



المتحدة للأوراق المالية  
UNITED SECURITIES

## Saudi Macro trends

### Chart book

October 2, 2025



*Saudi Arabia possesses one of the largest and most influential economies in the Middle East, built primarily on its vast oil reserves. As one of the world's leading exporters of crude oil and a key member of OPEC, the Kingdom has long relied on energy exports as the foundation of its economic strength. Over the years, it has navigated major economic, political, and social shifts, emerging stronger and more resilient each time.*

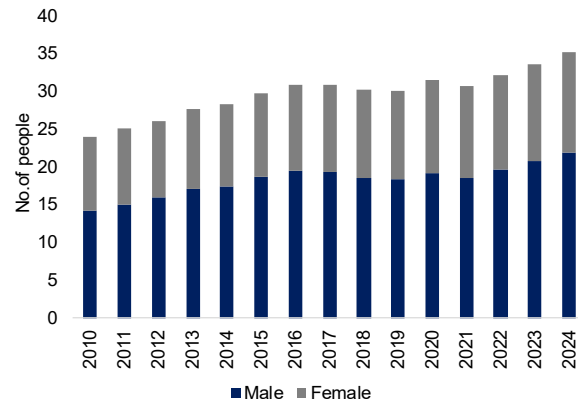
*In recent years, the government has launched ambitious reforms designed to reduce reliance on oil revenues and diversify into sectors such as tourism, entertainment, finance, manufacturing, technology, and renewable energy. These initiatives are fostering a new generation of educated, ambitious citizens who are driving a paradigm shift that is redefining the Kingdom's identity and elevating its position on the global stage. Today, macroeconomic trends not only validate the country's progress but also highlight compelling opportunities for investors.*

- **GDP:** Saudi Arabia's GDP reached SAR 4.65 trillion in 2024, with the oil and gas sector contributing 24%, while the non-oil economy accounted for 56%, surpassing the share of oil GDP.
- **Revenue:** Revenue growth was modest at 3.9% YoY and stood at SAR 1.26bn in 2024, largely due to oil production cuts and lower prices.
- **Expenditure:** Expenditure levels remained elevated (+6.3% YoY) owing to large scale investments in mega projects.
- **Foreign trade:** 73% of exports are oil-related, while imports were lower, resulting in a trade surplus.
- **Banking:** Deposits grew at a CAGR of 8.3% (2018-24), while loans grew 12.1% CAGR (2018-2024).
- **FDI:** Manufacturing, wholesale and retail drove FDI inflows in 2024.

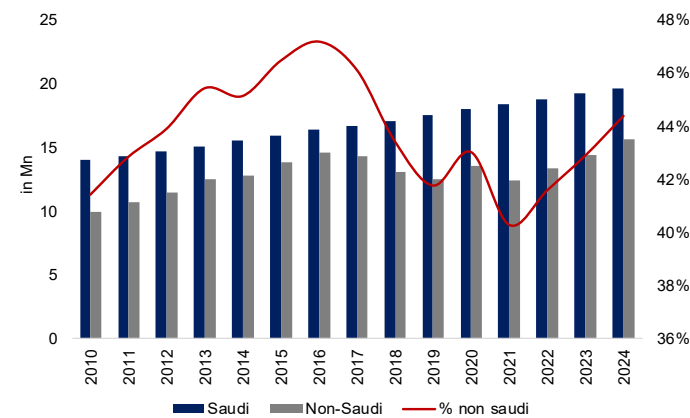
# Saudi Demographics – progressive changes



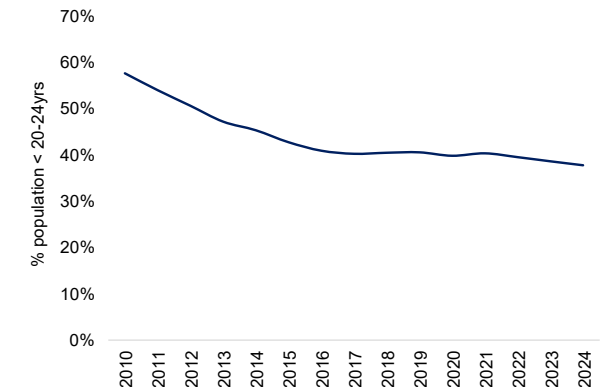
Consistent growth in population over time



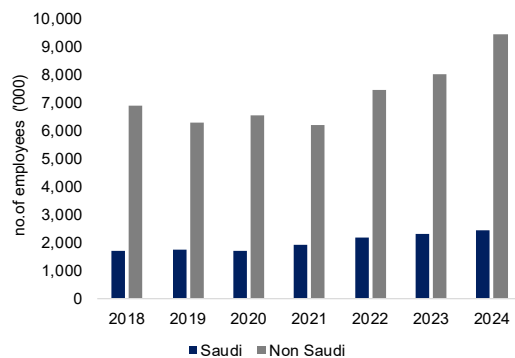
Non-saudi population increases on rise in job opportunities



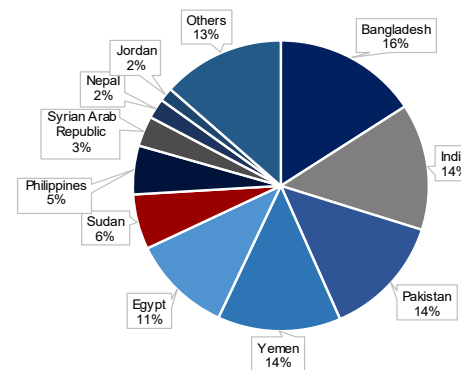
Saudi population has been growing and aging



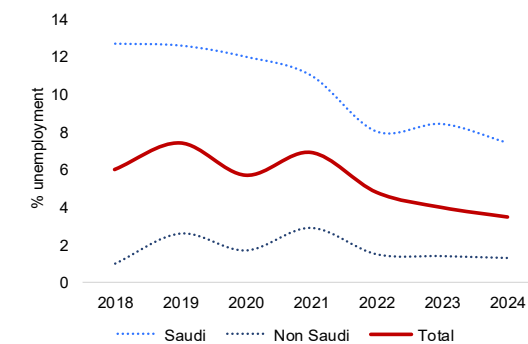
Expatriates lead workforce in private sector



