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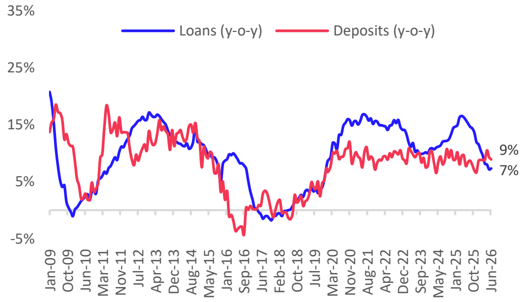
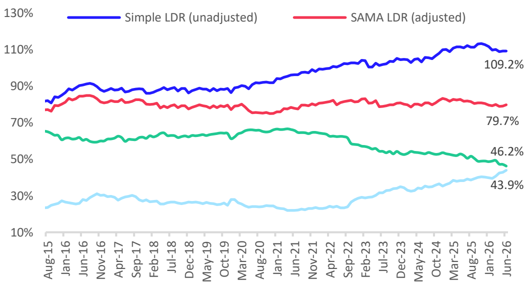
Loans and Deposits growth y-o-y



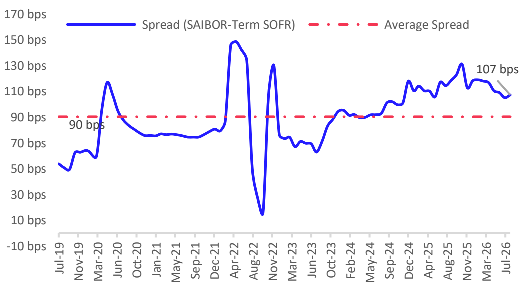
Source: SAMA, Al Rajhi Capital

LDR & Deposits Mix



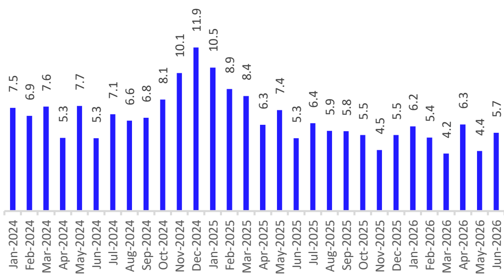
Source: SAMA, Al Rajhi Capital.

SAIBOR – Term SOFR Spread



Source: Bloomberg, SAMA, Al Rajhi Capital

Mortgage Origination Trend (SAR bn)



Source: SAMA, Al Rajhi Capital

Saudi Banking Monthly Report

Sharp rebound in mortgages

- ***Credit growth accelerates led by corporate; retail growth flat m-o-m***
- ***Mortgage originations up 30% m-o-m***
- ***Time deposit mix at new record high***
- ***LDR edges higher m-o-m, but ~400bps lower than the Nov. 2025 peak***
- ***1H26 sector profits up 6% y-o-y***

More details:

Credit: Growth accelerated in June, +0.8% m-o-m (+7.3% y-o-y), better than May's +0.5% and YTD average of +0.6% m-o-m. Corporate loans grew 1.4% m-o-m (+9.9% y-o-y), highest m-o-m growth in the last 12 months, while retail loans were flat (-0.1% m-o-m), but +4.0% y-o-y.

Mortgage: Monthly originations rebounded sharply to SAR 5.7bn (+30.4% m-o-m, +7.2% y-o-y) after a soft SAR 4.4bn in May. 1H26 average is SAR 5.4bn, -31.3% y-o-y and -2.3% versus trailing 12m average of SAR 5.5bn.

Deposits: Deposits lagged credit growth slightly, +0.7% m-o-m (+8.9% y-o-y), as demand deposits (-1.3% m-o-m) and quasi money deposits (-1.0% m-o-m) were slightly under pressure, partly offset by time deposits (+3.4% m-o-m). The mix of time deposits rose 112bps m-o-m to 43.9%, reaching a new record high, whereas demand deposit mix fell 94bps to 46.2%.

Liquidity: Simple LDR stayed largely flat m-o-m to 109.2%, while the adjusted LDR rose 65bps to 79.7%. Simple LDR is now 402bps lower than the peak of 113.2% in November 2025. In the backdrop of better liquidity conditions, SAIBOR–Term SOFR spread continues to improve, however, remains above historical average levels.

Consumer spending (incl. PoS, cash withdrawals, e-commerce) down 8.2% m-o-m to SAR 130.1bn (+6.1% y-o-y), weighed down by POS (-8.9% m-o-m, +6.5% y-o-y) and e-commerce (-3.0% m-o-m, +29.5% y-o-y).

