Saudi Economy Monthly Report

September 2025

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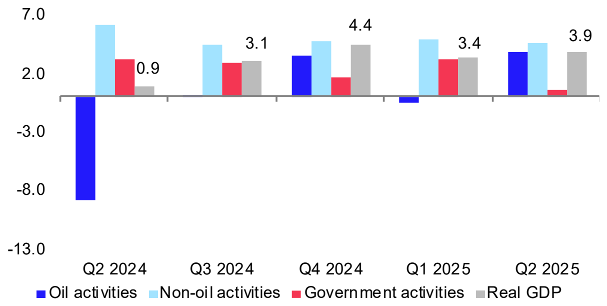
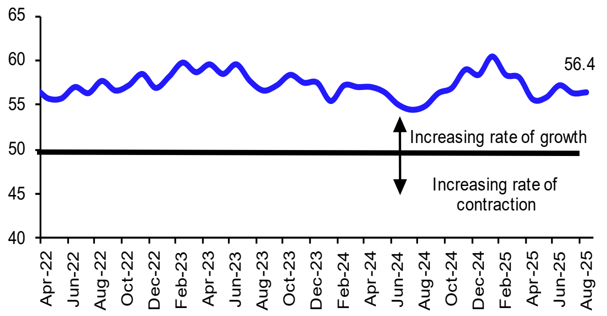
Figure 1 **Real GDP Growth Rate (%)**



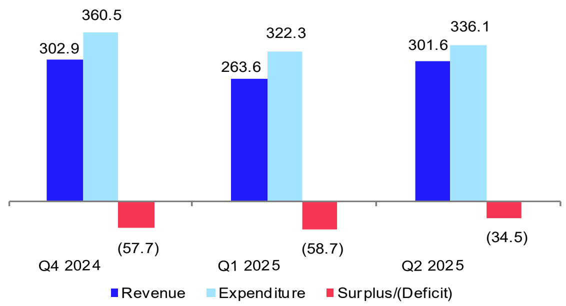
Source: GASTAT, Al Rajhi Capital (Base year 2018)

Figure 2 **Saudi PMI**



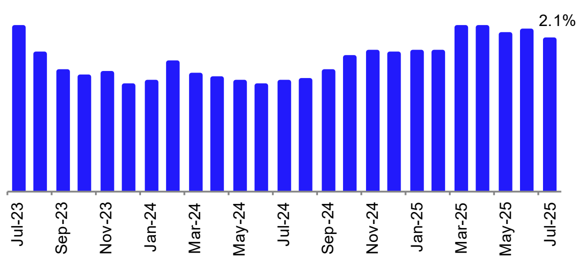
Source: Bloomberg, Al Rajhi Capital

Figure 3 **Government Budget Performance (SAR bn)**



Source: MoF, Al Rajhi Capital

Figure 4 **Change in Consumer Price Index (Inflation rate)**



Source: GASTAT, Al Rajhi Capital

Saudi GDP grew rapidly driven by non-oil activities

- **Real GDP grew by 3.9%, supported by 4.7 growth in non-oil activities.**
- **Non-oil exports surged 22.1% y-o-y.**
- **Consumer spending grew 15.4% y-o-y to SAR 135bn, led by e-commerce.**

More details:

GDP: According to flash estimates by GASTAT, Saudi Arabia's real GDP grew 3.9% y-o-y in Q2 2025, driven by a 4.7% increase in non-oil GDP. Oil GDP also rose 3.8% y-o-y (Figure 1)

PMI: The non-oil private sector remained in expansion mode, with PMI edging up to 56.4 in August from 56.3 in July (Figure 2).

International Trade: Non-oil exports rebounded 22.1% y-o-y in June vs. 6.9% in May, with Transport Equipment up 19.3%. Total exports (including oil) rose 3.7% y-o-y to SAR 92.1bn, driving a 10.6% y-o-y increase in the trade balance (Figures 18 & 19).

Index of Industrial Production (IIP): IIP rose 7.9% y-o-y in June to 111.9 (vs. 103.7 a year earlier), driven by higher activity in utilities and waste management (Figures 13 & 14).

Oil market trends: Saudi Arabia's crude output reached 9.60mbpd in August 2025, up 6.8% y-o-y. Brent prices averaged USD 66.7 in August, down 2.8% m-o-m and 11.8% y-o-y amid supply growth (Figures 17 & 18).

Inflation update: consumer price index (CPI) eased to 2.14% y-o-y in July (vs. 2.27% in June), driven by a 5.63% rise in rental prices. Wholesale price index (WPI) held steady at 2.10% y-o-y (Figures 4–8).

