

Saudi economy grows by 3.0% in Q1 of 2026

According to estimates by the General Authority for Statistics (GASTAT), real Gross Domestic Product (GDP) grew by 3.0% in Q1 of 2026 compared to the same quarter of 2025. This growth was driven by increases across all major economic activities, with both oil and non-oil activities expanding by 2.9% year on year (Y-o-Y), and government activities increasing 1.5%. On a seasonally adjusted basis, GDP decreased by 1.2% in Q1 of 2026 compared to Q4 of 2025. This decline was primarily attributable to a 6.8% quarter on quarter (Q-o-Q) decrease in oil activities, which was partially offset by increases of 1.4% in government activities and 0.3% in non-oil activities (Figures 1 and 2).

Figure 1. Quarterly real GDP growth rate (Y-o-Y, %)

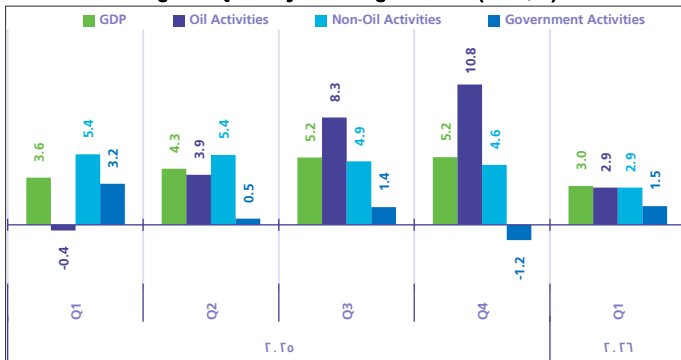
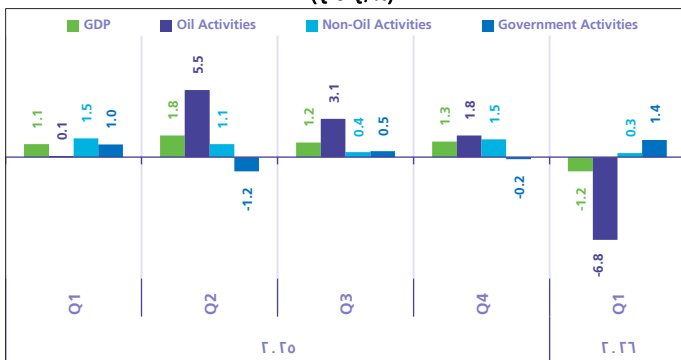


Figure 2. Seasonally adjusted quarterly real GDP growth rate (Q-o-Q, %)



Contribution to real GDP growth rate

Non-oil activities were the primary contributor to the annual growth of real GDP in Q1 of 2026, contributing 1.7 percentage points (PP). Followed by oil activities with a contribution of 0.8 PP. In addition, government activities and net taxes on products contributed 0.3 and 0.2 PP, respectively. On a seasonally adjusted basis, oil activities were the main driver of the decline in real GDP, recording a negative contribution of 1.6 PP. In contrast, both government activities and non-oil activities recorded a positive contribution of 0.2 PP each. (Figure 3 and 4)

Figure 3. Contribution to real GDP growth rate (Y-o-Y, percentage points)

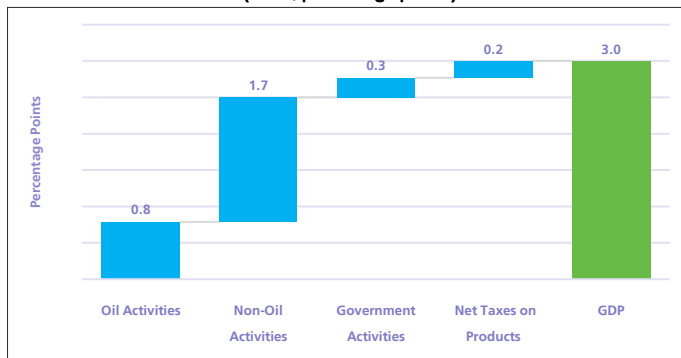
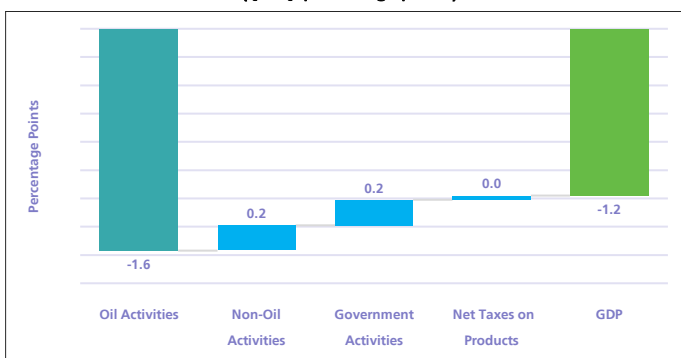


