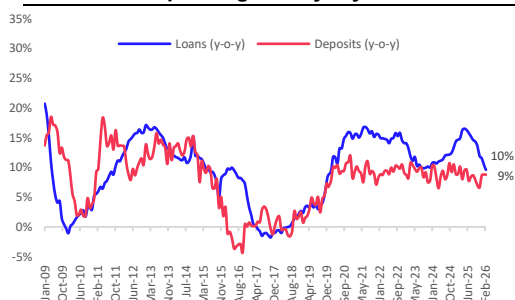
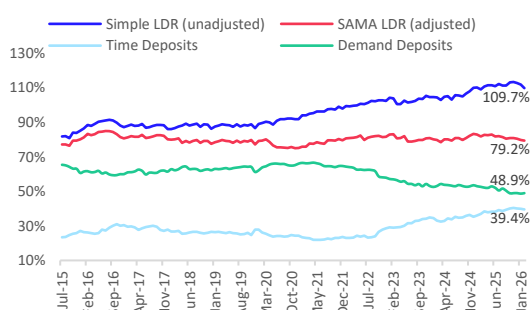


Loans and Deposits growth y-o-y trend



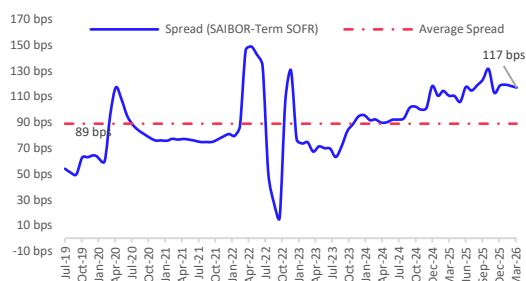
Source: SAMA, Al Rajhi Capital

LDR & Deposits Mix



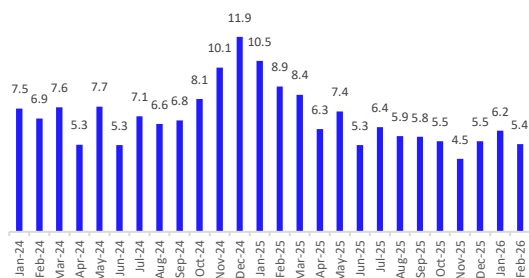
Source: SAMA, Al Rajhi Capital.

SAIBOR – Term SOFR Spread



Source: Bloomberg, SAMA, Al Rajhi Capital

Mortgage Origination Trend (SAR bn)



Source: SAMA, Al Rajhi Capital

Saudi Banking Monthly Report

Some respite on liquidity, despite credit slowdown

- **Credit growth subdued due to weak retail loans; corporate growth still resilient**
- **Mortgage originations declined m-o-m and trailing below 2025 average**
- **Deposits outpaced credit again, led by quasi-money & demand deposits**
- **SAIBOR-Term SOFR spread improves vs. Sep/Oct 2025 but remains elevated**
- **Profitability flat y-o-y in Feb., modest growth of ~2% for 2M26**

More details:

Credit: Growth slowed in February to +0.5% m-o-m (+9.6% y-o-y), vs. 0.7% m-o-m in January 2026 and average 0.9% m-o-m in 2025. Nevertheless, corporate loan growth (+0.7% m-o-m, +13.6% y-o-y) was resilient, while retail loans (+0.2% m-o-m, +4.8% y-o-y) were subdued.

Mortgage: Monthly originations decelerated to SAR 5.4bn (-13.2% m-o-m and -39.7% y-o-y), versus 2H25's average of SAR 5.6bn and also below the FY25 average of SAR 6.7bn.

Deposits: Total deposits, outpaced credit growth, +2.3% m-o-m, led by quasi deposits (+3.7% m-o-m) and demand deposits (+2.9% m-o-m). Demand deposits' growth was led by government (+12.7% m-o-m). Time deposits also grew, albeit at a lower rate, +1.1% m-o-m led by private (+3.0%). The mix of time deposits declined 46bps m-o-m but remained elevated at 39.4%.

Liquidity: As deposits outgrew credit for second consecutive month, simple LDR declined 200bps m-o-m to 109.7%, while the adjusted LDR declined by 39bps to 79.2%. Liquidity situation (SAIBOR-Term SOFR spread) has improved compared to Sep/Oct 2025, however, spreads remain elevated compared to average levels.

Consumer spending (incl. PoS, cash withdrawals, e-commerce) declined 5.5% m-o-m in February to SAR 133.5bn (+8.4% y-o-y), with E-commerce spending leading the decline (-6.6% m-o-m, +45.6% y-o-y).