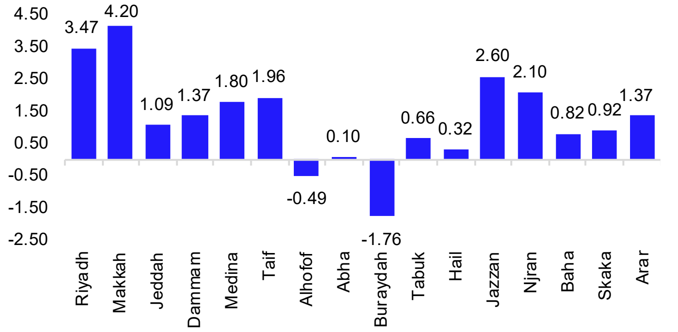
Consumer Spending: Total spending surged 15.4% y-o-y to SAR 135bn in July. E-commerce rose 79.4%, while Jewelry and Laundry Services recorded the sharpest POS growth (Figure 11).

Cement Sales: Cement sales by Saudi Arabia's 17 producers rose 8.0% y-o-y to 4.7mn tons in July, compared to 4.4mn tons a year earlier.

Banking: Credit grew 0.9% m-o-m in July (15.2% y-o-y), driven by corporate loans. Deposits fell 0.3% m-o-m (8.4% y-o-y), weighed by govt. deposits, while M3 declined 0.3% m-o-m (8.4% y-o-y).

Budget Performance: Saudi Arabia posted a SAR 34.5bn fiscal deficit in Q2 2025, narrower than Q1's SAR 58.7bn deficit. Revenues fell 14.7% y-o-y to SAR 301.6bn, while expenditure declined 8.9% y-o-y to SAR 336.1bn (Figure 3).

Figure 5 **Region-wise CPI Growth Trend (y-o-y%) – July 25**



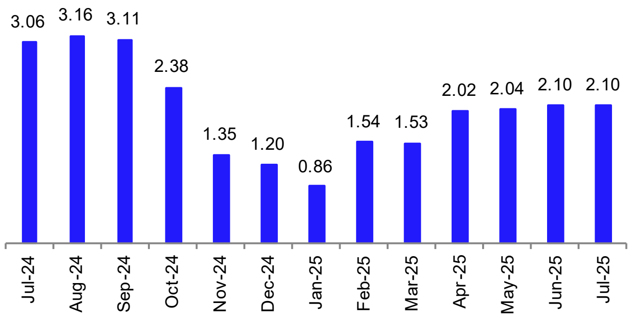
Source: GASTAT, Al Rajhi Capital

Figure 6 **Segments-wise CPI Growth Trend (y-o-y%)**

	Weights	Jul-25	Jul-24	Change (y-o-y)
General Index	100.0%	113.74	111.36	2.14%
Food & Beverages	18.8%	126.16	124.15	1.62%
Tobacco	0.6%	114.03	113.52	0.45%
Clothing & Footwear	4.2%	95.58	95.99	-0.43%
Housing, Water, Electricity and Gas	25.5%	112.44	106.45	5.63%
Furnishings and Household Equipments	6.7%	101.35	103.42	-2.00%
Health	1.4%	102.36	102.58	-0.21%
Transport	13.1%	115.16	115.54	-0.33%
Communication	5.6%	106.99	108.23	-1.15%
Recreation & Culture	3.1%	106.67	105.89	0.74%
Education	2.9%	105.29	104.11	1.13%
Restaurants and Hotels	5.6%	127.79	125.97	1.44%
Miscellaneous Goods & Services	12.6%	112.93	108.23	4.34%

