

## MONTHLY MACROECONOMIC REVIEW – SAUDI ARABIA



April 2018

Review of economic developments till end of March 2018

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## A. Executive Summary and Review

### Executive Summary

The key highlights are:

1. **Q4 2017 Earnings** – Q4 results of TASI stocks showed an overall tepid performance with aggregate earnings falling 1.3% YoY and 53.5% QoQ. However, strong earnings were registered by top 3 heavyweight sectors i.e. Materials, Banks and Telecom which saw YoY earnings growth of 18.1%, 31.4% and 31.2% respectively.
2. **Oil production** – KSA slightly decreased oil production, producing 9.87 million barrels of oil per day (mbpd) in March 2018 (Refer Figure 1, Page 15), to keep below the production limit.
3. **Inflation** – Inflation rate during February 2018 rose 3.0% YoY (Refer Figure 5, Page 9), the same figure as in January, when inflation rate rose 3.0% on account of higher fuel and electricity prices and VAT implementation. On MoM basis, inflation rose by 0.1% in February.
4. **Non-oil private sector growth** – Saudi Arabia's PMI fell to record low of 52.8 in March 2018 from 53.2 in the previous month (Refer Figure 7, Page 9). This is the lowest figure since PMI survey began in May 2014, with incoming new businesses growing at the slowest rate on record. Despite the slow growth however, business optimism index at 71 remained well above the 12-month average of 61.2.
5. **Bank Credit** – Bank credit continued to decline for the 12<sup>th</sup> consecutive month, as it decreased 0.6% YoY in February 2018 to SAR 1.388tn (Refer Figure 20, Page 11) following 0.6% YoY decline in January as well. This was mainly due to 4.6% decline in long term credit (more than 3 years), the highest such decline in last five years.
6. **POS transactions** – POS transactions grew 8.7% YoY to SAR 15.4bn in February 2018, declining 6.4% MoM from SAR 16.4bn in January 2018 (Refer Figure 38, Page 13).
7. **Money Supply** – Money supply grew 2.0% YoY in February 2018 to SAR 1.788tn (Refer Figure 25, Page 12), however decreased 0.3% MoM.
8. **SAMA rate hike** – In an unprecedented move, SAMA raised its repo and reverse repo rates by 25bps each in March, to 2.25% and 1.75% respectively ahead of anticipated US Fed rate hike.

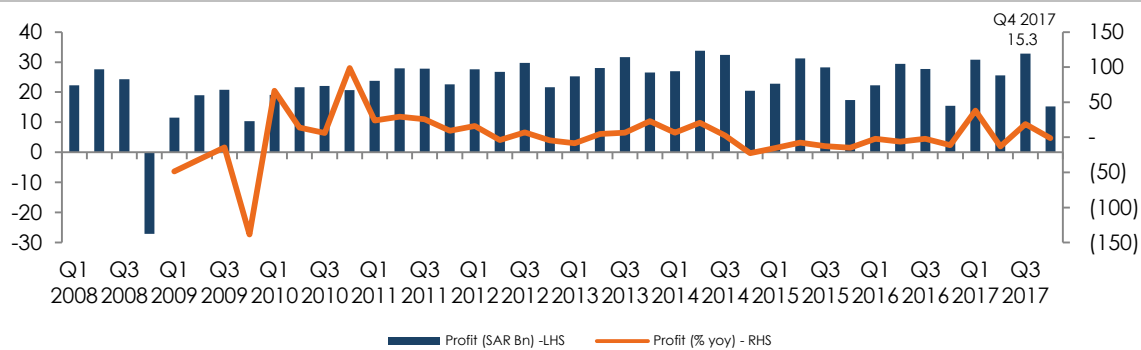
### Data Releases

Indicator	Data
Inflation (February 2018)	3.0%
PMI (March 2018)	52.8
SAMA Reserve Assets Growth MoM (February 2018)	-1.5%
Bank Credit Growth YoY (February 2018)	-0.6%
Bank Deposit Growth YoY (February 2018)	1.6%
Loan to Deposit Ratio (February 2018)	0.86
Money Supply Growth YoY (February 2018)	2.0%
3M SAIBOR (March 2018)	2.27%
ATM Withdrawals Growth YoY (February 2018)	2.7%
PoS Transactions Growth YoY (February 2018)	8.7%
Saudi Oil Production (March 2018)	9.87 mbpd
Saudi Oil Export (January 2018)	7.2 mbpd
OPEC Production (March 2018)	32.0 mbpd
Global Oil Supply – Demand (February 2018)	-0.3 mbpd
US Rig Count (March 2018)	797

**Q4 Earnings Results:**

After a strong Q3 performance, the Q4 results of TASI stocks showed an overall tepid performance with aggregate earnings falling 1.3% and 53.5% compared to Q4 2016 and Q3 2017 respectively. Every year since 2014, Q4 has been a quarter with least amount of aggregate earnings for TASI stocks. The same trend continued in Q4 2017, with earnings falling to SAR 15.3 bn, compared to 15.5 bn in the same quarter last year.

Figure 1: TASI PAT and YoY growth (Quarterly)



Source: Reuters Eikon

In Q4 2017, strong earnings were mostly contributed by top 3 heavyweight sectors i.e. Materials, Banks and Telecom which saw YoY earnings growth of 18.1%, 31.4% and 31.2% respectively. Strong turnaround was seen in Food & Beverages sector with aggregate earnings of SAR 474 mn, compared to the loss of SAR 408 mn during the same quarter last year. Utilities and Insurance were the worst performing sector with aggregate losses amounting to SAR 5.5 bn and SAR 402 mn respectively. The loss accounting for the Utilities sector was mostly contributed by Saudi Electricity Co., which registered a net loss of SAR 5.5 bn in Q4 2017, compared to net loss of SAR 1.8 bn during the same quarter last year. Insurance sector's earnings were dragged down by Tawuniya and Bupa Arabia, the two biggest players in the sector by market capitalization. Tawuniya posted a net loss of SAR 715.3 mn compared to net profit of SAR 212.3 mn during year-earlier period; while Bupa Arabia's earnings reduced by 47.7% YoY to SAR 101.2 mn.

**Sectoral Performance**

Earnings (SAR mn)	Market Cap (SAR mn)	Q4 2017	Q4 2016	Q3 2017	% YoY	% QoQ
Materials	624,786	6,213.4	5,261.1	8,722.8	18.1	-28.8
Banks	540,246	10,618.7	8,079.5	11,375.0	31.4	-6.6
Telecommunication Services	183,258	2,389.8	1,822.0	2,420.1	31.2	-1.3
Real Estate	100,441	47.0	597.7	385.1	-92.1	-87.8
Food & Beverages	91,256	474.2	-408.1	1,591.1	216.2	-70.2
Utilities	88,757	-5,535.4	-1,784.1	5,300.6	-210.3	NA
Insurance	40,310	-402.0	765.5	696.6	-152.5	-157.7
Energy	37,608	866.1	492.0	784.4	76.0	10.4
Diversified Financials	36,136	-267.8	-124.9	261.5	-114.4	-202.4
Health Care	30,175	331.4	169.5	292.0	95.5	13.5
Retailing	29,348	336.0	332.2	271.0	1.1	24.0

Transportation	14,281	83.1	141.4	285.8	-41.2	-70.9
Consumer Services	13,549	82.6	258.0	245.8	-68.0	-66.4
Capital Goods	9,885	-177.8	-374.3	-34.1	52.5	-421.0
Food & Staples Retailing	8,742	167.5	92.5	152.8	81.0	9.6
Commercial Services	7,992	63.4	65.7	127.0	-3.6	-50.1
Media	6,927	-3.2	45.1	27.7	-107.1	-111.5
Pharma & Biotech	3,764	51.3	148.6	7.9	-65.5	547.5
Consumer Durables & Apparel & Apparel	3,223	-45.6	-91.0	-53.7	49.9	15.0
<b>Total</b>	<b>1,870,682</b>	<b>15,293</b>	<b>15,489</b>	<b>32,859</b>	<b>-1.3</b>	<b>-53.5</b>

Source: Bloomberg, MCap and results as of April 05, 2018

## Performance of Top 5 sectors by Market Capitalization

### Materials Sector:

The materials sector saw an overall positive performance, with earnings growing 18.1% YoY in Q4 2017. The sector leading performance was recorded by TASNEE, which saw a phenomenal increase in net profit, which rose to SAR 327.8 mn compared to 9.4 mn during the same quarter last year. TASNEE earnings were helped by increase in sales price of Titanium Dioxide products and positive impact of tax credits due to reduction in tax rates in certain foreign subsidiaries. Second top performer was SIIG, which saw 809.5% YoY increase in earnings.