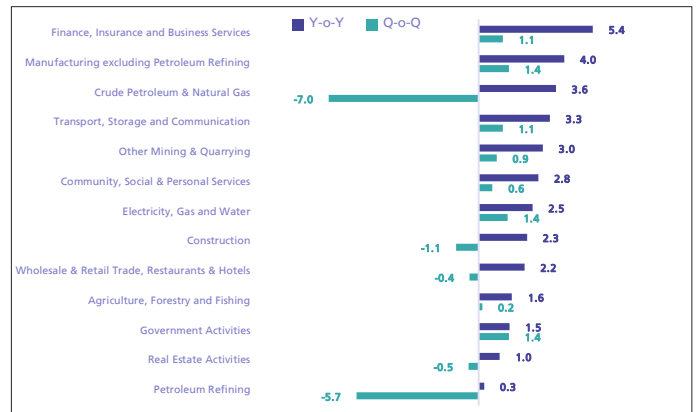
Figure 4. Contribution to seasonally adjusted real GDP growth rate (Q-o-Q, percentage points)



Real GDP by economic activity

All economic activities recorded positive year-on-year growth rates. Finance, insurance and business services activities recorded the highest growth rates in Q1 of 2026, increasing by 5.4% Y-o-Y and 1.1% Q-o-Q. These were followed by manufacturing activities excluding petroleum refining, which grew by 4.0% Y-o-Y and 1.4% Q-o-Q. Crude petroleum and natural gas activities also recorded growth of 3.6% Y-o-Y, however, they declined by 7.0% Q-o-Q. (Figure 5)

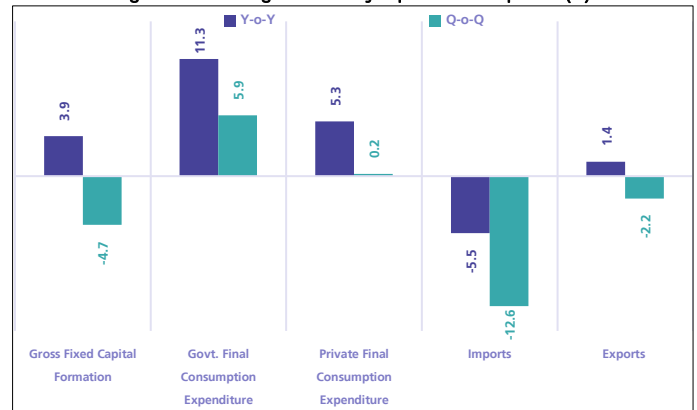
Figure 5. Real GDP growth rates by economic activities (%)



Real GDP by expenditure component

Government final consumption expenditure grew 11.3% Y-o-Y and 5.9% Q-o-Q in Q1 of 2026. Private final consumption expenditure also increased, up 5.3% Y-o-Y and 0.2% Q-o-Q. In addition, gross fixed capital formation grew 3.9% Y-o-Y while declining 4.7% Q-o-Q. As for external trade, exports increased 1.4% Y-o-Y, while declining 2.2% Q-o-Q. Meanwhile, imports decreased 5.5% Y-o-Y and 12.6% Q-o-Q. (Figure 6)

Figure 6. Real GDP growth rate by expenditure component (%)



Definitions

GDP (Production approach):

It is the total production minus the total intermediate consumption of all economic activities plus net taxes on products.

GDP (Expenditure approach):

It is the final expenditure at purchasers' prices, which includes government final consumption expenditure, private final consumption expenditure, gross capital formation and net exports (exports minus imports).

Real GDP method:

Real GDP has been calculated based on the chain-linking method which is a dynamic approach used in economic measurement specifically in estimating real Gross Domestic Product using weights and prices for the previous year of measurement.

Seasonal Adjustments to GDP:

Seasonally adjusted data means that seasons, holidays and calendar effects are removed to make data comparable across quarters.

Y-o-Y growth rates:

Calculated using non-seasonally adjusted data, compared to the same quarter of the previous year.

Q-o-Q growth rates:

Calculated using seasonally adjusted data, compared to the previous quarter.

PP:

In the context of contributions to growth, a percentage point represents how much an individual component contributes to the overall percentage change in real GDP.

Oil activities:

Include crude oil, natural gas and refining activities.

Government activities:

Include the activities of all government agencies listed in the government's final account and the entities that produce non-market services and are controlled by the government.

Non-oil activities:

Include all other economic activities except oil activities and government services activities.

Methodology. Tables. Revision Policy.