S.E Asians form the largest expat population in Saudi



Unemployment levels on a downward trend

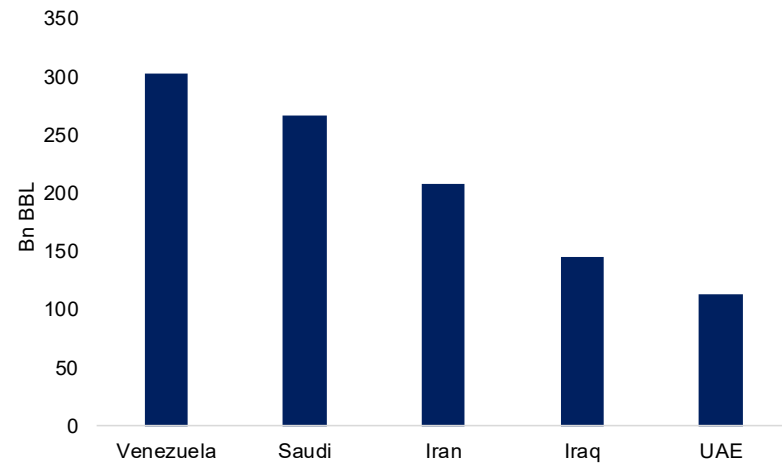


- Overall population growth is rising, but age profile is shifting higher (57% of the population was <24yrs in 2010 vs 37.7% in 2024).
- Non Saudi population increased from 42.9% in 2023 to 44.4% in 2024.
- Unemployment levels are reducing with higher economic activity and increase in education levels

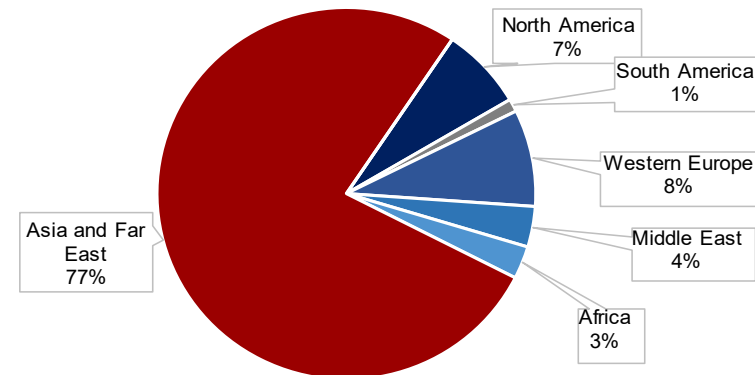
# Oil & Gas – Production & Price trends



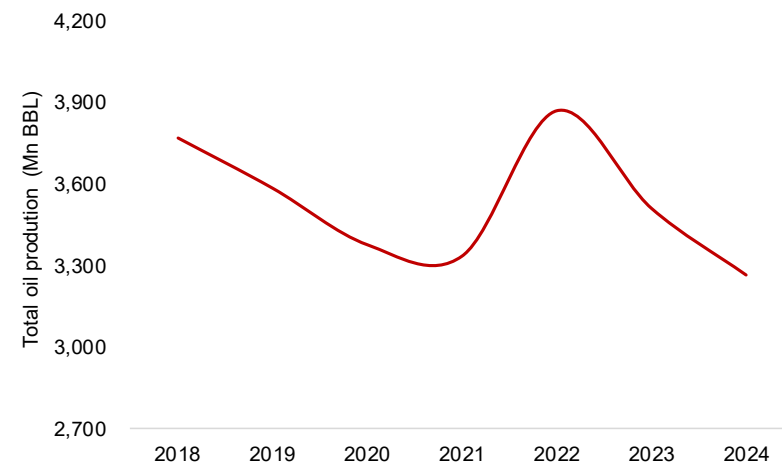
## Global oil leaders: Saudi second, UAE joins top tier



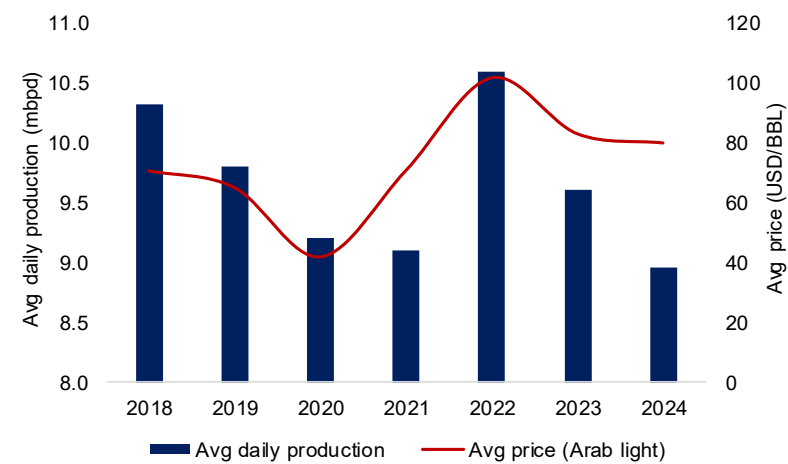
## Majority of the Saudi oil moves to Asia and Far east



## Total oil production reduced by 7% in 2024 on OPEC action...



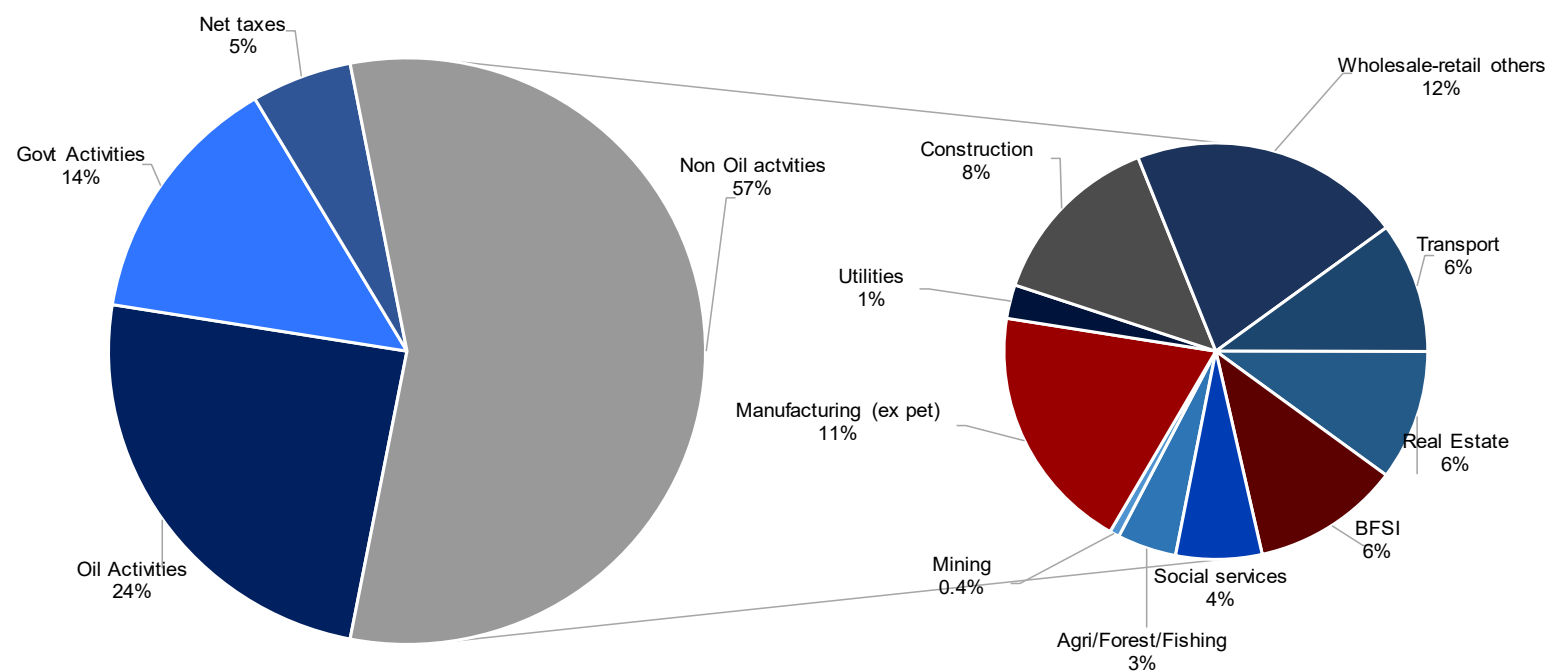
## ...Oil price stabilised at an average of 79.9\$/bbl