The petrochemical stocks were the major laggards in the sector, due to increased feedstock costs along with higher seasonal operating expenses more than offsetting the improvement in product prices. Saudi Kayan posted a net loss of SAR 220 mn due to decline in production and sales volumes, and higher feedstock prices. SABIC saw its earnings drop 18.6% YoY, mainly due to n lower production and sales as a result of planned turnarounds at certain plants.

(SAR Millions)	Sector	Market Cap	Q4 17 Net Income	Q4 16 Net Income	Q3 17 Net Income	YoY %	QoQ %
<b>Sector Leaders</b>							
TASNEE	Materials	13,238	327.8	9.4	191.6	3379.7	71.1
SIIG	Materials	9,774	397.7	43.7	226.5	809.5	75.6
<b>Sector Laggards</b>							
Saudi Kayan	Materials	20,715	-220.3	91.6	381.0	-340.6	-157.8
SABIC	Materials	344,250	3,670.0	4,510.0	5,790.0	-18.6	-36.6

### Banks

The banking sector was the biggest contributor to earnings amongst Tadawul sectors, with 31.4% YoY jump in net profits helped by lower base of Q4 2016 as well as higher NIMs, lower operating expenses and comparatively lower provisioning. Riyadh Bank saw its earnings more than triple compared to Q4 2016 due to lower operating expenses and provisions; while

Alawwal Bank swung to net profit of SAR 326.5 mn compared to the net loss of SAR 249.3 mn in year-earlier period, mainly driven by a 48.4% drop in operating expenses.

(SAR Millions)	Sector	Market Cap	Q4 17 Net Income	Q4 16 Net Income	Q3 17 Net Income	YoY %	QoQ %
<b>Sector Leaders</b>							
Riyad Bank	Banks	41,370	974.0	293.0	1,077.0	232.4	-9.6
Alawwal Bank	Banks	13,820	326.5	-249.3	363.0	231.0	-10.1
Alinma Bank	Banks	31,020	560.0	390.0	542.0	43.6	3.3

### Telecommunications

The telecom sector witnessed a healthy 31.2% YoY earnings growth in Q4, mainly contributed by the most dominant player in the sector, STC, which saw 27.2% growth in net profits thanks to lower cost of sales and operating expenses. Zain KSA reduced its losses to SAR 44.6 mn, compared to SAR 134.8 mn in the same quarter during previous year, although it posted a net profit of SAR 12 mn on an annual basis in FY17 for the first time ever. Q4 losses were mainly due to repayment of loan amounting to SAR 1.3 bn. Etihad Etisalat, the worst performing company in the sector, widened its losses by 158.8% YoY to SAR 181.7 mn, on account of lower revenue and higher financial charges.

(SAR Millions)	Sector	Market Cap	Q4 17 Net Income	Q4 16 Net Income	Q3 17 Net Income	YoY %	QoQ %
<b>Sector Leaders</b>							
STC	Telecommunication Services	162,640	2,649.0	2,083.0	2,621.0	27.2	1.1
ZAIN KSA	Telecommunication Services	4,250	-44.6	-134.8	3.4	66.9	-1408.8
<b>Sector Laggards</b>							
Etihad Etisalat	Telecommunication Services	11,750	-181.7	-70.2	-174.5	-158.8	-4.1

### Real Estate

The Real Estate companies' aggregate profits saw a decline of 92.1% YoY in Q4 2017, mainly due to Jabal Omar, the largest company in the sector by market capitalization, widening its net losses to SAR 594 mn in the latest period compared to SAR 68 mn in year-earlier period. The losses were mainly attributable to delay in obtaining permits to sell off-plan properties and higher operating expenses as well as general and administrative expenses.

Dar Al Arkan, the best performer in the sector, saw its Q4 net profit surge to SAR 320.7 mn from SAR 37.3 mn in year-earlier period, due to rise in property sales.

(SAR Millions)	Sector	Market Cap	Q4 17 Net Income	Q4 16 Net Income	Q3 17 Net Income	YoY %	QoQ %
<b>Sector Leader</b>							
Dar Al Arkan	Real Estate	13,997	320.7	37.3	209.6	760.0	53.0
<b>Sector Laggards</b>							
Jabal Omar	Real Estate	44,667	-594.0	-68.0	-60.8	-773.1	-877.1
Makkah Construction	Real Estate	12,285	25.3	54.9	78.3	-53.9	-67.7

### Food & Beverages

Food & Beverages sector saw a strong turnaround in Q4 with aggregate earnings of SAR 474 mn, compared to the loss of SAR 408 mn during the same quarter last year. This was mainly due to Savola Group reducing its losses to SAR 37.5 mn from SAR 915.7 mn during year-earlier period. The decrease in net loss was attributable to higher gross profit margin, lower operating expenses, and impairment losses reduced to SAR 222 mn as compared to SAR 573.8 mn in the corresponding quarter last year. Almarai, the largest company in the sector by market capitalization, saw its net profit reduce 4.3% YoY on account of lower sales and decline in operating income due to assets impairment charges in Jordan.

(SAR Millions)	Sector	Market Cap	Q4 17 Net Income	Q4 16 Net Income	Q3 17 Net Income	YoY %	QoQ %
<b>Sector Leaders</b>							
Halwani Bros	Food & beverages	1,714	20.0	-17.0	18.8	217.2	6.2
Savola Group	Food & beverages	22,972	-37.5	-915.7	829.0	95.9	-104.5
<b>Sector Laggards</b>							
NADEC	Food & beverages	3,297	-7.6	6.3	17.3	-221.5	-143.9
Almarai	Food & beverages	54,550	513.0	536.0	667.0	-4.3	-23.1

### SAMA raises key interest rates ahead of Fed Rate hike

On March 15, Saudi Arabian Monetary Authority (SAMA) raised its repo and reverse repo rates by 25bps each, to 2.25% and 1.75% respectively. Deviating from its usual policy of following rate moves of the US Federal Reserve, SAMA preemptively raised the key rates ahead of the anticipated Fed rate hike, which eventually happened on March 21. While the reverse repo rate was being raised over the past two years in line with the Fed rate changes, this was the first time since 2009 that Saudi Arabia has changed the repo rate.

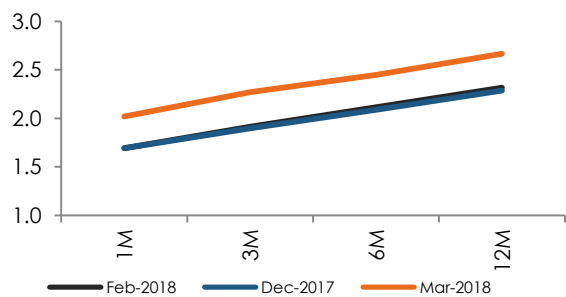
The current rate hike is mainly due to concerns of capital flight or deposits being shifted to USD from SAR since the Saudi 3-month interbank rate (3M SAIBOR) fell below the USD LIBOR for the first time since 2009. After touching a record high of +156 bps in mid-2016, the 3M SAIBOR spread over USD LIBOR had reached around -14 bps during the second week of March. Another factor contributing to the decision is increased liquidity in Saudi banking system driven by high deposit growth with oil prices stabilizing well above USD60 per barrel.

Credit Rating agency Moody's said that the rate hike by SAMA is credit positive for the Saudi banking system as it would help prevent Saudi investors' and depositors' capital outflows and positively reflect the Saudi banking system's stable liquidity conditions.

