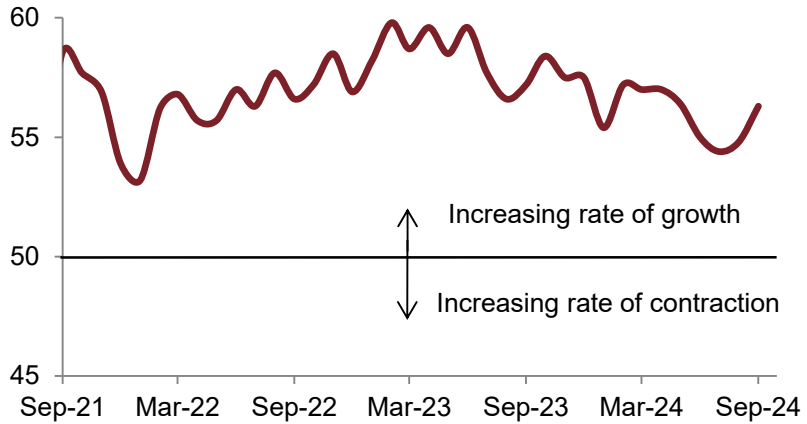


## Real Economy

The non-oil PMI rose further in September, up to 56.3 from 54.8 in August, with noted growth in employment, output and new orders, as non-oil companies raised their activity levels at a robust pace through the third quarter. Meanwhile, cement sales saw another rise in August by 2 percent year-on-year. Latest available data show non-oil exports rising by 19 percent year-on-year, and by 14 percent month-on-month, in July.

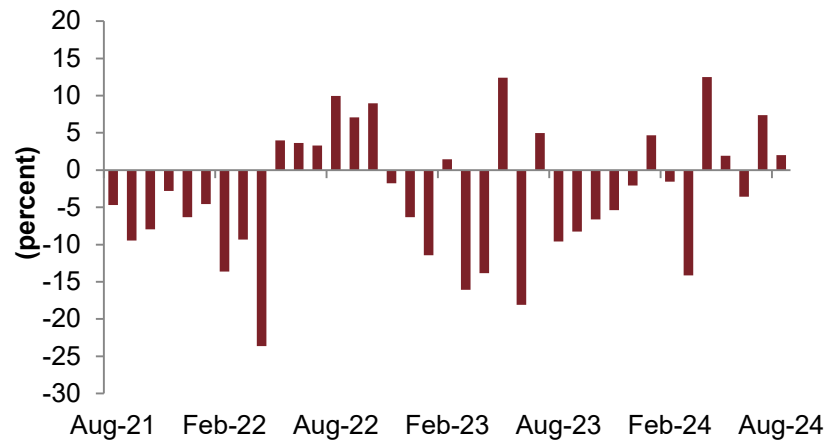
*The non-oil PMI rose further in September, up to 56.3 from 54.8 in August, with noted growth in employment, output and new orders.*

**Non-oil Purchasing Managers' Index**



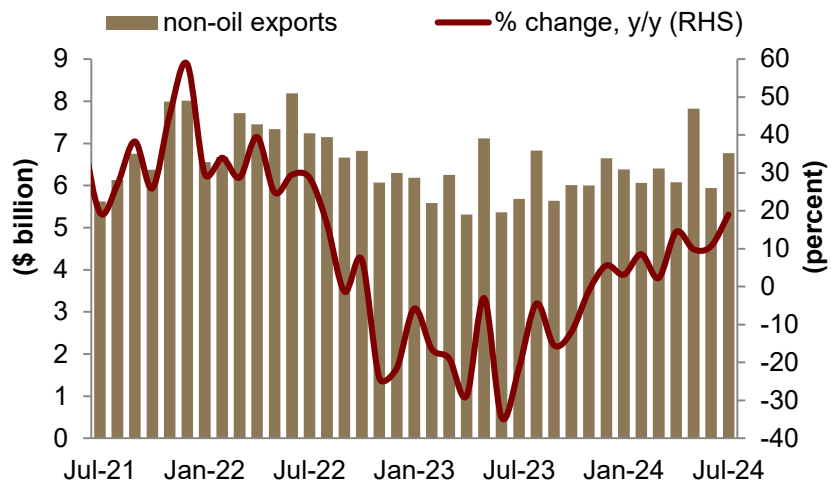
*Meanwhile, cement sales saw another rise in August by 2 percent year-on-year.*

**Cement Sales**  
(year-on-year change)



*Latest available data show non-oil exports rising by 19 percent year-on-year in July.*

