

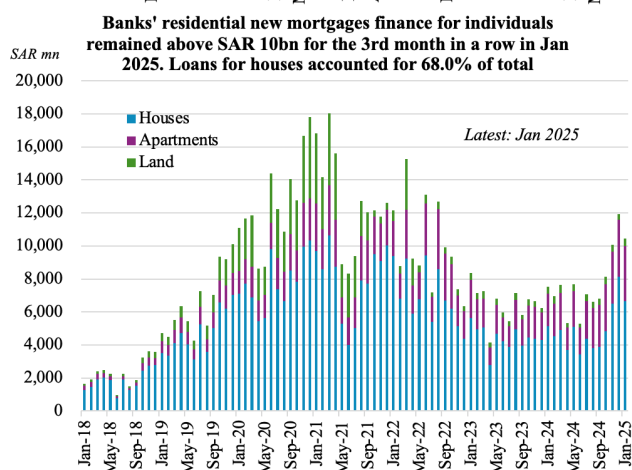
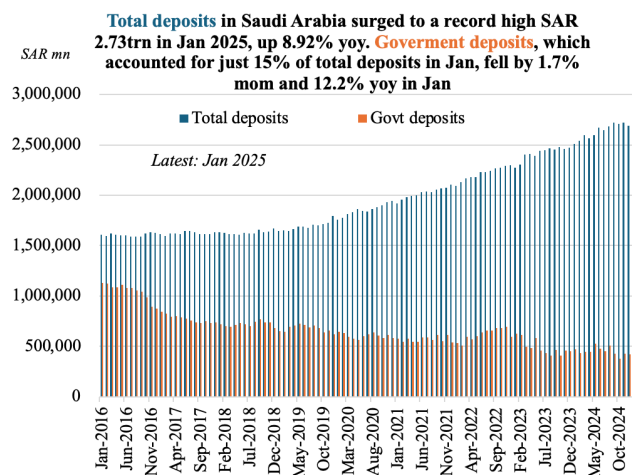
Weekly Insights 28 Feb 2025: Non-oil exports rise alongside robust monetary indicators & tourism surge

Saudi monetary stats. Saudi & Qatar foreign trade 2024. Middle East air traffic. Tourism update.

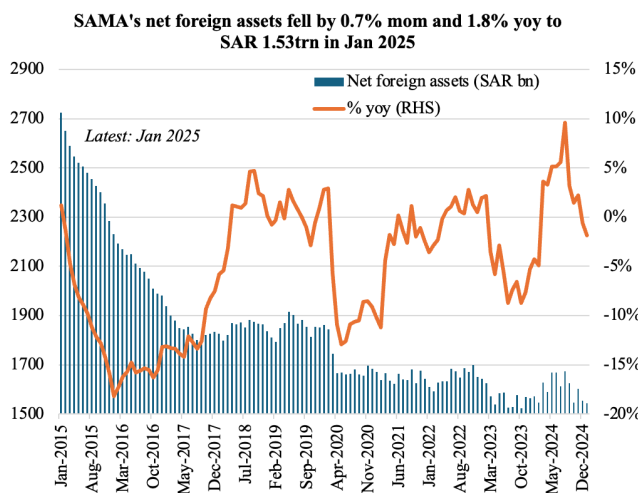
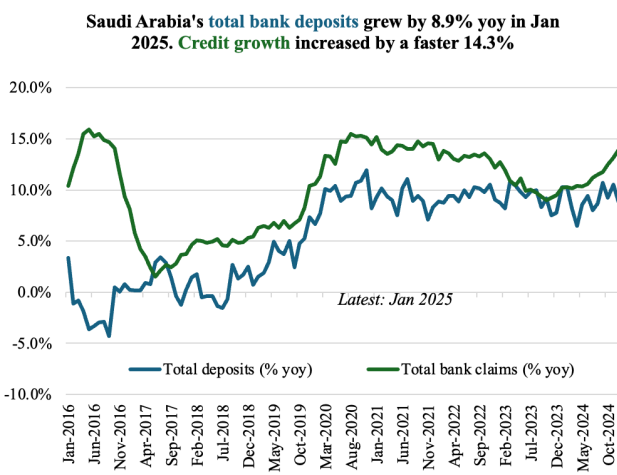
Download a PDF copy of this week's insight piece [here](#).

