

Saudi Economy grows at 3.8% with Non-Oil Activities expanding at 5.4% in Q1/2023

According to estimates by the General Authority for Statistics (GASTAT), the real Gross Domestic Product (GDP) of Saudi Arabia grew by 3.8% in Q1/2023 compared to the same quarter in 2022 (Q1/2022) while the seasonally adjusted real GDP decreased by 1.4% compared to Q4/2022. Non-oil activities increased by 5.4% (1.0% q-o-q), government activities by 4.9% (1.1% q-o-q), and oil activities grew by 1.4% y-o-y, while decreasing by 4.7% q-o-q. (Figures 1&2)

Figure 1. Quarterly Real GDP Growth Rates (Year-on-Year, %)

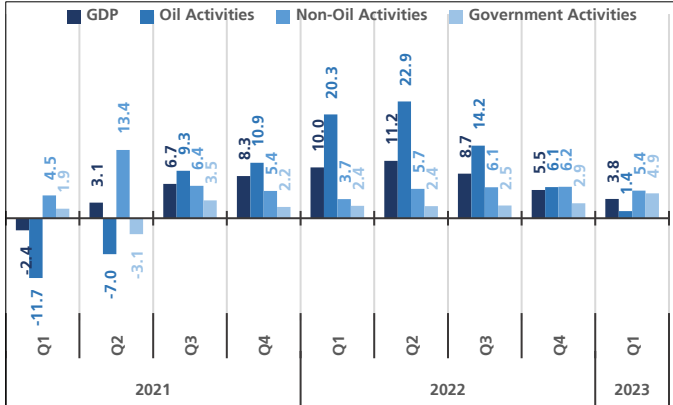
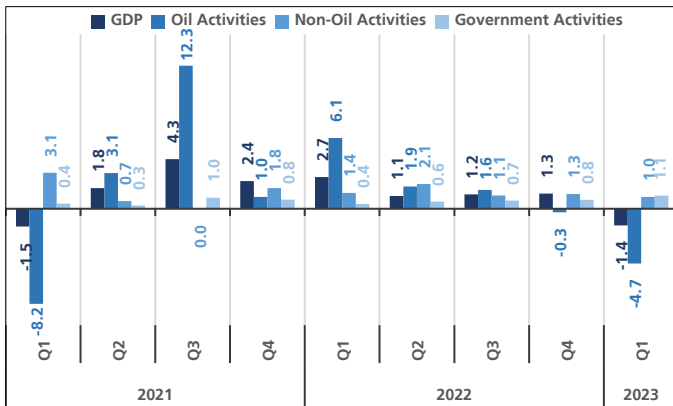


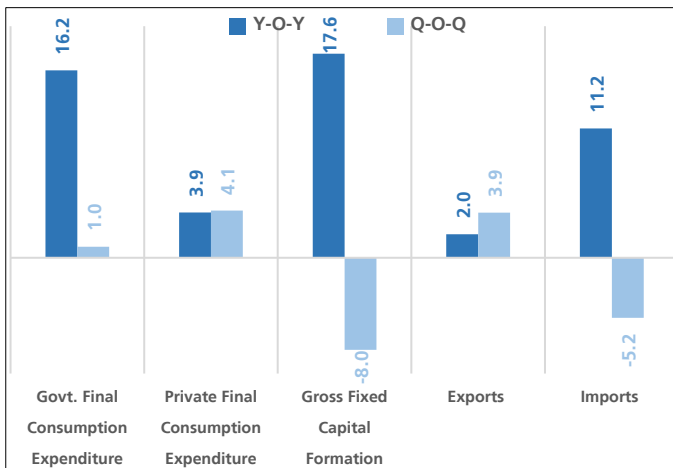
Figure 2. Seasonally Adjusted Quarterly Real GDP Growth Rates (Quarter-on-Quarter, %)



Real GDP by expenditure components

In Q1/2023, gross fixed capital formation increased by 17.6%, while decreasing by 8.0% q-o-q. Government final consumption expenditure grew by 16.2% (1.0% q-o-q) and private final consumption expenditure increased by 3.9% (4.1% q-o-q). On the level of international trade, imports grew by 11.2% on an annual basis, while decreasing by 5.2% q-o-q. Exports increased by 2.0% y-o-y and 3.9% q-o-q. (Figure.3)

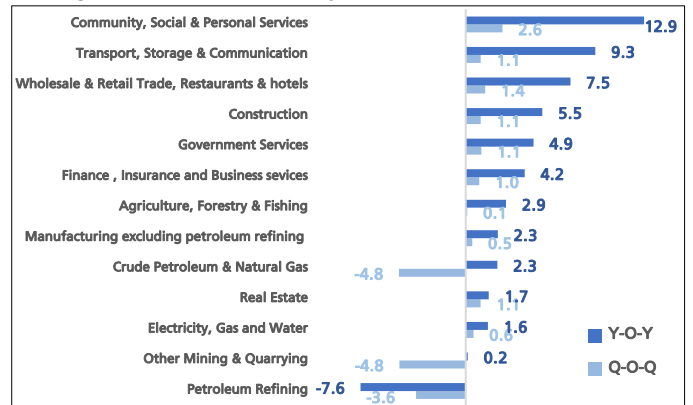
Figure 3. Real GDP Growth Rates by Expenditure Components (Y-o-Y & Q-o-Q, %)



GDP by economic activities at constant prices

Most economic activities recorded positive growth rates on an annual basis in Q1/2023. Community, social & personal services activities grew at the highest pace (12.9% y-o-y; 2.6% q-o-q), followed by Transport, storage and communication activities (9.3% y-o-y; 1.1% q-o-q). Wholesale and retail trade, restaurants and hotels activities grew by 7.5% (1.4% q-o-q). (Figure.4)

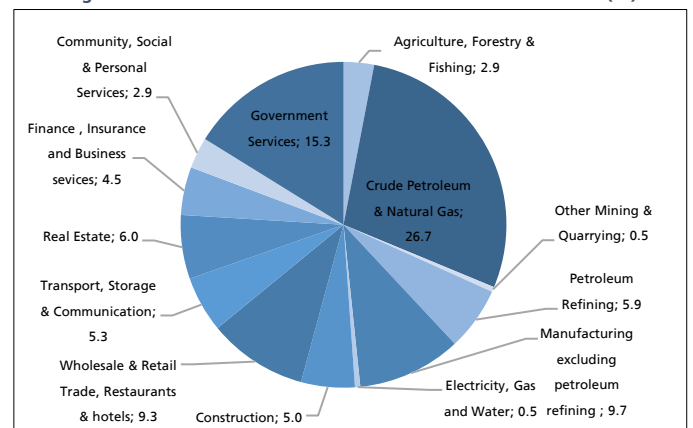
Figure 4. Real GDP Growth Rates by Economic Activities (Y-o-Y & Q-o-Q, %)



Contribution of economic activities to GDP at current prices

The Gross Domestic Product at current prices amounted to SAR 1,005 billion in Q1/2023, crude petroleum and natural gas activities had the highest contribution to GDP with 26.7%, followed by government services activities with 15.3%, then manufacturing excluding petroleum refining with 9.7%. (Figure.5)

Figure 5. Relative Contribution of Economic Activities to GDP (%)



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 final expenditure at purchasers' prices, which includes government final consumption expenditure, private final consumption expenditure, gross capital formation and net exports (exports minus imports).
Seasonal Adjustments of GDP: Seasonally adjusted data means that seasons, holidays and calendar effects are removed to make data comparable across quarters.
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: Include all other economic activities except oil activities and government services activities.

Methodology. Tables.