



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

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Weekly Market Brief  
Week Ending December 23<sup>rd</sup>, 2022

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- Saudi Arabia's holdings of U.S. Treasuries reached SAR454 billion (\$121.1 billion) in October, up 3.95 percent from SAR437 billion (\$116.5 billion) YoY, according to data released by the U.S. Treasury. The Kingdom's holdings in long-term bonds in October amounted to SAR387 billion (\$103.1 billion), representing 85 percent of the total, while short-term bonds were worth SAR67 billion (\$17.99 billion), equal to 15 percent of the total.
- The value of Saudi Arabia's real estate transactions fell by 21 percent YoY to SAR15.37 billion (\$4.1 billion) in November 2022, Ministry of Justice data showed. Real estate deals decreased by SAR2.94 million (\$784,000), or 16 percent MoM. The number of the real estate transactions reached approximately 14,800 in November.
- H.R.H. Crown Prince Mohammed bin Salman announced the launch of the National Intellectual Property Strategy to support the Kingdom's economy based on innovation and creativity. The National Intellectual Property Strategy is based on four basic pillars: generation, management, commercial investment, and protection of intellectual property.
- Saudi Arabia's non-oil exports, including re-exports, increased by 4.4 percent to SAR24.9 billion (\$6.62 billion) in October 2022, compared to SAR23.9 billion (\$6.4 billion) recorded in October 2021, according to the latest report released by the General Authority for Statistics. The Kingdom's non-oil exports were driven by chemical and allied industries, accounting for 40.9 percent of non-oil merchandise exports.

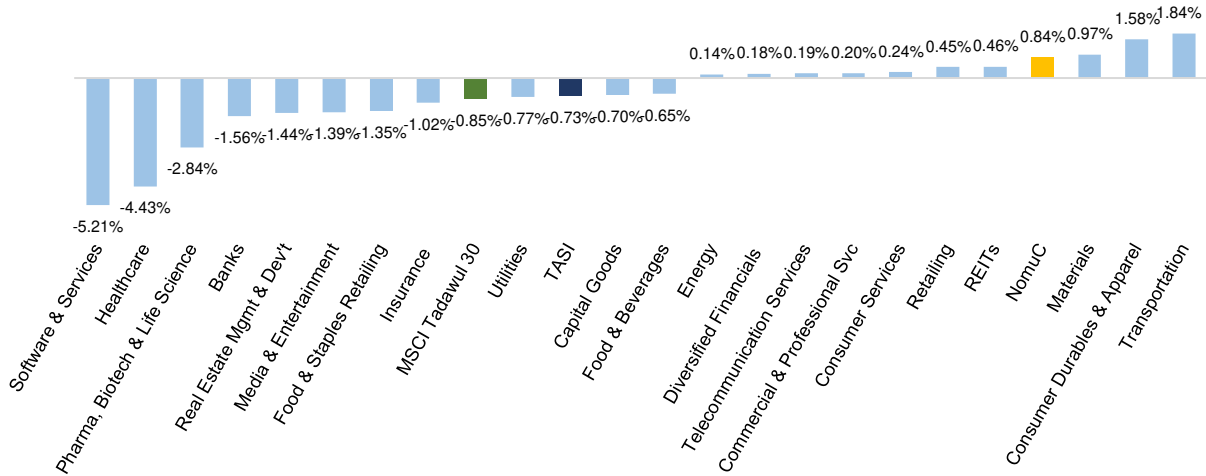


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### Tadawul

The TASI fell 0.73 percent last week and closed at 10,215 points. Ten of the 21 sectors finished the week in positive territory with 'Transportation' and 'Consumer Durables & Apparel' experiencing the greatest increase at 1.84 percent and 1.58 percent, respectively. 'Software & Services' had the steepest decline at 5.21 percent followed by 'Healthcare' and 'Pharma, Biotech & Life Science' at 4.43 percent and 2.84 percent, respectively. The NomuC parallel market index increased by 0.84 percent and closed at 18,680 points, while the MSCI Tadawul 30 dipped 0.85 percent and closed the week at 1,416 points.