**Impact of Saudi Arabia's Inclusion in FTSE Russel Emerging Market Index**

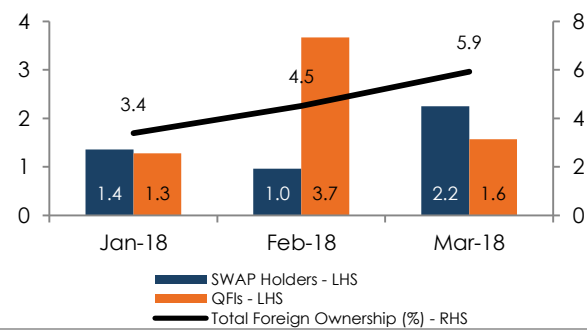
In March 2018, Tadawul All Share Index (TASI) gained 6.1% MoM and 8.9% YTD. The gain was supported by crude oil prices stabilizing well above USD 60 per barrel as well as anticipated inclusion of Saudi Arabia in the FTSE Emerging Market index, which was announced on 28th March 2018. There was a marked increase in net value bought by Qualified Foreign Investors (QFIs) and SWAP holders (Refer Figure 3) in anticipation of the FTSE inclusion. Also, total foreign ownership in Tadawul listed stocks increased to 5.9% in March 2018 from 3.4% in January 2018.

Figure 2: Short term interest rate curve (1M to 12M)



Source: SAMA, Reuters Eikon

Figure 3: Tadawul - Net Value Added (SAR bn) by SWAP holders & QFIs and total foreign ownership %



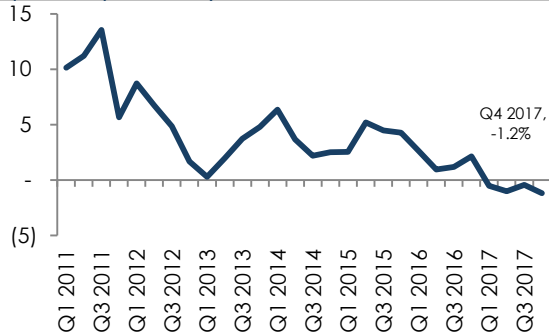
Source: Tadawul



# Chart Pack

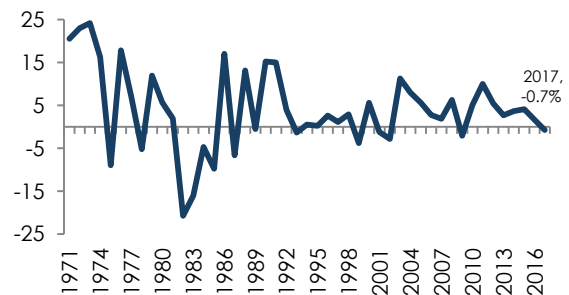
## I. Macroeconomic Indicators

Figure 1: GDP (Constant prices) growth (quarterly - % YoY)



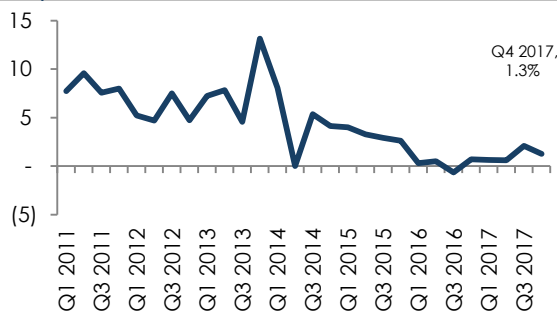
Source: General Authority of Statistics

Figure 2: GDP growth (annual - % YoY)



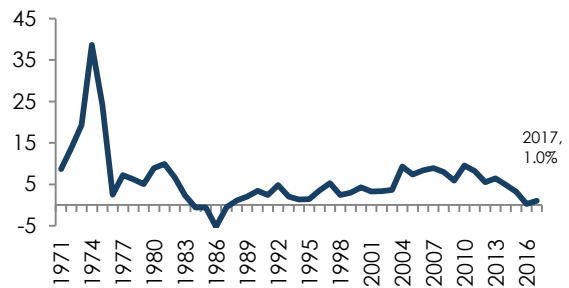
Source: General Authority of Statistics

Figure 3: Non-oil GDP growth (quarterly - % YoY)



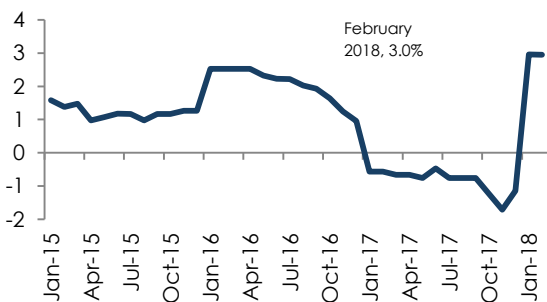
Source: General Authority of Statistics

Figure 4: Non-oil GDP growth (annual - % YoY)



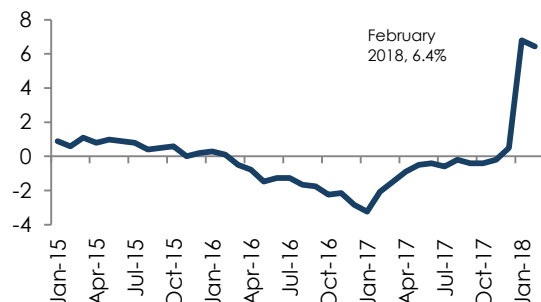
Source: General Authority of Statistics

Figure 5: Inflation (% YoY)



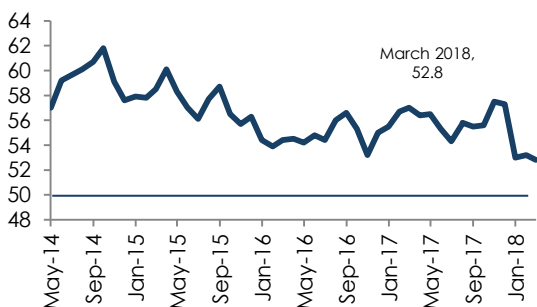
Source: Saudi Arabia Monetary Authority (SAMA)

Figure 6: Food inflation (% YoY)



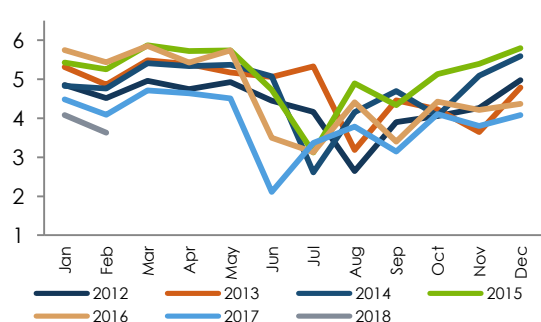
Source: SAMA

Figure 7: PMI index



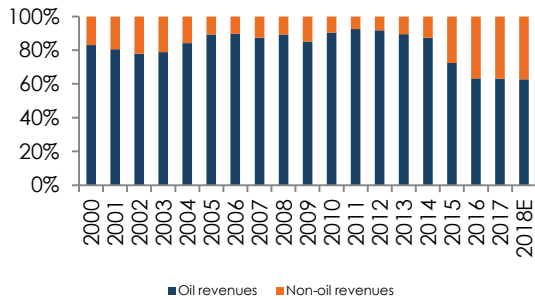
Source: Bloomberg

Figure 8: Cement Sales (Mn tons)



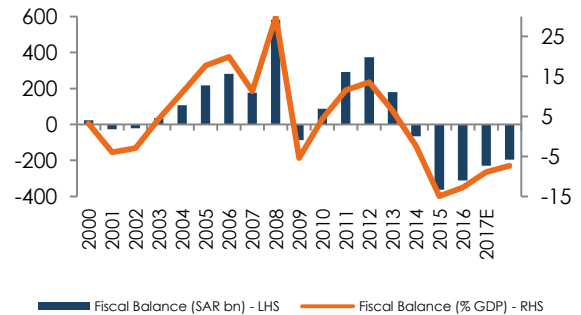
Source: Yamama Cement

Figure 9: Oil vs Non-oil revenues (% share)