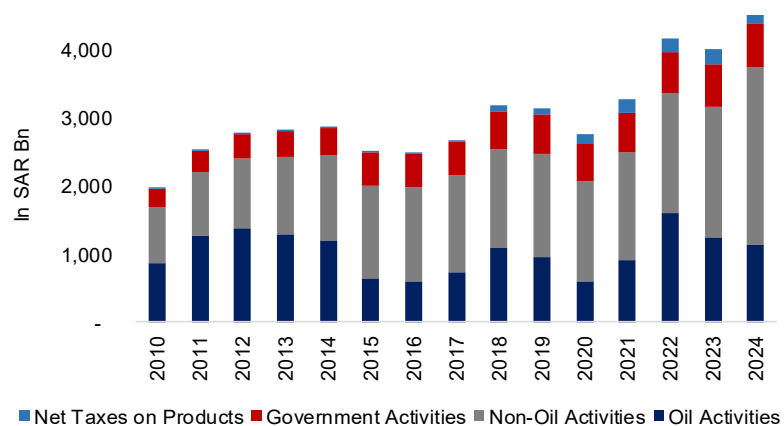
# Saudi GDP – Composition, growth trends



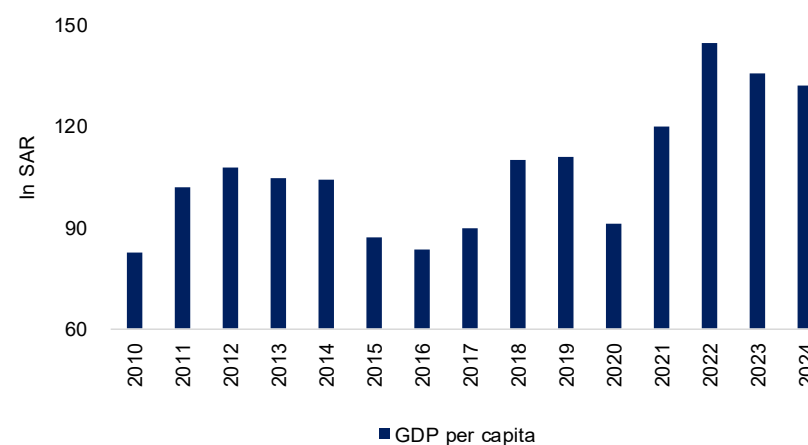
Saudi Arabia is moving away from oil dependence by pursuing economic diversification



Non-oil sectors are showing resilience and expansion



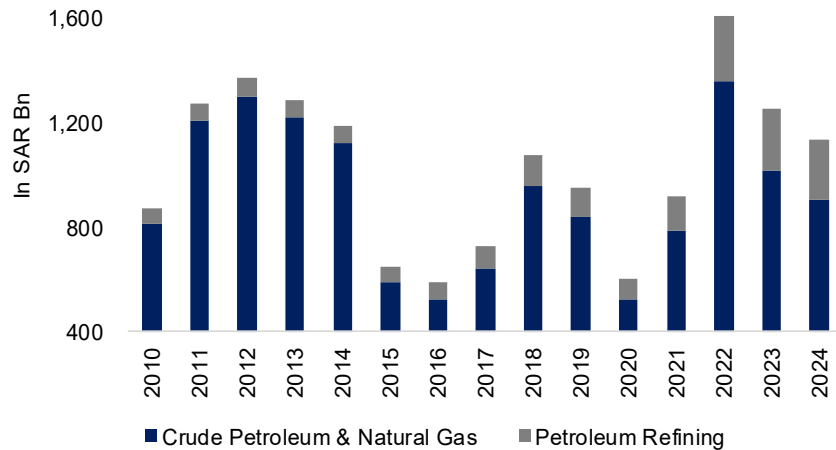
GDP per capita declines slightly compared to previous year