Tadawul Weekly Index Performance - December 23, 2022



Source: Tadawul, USSBC



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### Business, Trade, & Investment

- Saudi private hospital firm Dr. Sulaiman Al-Habib Medical Services Group plans to build a 90-bed hospital in Riyadh. The project has an estimated budget of SAR539 million (\$144 million). The estimated total built-up area of the project is 54,115 square meters.
- The Public Investment Fund has taken a 30 percent stake in Saudi Tabreed, a subsidiary of the UAE-listed National Central Cooling Co. It has also entered into an acquisition deal of additional shares in Saudi Tabreed from Al Mutlaq Group for Industrial Investments in the amount of SAR55 million (\$14.62 million).
- Saudi Arabia's point-of-sale (POS) transactions fell by SAR1.6 billion (\$427 million) to reach SAR10.7 (\$2.9 billion) in the week ending December 17, pulled down by education spending, according to data from the Saudi Central Bank (SAMA).

### Banking

Money supply M1, M2, and M3 increased by 0.91 percent, 0.39 percent, and 0.35 percent respectively, during the week ending December 15<sup>th</sup>.



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## U.S. MARKETS

### U.S. Macroeconomic Developments

- Building permits in the U.S. tumbled 10.6 percent from a month earlier to a seasonally adjusted annual rate of 1.351 million in November 2022, the lowest level since June 2020 and compared to a preliminary estimate of 1.342 million. Permits, a proxy for future construction, have been falling as soaring prices and rising mortgage rates hit demand and activity.
- Personal income in the U.S. increased 0.4 percent from a month earlier in November of 2022, following a 0.7 percent rise in October and above market expectations of a 0.3 percent gain. The jump primarily reflected increases in compensation and personal income receipts on assets.
- Durable goods orders in the U.S., which measure the cost of orders received by manufacturers of goods meant to last at least three years, fell by 2.1 percent MoM in November 2022. It was the sharpest decrease since April 2020 and well above market forecasts of a 0.6 percent decline, swinging from the downwardly revised 0.7 percent increase in the prior month.

### Fixed Income

The yield on the ten-year U.S. Treasury increased to 3.75 percent.

### Equity Markets

The Dow Jones Industrial Average (DJIA) increased 0.86 percent and finished the week at 33,203 points. The S&P 500 fell 0.20 percent and finished at 3,844 points, and the NASDAQ decreased 1.94 percent and ended the week at 10,497 points.



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## GLOBAL MARKETS

- Arab light crude jumped 1.59 percent and finished the week at \$81.05. Global benchmark Brent crude increased 6.91 percent to \$84.50 a barrel, while U.S. West Texas Intermediate (WTI) crude rose 6.57 percent and closed at \$79.34. Saudi Arabia's crude oil exports in October rose to 7.77 million barrels per day from 7.72 million bpd in September, hitting a 30-month high as global demand climbed counter-seasonally in the month, according to the latest data from the Joint Organizations Data Initiative.
- The GfK Consumer Climate Indicator in Germany rose to -37.8 points heading into January 2023 from a marginally revised -40.1 points in December, compared with market expectations of -38 points. The latest reading marked the third straight month of improvement in sentiment amid government energy measures. Both income expectations (-43.4 points vs -54.3 points) and economic conditions (-10.3 points vs -17.9 points) maintained their upward trajectory.
- The annual inflation rate in Japan edged up to 3.8 percent in November 2022 from 3.7 percent a month earlier, pointing to the highest reading since January 1991, amid high prices of imported raw commodities and persistent yen weakness.

## THE WEEK AHEAD

- Saudi Arabia releases Private Bank Lending for November on December 28
- Saudi Arabia releases M3 Money Supply for November on December 28
- U.S releases Pending Home Sales for November on December 28