**Non-oil Exports**

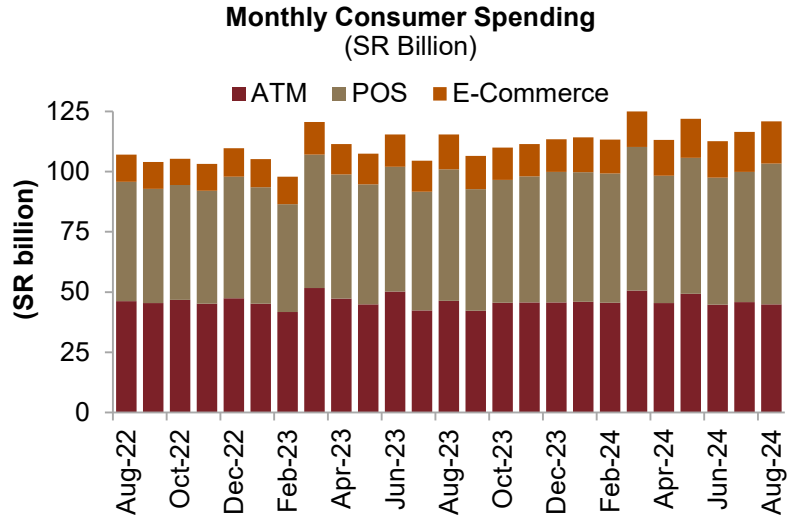




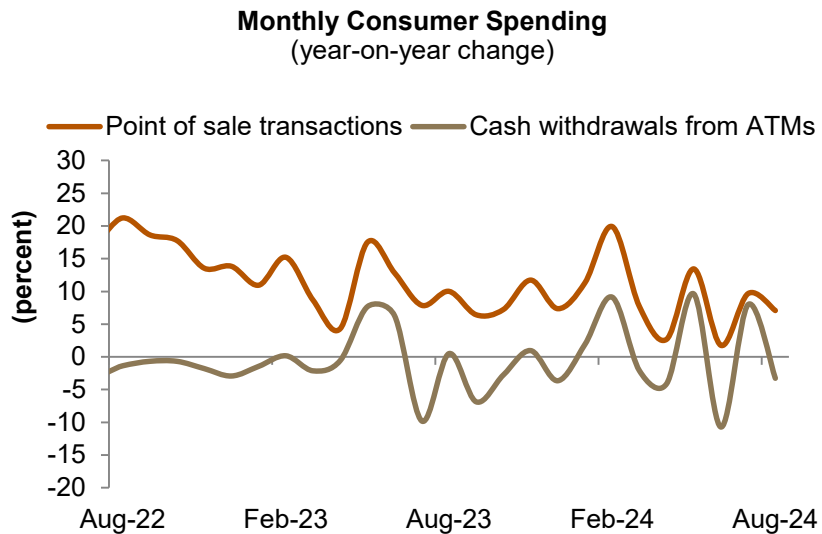
## Consumer Spending

Total consumer spending rose in August by 4.8 percent year-on-year, with a monthly gain of 3.8 percent, supported by a rise in POS transactions by 7 percent, despite a decline in cash withdrawals by 3.3 percent, year-on-year. Looking at POS transactions by sector, 'jewelry' and 'telecom' were amongst the sectors with the largest increases in spending during the month.

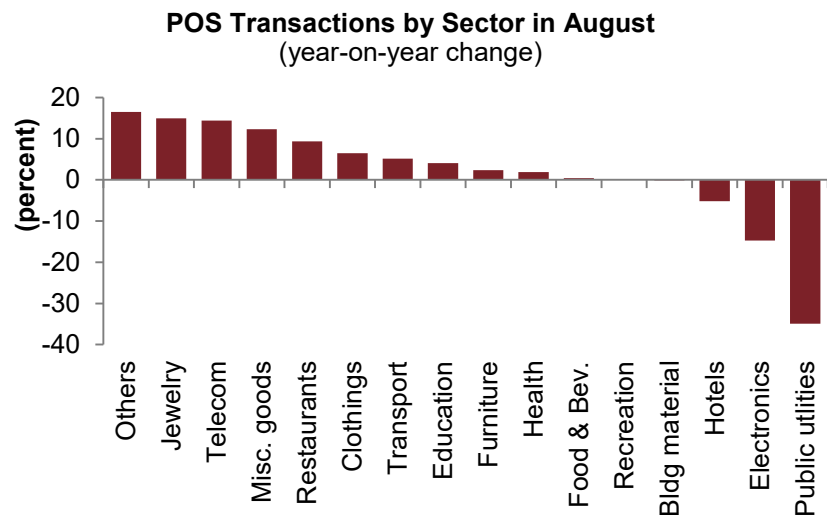
*Total consumer spending rose in August by 4.8 percent year-on-year, with a monthly gain of 3.8 percent...*



*...supported by a rise in POS transactions by 7 percent, despite a decline in cash withdrawals by 3.3 percent, year-on-year.*



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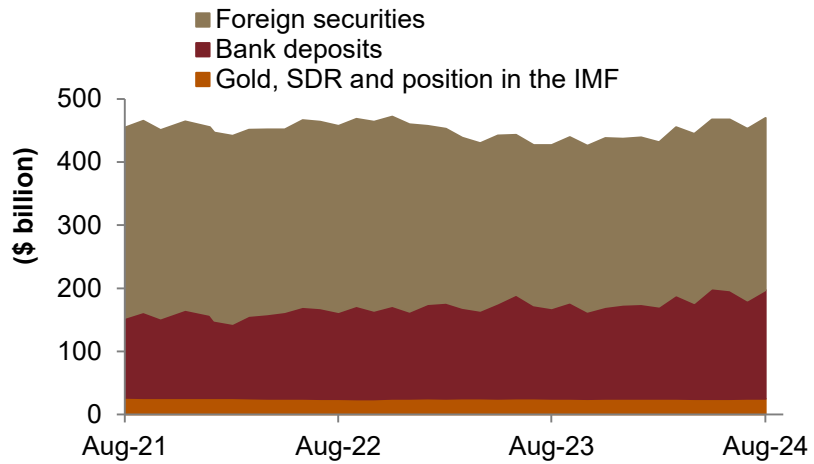


## SAMA Foreign Reserve Assets

SAMA's FX reserves rebounded in August by \$17 billion, to reach almost \$470 billion. The monthly gain mainly came from bank deposits, which rose by \$16.6 billion, meanwhile, foreign securities saw a marginal rise of \$0.1 billion.

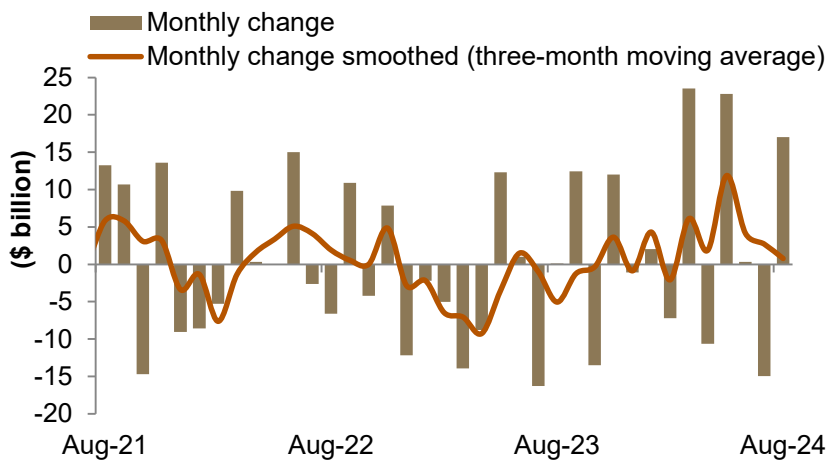
SAMA's FX reserves rebounded in August by \$17 billion...