Source: GASTAT, Al Rajhi Capital

Figure 7 **Wholesale Price Index (%)**



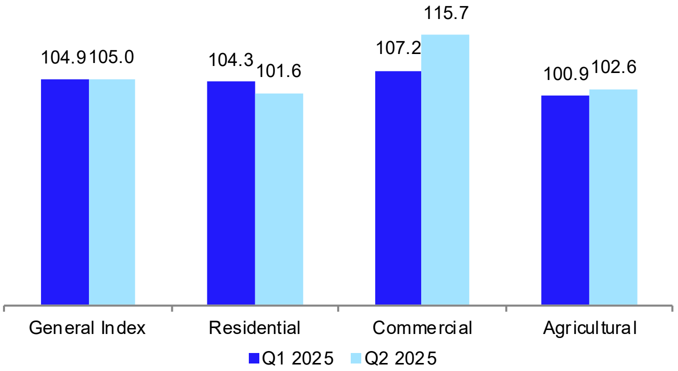
Source: GASTAT, Al Rajhi Capital

Figure 8 **Segment-wise WPI Growth Trend (y-o-y%)**

	Weights (%)	May-25	Jun-25	Jul-25
Agricuture and fishery products	8.67	4.35	4.38	4.43
Ores and Minerals	0.59	-1.46	-1.13	-0.85
Food & beverages, tobacco & textiles	17.31	0.26	0.21	0.34
Other transportable goods	33.72	4.31	4.45	4.08
Metal products, machinery and equipment	39.71	-0.32	-0.31	0.06
General Index	100	2.04%	2.10%	2.10%

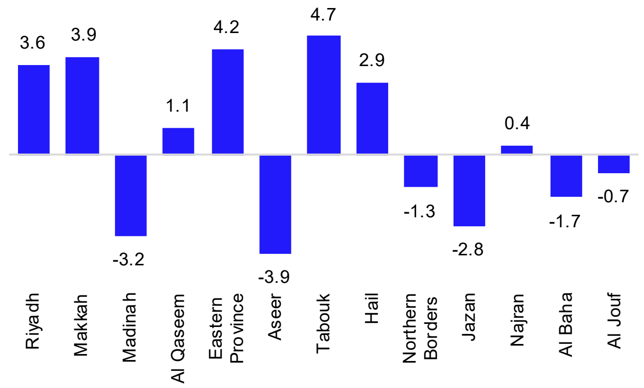
Source: GASTAT, Al Rajhi Capital

Figure 9 **Real Estate Price Index**



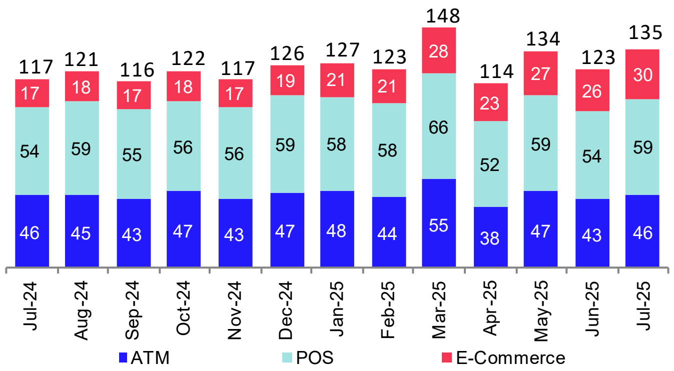
Source: GASTAT, Al Rajhi Capital

Figure 10 **Region-wise Real Estate Price Growth Trend (y-o-y%) - Q2 2025**



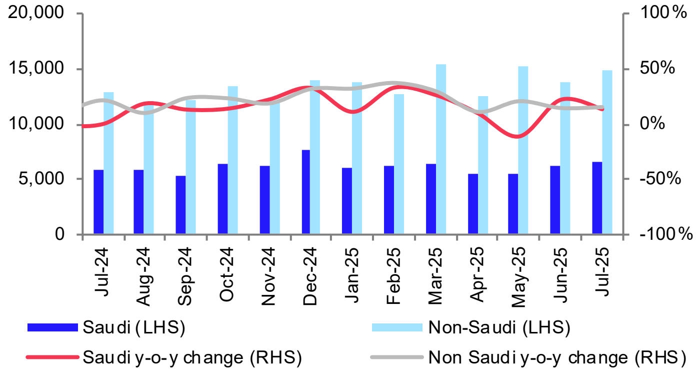
Source: GASTAT, Al Rajhi Capital

Figure 11 **Consumption (SAR bn)**



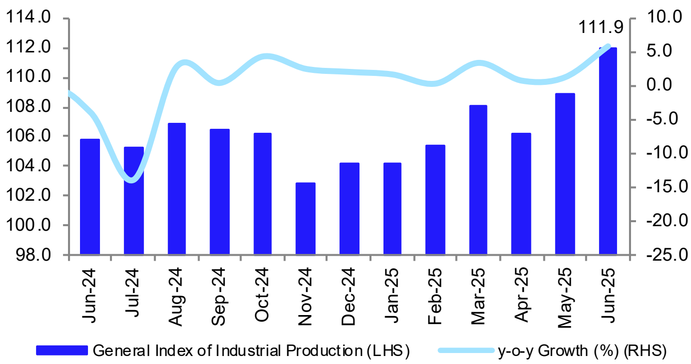
Source: Saudi Central Bank, Al Rajhi Capital