Weekly Insights 28 Feb 2025: Non-oil exports rise alongside robust monetary indicators & tourism surge

1. Overall deposits in Saudi Arabia grew to a record-high SAR 2.73trn in Jan 2025; govt deposits continued to decline. Credit growth outpaced deposit growth for the 12th month in a row. Residential new mortgages finance stayed above SAR10bn+ for the 3rd consecutive month. Net foreign assets decline further, falling to its lowest since Oct 2023



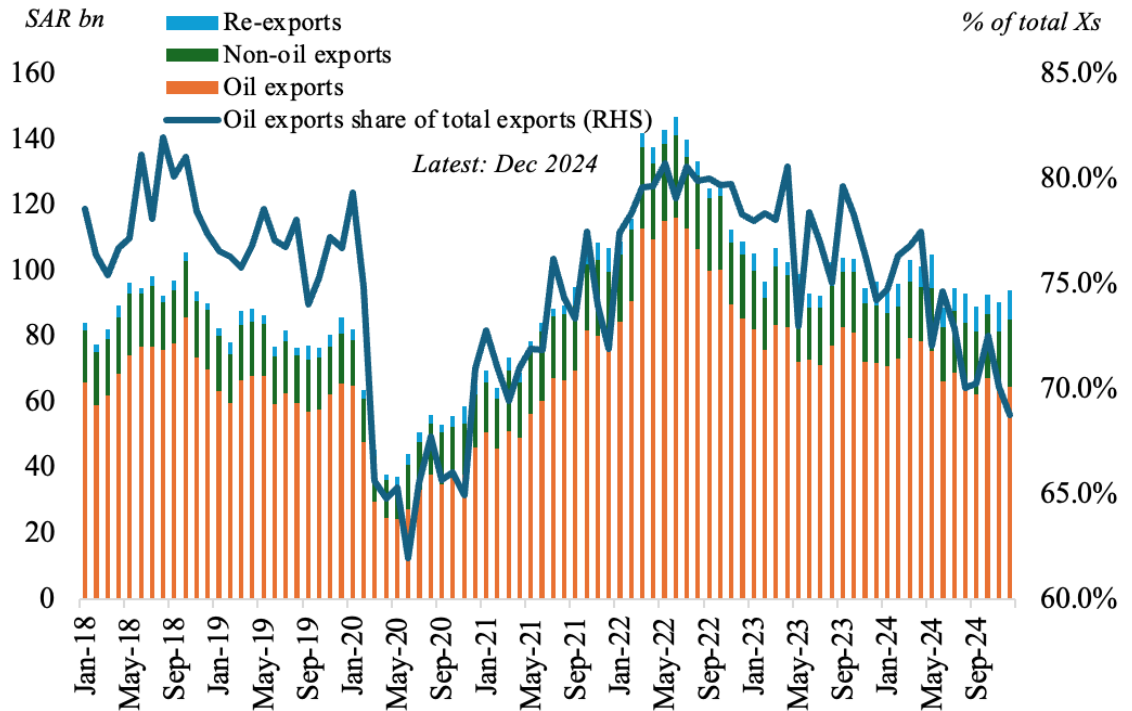
Source: Saudi Central Bank. Charts created by Nasser Saidi & Associates



2. Saudi Arabia's trade surplus widened to SAR 15.3bn in Dec

2024 (Nov)

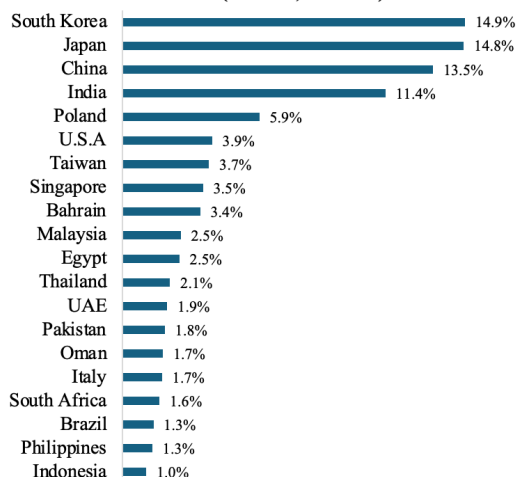
Saudi exports fell by 2.8% yoy to SAR 94.3bn in Dec. Oil exports accounted for 68.8% of total exports. Non-oil exports grew by an average 4% in 2024, while re-exports surged by an average 40%+



