



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

Weekly Market Brief
Week Ending October 11th, 2024

SAUDI ARABIAN MARKET

Saudi Arabia Macroeconomic Developments

- According to the General Authority for Statistics (GASStat), the Industrial Production Index (IPI) rose by 1.0 percent YoY in August, driven by growth in mining and quarrying, manufacturing, and electricity, gas, steam, and air conditioning supply. However, the IPI saw a 0.3 percent decline MoM.
- The Saudi Central Bank (SAMA) reported a 2.6 percent increase in point-of-sale (POS) transactions, totaling SAR13.7 billion (\$3.7 billion) in the week ending Oct. 5, driven by a notable surge in spending within the education sector.
- According to the Ministry of Commerce, there was a 62 percent rise in commercial record issuances and a 9.4 percent YoY growth in e-commerce businesses, with 39,769 new registrations.
- Expatriate remittances from Saudi Arabia hit SAR11.86 billion (\$3.2 billion) in August, a 10 percent rise YoY, while transfers by Saudi nationals grew 19 percent to SAR5.83 billion (\$1.6 billion), according to SAMA.

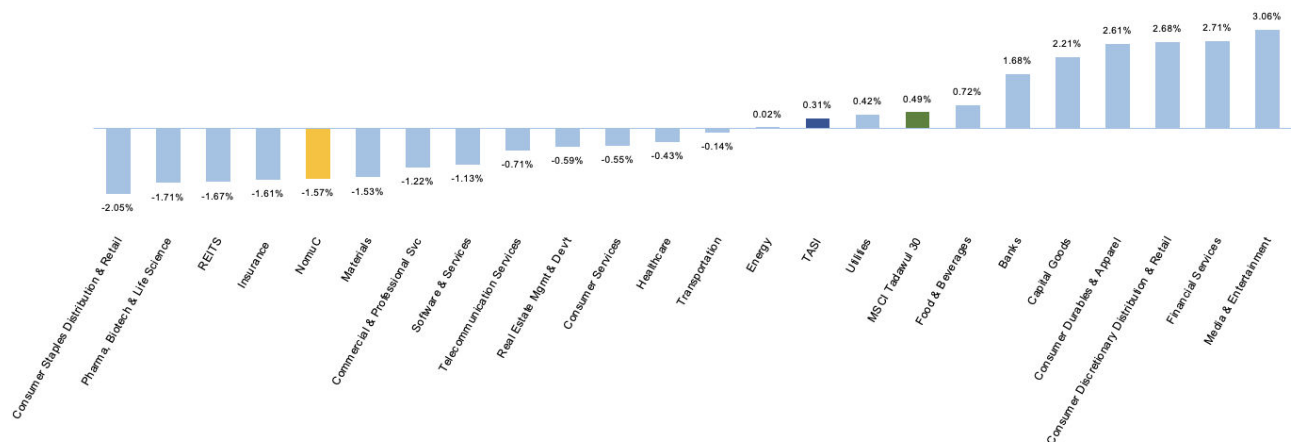


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Tadawul

The TASI increased by 0.31 percent compared to last week and closed at 11,994 points. 'Media and Entertainment' led as it gained 3.06 percent and closed at 34,837 points. 'Consumer Staples Distribution & Retail' fell by 2.05 percent and closed at 9,235 points. The NomuC parallel market index dropped by 1.57 percent and closed at 24,522 points, while the MSCI Tadawul 30 rose by 0.49 percent and closed the week at 1,504 points.

Tadawul Weekly Index Performance - October 11th, 2024



Source: Tadawul, USSBC

- Foreign investors made net purchases of approximately SAR3.84 billion (\$1.02 billion) in stocks on the Saudi Exchange in September, marking a 947 percent increase YoY. Net foreign purchases for the first nine months of this year totaled SAR16.4 billion (\$4.4 billion), reflecting a 36 percent increase YoY.



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Business, Trade, & Investment

- Hill International secured a contract from Dammam Airports Company to provide project management consultancy for improvements at King Fahd, Al Ahsa, and Al Qaisumah airports, with a focus on King Fahd International.
- According to the Ministry of Environment, Water, and Agriculture, fisheries and aquaculture production rose by 55.56 percent in 2023 to over 140,000 tons, underscoring the Kingdom's commitment to food self-sufficiency and sustainable development.

Banking

Money supply M1 declined by 1.51 percent, while M2 and M3 also decreased by 0.79 percent and 0.80 percent, respectively during the week ending October 3rd.



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U.S. MARKETS

U.S. Macroeconomic Developments

- U.S. consumer credit expanded at an annualized rate of 2.1 percent in August, with revolving credit falling by 1.2 percent and non-revolving credit rising by 3.3 percent.
- The U.S. trade deficit decreased to \$70.4 billion in August 2024, the lowest in five months. Exports reached a record \$271.8 billion, while imports declined to \$342.2 billion, with reduced trade gaps with China and Canada.
- The Consumer Price Index (CPI) grew 2.4 percent YoY in September, slightly above expectations. Core CPI, excluding food and energy, rose 3.3 percent YoY and 0.3 percent MoM, both higher than forecast.

Fixed Income

The yield on the ten-year U.S. Treasury increased to 4.08 percent.

Equity Markets

The Dow Jones Industrial Average (DJIA) increased by 1.21 percent and finished the week at 42,863. The S&P 500 grew by 1.11 percent and finished at 5,815 points. The NASDAQ jumped by 1.13 percent and ended the week at 18,342 points.



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GLOBAL OIL MARKETS

- Arab light crude increased by 0.39 percent and finished the week at \$77.47. Global benchmark Brent crude increased by 1.02 percent to \$79.04 a barrel, while U.S. West Texas Intermediate (WTI) crude increased by 1.59 percent and closed at \$75.56.
- Oil prices recorded a second weekly gain, driven by concerns over Middle East supply risks and Hurricane Milton's impact on Florida's fuel demand.
- Saudi Aramco raised the November official selling price of Arab Light crude for Asia by 90 cents, setting it at \$2.20 per barrel above the regional benchmark. In contrast, prices for all grades in Europe and the U.S. were lowered.

THE WEEK AHEAD

- Saudi Arabia releases Inflation Rate for September on October 15
- U.S. releases Retail Sales for September on October 17
- U.S. releases Building Permits for September on October 18