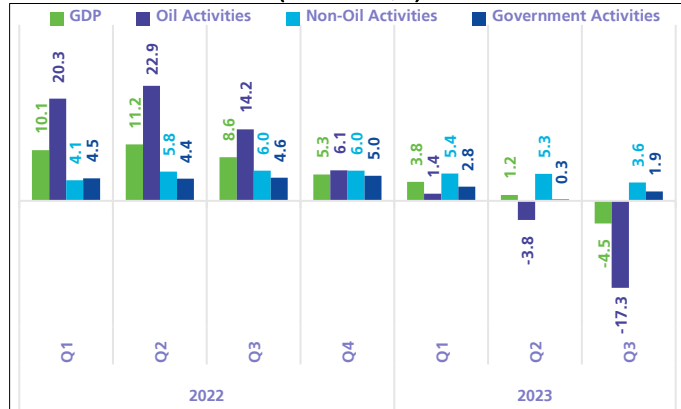




GDP declines by 4.5% in Q3/2023 while non-oil activities grow by 3.6%

According to the flash estimates by the General Authority for Statistics (GASTAT), the real Gross Domestic Product (GDP) of Saudi Arabia decreased by 4.5% in Q3/2023 compared to Q3/2022. This result was due to the decrease in oil activities by 17.3%, while non-oil activities and government activities grew by 3.6% and 1.9% respectively, on an annual basis. (Figure1)

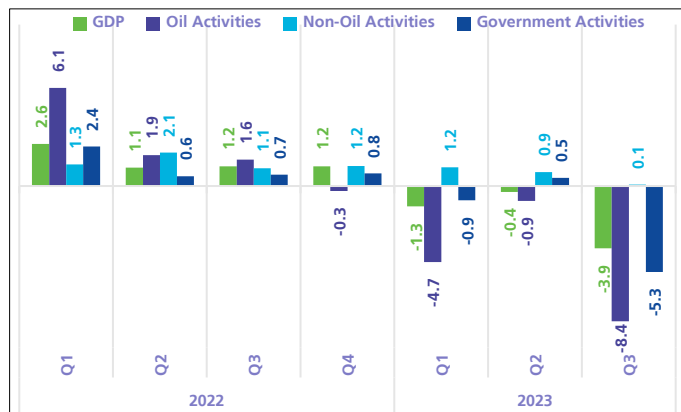
Figure1: Real GDP Growth Rates (Year-on-Year, %)



Seasonally Adjusted Real GDP Growth Rate

Seasonally adjusted real GDP decreased by 3.9% in Q3/2023, compared to the previous quarter (Q2/2023). This decrease was due to the decrease in oil activities and government activities by 8.4% and 5.3% respectively, while non-oil activities increased by 0.1% on a quarterly basis. (Figure2)

Figure 2: Seasonally Adjusted Real GDP Growth Rates (Quarter-on-Quarter, %)



Methodology of Flash Estimates of Quarterly GDP

Definition: flash estimates of GDP (Quarterly) is the process of estimating the real growth rates of GDP which conducted during the short period after the end of the reference quarter, when data for the quarter is still incomplete.

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 controlled by government.

Non-oil activities: includes all other economic activities except for oil activities and government services activities.

Method: The estimation process is the same as that performed in the quarterly national accounts but it adopts simplified assumptions about extrapolating some indicators (monthly or quarterly) and uses many indicators related to production, expenditures, income, price and foreign trade.

Publication timing: flash estimates of GDP growth rate are published after 30 days of the reference quarter.

Seasonal Adjustments: The process of estimating and removing seasonal and calendar influences from data. Seasonally adjusted data means that it does not contain seasonal and calendar effects resulting from climatic conditions, social customs, calendar events such as the Eid al-Adha and Eid al-Fitr holidays, and changes in the weekend combinations.

Methodology sed: The seasonal adjustment program is one of the programs that are practiced and applied by statistical offices and committees around the world, especially when studying and analyzing a set of time series. The TRAMO-SEATS method is used to make seasonal adjustments. This is based on the ARIMA model used in many international organizations.

[Methodology. Tables.](#)