**SAMA Total Foreign Reserve Assets**



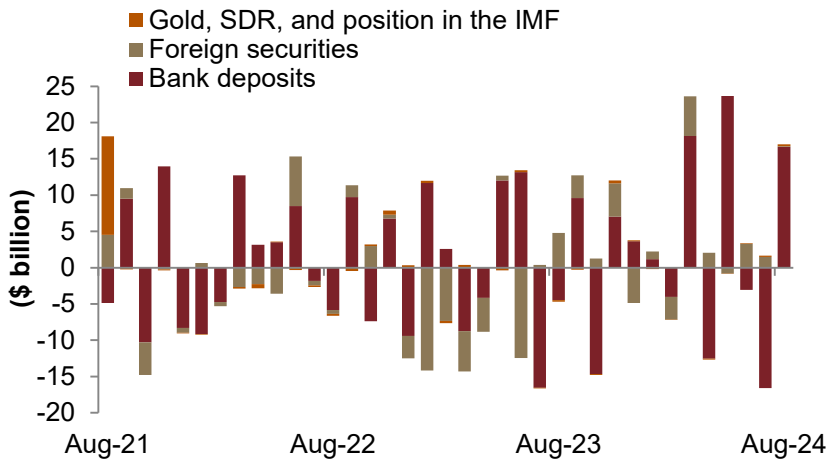
...to reach almost \$470 billion.

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



The monthly gain mainly came from bank deposits, which rose by \$16.6 billion, meanwhile, foreign securities saw a marginal rise of \$0.1 billion.

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



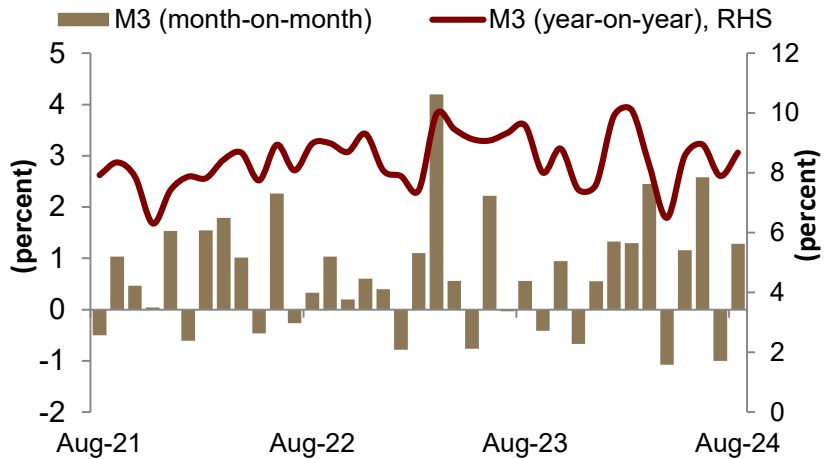


## Money Supply, Bank Deposits and Credit

The broad measure of money supply (M3) rose in August by 8.7 percent year-on-year and by 1.3 percent month-on-month. Total deposits were up 8.7 percent year-on-year, as time and saving deposits climbed up by 15 percent. Meanwhile, demand deposits continued to see an upward trend in recent months, mainly driven by a gradual rise in private demand deposits (which account for almost 80 percent of total demand deposits).

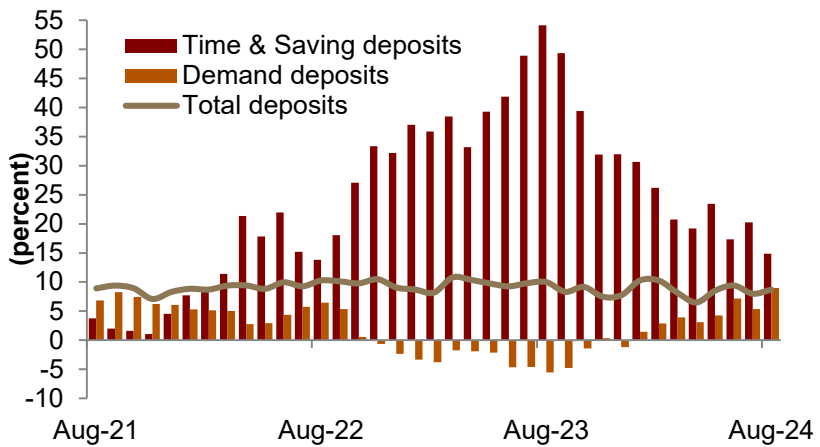
*M3 rose in August by 8.7 percent year-on-year and by 1.3 percent month-on-month.*

**Change in Money Supply**



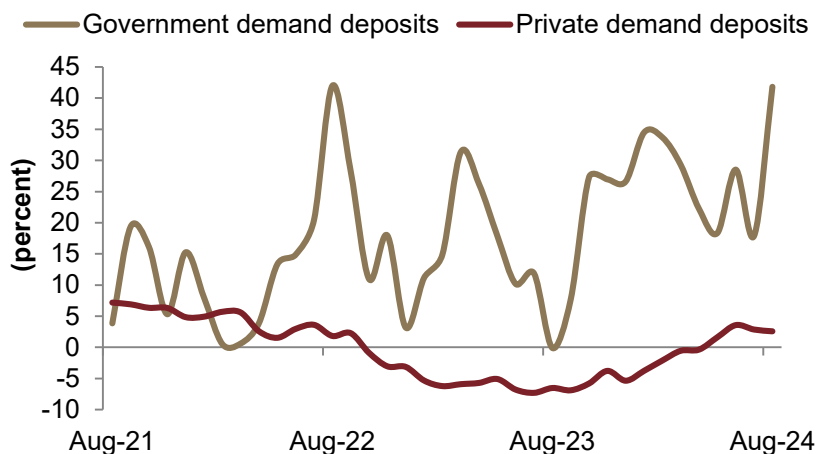
*Total deposits were up 8.7 percent year-on-year, as time and saving deposits climbed up by 15 percent. Meanwhile, demand deposits continued to see an upward trend in recent months...*

