



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

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**Weekly Market Brief**  
*Week Ending August 23<sup>rd</sup>, 2024*

**SAUDI ARABIAN MARKET**

**Saudi Arabia Macroeconomic Developments**

- Saudi Arabia's holdings of U.S. treasury bonds increased to SAR526 billion (\$140.3 billion) in June, reflecting a 26.73 percent YoY rise. The Kingdom maintained its position as the 17th largest holder of U.S. treasury bonds.
- Saudi Arabia's non-oil exports increased by 7.3 percent in June, reaching SAR21.59 billion (\$5.75 billion) YoY. According to data from the General Authority for Statistics (GASat), chemical and allied products led the non-oil exports, accounting for 27.7 percent of the total outbound shipments, a 3.8 percent rise from June 2023.
- Saudi Arabia's point-of-sale (POS) transactions climbed to SAR13.5 billion (\$3.61 billion) between Aug. 11 and 17, reflecting a 3.6 percent increase from the previous week. The education sector led the charge, recording a 127.5 percent surge in spending, with total transactions reaching SAR1.01 billion (\$266 million).

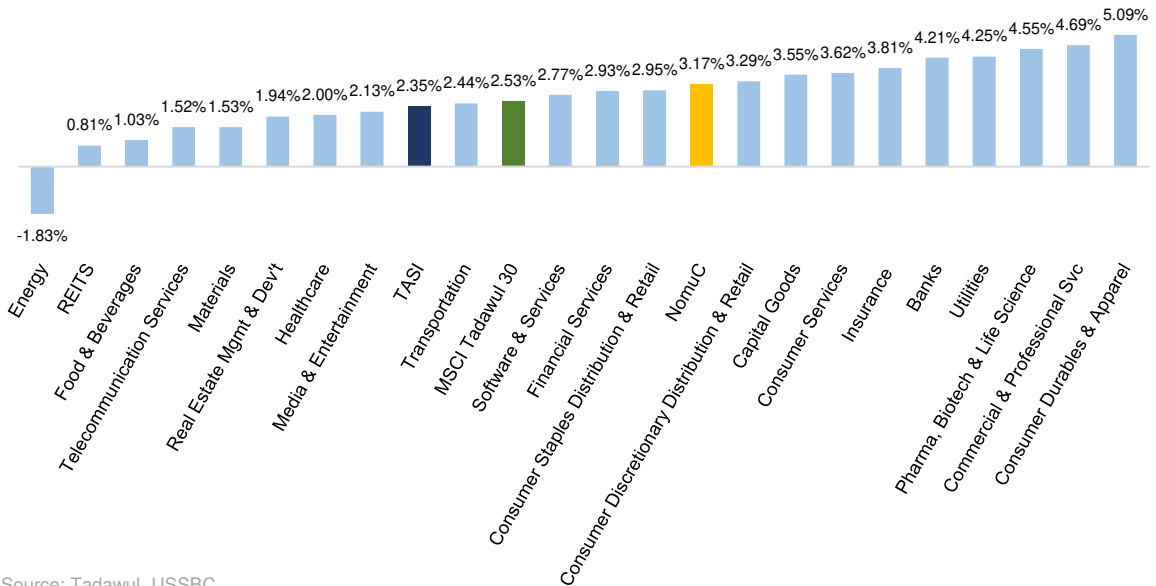


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**Tadawul**

The TASI increased by 2.35 percent last week and closed at 12,194 points. All but one sector finished the week in positive territory. 'Consumer Durables & Apparel' led as it gained 5.09 percent. 'Energy' led the declines, dropping 1.83 percent. The NomuC parallel market index increased 3.17 percent and closed at 26,578 points, while the MSCI Tadawul 30 grew by 2.53 percent and closed the week at 1,524 points.

Tadawul Weekly Index Performance - August 23<sup>rd</sup>, 2024



Source: Tadawul, USSBC



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**Business, Trade, & Investment**

- Jacobs was selected by King Salman International Airport Development Company to provide concept masterplan validation, detailed masterplan design, runway design, and other services for the King Salman International Airport in Riyadh. The masterplan will cover an area of approximately 57 square kilometers and include six parallel runways, new terminals, and real estate development in the surrounding area.
- Bahri, also known as the National Shipping Company of Saudi Arabia, will spend SAR3.8 billion (\$1 billion) to buy nine very large crude carriers (VLCCs) as the modernization of its fleet continues. Delivery of the vessels is expected in multiple batches by the middle of 2025. VLCCs can hold about two million barrels of crude oil, on average.
- The Saudi Export-Import Bank (Saudi Exim) has provided 128 percent more financing and insurance in the first half of 2024 compared to the same period last year. The bank extended SAR16.31 billion (\$4.35 billion) in credit facilities and export credit insurance.

**Banking**

Money supply M1, M2, and M3 increased by 0.09 percent, 0.37 percent, and 0.31 percent respectively, during the week ending August 15<sup>th</sup>.



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## **U.S. MARKETS**

### **U.S. Macroeconomic Developments**

- Existing home sales rose 1.3 percent in July, the first improvement in five months. July's boost in activity was entirely driven by a pickup in single-family resales. Condo and co-op sales were unchanged over the month.
- The Leading Economic Index (LEI) declined 0.6 percent in July, bringing the streak to 29 consecutive months that the index has gone without an increase. The decline brings the index level to 100.4 points, declining below the prior cycle low previously reached in April 2020. The index level is now at its lowest point since 2016.
- Federal Reserve Chairman Jerome Powell gave clear signals that the central bank will cut its interest rate in the September meeting during his speech at the Jackson Hole Economic Symposium. The Chairman noted that the U.S. labor market is cooling quickly following the softer jobs report from July and the downward revision to payrolls last week.

### **Fixed Income**

The yield on the ten-year U.S. Treasury declined to 3.81 percent.

### **Equity Markets**

The Dow Jones Industrial Average (DJIA) increased by 1.27 percent and finished the week at 41,175 points. The S&P 500 climbed by 1.45 percent and finished at 5,634 points. The NASDAQ jumped by 1.40 percent and ended the week at 17,877 points.



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**GLOBAL OIL MARKETS**

- Arab light crude decreased by 5.21 percent and finished the week at \$76.94. Global benchmark Brent crude fell 0.83 percent to \$79.02 a barrel, while U.S. West Texas Intermediate (WTI) crude declined by 0.94 percent and closed at \$74.83.
- Oil prices hit their lowest since early January, after the U.S. government sharply lowered its estimate of jobs employers added this year through March, raising fears of a possible recession.
- Saudi Arabia's refinery crude exports increased by 12 percent in June compared to the previous month, reaching 1.37 million barrels per day. Diesel comprised 51 percent of refined product exports, while motor and aviation gasoline accounted for 21 percent and fuel oil represented 8 percent.

**THE WEEK AHEAD**

- U.S. releases Durable Goods Orders for July on August 26
- Saudi Arabia releases Private Bank Lending for July on August 28
- U.S. releases GDP Growth Rate for Q2 on August 29