- **Saudi Arabia's overall exports fell by 4.4% yoy to SAR 94.3bn** in Dec, due to the 10% drop in oil exports while non-oil exports inched up by 15.9% to SAR 20.4bn and re-exports surged by 23.4% to SAR 9.1bn. **Share of oil exports to overall exports slipped to 68.8%** (Nov: 70.1%).
- **For the full year, non-oil exports grew by an average 4.0%** while re-exports surged by an average 45.7%.
- **Imports expanded** by 2.4% mom and 27.1% yoy to SAR 79.0bn. This resulted in **trade surplus widening** to SAR 15.3bn from Nov's SAR 13.5bn. From a year ago, surplus narrowed by more than half.
- **In Dec, South Korea and Japan were the top destination for oil exports, ahead of China.** The top 5 nations accounted for 60.5% of total oil exports & top 25 for 98.3% of the total in Dec.
- **Saudi Arabia's non-oil trade with the GCC was led by a 10.8% gain in non-oil exports.** UAE was the top destination for non-oil exports.

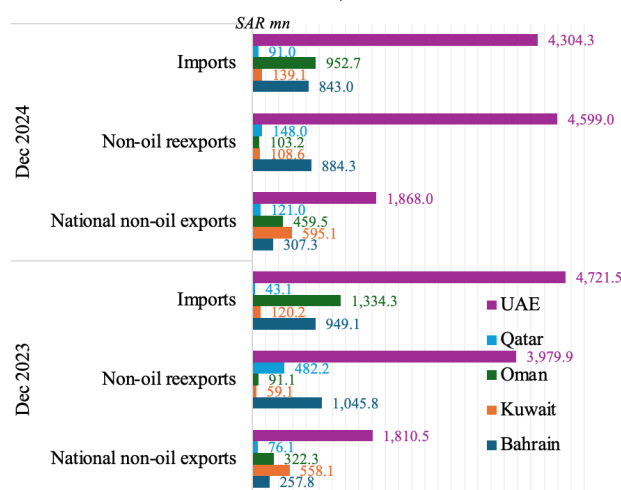
- **UAE was the largest trade partner within the GCC.**
- **Non-oil trade surplus with UAE more than doubled to SAR 2.16bn in Dec.** Though deficits were recorded with Oman, it narrowed in Dec 2024; surpluses with Bahrain & Qatar narrowed while that with Kuwait widened.

Saudi Arabia's top 5 (& 20) destinations for oil exports account for 60.5% (& 94.5%) of total oil exports (% share, Dec 2024)



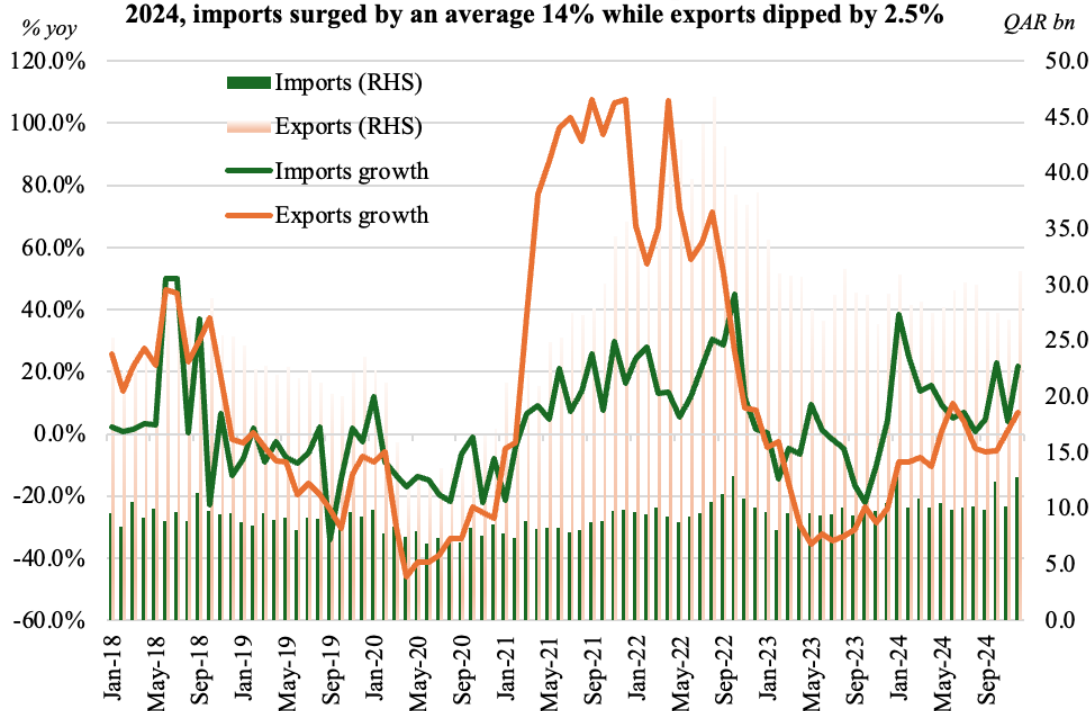
Source: GaStat. Charts by Nasser Saidi & Associates