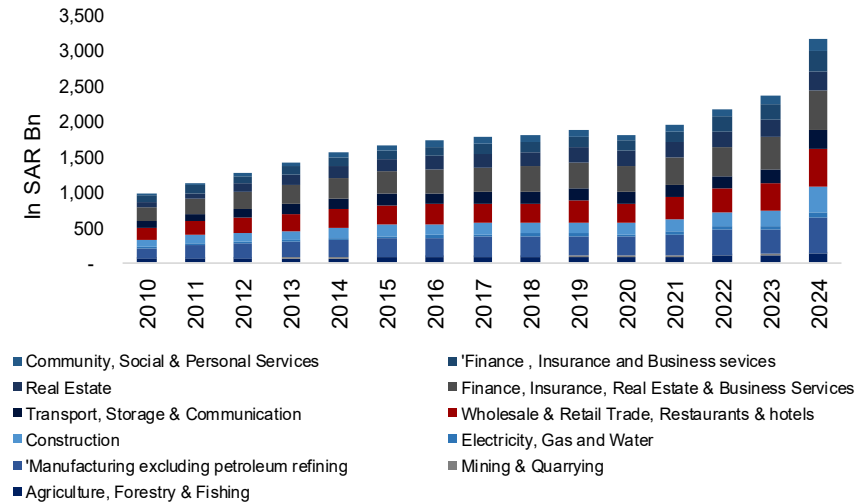
# Saudi GDP – Oil vs Non oil



## Oil related GDP under pressure due to oil price volatility



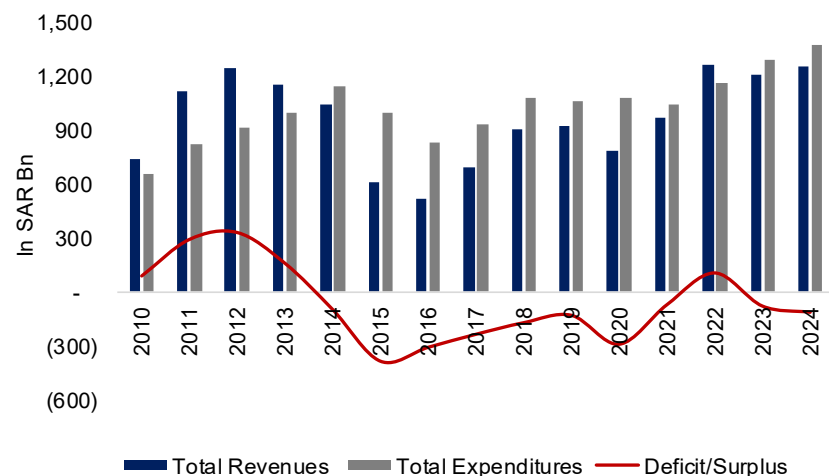
## Manufacturing, real estate and retail leads non oil GDP growth



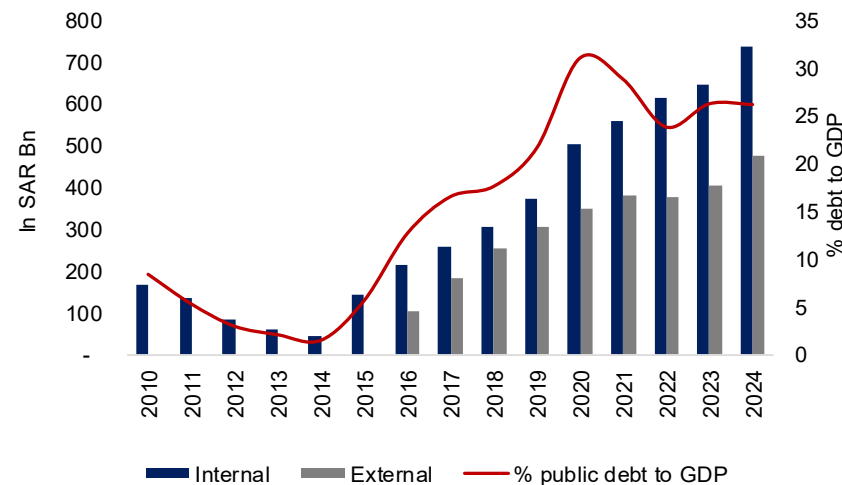
- GDP growth has been impacted due to decline in oil price.
- In 2024, oil GDP declined by 9.3% while non-oil GDP rose significantly by 37.2% YoY. Similar trends continues in 1H25 with oil GDP declining by 12% YoY and non-oil GDP growing by 6.3% YoY.
- While the country witnessed growth across all sectors, major contribution was from construction, transport manufacturing and retail related activities which led to the rise in non-oil GDP in 2024.



## Expenditure higher than revenue on the back of mega projects



## Public debt stable compared to previous year

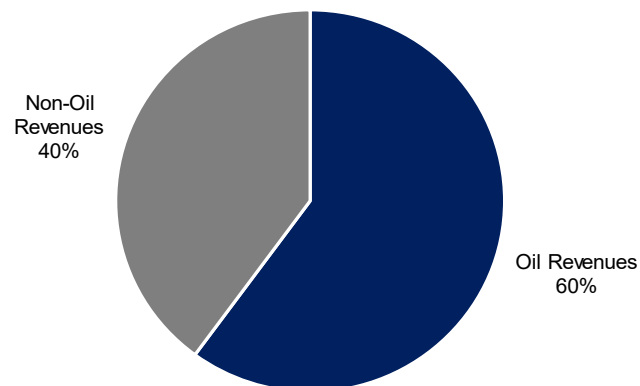


- Total revenues grew by 3.9% YoY in 2024 despite lower oil prices, largely due to the incremental income from non-oil activities
- Huge investments in various Mega and Giga projects have led to higher expenditure in 2024. These projects are creating large number of jobs, and the economy remains buoyant.
- Despite the higher expense in 2024, the fiscal deficit stood steady at 2.5% of GDP.
- Public debt has also remained flattish compared to 2023 levels.

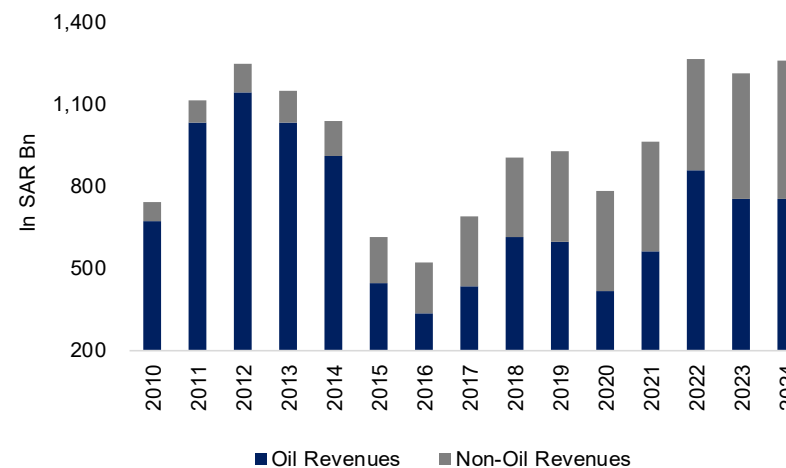
# Public finance – Revenue vs Expenditure



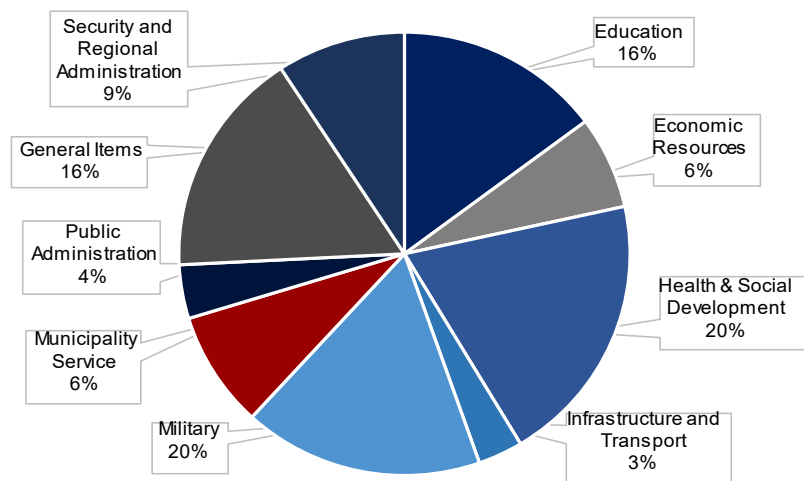
## Oil revenues continue to dominate with 60% of revenue