**Breakdown of Total Deposits**  
(year-on-year change)



*...mainly driven by a gradual rise in private demand deposits (which account for almost 80 percent of total demand deposits).*

**Breakdown of Demand Deposits**  
(year-on-year change)

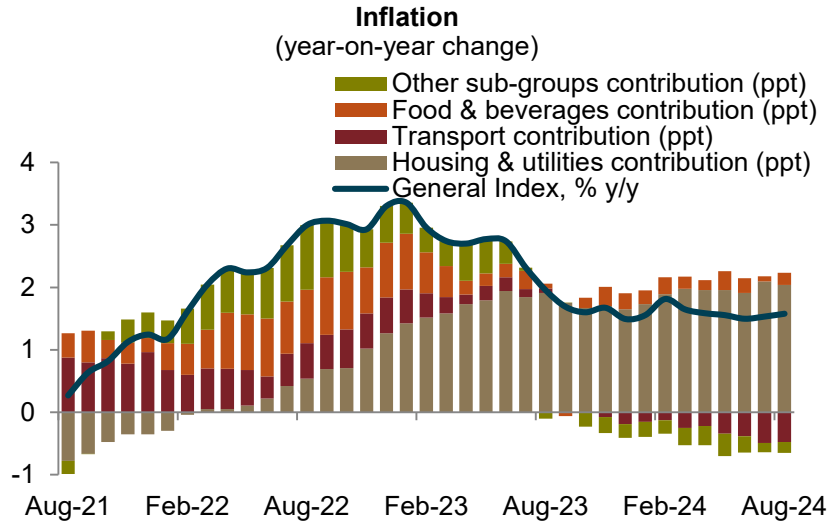




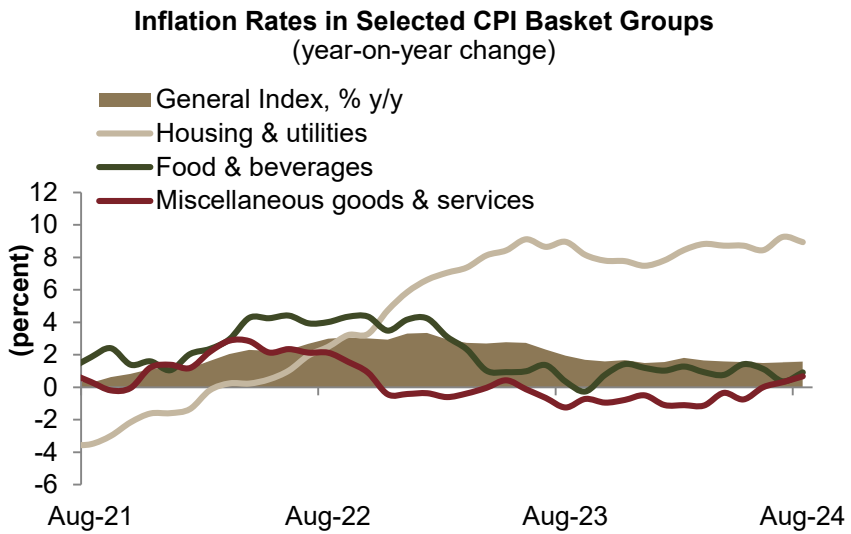
## Inflation

Consumer prices rose by 1.6 percent year-on-year in August, and by 0.1 percent month-on-month. Within the CPI basket, 'Food and beverages' prices rose by 0.9 percent year-on-year, and 'Housing and utilities' continued trending upwards, up by 8.9 percent year-on-year. Meanwhile, recent price rises were noted in 'miscellaneous goods and services' sub-group items.

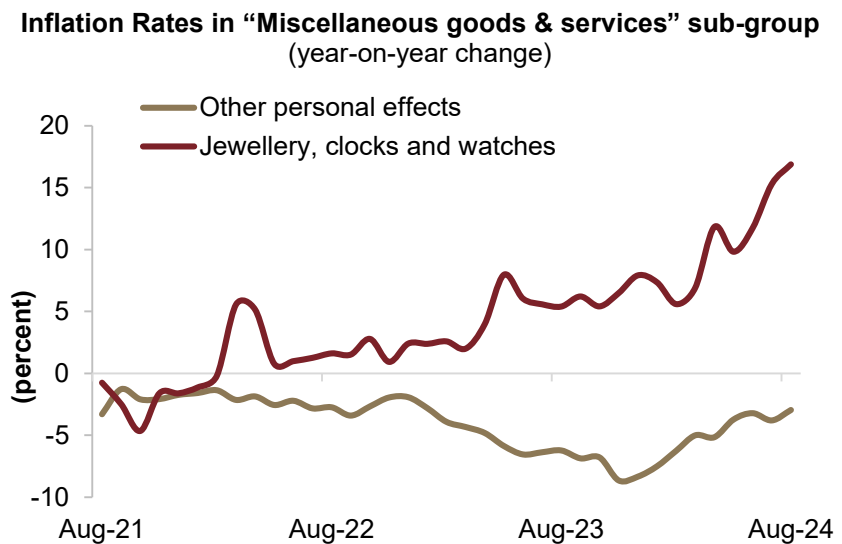
Consumer prices rose by 1.6 percent year-on-year in August, and by 0.1 percent month-on-month.



Within the CPI basket, 'Food and beverages' prices rose by 0.9 percent year-on-year, and 'Housing and utilities' continued trending upwards, up by 8.9 percent year-on-year.