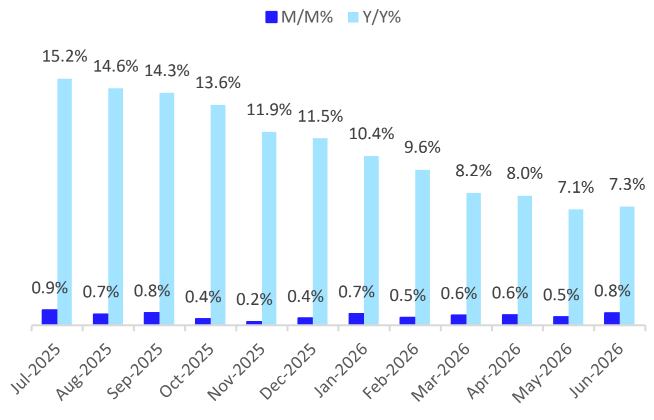
Profitability: Profit before Zakat and tax (PBT) for June came in at record high of SAR 10.1bn, +15.0% m-o-m and +2.4% y-o-y (May: +6.6% m-o-m, +7.7% y-o-y); 1H26 profit grew 5.8% y-o-y. 2Q26 profit grew 5.2% y-o-y.

Figure 1 **SAMA Monthly Data**

(SAR bn)	June-26	y-t-d	June-25	y-o-y	May-26	m-o-m
Credit						
Total Credit	3,419	3.7%	3,186	7.3%	3,394	0.8%
Corporate	1,964	5.5%	1,787	9.9%	1,937	1.4%
Retail	1,455	1.5%	1,399	4.0%	1,457	-0.1%
Deposits						
Total Deposits	3,132	7.0%	2,876	8.9%	3,109	0.7%
Demand Deposits	1,447	1.0%	1,495	-3.2%	1,466	-1.3%
Time Deposits	1,375	17.2%	1,100	25.0%	1,330	3.4%
Interbank Liabilities	107	-9.1%	128	-16.4%	111	-2.9%
Key Ratios						
Demand Deposit Mix	46.2%	-274 bps	52.0%	-579 bps	47.2%	-94 bps
Time Deposit Mix	43.9%	380 bps	38.2%	567 bps	42.8%	112 bps
Simple LDR (%)	109.2%	-348 bps	110.8%	-162 bps	109.2%	2 bps
SAMA LDR (%)	79.7%	-66 bps	81.6%	-195 bps	79.0%	65 bps
Other Key Indicators						
Mortgage Origination	5.7	2.8%	5.3	7.2%	4.4	30.4%
Avg. Origination (YTD)	5.4	-20.0%	7.8	-31.3%	5.3	1.3%
Profit before Zakat	10.1	NA	9.9	2.4%	8.8	15.0%
Rates (%)						
SAIBOR 3M*	4.74%	-56 bps	5.48%	-74 bps	4.74%	0 bps
Term SOFR*	3.69%	-46 bps	4.31%	-62 bps	3.65%	4 bps
Spread	105 bps	-10 bps	117 bps	-12 bps	109 bps	-4 bps

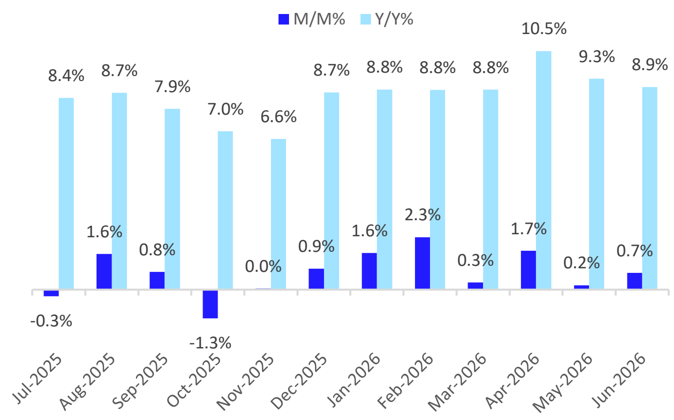
Source: SAMA, Al Rajhi Capital. *Average taken for June 2026, June 2025 and May 2026. **Claims on Private sector excludes investments in private securities; Claims on Public sector excludes govt and quasi-govt bonds