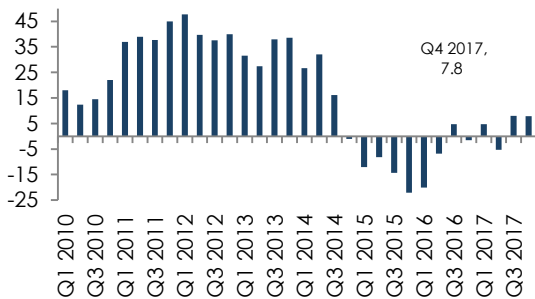
Source: Saudi Arabia Finance Ministry, E- Estimate

Figure 10: Annual fiscal balance (SAR bn)



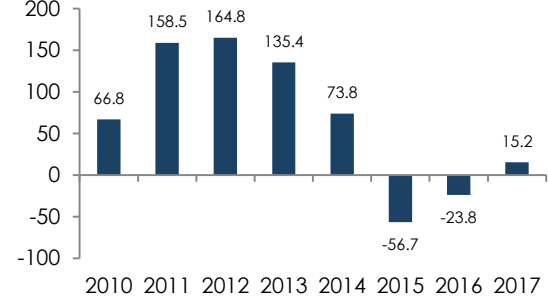
Source: Saudi Arabia Finance Ministry, E-Estimate

Figure 11: Current account balance - quarter (USD bn)



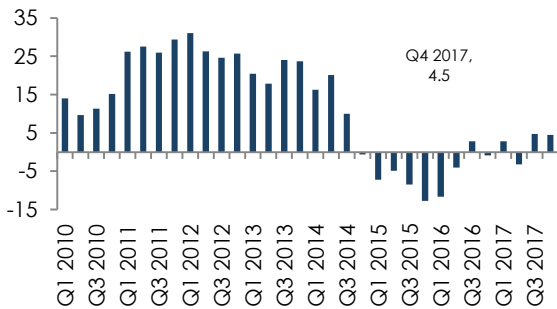
Source: SAMA

Figure 12: Current account balance -yearly (USD bn)



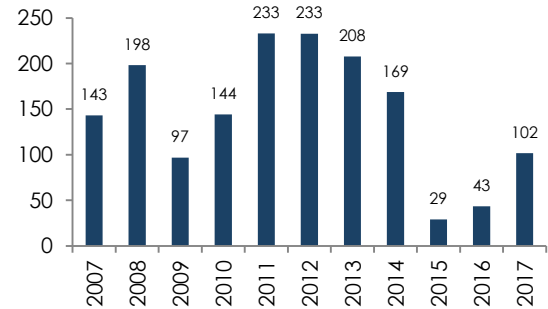
Source: SAMA

Figure 13: Current Account Balance (%GDP)



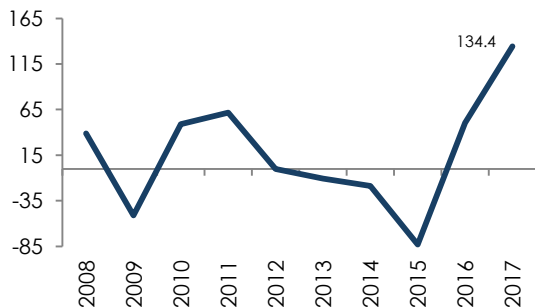
Source: SAMA

Figure 14: Trade balance (USD bn)



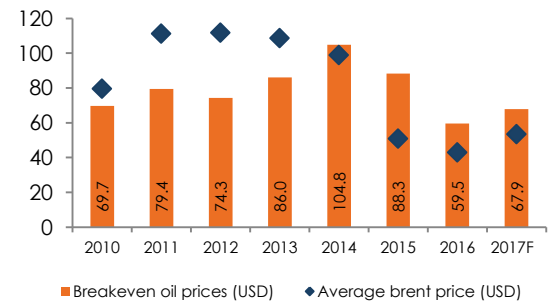
Source: SAMA

Figure 15: Trade balance change (% YoY)



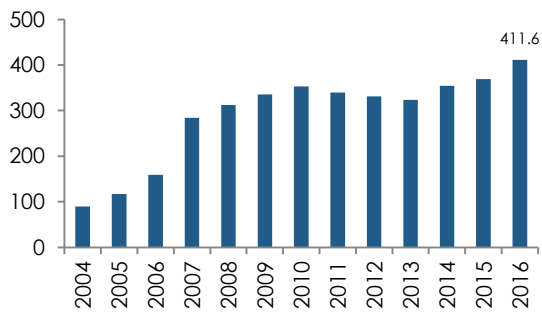
Source: SAMA

Figure 16: KSA breakeven oil price (USD/bbl)



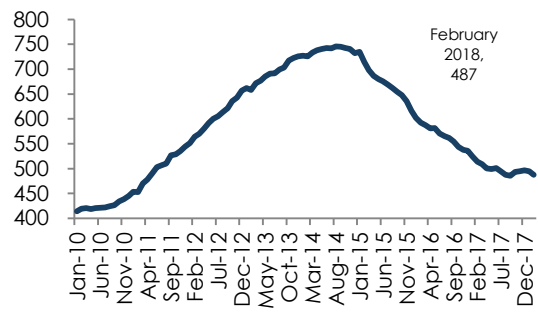
Source: Ministry of Finance, Thomson Reuters, MEFIC estimate

Figure 17: Total External Debt (SAR bn)



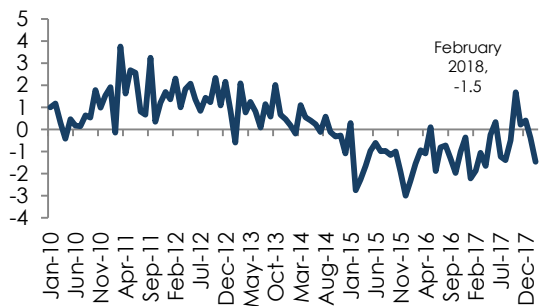
Source: SAMA

Figure 18: SAMA Reserve Assets\* (USD bn)



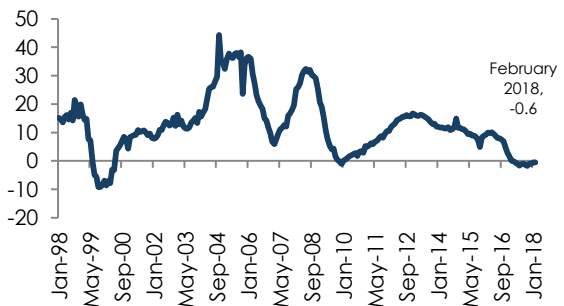
Source: SAMA, \*- includes special drawing rights

Figure 19: Reserve Assets (% MoM)



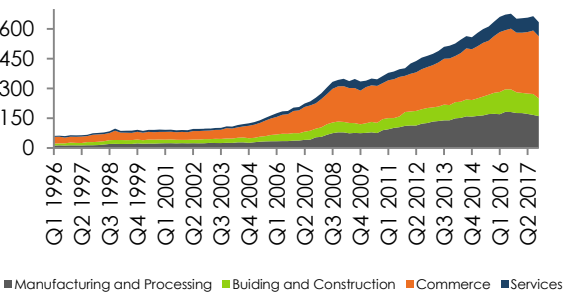
Source: SAMA

Figure 20: Bank credit growth (% YoY)



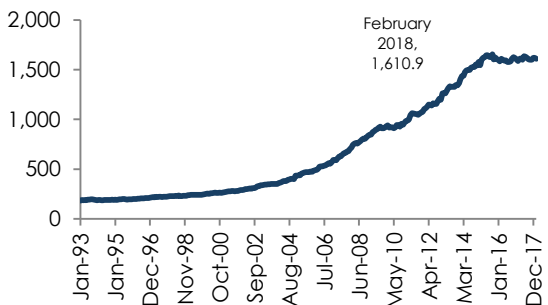
Source: SAMA

Figure 21: Bank credit across major sectors (SAR bn)



Source: SAMA

Figure 22: Bank Deposits (SAR bn)