National non-oil exports to GCC from KSA surged by 10.8% yoy in Dec 2024. Non-oil trade surplus widened to SAR 2.8bn (driven by a more than doubling of surplus to UAE)



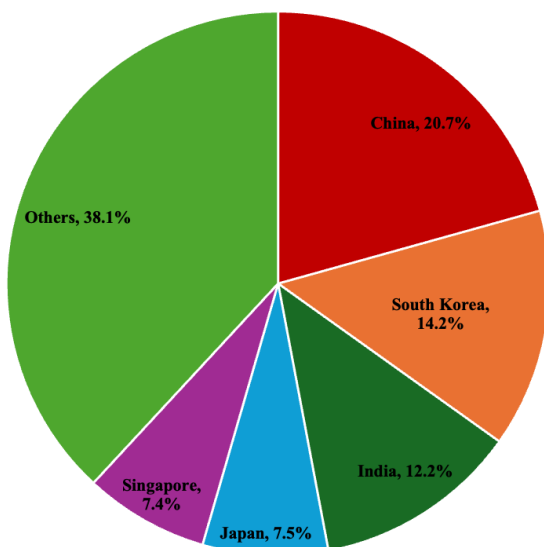
3. Qatar trade surplus stayed below QAR 20bn for the 5th straight month in Dec 2024

Exports from Qatar grew by 6.7% yoy to QAR 31.2bn in Dec; imports rose 21.6% to QAR 12.8bn, widening trade surplus to QAR 18.4bn. In 2024, imports surged by an average 14% while exports dipped by 2.5%

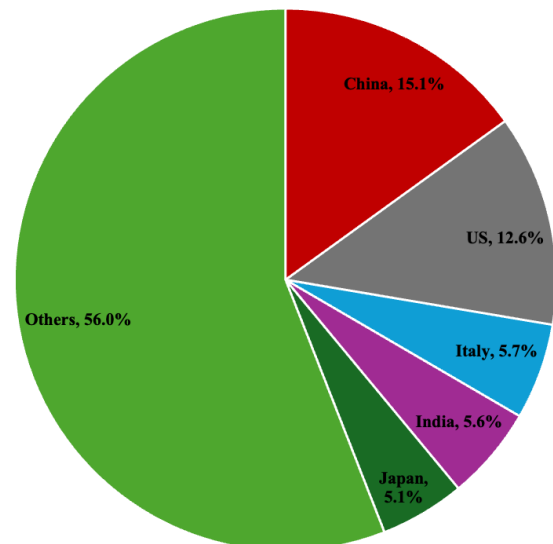


- **Qatar's foreign trade in 2024 was driven by imports** (up by an average 14%) while exports declined in yoy terms for 7 of the 12 months in the year.
- In Dec, exports grew by 6.7% yoy to QAR 31.2bn – this was the **highest monthly value since Aug 2023**. **China was the largest export destination** (one-fifth of total exports), followed by South Korea and India; the top 5 destinations accounted for 61.9% of total exports.
- **Imports increased by 21.6% to an 11-month high of QAR 12.8bn in Dec**. China was the main import partner, and together the top 5 importing nations took a share of 44.1% of total imports.
- **Surplus widened to QAR 18.4bn in Dec** (Nov: QAR 16.7bn)
- **Qatar's position as a leading LNG exporter** is set to expand further: plans are underway to boost export capacity by 85% by 2030.
- The country has signed multi-year deals with many European and Asian nations including with China, France, Germany, Italy & India among others.