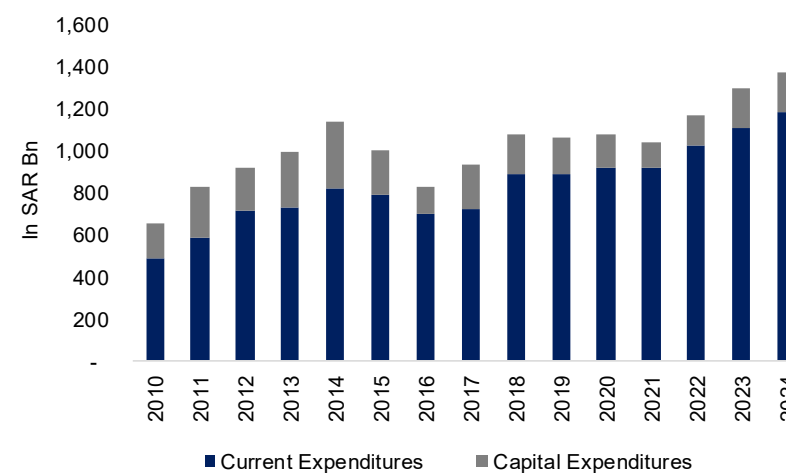
## ... growth momentum in non-oil revenue robust



## Military, Health and Education spending remains high



## Current expenditure continues to rise

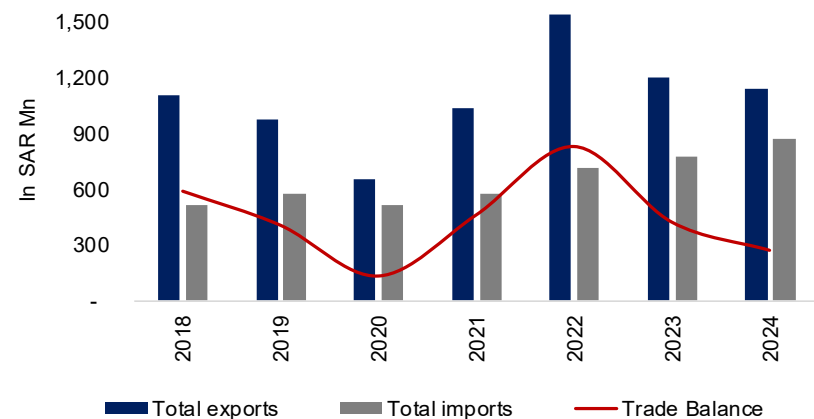




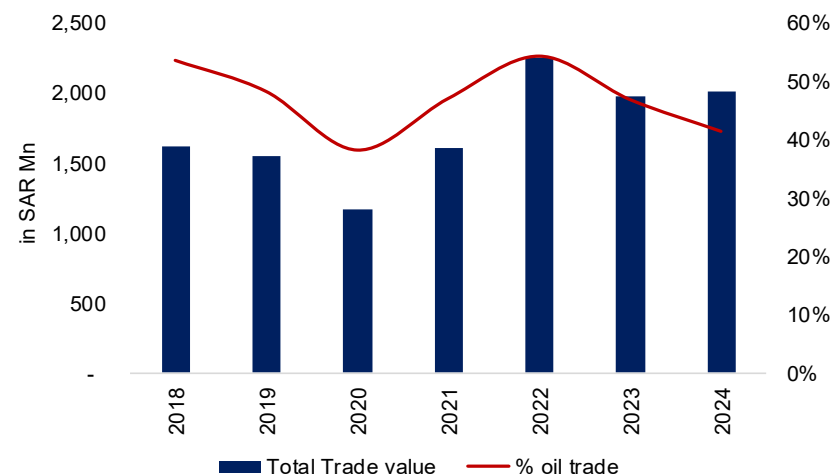
# International Trade – surplus continues



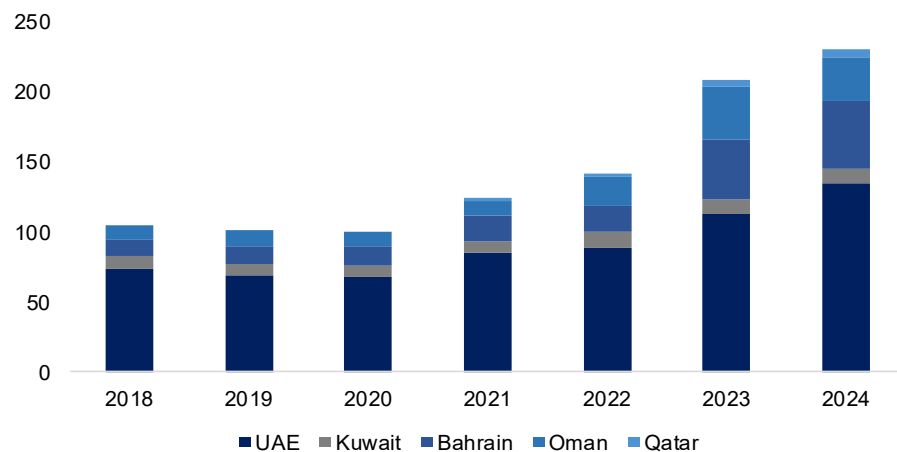
## Positive trade balance despite lower oil exports



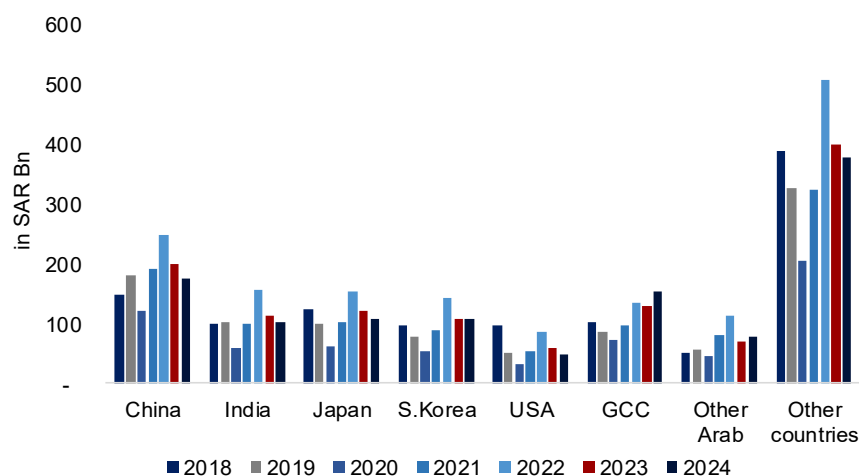
## Trade flows are largely dominated by oil