Meanwhile, recent price rises were noted in 'miscellaneous goods & services' sub-group items, mainly driven by higher prices in 'jewellery' affected by rising gold prices.





## 2025 Preliminary Budget Statement

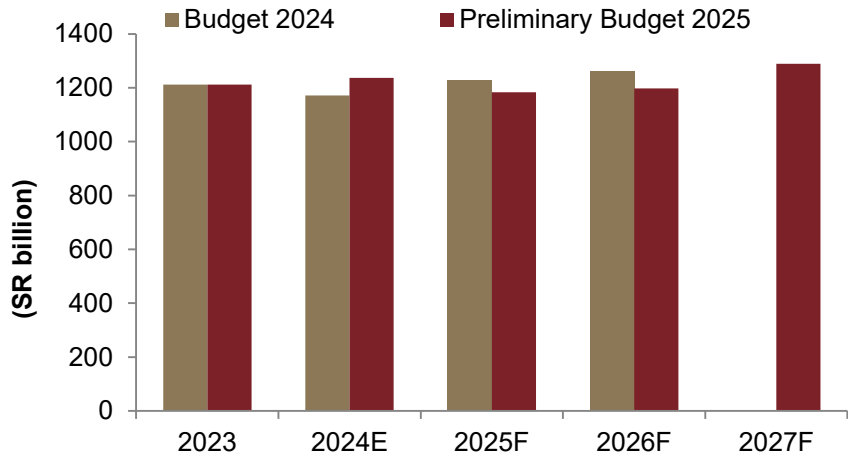
According to the preliminary budget statement, government revenue in 2024 is expected to be 6 percent higher (at SR1,237 billion) than originally projected in the 2024 budget. Government expenditure is forecast to be 8 percent higher than budgeted in 2024 (at SR1,355 billion). As such, the budget deficit is expected to widen to SR118 billion in 2024 (2.9 percent of GDP) as the government prioritizes spending on economic diversification projects and non-oil activities.

*For 2025, the preliminary budget statement projects a decline in budget revenue, by 4.3 percent year-on-year.*

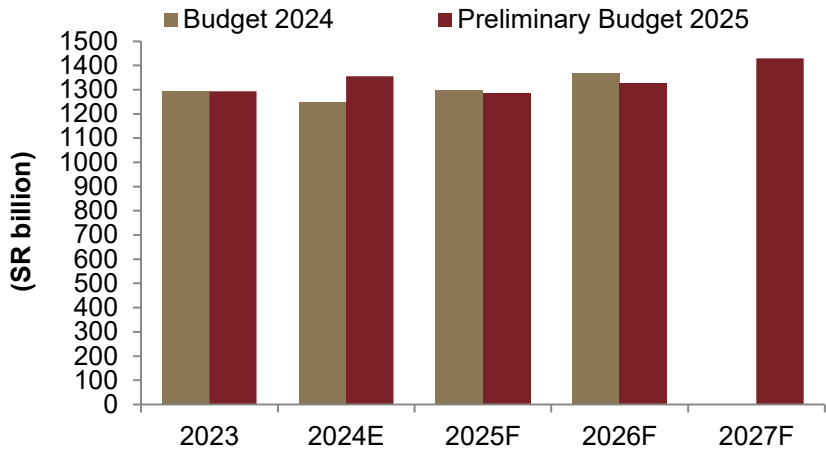
*The budget statement also projects a decline in spending in 2025, by 5.2 percent year-on-year. If revenue were to outperform the budgeted amount, then spending would likely also move higher.*

*The budget deficit narrows slightly in 2025, to SR101 billion (2.3 percent of GDP), before widening again in 2026-2027 to an average of SR135 billion (3 percent of GDP).*

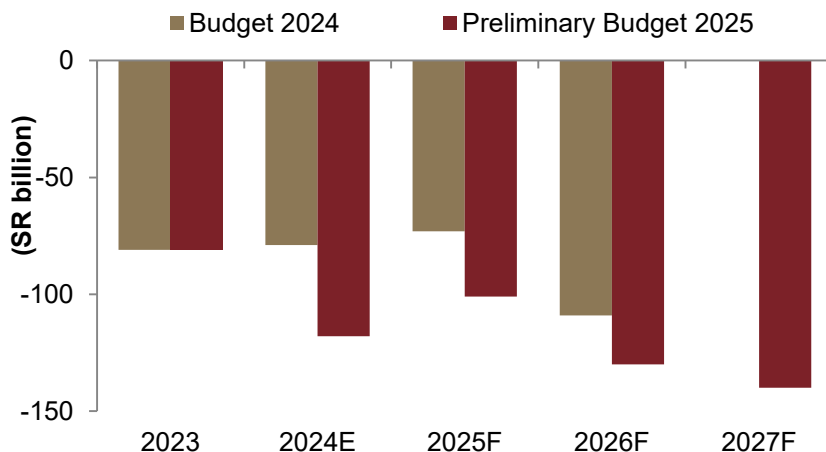
**Government Revenue**



**Government Expenditure**



**Fiscal Balance**





## Labor Market Q2 2024

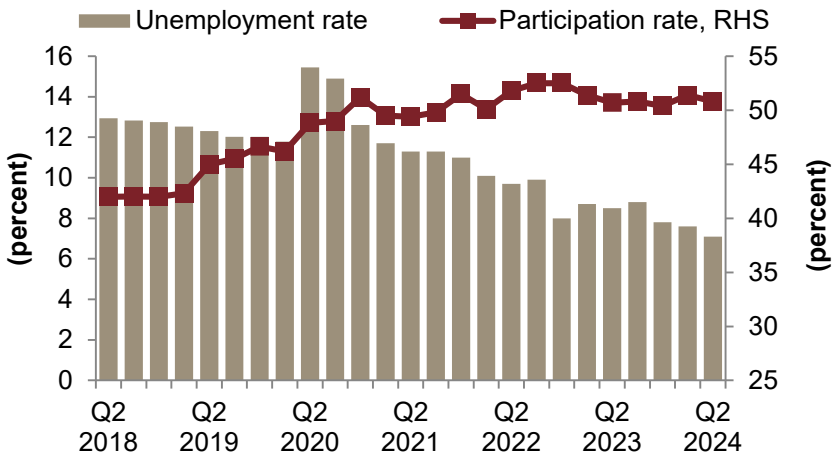
The latest labor market release from GaStat showed that the unemployment rate for citizens declined to 7.1 percent in Q2 2024 from 7.6 percent in Q1. Female unemployment eased to 12.8 percent in Q2 (versus 14.2 percent in Q1), while the rate for males also declined to 4 percent (versus 4.2 percent in Q1). Meanwhile, the participation rate inched down to 50.8 percent, reflecting minor declines in both male and female participation.