Figure 12 **Remittances (SAR mn)**



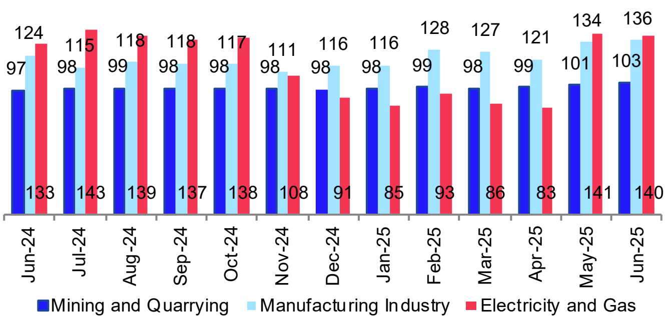
Source: Saudi Central Bank, Al Rajhi Capital

Figure 13 **General Index of Industrial Production (IIP)**



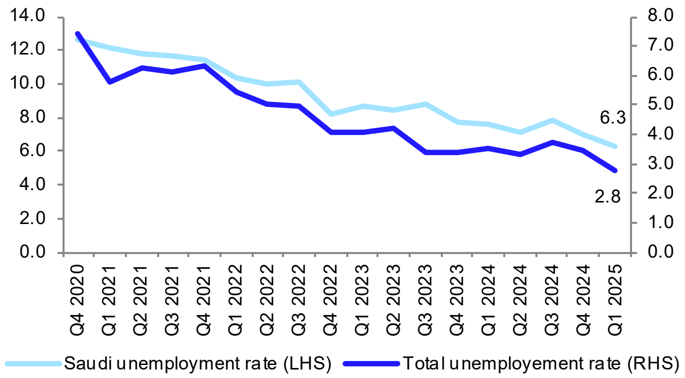
Source: GASTAT, Al Rajhi Capital

Figure 14 **IIP Sector Trend**



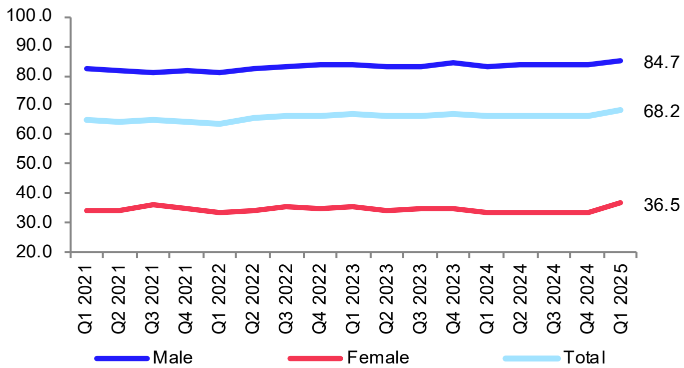
Source: GASTAT, Al Rajhi Capital

Figure 15 **Unemployment Rate (%)**



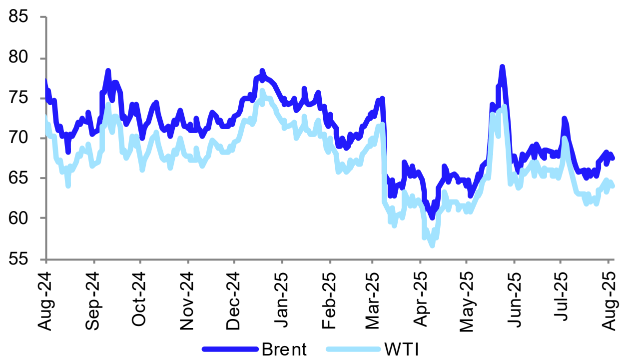
Source: GASTAT, Al Rajhi Capital

Figure 16 **Labor Force Participation Rate (%)**



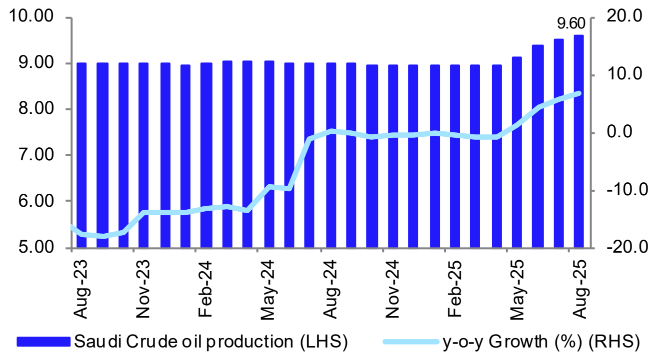
Source: GASTAT, Al Rajhi Capital

Figure 17 **Oil price movement ($ per Barrel)**



Source: Bloomberg, Al Rajhi Capital

Figure 18 **Saudi crude oil production (mbpd)**



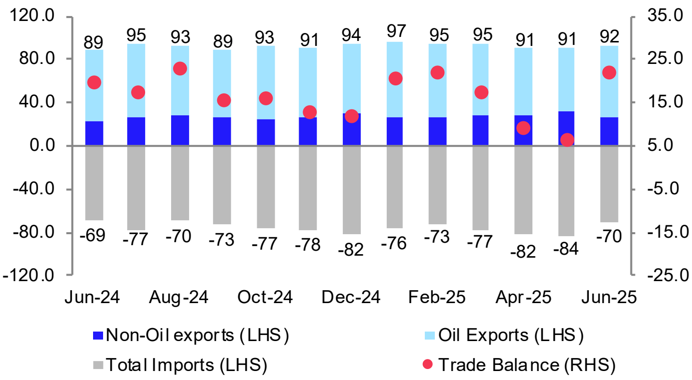
Source: Bloomberg, Al Rajhi Capital