Qatar's top 5 exports destinations account for 61.9% of total exports in 2024; China is top export partner



The share of Qatar's top 5 import origin nations stood at 44.1% of total imports in 2024; China is top import partner as well



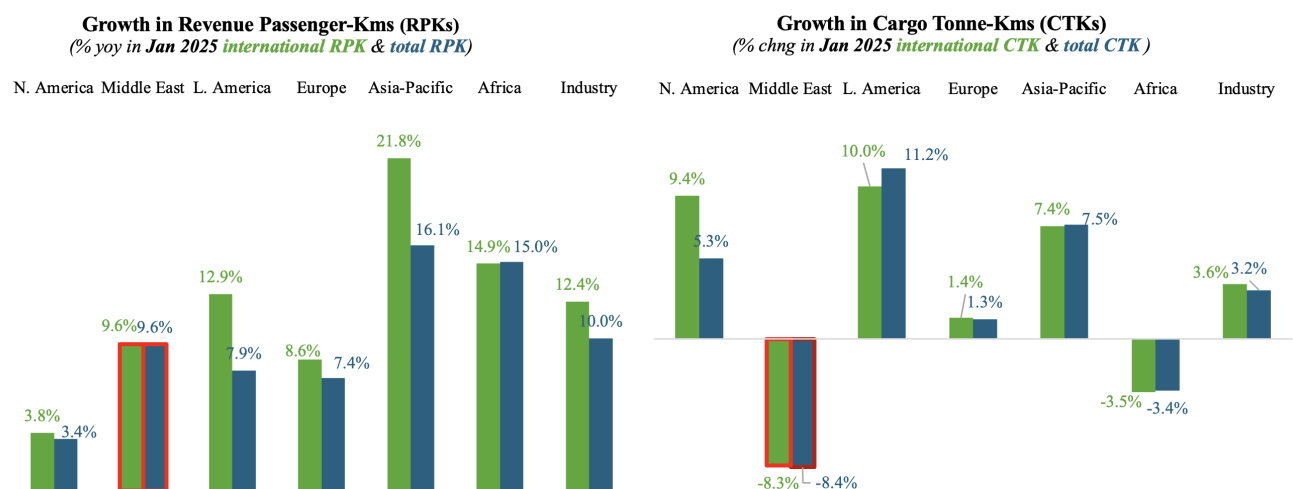
Source: Qatar's National Planning Council, LSEG Workspace. Charts by Nasser Saidi & Associates.

4. Gains continue in Middle East air passenger & cargo in Jan 2025, despite conflicts & diversions

- **Robust passenger traffic growth continues in 2025**, with

Asia once again posting the strongest gains. Industry total Revenue Passenger-Kilometer (RPK), including international & domestic routes, grew 10.0% yoy in Jan 2025 (vs international RPK up 12.4%)

- **Middle Eastern airlines' international RPKs grew by 9.6% yoy in Jan** – the slowest following North America and Europe's 3.4% and 8.6% gain. **Asia Pacific was the fastest growing region globally for international RPKs (21.8% yoy).**
- **Middle East-Asia route passenger** growth was up by 10.2% yoy in Jan 2025 (Dec: 5.9%); the fastest growing was within Asia (25.4% in Jan)
- **Cargo tonne-kms (CTKs) grew by 3.2% yoy in Jan 2025, up for the 18th straight month**, with expansions across all regions but Africa and the Middle East. Only Latam posted double-digit growth while Middle East routes to Asia and Europe fell by 7.3% and 3% respectively.