Figure 2 **Credit Growth (Last 12 months)**



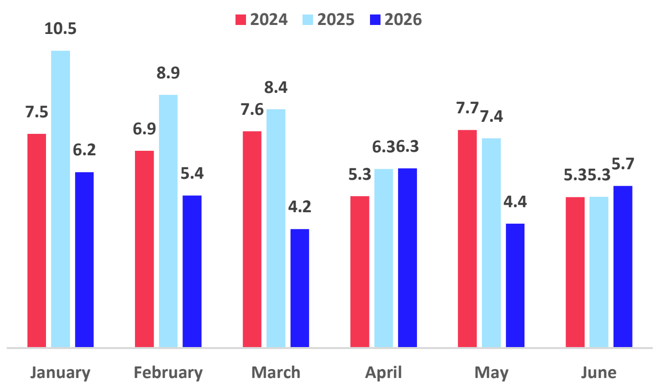
Source: SAMA, Al Rajhi Capital

Figure 3 **Deposit growth (Last 12 months)**



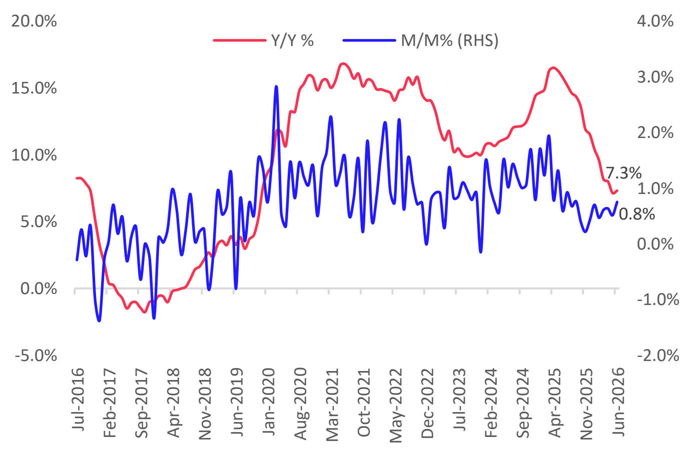
Source: SAMA, Al Rajhi Capital

Figure 4 **New Mortgage Origination (SAR bn)**



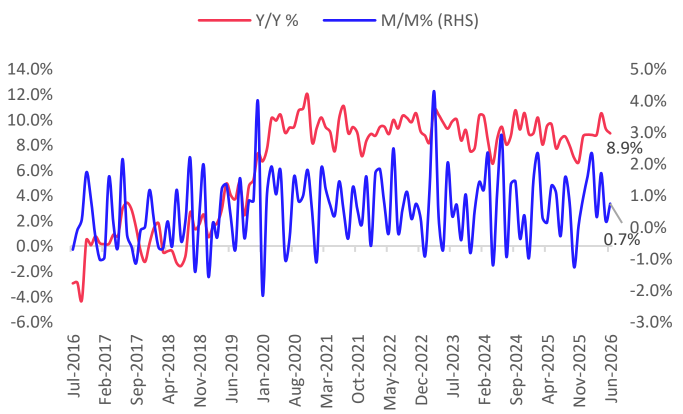
Source: SAMA, Al Rajhi Capital

Figure 5 **Credit Growth long-term**



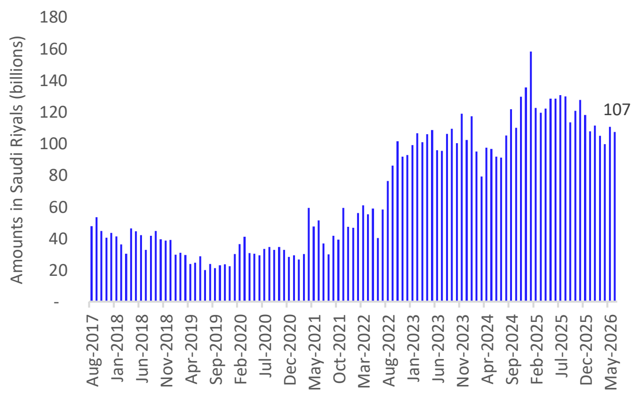
Source: SAMA, Al Rajhi Capital

Figure 6 **Deposit Growth long-term**



Source: SAMA, Al Rajhi Capital

Figure 7 **Interbank Liabilities (Long-term)**



Source: SAMA, Al Rajhi Capital

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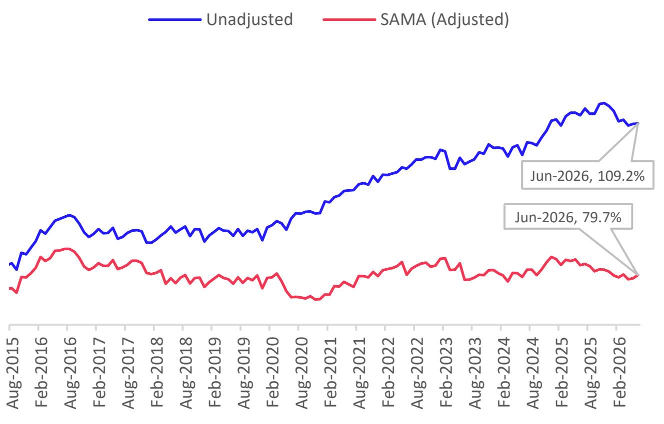
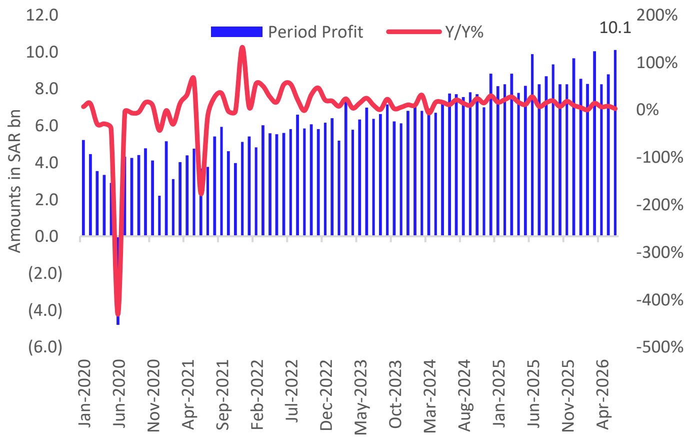
Figure 8 **LDR Long-term**