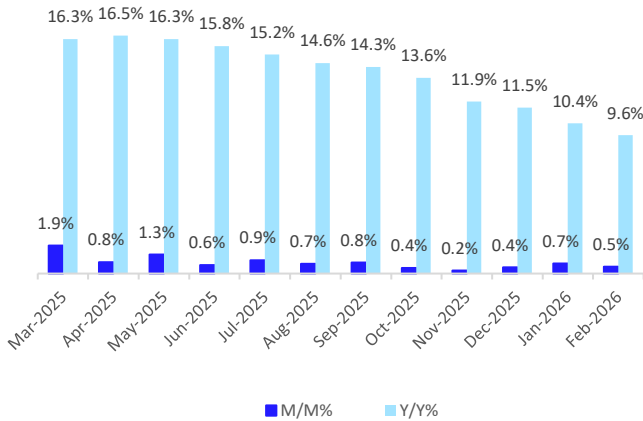
Profitability: Profit before Zakat and tax (PBT) for February was largely flat y-o-y at SAR 8.3bn, (January: +4.8% y-o-y), while 2M26 profit grew 2.4% y-o-y compared to 2M25.

Figure 1 SAMA Monthly Data

(SAR bn)	Feb-26	Feb-25	y-o-y	Jan-26	m-o-m
Credit					
Total Credit	3,335	3,043	9.6%	3,319	0.5%
Claims on Private Sector	3,083	2,828	9.0%	3,065	0.6%
Claims on Public Sector	252	215	17.2%	254	-1.0%
Deposits					
Total Deposits	3,041	2,796	8.8%	2,973	2.3%
Demand Deposits	1,488	1,470	1.2%	1,446	2.9%
Time Deposits	1,199	1,032	16.2%	1,186	1.1%
Interbank Liabilities	111	123	-9.1%	108	3.4%
Key Ratios					
Demand Deposit Mix	48.9%	52.6%	-366 bps	48.6%	30 bps
Time Deposit Mix	39.4%	36.9%	252 bps	39.9%	-46 bps
Simple LDR (%)	109.7%	108.8%	81 bps	111.7%	-200 bps
SAMA LDR (%)	79.2%	81.7%	-245 bps	79.6%	-39 bps
Other Key Indicators					
Residential Mortgage	5.4	8.9	-39.7%	6.2	-13.2%
Average Mortgage Origination (YTD)	5.8	9.7	-40.3%	6.2	-6.6%
Profit before Zakat	8.3	8.3	0.1%	8.5	-3.2%
Rates (%)					
SAIBOR 3M*	4.84%	5.46%	-62 bps	4.85%	-1 bps
Term SOFR*	3.66%	4.32%	-66 bps	3.66%	0 bps
Spread (SAIBOR-SOFR)	118 bps	114 bps	4 bps	119 bps	-1 bps

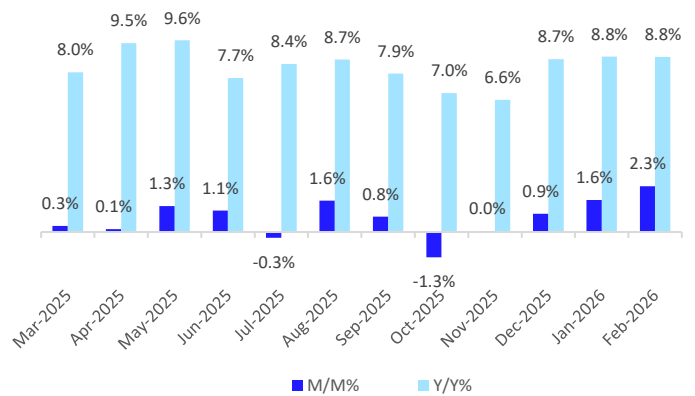
Source: SAMA, Al Rajhi Capital. *Average taken for February 2026, February 2025 and January 2026. **Claims on Private sector excludes investments in private securities; Claims on Public sector excludes govt and quasi-govt bonds

Figure 2 Credit Growth (Last 12 months)



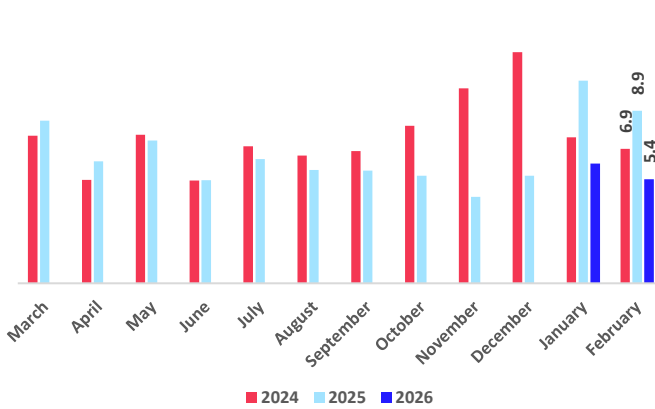
Source: SAMA, Al Rajhi Capital

Figure 3 Deposit growth (Last 12 months)