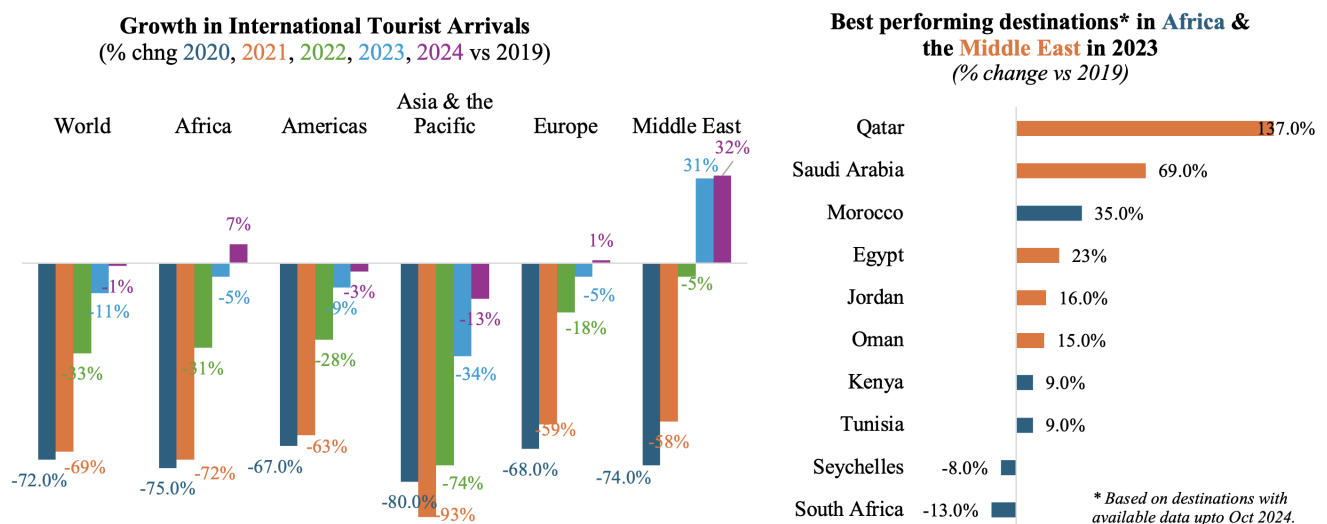


Source: IATA, Air Passenger & Cargo Market Analysis (issued Feb 2025)

5. Middle East international tourist arrivals rise 32% in 2024 vs 2019: most destinations cross pre-pandemic levels, 4 years after Covid hit

- **UNWTO** reported that an estimated 1.4bn tourists travelled internationally in 2024 (+11% yoy). The Middle East posted the strongest recovery, rising 32% above pre-pandemic levels (but just 1% yoy).