The latest labor market release from GaStat showed that the unemployment rate for citizens declined to 7.1 percent in Q2 2024, the nearest to Vision 2030's target of 7 percent by 2030.

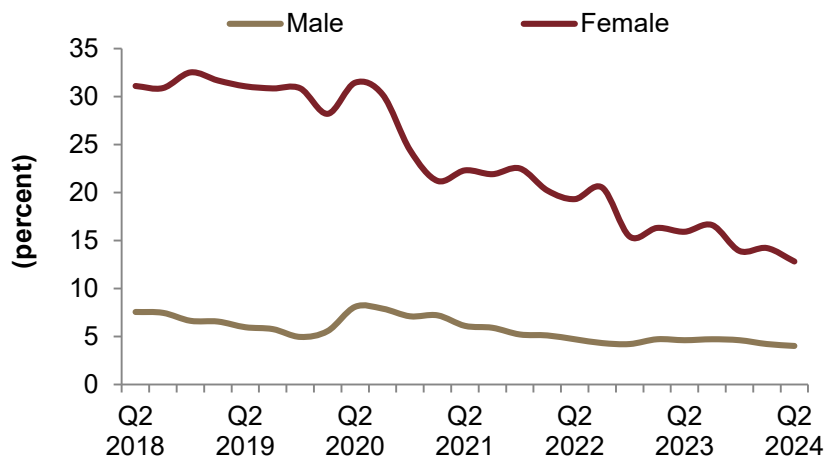
Female unemployment eased to 12.8 percent in Q2 (versus 14.2 percent in Q1), while the rate for males also declined to 4 percent (versus 4.2 percent in Q1).

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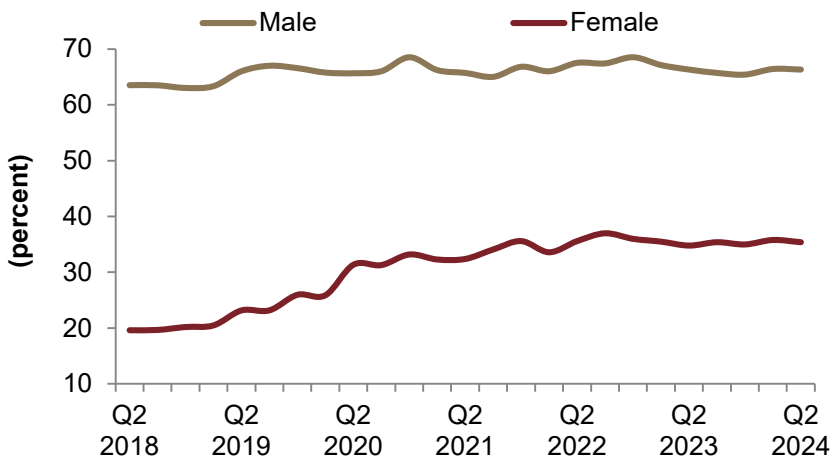
**Unemployment and Participation Rates**  
(percent)