## UAE tops GCC trade, Bahrain ranks second



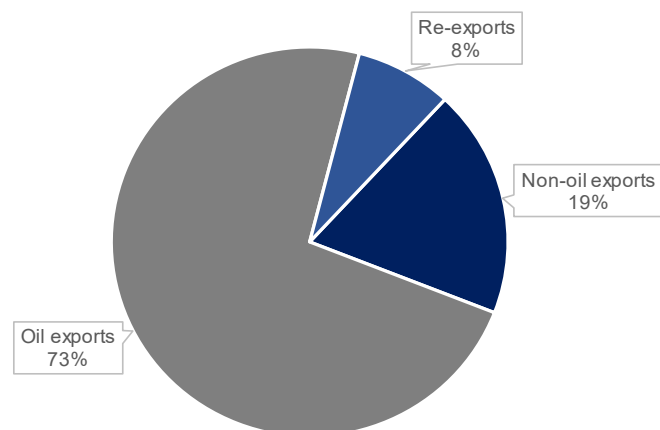
## Majority of the exports flow to China, India and other GCC



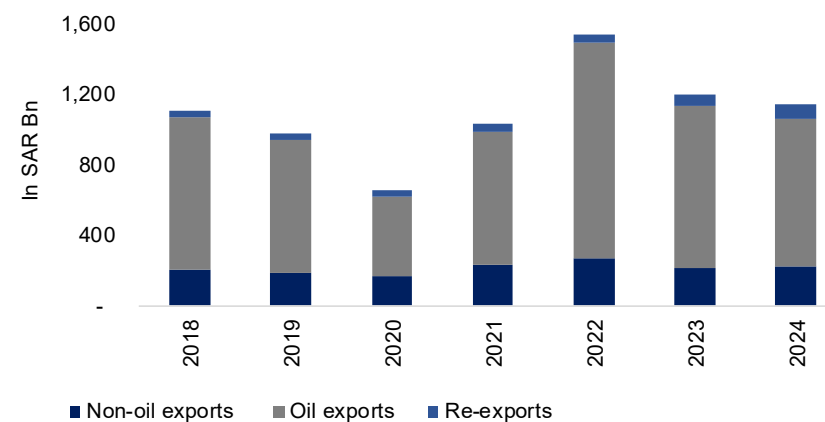
# International Trade – Oil exports vs finished goods import



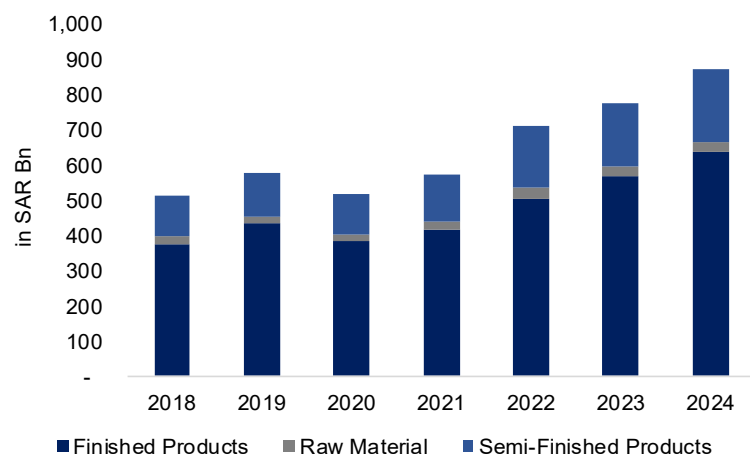
## Oil dominates exports with 73% share



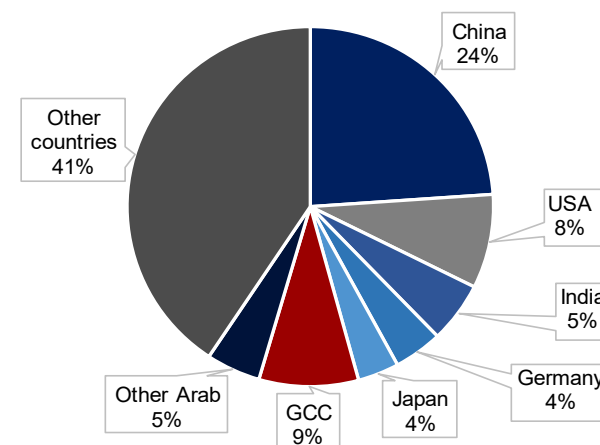
## Non-Oil exports stable compared to previous year



## Finished goods account for most imports



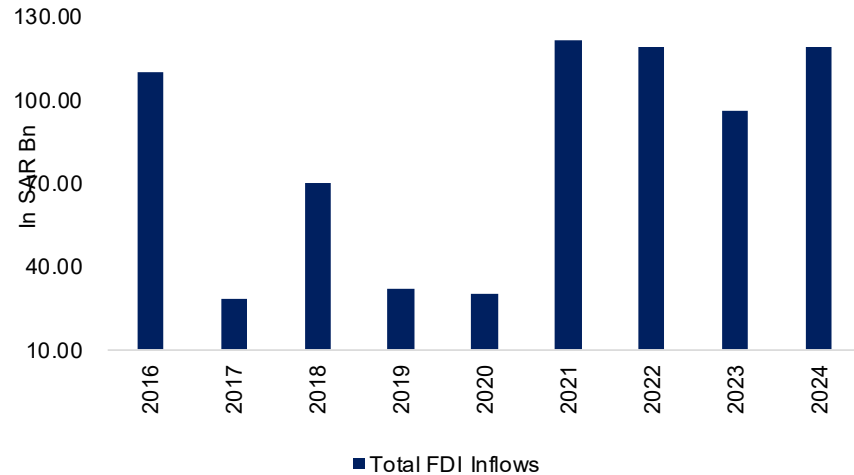
## China is the biggest country of import



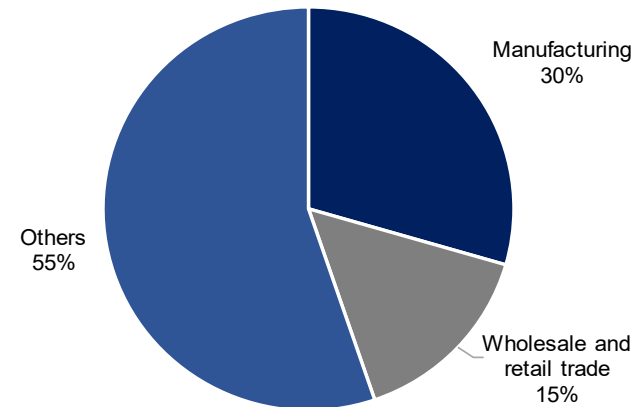
# Foreign Direct Investment – positive trends