Figure 19 **Commodity-wise Non-oil Export Trend (y-o-y%)**

Commodities (SAR mn)	Jun-24	Jun-25	May-25	%y-o-y	%m-o-m
Plastics& Rubbers	5,802	5,831	5,607	0.5%	4.0%
Chemical Products	6,189	6,717	7,208	8.5%	-6.8%
Base Metals	1,761	1,874	2,232	6.4%	-16.0%
Transport Equipments	2,868	1,964	3,845	-31.5%	-48.9%
Others	5,856	11,065	12,508	88.9%	-11.5%
Total	22,477	27,453	31,400	22.1%	-12.6%

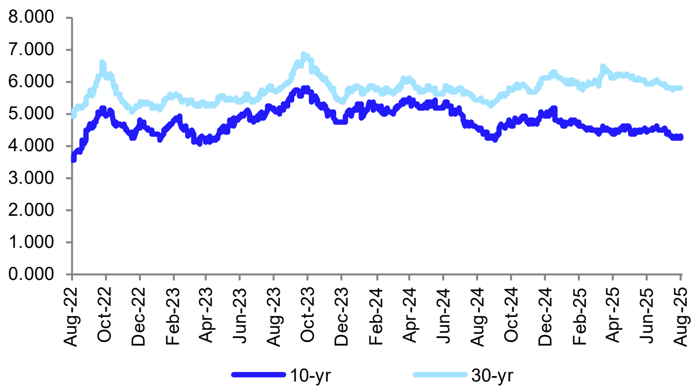
Source: GASTAT, Al Rajhi Capital

Figure 20 **Foreign Trade Trend (y-o-y%)**



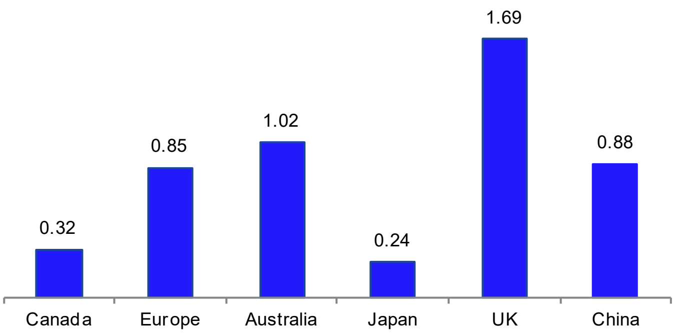
Source: GASTAT, Al Rajhi Capital

Figure 21 **Saudi Bond Yields**



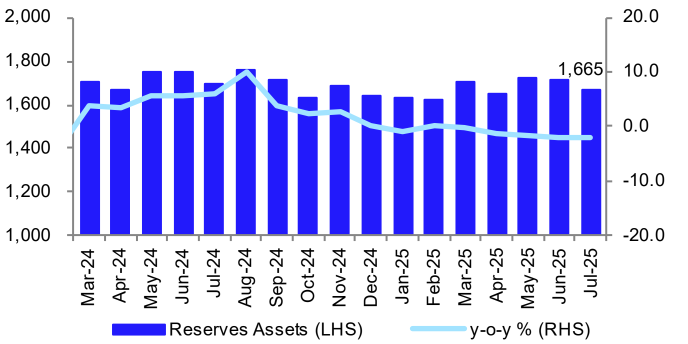
Source: Bloomberg, Al Rajhi Capital (Note: Tickers are 10 Year International Bond (QZ9368197 corp) and 30 Year International Bond (QZ9368221 corp).