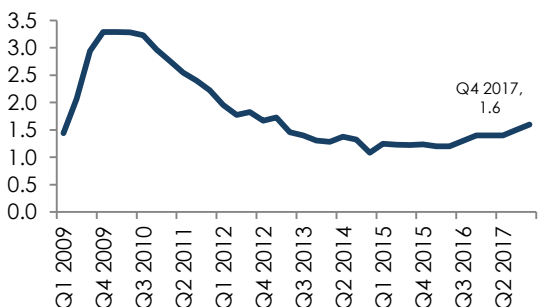
Source: SAMA

Figure 23: Loan-to-Deposit Ratio (%)



Source: SAMA

Figure 24: NPL-to-Total Loans (%)



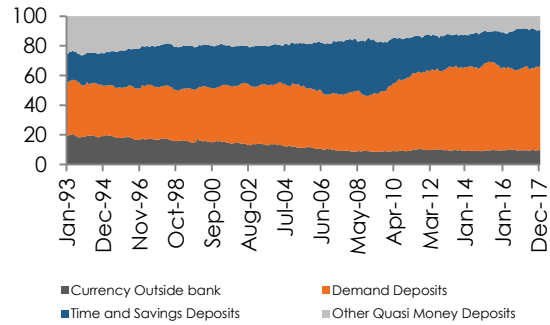
Source: SAMA

Figure 25: Money Supply/M3 growth (% YoY)



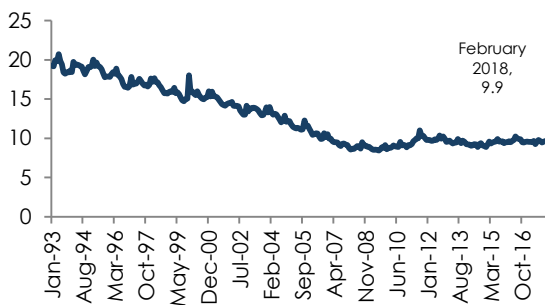
Source: SAMA

Figure 26: Composition of M3 money supply (% share)



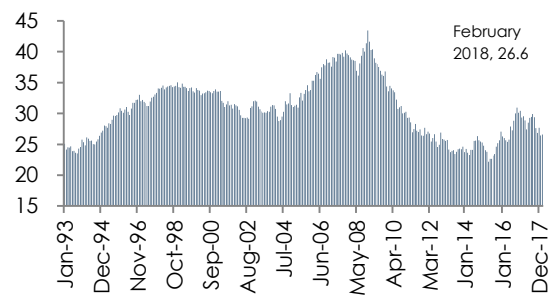
Source: SAMA

Figure 27: Currency Outside Banks (% share of M3)



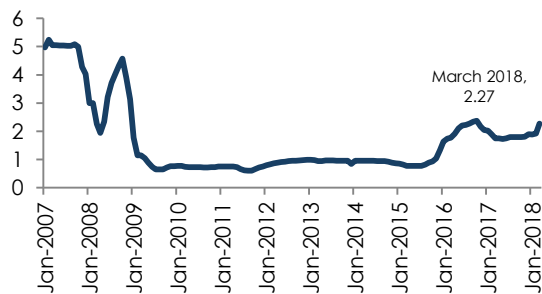
Source: SAMA

Figure 28: Time & Savings Deposits/Total Deposits (%)



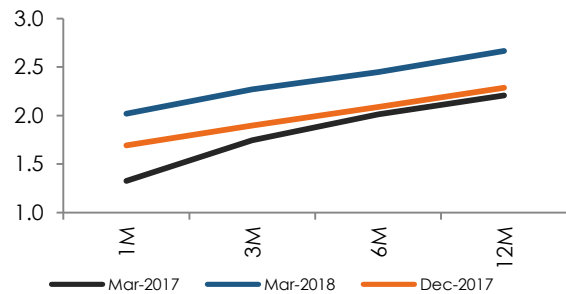
Source: SAMA

Figure 29: 3M SIBOR (%)



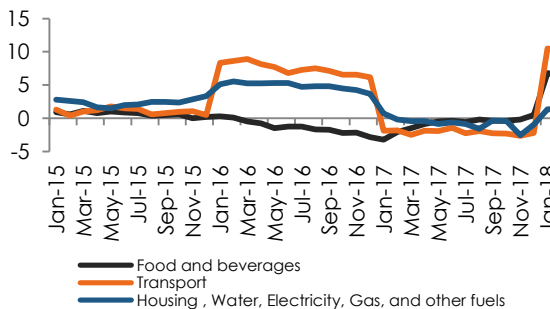
Source: SAMA

Figure 30: Short term interest rate curve (1w to 52 w)



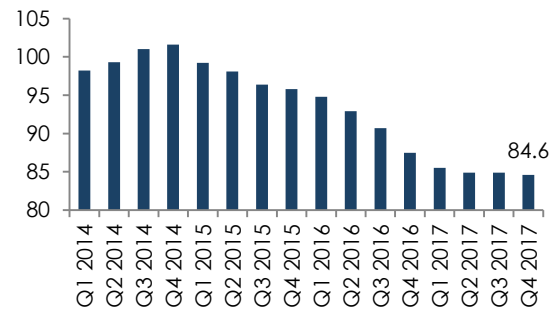
Source: SAMA

Figure 31: Inflation (major sub-indices)



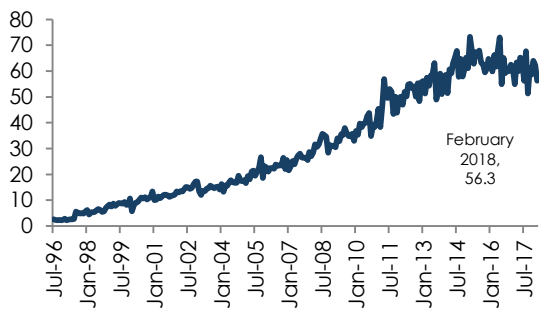
Source: SAMA

Figure 32: Real Estate Price Index (100=2013)



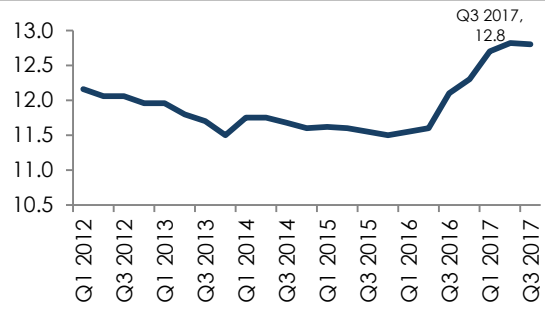
Source: General Authority for Statistics

Figure 33: ATM Cash Withdrawals (SAR bn)



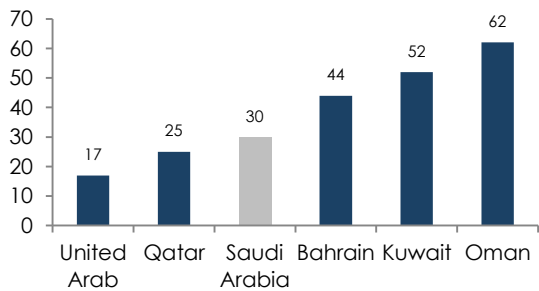
Source: SAMA

Figure 34: Saudi unemployment rate (%)



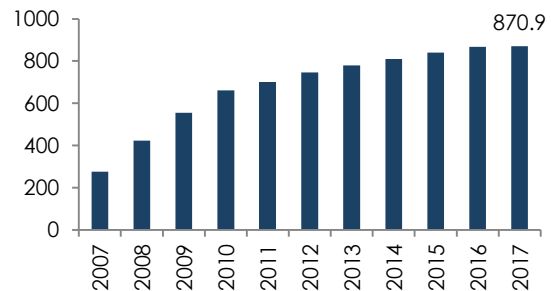
Source: Bloomberg

Figure 35: Competitiveness ranking/indicator



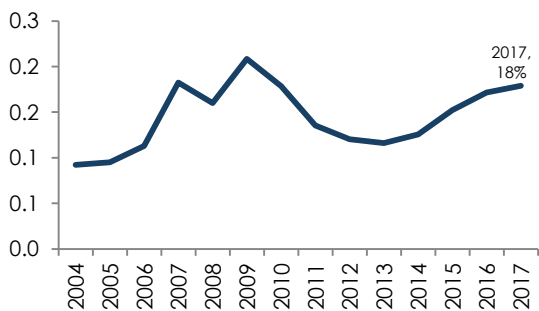
Source: World Economic Forum (2017-2018)