**Unemployment Rate by Gender**  
(percent)



**Labor Force Participation Rate by Gender**  
(percent)



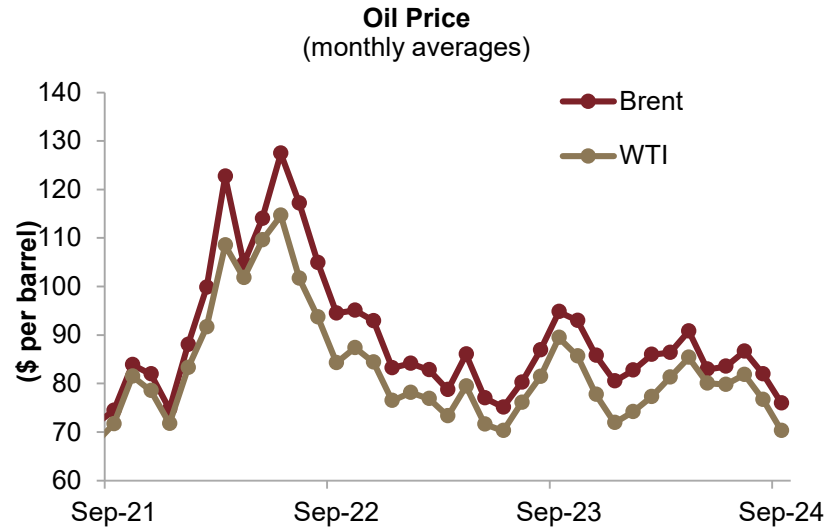




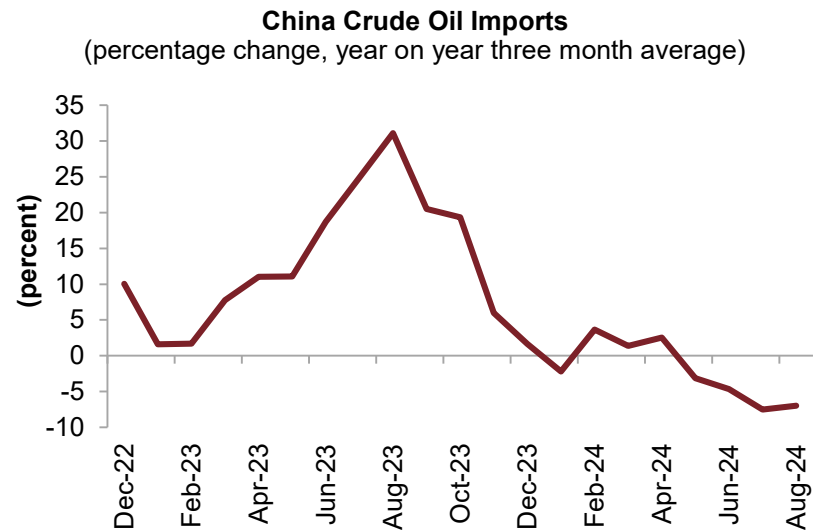
## Oil - Global

Oil prices remain volatile, as concerns about weak demand and additional supply weigh on prices, while geopolitical risk adds a premium to prices. The US Federal Reserve's 50bps rate cut buoyed prices in mid-September, but the market weakened again as the focus shifted to OPEC+ supply increases and the likely return of Libyan output. Prices have started October higher amid the military escalation between Israel, Hizbollah and Iran.

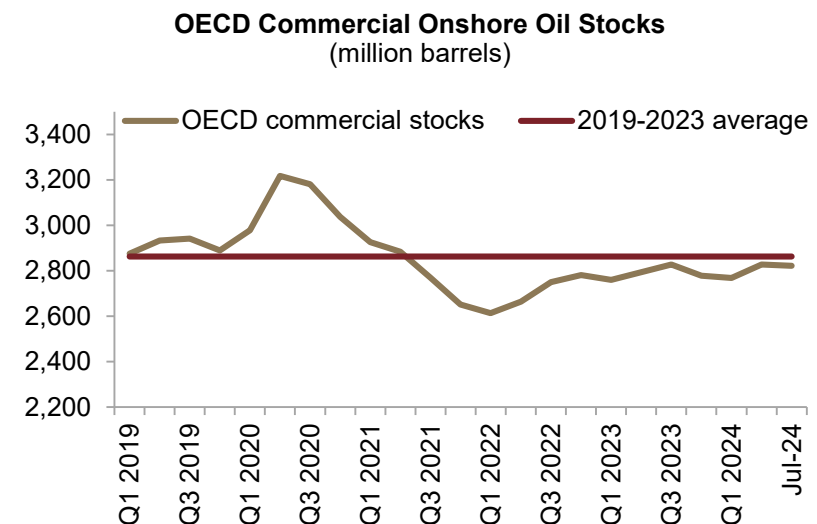
*Brent crude averaged \$76 per barrel in September, down from \$82 in August and \$84 year to date.*



*China's imports of crude picked up month on month in August, although remained lower compared to 2023. Policy stimulus may support demand in Q4.*



*OECD commercial oil stocks edged down in July, according to latest OPEC estimates. Stock levels remain below the 2019-2023 average.*





## Oil - Saudi Arabia

Saudi crude oil production averaged 9 mbpd in August, in line with the OPEC+ agreement. Saudi exports of crude oil and refined products fell to 6.9 mbpd in July, according to latest official data.

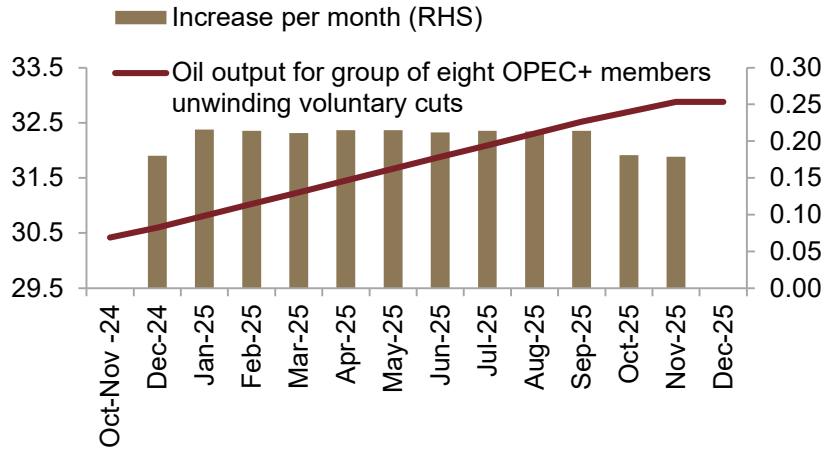
*OPEC+ plans to start unwinding some of its existing production cuts in December. This would add around 0.2 mbpd each month.*

*Meanwhile, Iraq and Kazakhstan are supposed to be making some production cuts to make up for previous overproduction.*

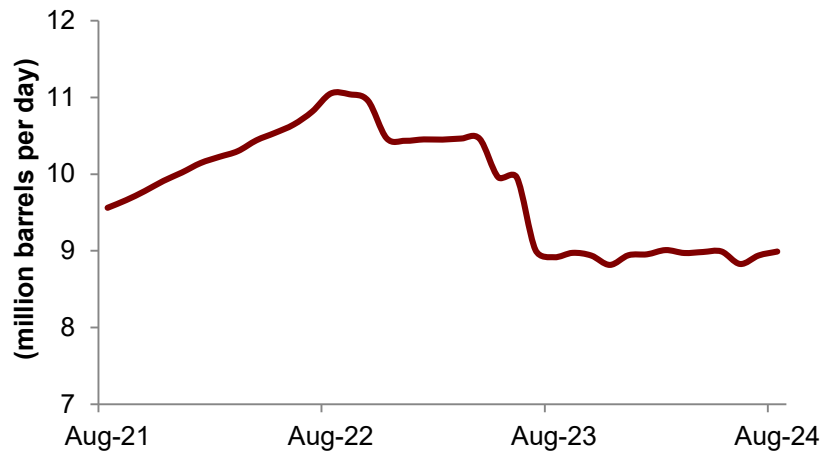
Saudi crude oil production averaged 9 mbpd in August, in line with the OPEC+ agreement.