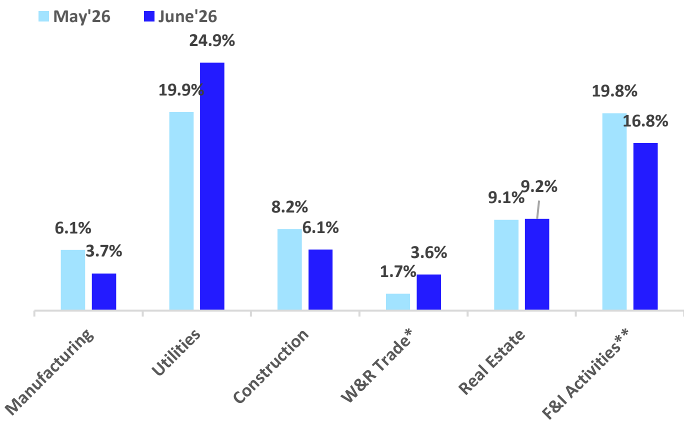
Source: SAMA, Al Rajhi Capital

Figure 9 **Bank profit before zakat**



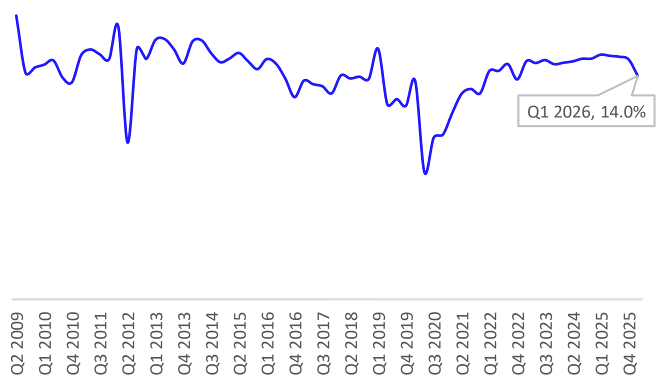
Source: SAMA, Al Rajhi Capital

Figure 10 **Bank-Credit Classified by Economic Activity**



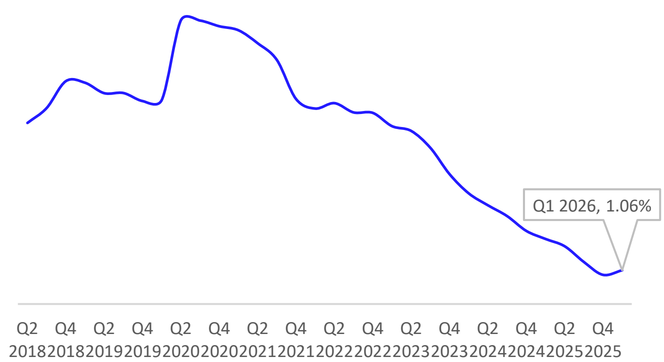
Source: Saudi Central Bank, Al Rajhi Capital; * Wholesale and Retail Trade; ** Finance & Insurance Activities

Figure 11 **Return on Equity (Banks)**



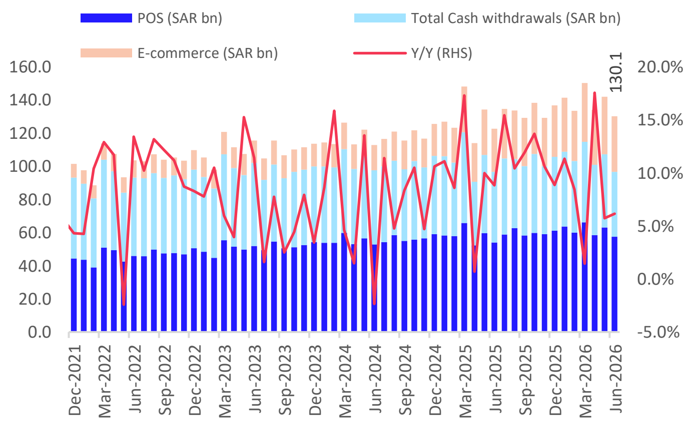
Source: SAMA, Al Rajhi Capital

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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