## FDI rises on accomodative government policies...



## ... Manufacturing and retail see highest FDI growth

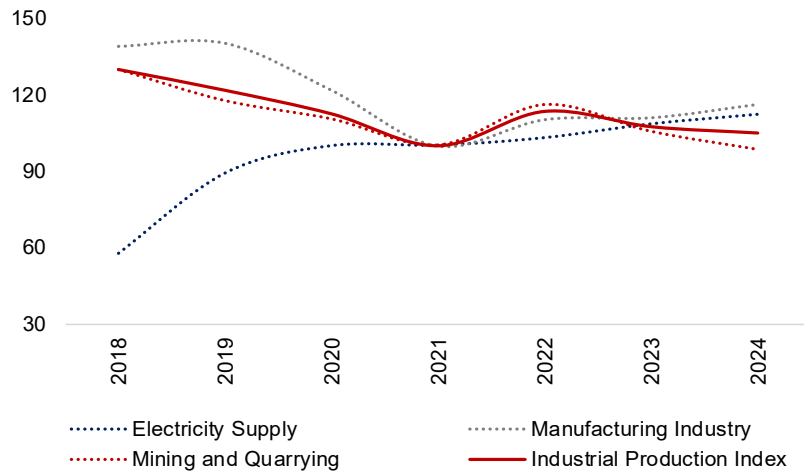


- Total FDI in 2024 stood at SAR 119 bn.
- Significant investments in the manufacturing and retail sectors.
- Tourism, Transport, IT are sectors that have been in focus and is expected to attract foreign investors.

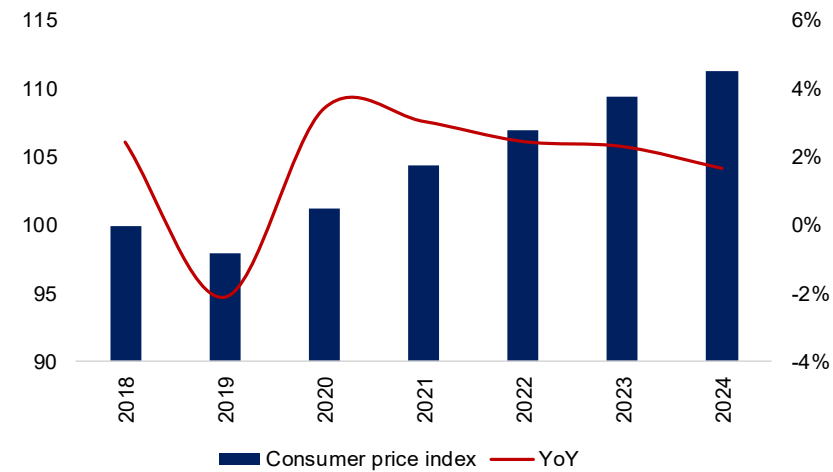
# Stability in IPI, inflation and interest rates



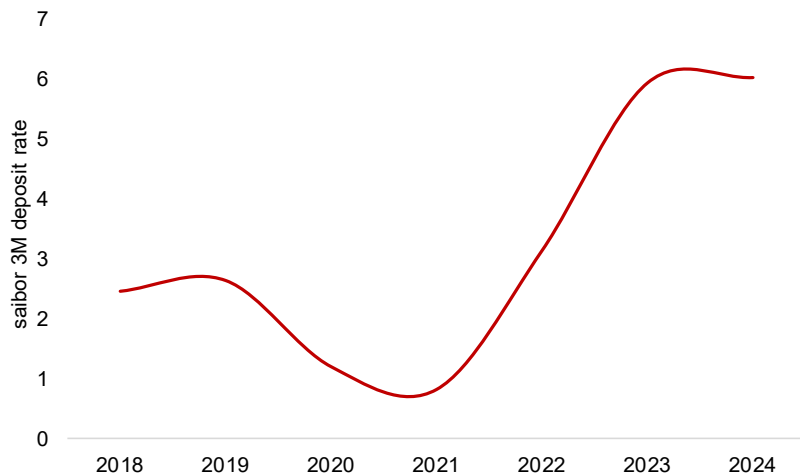
## Industrial production index flattish in 2024



## Economic shifts have limited impacted inflation



## Interest rates remain stable compared to previous year

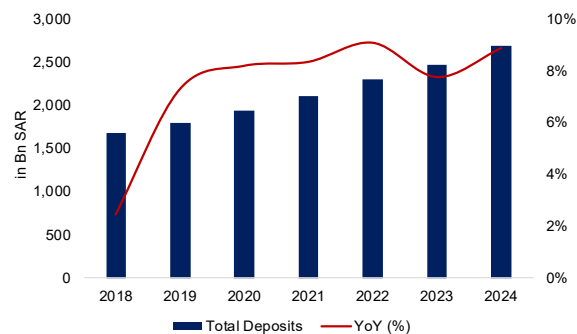


- Improvement in manufacturing activity has kept IPI numbers stable
- Inflation is well controlled as energy cost is regulated and low.
- Interest rates rose post covid and has remained stable since, it is expected to decline as per indications from the US Fed reserve.

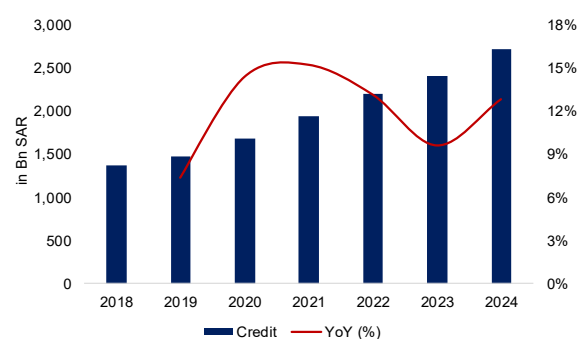
# Public finance – Banking



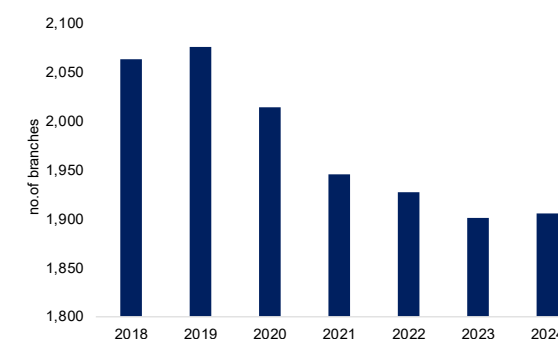
### Deposit growth @ 8.3% CAGR (2018-24)