Figure 36: FDI (accumulated, SAR billions)



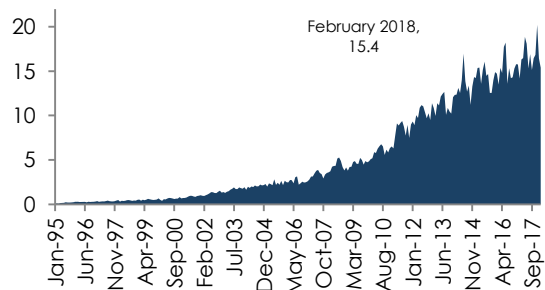
Source: SAMA

Figure 37: External debt-to-GDP (%)



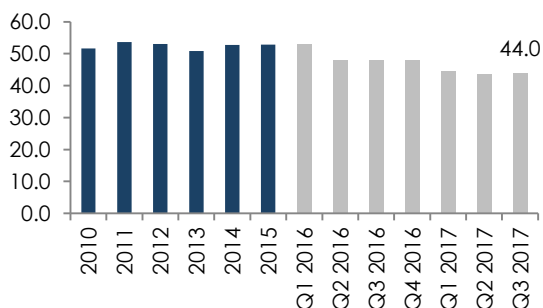
Source: International Monetary Fund

Figure 38: POS Transactions Sales (SAR bn)



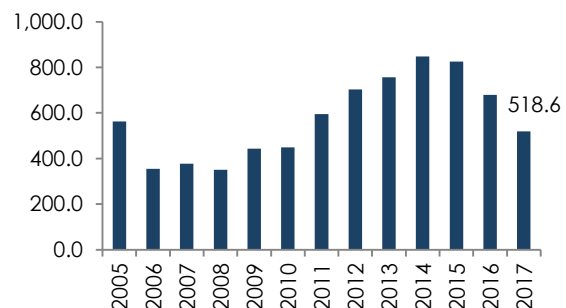
Source: SAMA

Figure 39: Mobile/Telecom Subscribers (mn)



Source: Ministry of Communication and IT, Q3 2016 taken as average of Q2 and Q4 2016

Figure 40: Automobile Sales ('000s)



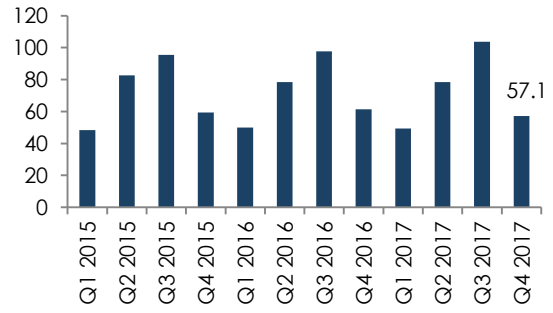
Source: Car Sales Base

Figure 41: Electricity Generation (TWh)



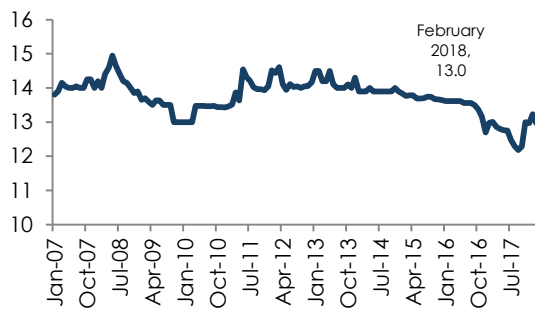
Source: Electricity and Cogeneration Regulatory Authority

Figure 42: Electricity Generation - Quarterly (TWh)



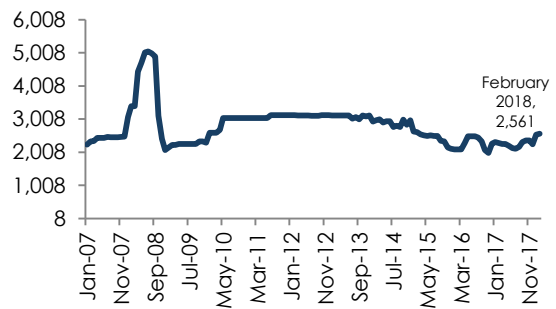
Source: Saudi Electric Company

Figure 43: Cement Prices (SAR, 50kg)



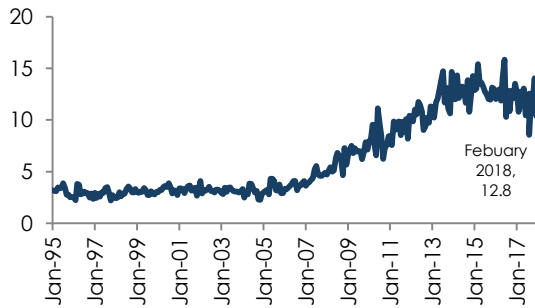
Source: General Authority of Statistics

Figure 44: Steel Prices (SAR/ton)



Source: General Authority of Statistics

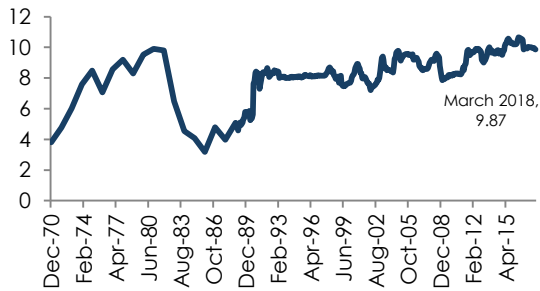
Figure 45: Expat Remittances (SAR bn)



Source: SAMA

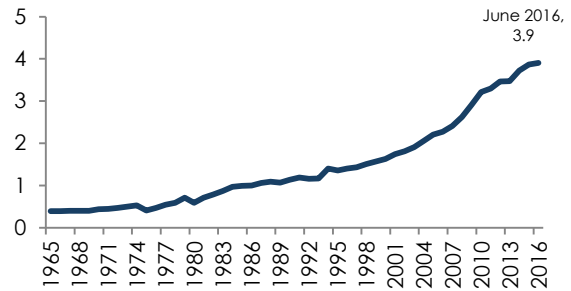
II. Oil Indicators

Figure 1: Saudi Oil Production (mbpd)



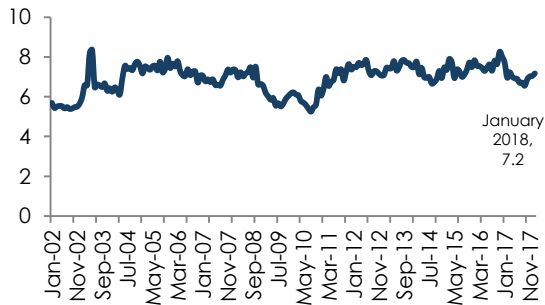
Source: Bloomberg

Figure 2: Saudi Domestic Consumption (mbpd)



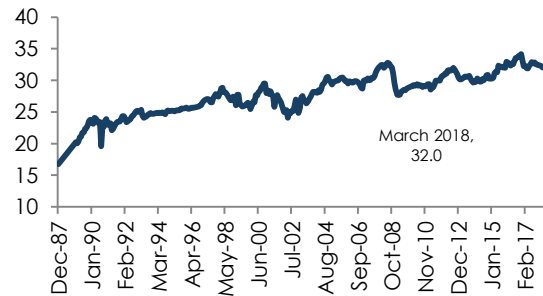
Source: Reuters Datastream

Figure 3: Saudi Oil Export (mbpd)



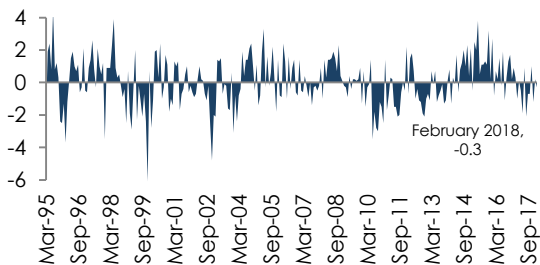
Source: Ministry of Petroleum, JODI,

Figure 4: OPEC Oil Production (mbpd)