Overall volumes of crude and refined exports fell significantly to 6.9 mbpd in July from 7.4 mbpd in June, according to the latest data from JODI.

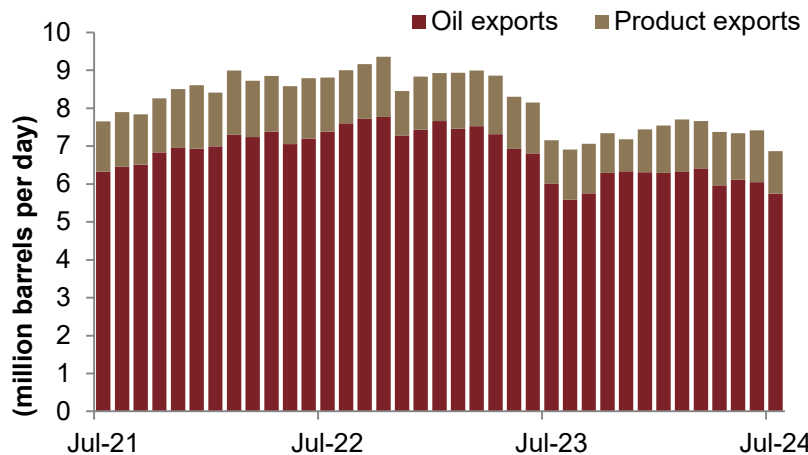
**OPEC+ Taper Plan**  
(mbpd)



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



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



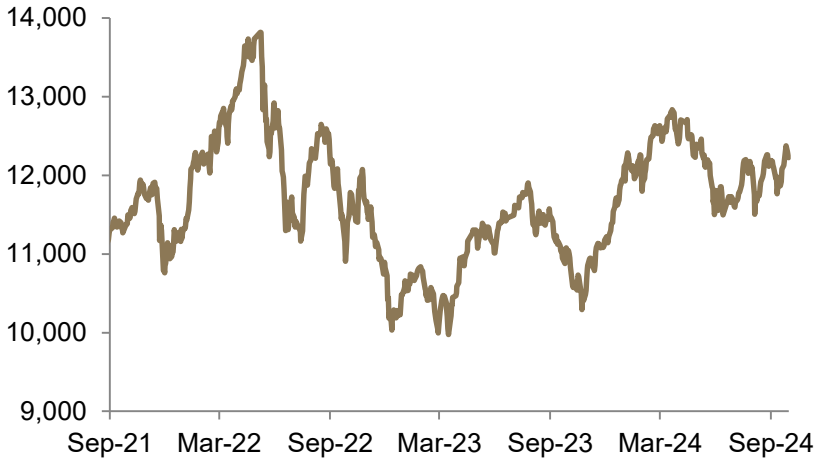


## Stock Market

TASI was slightly up in September on a month-on-month basis, rising by 0.3 percent, in line with many regional markets. TASI went through a volatile month, which saw a remarkable rise after the Fed's decision to cut rates by 50 bps, but sliding afterwards amid rising geopolitical tensions in the region. Moreover, average daily traded turnover declined from higher levels seen last month.

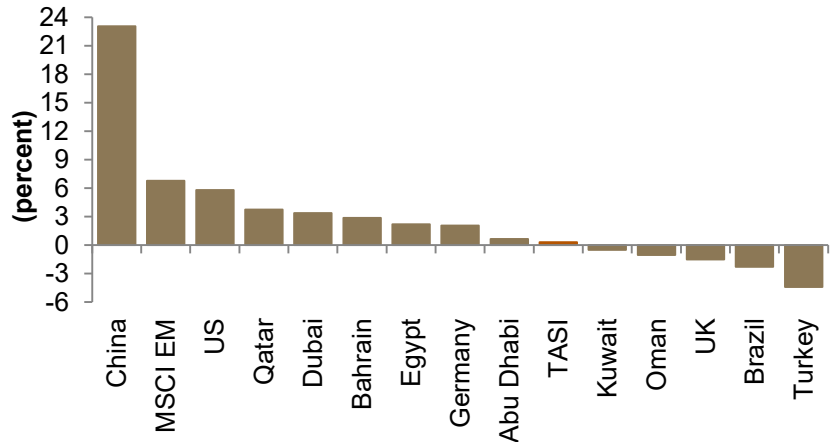
*TASI was slightly up in September on a month-on-month basis, rising by 0.3 percent...*

**TASI Performance**



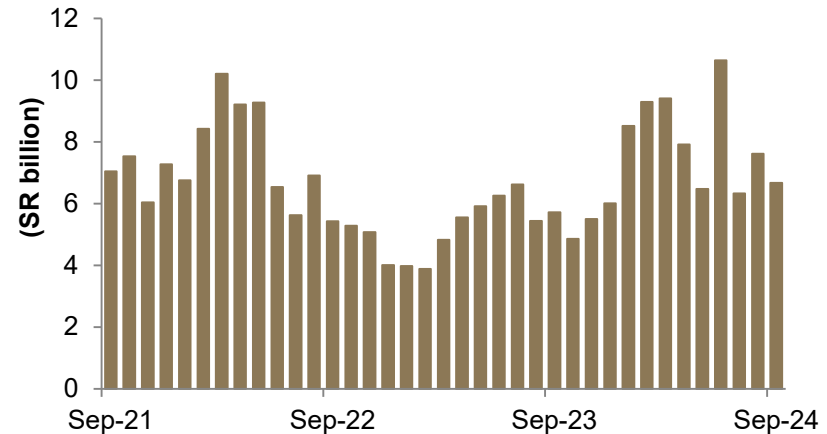
**Comparative Stock Market Performance (September)**

*...in line with many regional markets.*



**Average Daily Traded Turnover (September)**

*Moreover, average daily trading volumes declined in September from higher levels seen last month.*





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