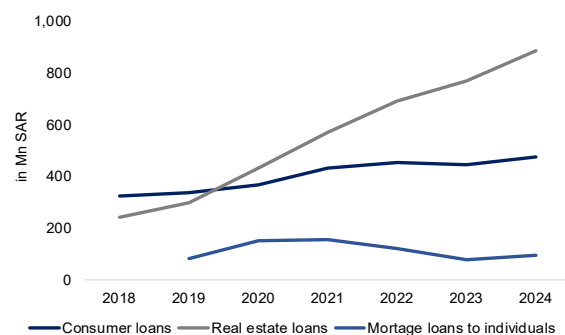
### Loan growth @ 12.1% CAGR (2018-24)



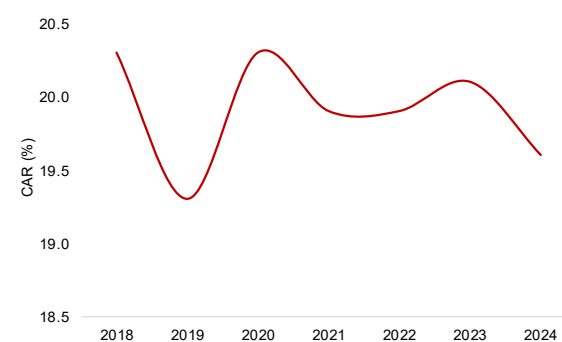
### Online banking has reduced the need for branches



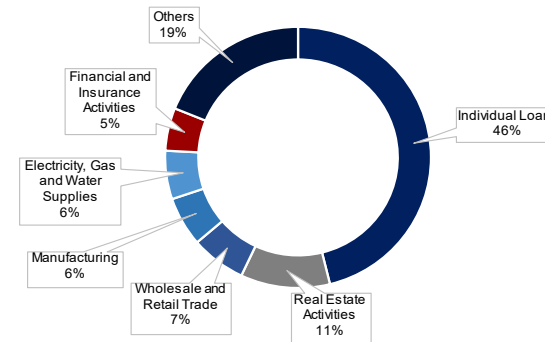
### Real Estate loans outpace consumer lending growth



### Capital adequacy ratio at comfortable levels



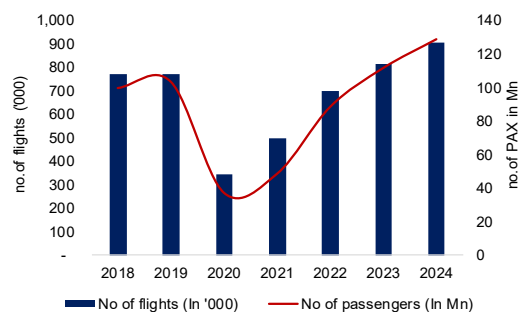
### Individual loans account for 46% of the total credit



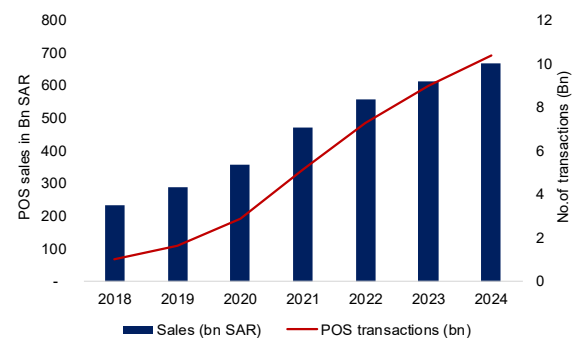
# Retail – Discretionary spending



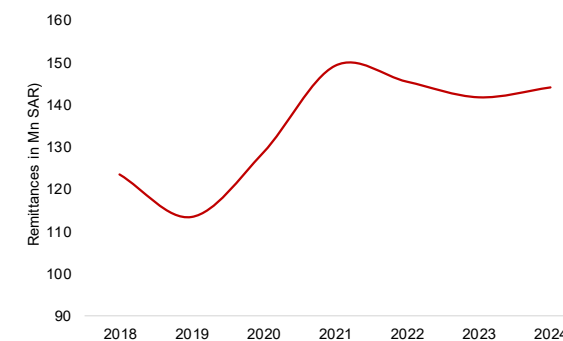
**Saudi witnessed highest ever PAX volumes in 2024**



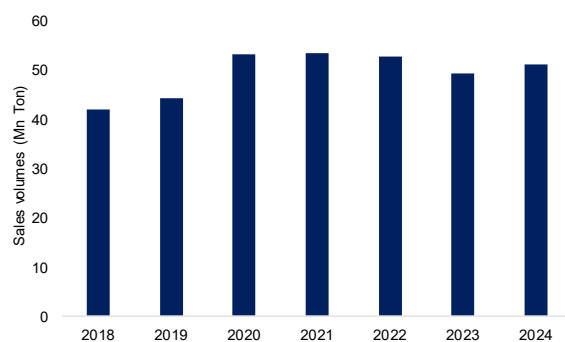
**POS transactions are on an upward trajectory**



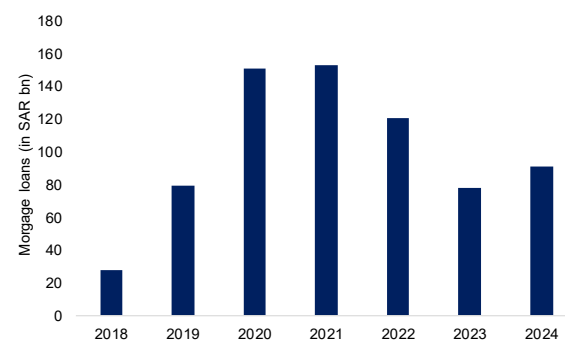
**Remittances have increased with rise in expat influx**



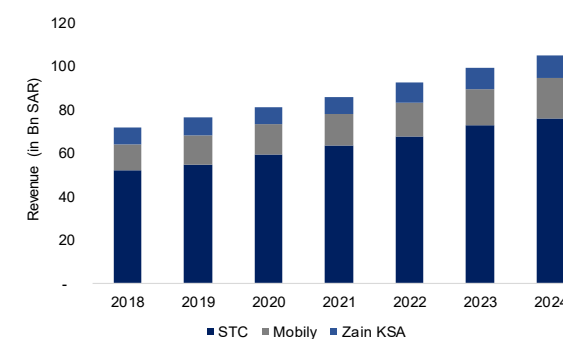
**Cement volumes improve on higher real estate activities**



**Mortgage loans recover from 2023 levels**



**Telecom revenue on an upward trend**





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## Key contacts

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### Research Team

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