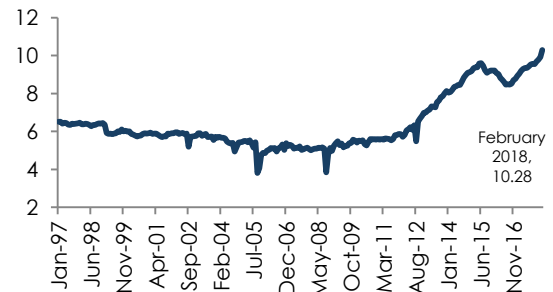
Source: Bloomberg

Figure 5: Global Oil Supply/Demand (mbpd)



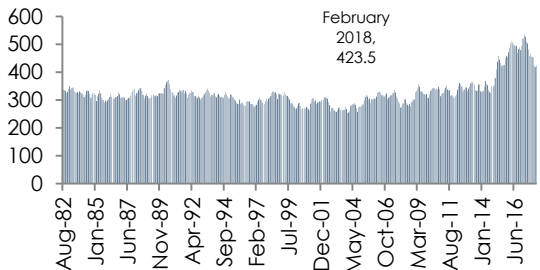
Source: Bloomberg

Figure 6: US Oil Production (mbpd)



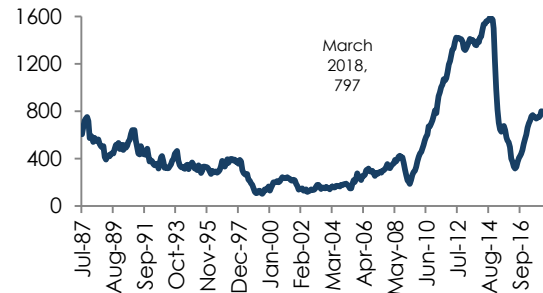
Source: Bloomberg

Figure 7: US Oil Inventory (mb)



Source: Reuters Eikon

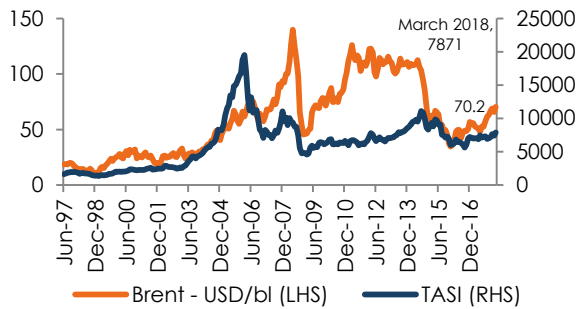
Figure 8: US Rig Count



Source: Bloomberg

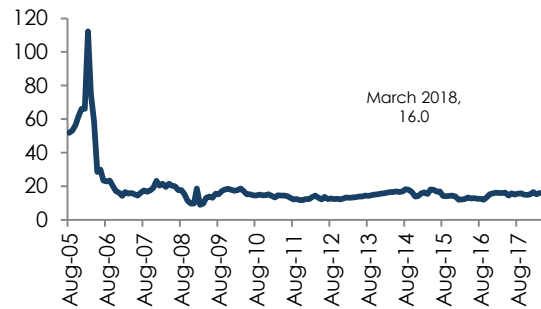
III. Stock Market Indicators

Figure 1: TASI and Oil



Source: Bloomberg

Figure 2: TASI Price-to-Earnings Ratio (x)



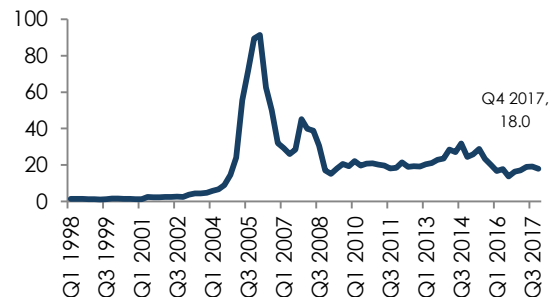
Source: SAMA, Tadawul

Figure 3: Stock Market Turnover (SAR bn)



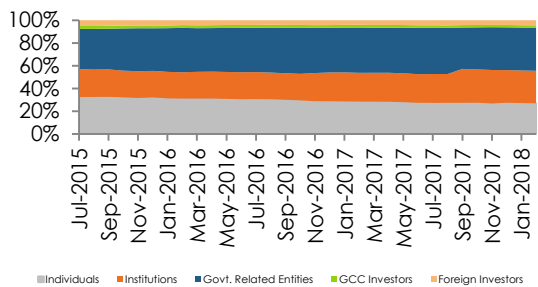
Source: Tadawul, SAMA

Figure 4: Domestic Shares held by Domestic Investment Funds (SAR bn)



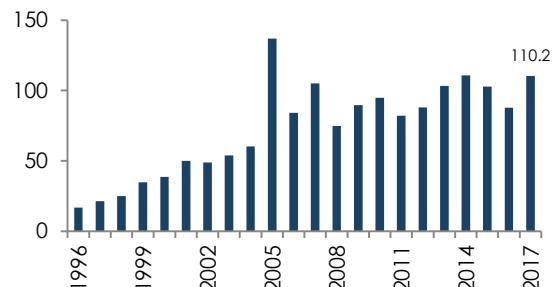
Source: SAMA

Figure 5: Share Ownership Status



Source: SAMA

Figure 6: Total Assets of Investment funds (SAR bn)



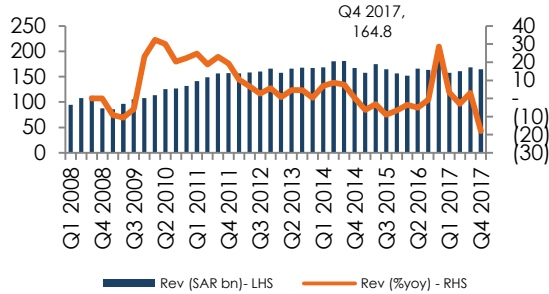
Source: SAMA



IV. Corporate earnings

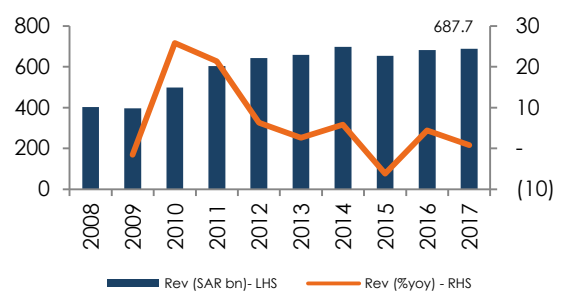
Note: Based on the earnings release of 177 companies, as of 05 April, 2018

Figure 1: TASI Revenue and YoY growth (Quarterly)



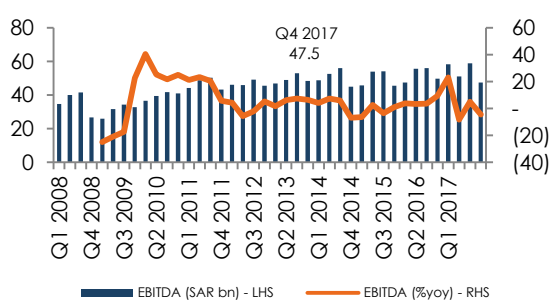
Source: Reuters Eikon

Figure 2: TASI Revenue and YoY growth (Annual)



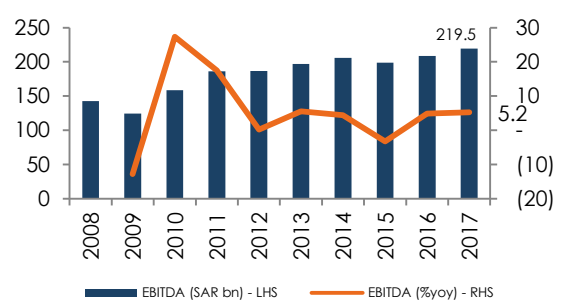
Source: Reuters Eikon

Figure 3: TASI EBITDA and YoY growth (Quarterly)