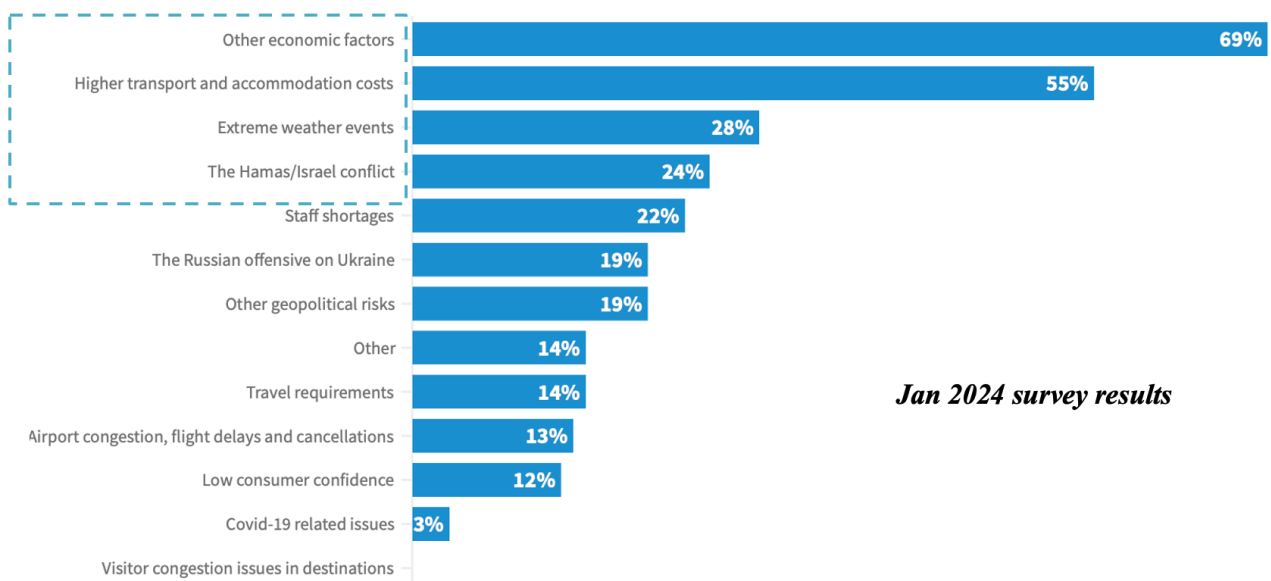
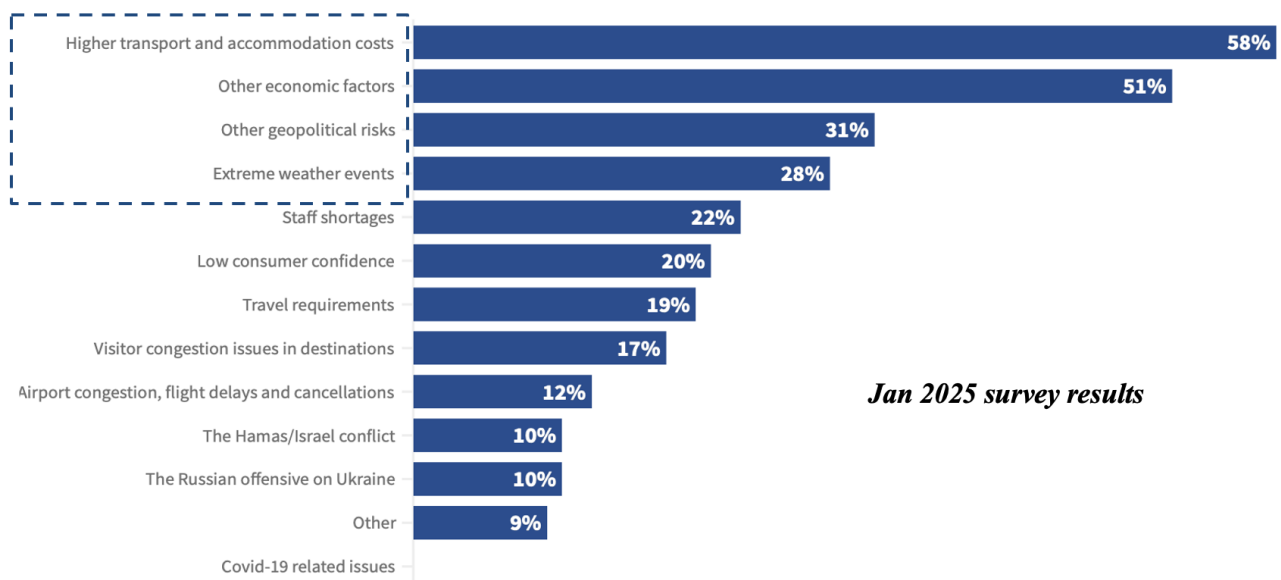
- Africa and Europe grew by 7% and 1% respectively (vs 2019) while Americas and Asia-Pacific reached 97% & 87% of pre-pandemic levels last year. Europe was supported by intra-regional travel while Asia & the Pacific benefitted from reopening of several markets (including China). **Tourist arrivals are expected to grow between 3% to 5% this year.**
- Among the **best performing destinations in 2024** in terms of international tourist arrivals were Qatar (top, +137% vs 2019), Saudi Arabia (4th, +69%), Morocco (8th highest, +35%) and Egypt (16th, +23%). Visa and travel facilitation measures are expected to benefit the GCC nations (e.g., the recently announced unified GCC tourist visa policy)
- **International tourism receipts also recovered** to USD 1.6trn in 2024, up 3% yoy and 4% from pre-pandemic levels (in real terms). Kuwait topped the list of best-performing destinations in terms of receipts (+232% compared to 2019) while Saudi Arabia was 3rd best (+148%).



Source: UNWTO World Tourism Barometer (Jan 2025). Charts created by Nasser Saidi & Associates.

6. What are the main factors weighing on the recovery of international tourism? Higher transport & accommodation costs top the list

- About **64% of UN Tourism Panel of Experts indicate 'better' or 'much better' prospects for 2025** compared to 2024.
- According to the UNWTO panel of experts survey, the **main concerns weighing on tourism recovery are higher transport & accommodation costs** (58% of experts mentioned this in Jan 2025 vs 55% a year ago) & **other economic factors and geopolitical risks** (51% and 31% respectively) – similar to a year ago.
- **Extreme weather events increasingly feature among the top 5 worries** (28% mentioned in 2025) – it appeared for the first time in the list in Jan 2024!



Source: UNWTO; results of UNWTO's Panel of Experts Survey (Jan 2024 & 2025 surveys)

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