Figure 22 **Monthly change (%) against US Dollar**



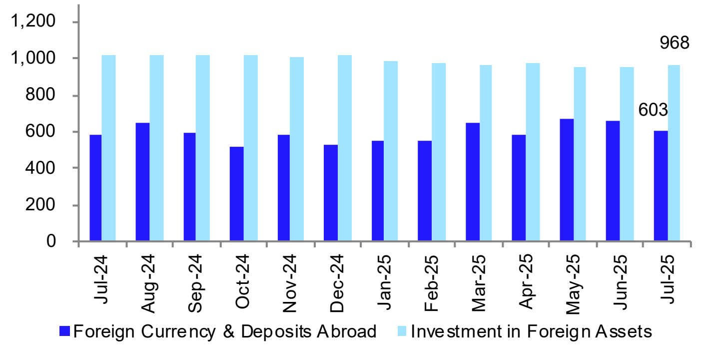
Source: Bloomberg, Al Rajhi Capital

Figure 23 **Reserve Assets (SAR bn)**



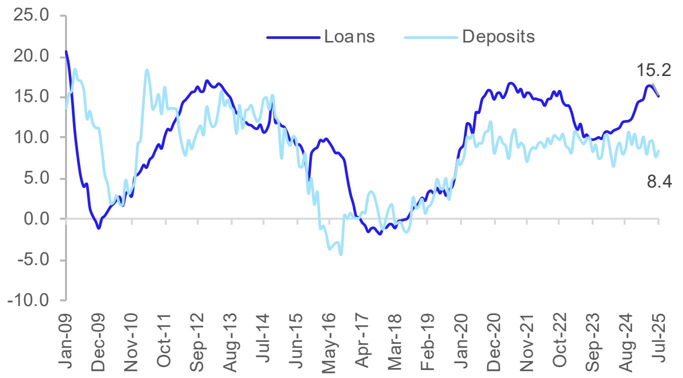
Source: Saudi Central Bank, Al Rajhi Capital

Figure 24 **Major Components of Foreign Assets (SAR bn)**



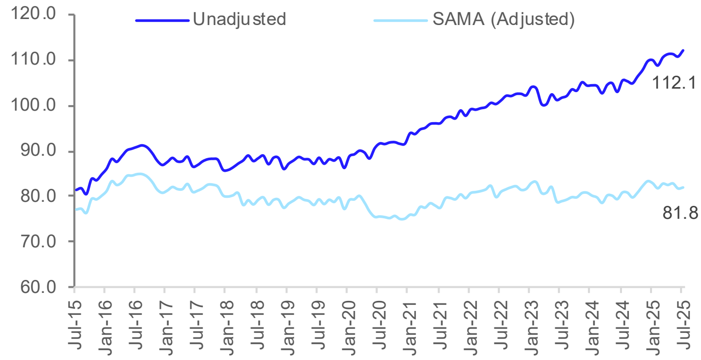
Source: Saudi Central Bank, Al Rajhi Capital

Figure 25 **Loans and Deposits Growth Trend (%)**



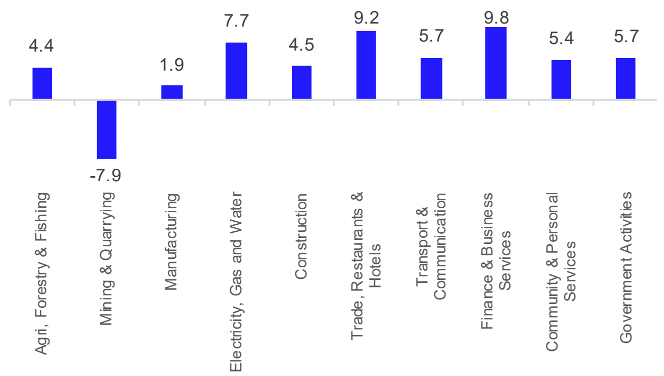
Source: Saudi Central Bank, Al Rajhi Capital

Figure 26 **LDR (%)**



Source: Saudi Central Bank, Al Rajhi Capital

Figure 25 **GDP Growth Rate by Economic Activity (y-o-y%) - Q1 2025**



Source: GASTAT, Al Rajhi Capital

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