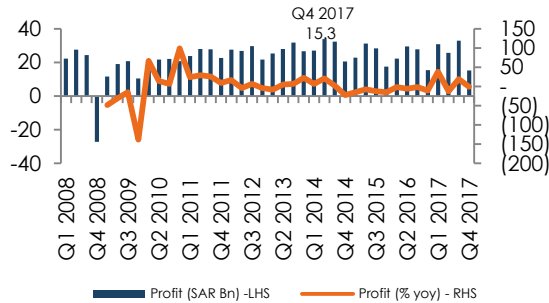
Source: Reuters Eikon

Figure 4: TASI EBITDA and YoY growth (Annual)



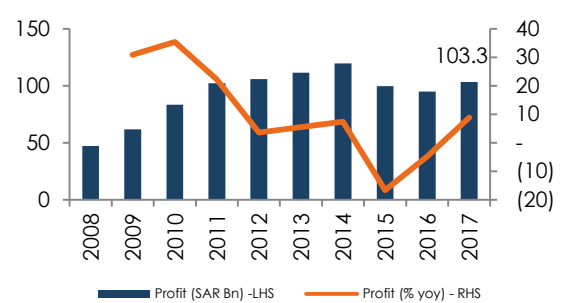
Source: Reuters Eikon

Figure 5: TASI PAT and YoY growth (Quarterly)



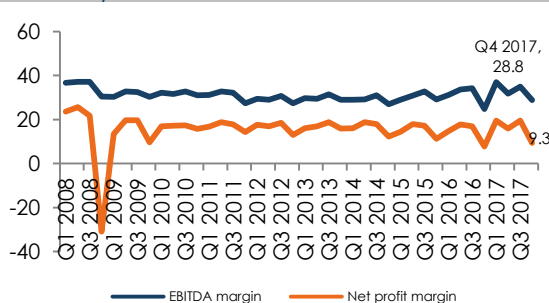
Source: Reuters Eikon

Figure 6: TASI PAT and YoY growth (Annual)



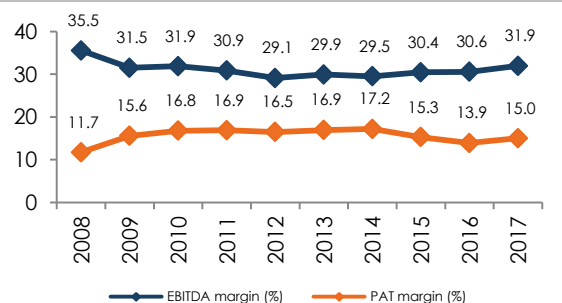
Source: Reuters Eikon

Figure 7: TASI EBITDA and PAT margin (%) - Quarterly



Source: Reuters Eikon

Figure 8: TASI EBITDA and PAT margin (%) - Annual



Source: Reuters Eikon

## V. Tadawul Sector Earnings Performance

Earnings (SAR mn)	Market Cap (SAR mn)	Q4 2017	Q4 2016	Q3 2017	% YoY	% QoQ
Materials	624,786	6,213.4	5,261.1	8,722.8	18.1	-28.8
Banks	540,246	10,618.7	8,079.5	11,375.0	31.4	-6.6
Telecommunication Services	183,258	2,389.8	1,822.0	2,420.1	31.2	-1.3
Real Estate	100,441	47.0	597.7	385.1	-92.1	-87.8
Food & Beverages	91,256	474.2	-408.1	1,591.1	-216.2	-70.2
Utilities	88,757	-5,535.4	-1,784.1	5,300.6	-210.3	NA
Insurance	40,310	-402.0	765.5	696.6	-152.5	-157.7
Energy	37,608	866.1	492.0	784.4	76.0	10.4
Diversified Financials	36,136	-267.8	-124.9	261.5	-114.4	-202.4
Health Care	30,175	331.4	169.5	292.0	95.5	13.5
Retailing	29,348	336.0	332.2	271.0	1.1	24.0
Transportation	14,281	83.1	141.4	285.8	-41.2	-70.9
Consumer Services	13,549	82.6	258.0	245.8	-68.0	-66.4
Capital Goods	9,885	-177.8	-374.3	-34.1	52.5	-421.0
Food & Staples Retailing	8,742	167.5	92.5	152.8	81.0	9.6
Commercial Services	7,992	63.4	65.7	127.0	-3.6	-50.1
Media	6,927	-3.2	45.1	27.7	-107.1	-111.5
Pharma & Biotech	3,764	51.3	148.6	7.9	-65.5	547.5
Consumer Durables & Apparel & Apparel	3,223	-45.6	-91.0	-53.7	49.9	15.0
<b>Total</b>	<b>1,870,682</b>	<b>15,293</b>	<b>15,489</b>	<b>32,859</b>	<b>-1.3</b>	<b>-53.5</b>

Source: Bloomberg, MCap and results as of April 05, 2018

## B. Saudi Arabia Key Statistics

Data	2011	2012	2013	2014	2015	2016	2017E	2018F
<b>Economic Output</b>								
Nominal GDP (USD bn)	669.5	734.0	744.3	753.8	653.2	646.4	678.5	708.5
Nominal GDP YoY (%)	27.1	9.6	1.4	1.3	-13.3	-2.1	5.0	6.1
Real GDP YoY (%)	10.0	5.4	2.7	3.6	3.4	1.2	1.9	2.7
<b>Budget</b>								
Revenue (SAR bn)	1117.8	1247.4	1156.4	1044.4	615.9	519.0	696.0	783.0
Oil Revenue (SAR bn)	1034.4	1144.8	1035.0	913.3	446.4	329.0	440.0	492.0
Non-oil Revenue (SAR bn)	83.4	102.6	121.3	131.0	169.5	190.0	256.0	291.0
Expenditure (SAR bn)	826.7	873.3	976.0	1109.9	978.1	830.0	926.0	978.0
Surplus/(Deficit) (SAR bn)	291.1	374.1	180.3	-65.5	-362.2	-311.0	-230.0	-195.0
Surplus/(Deficit) (% GDP)	11.6	13.6	6.5	-2.3	-15.0	-12.8	-8.9	-7.3
Gross Public Debt (SAR bn)	135.5	83.8	60.1	44.3	142.3	316.5	438.0	555.0
Gross Public Debt (% GDP)	5.4	3.0	2.2	1.6	5.9	12.3	17.0	21.0
<b>Oil statistics</b>								
Production (mbpd)	9.3	9.8	9.6	9.7	10.2	10.2	10.0	10.0
Exports (mb)	2634.6	2783.8	2763.3	2611.0	2614.5	2799.0	2540.4	2540.4
Domestic consumption (mb)	1321.4	1408.6	1423.8	1516.8	1586.5	1535.1	1583.2	1609.1
<b>Trade &amp; External sector</b>								
Exports (US\$ bn)	364.7	388.4	375.9	342.4	203.6	183.6	239.8	242.2
Oil Exports (US\$ bn)	317.6	337.5	321.9	284.6	152.9	136.2	136.3	147.3
Imports (US\$ bn)	131.6	155.6	168.2	173.8	174.7	140.2	204.3	208.1
Trade surplus/(deficit) (US\$ bn)	233.1	232.8	207.7	168.6	28.9	43.4	35.5	34.1
Current Account (US\$ bn)	158.5	164.8	135.4	73.8	-56.7	-24.9	10.8	15.1
Current Account (% GDP)	23.7	22.4	18.2	9.8	-8.7	-3.9	1.5	2.0
SAMA forex reserves (US\$ bn)	544.0	656.6	725.7	732.4	616.4	535.8	496.4	NA
<b>Inflation (%)</b>								
	3.7	2.9	3.5	2.7	2.2	3.5	0.4	5.0
<b>Demographics</b>								
Population (mn)	28.4	29.2	30.0	30.8	31.4	31.7	32.7	33.3
Saudi unemployment rate (% population)	12.4	12.1	11.7	11.7	11.5	12.3	12.3	12.0

Source: SAMA, General Authority of Statistics, Reuters, IMF, MEFIC Research

## Notes

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