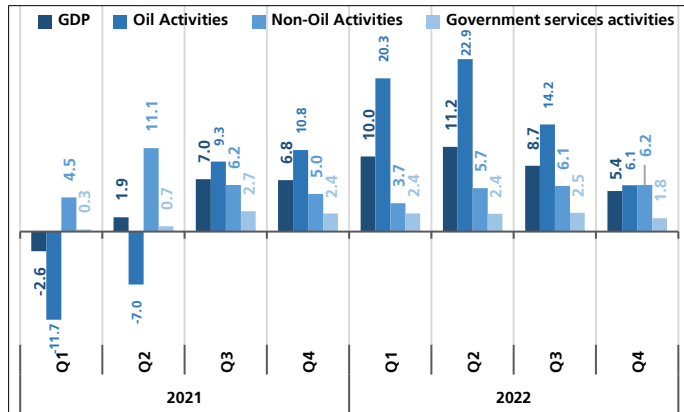




Saudi economy grows by 5.4% in Q4/2022 and 8.7% in 2022

According to flash estimates by the General Authority for Statistics (GASTAT), the real Gross Domestic Product (GDP) of Saudi Arabia grew by 5.4% in Q4/2022 compared to Q4/2021. This positive growth was due to the high increase in non-oil activities by 6.2%, oil activities increased by 6.1%, and government services activities increased by 1.8% year-on-year. (Figure.1)

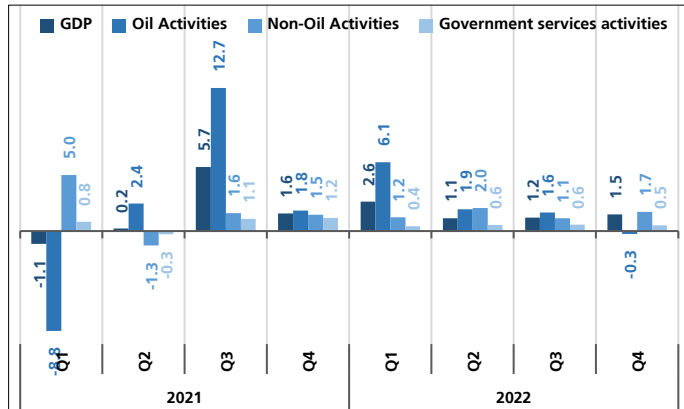
Figure1: Real GDP Growth Rates (Year-on-Year, %)



Seasonally Adjusted Real GDP

Seasonally adjusted real GDP grew by 1.5% in Q4/2022 compared to the previous quarter (Q3/2022). This increase in GDP was a result of the growth in non-oil activities by 1.7%, government services activities grew by 0.5%, while oil activities decreased by 0.3%. (Figure.2)

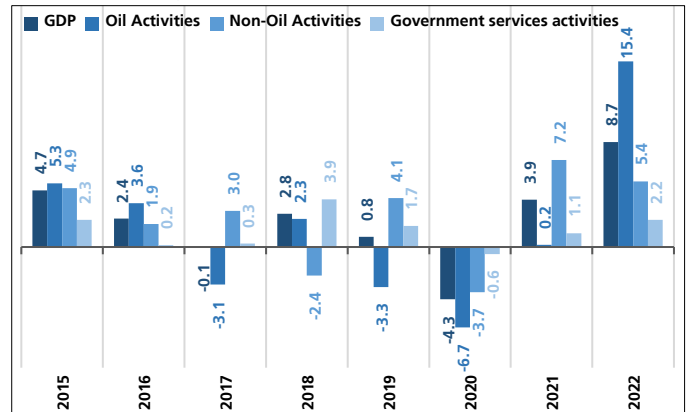
Figure 2: Real GDP Growth Rates (Quarter-on-Quarter, %)



Annual Real GDP

Real GDP in 2022 expanded by 8.7% compared to 2021. This increase in GDP was a result of the growth in oil activities by 15.4%, non-oil activities grew by 5.4% and government services activities increased by 2.2%. (Figure.3)

Figure3: Annual Real GDP Growth Rates (%)



Methodology of Flash Estimates of Quarterly GDP

Definition: Flash Estimate of GDP (Quarterly) is the process of estimating the quarterly national accounts conducted during the short period after the end of the reference quarter, when data for the quarter is still incomplete.

The distribution of activities in GDP is as follows:

Oil activities: include crude oil, natural gas and refining activities.

Government services activities: include the activities of all government entities listed in the government's final account and the entities that produce non-market services and controlled by government.

Non-oil activities: include 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 quarterly GDP at constant prices 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.

The methodology used: 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.](#)