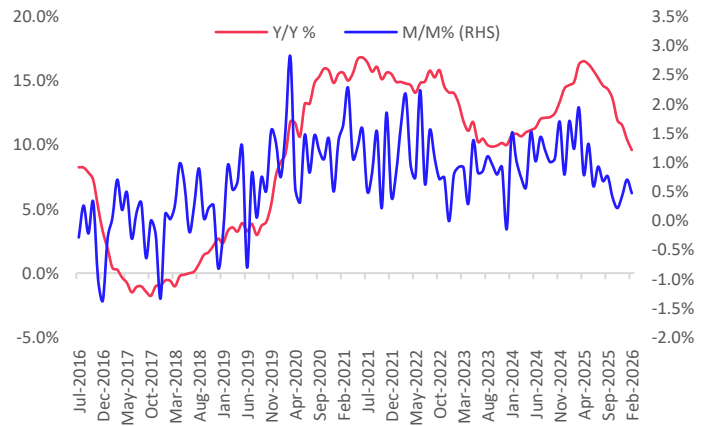
Source: SAMA, Al Rajhi Capital

Figure 4 New Mortgage Origination (Last 12M, SAR bn)



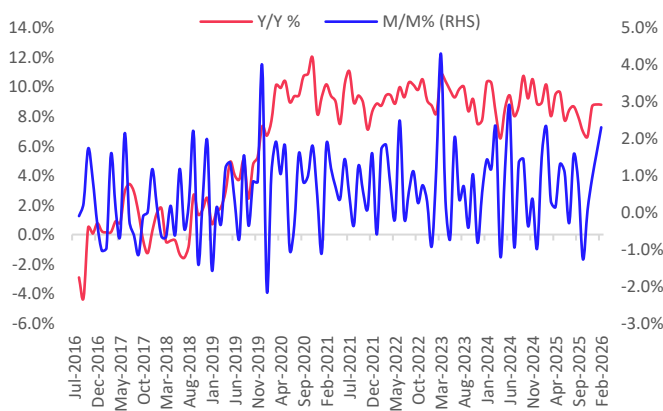
Source: SAMA, Al Rajhi Capital

Figure 5 Credit Growth long-term



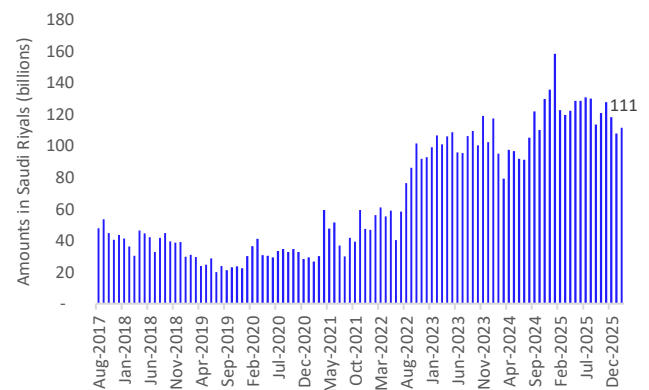
Source: SAMA, Al Rajhi Capital

Figure 6 Deposit Growth long-term



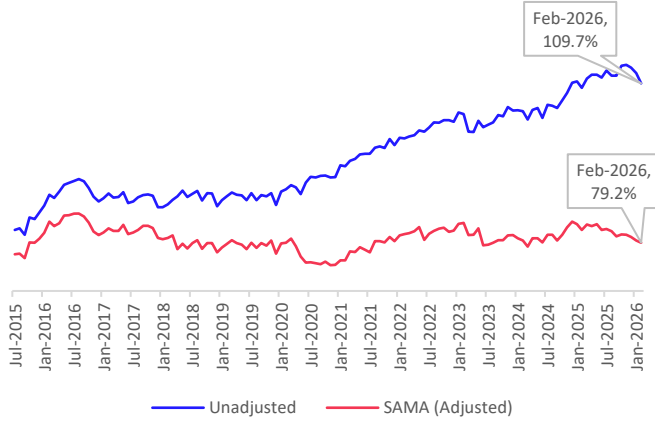
Source: SAMA, Al Rajhi Capital

Figure 7 Interbank Liabilities (Long-term)



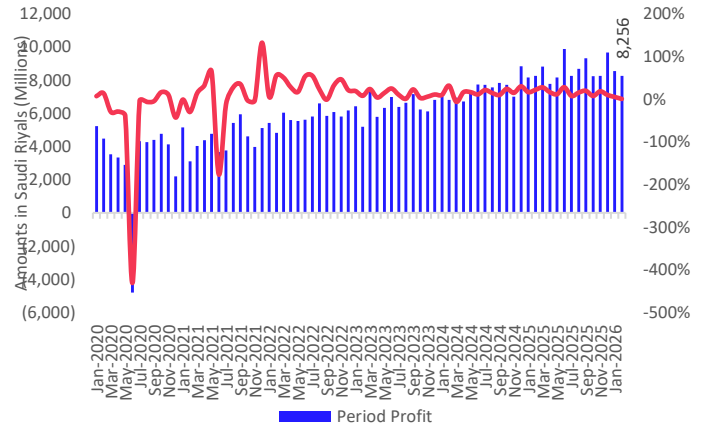
Source: SAMA, Al Rajhi Capital

Figure 8 LDR Long-term



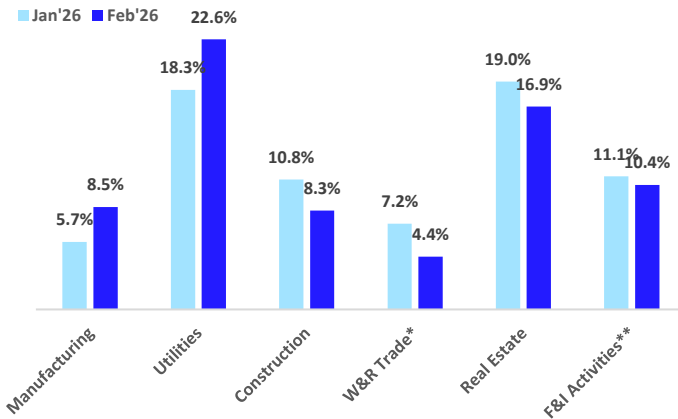
Source: SAMA, Al Rajhi Capital

Figure 9 Bank profit before zakat



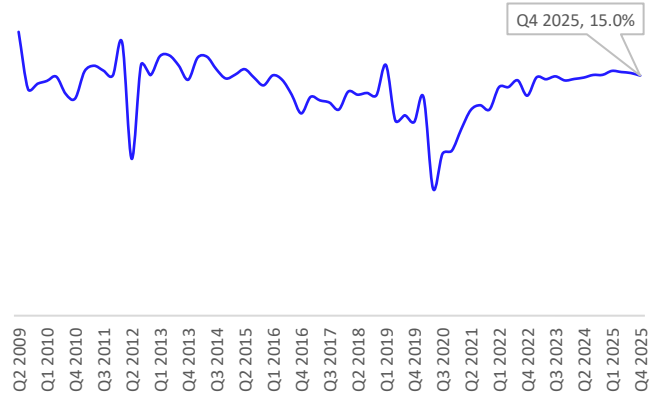
Source: SAMA, Al Rajhi Capital

Figure 10 Bank-Credit Classified by Economic Activity



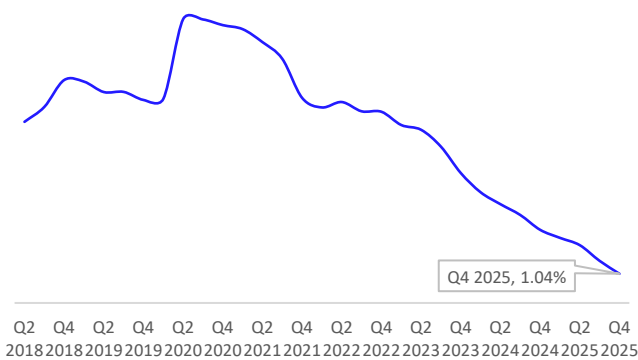
Source: Saudi Central Bank, Al Rajhi Capital; * Wholesale and Retail Trade; ** Finance & Insurance Activities

Figure 11 Return on Equity (Banks)



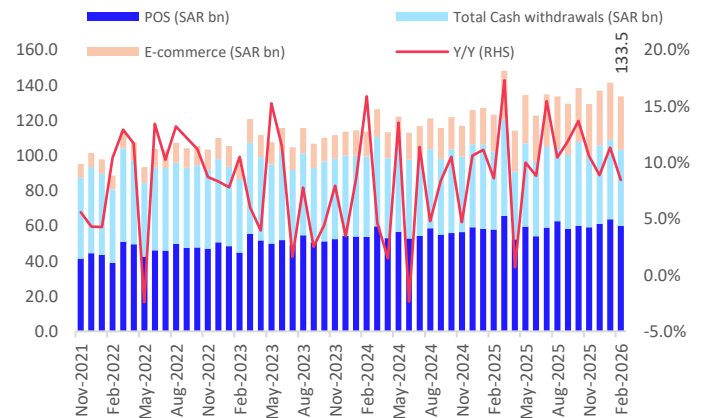
Source: SAMA, Al Rajhi Capital

Figure 12 Non-performing loans to Gross loans



Source: SAMA, Al Rajhi Capital

Figure 13 Consumer spending trend (SAR bn)



Source: SAMA, Al Rajhi Capital

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