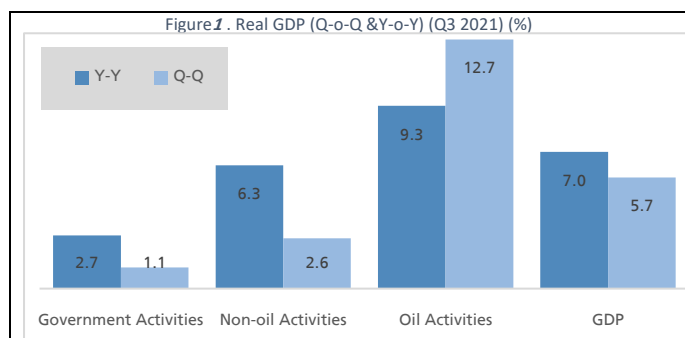


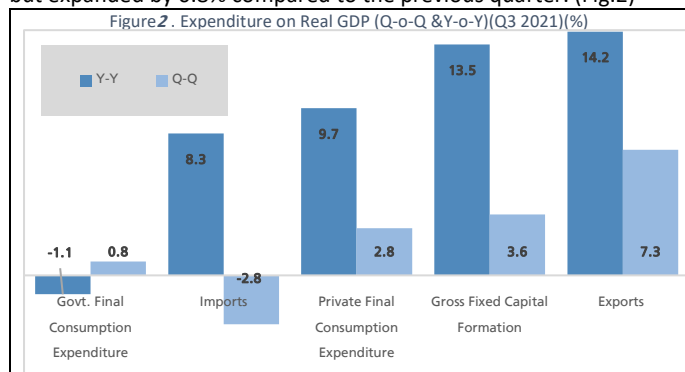
Saudi economy grows by 7% in the third quarter of 2021

According to estimates of the General Authority for Statistics, GDP increased by 7.0% in real terms in the third quarter of 2021 compared to the same quarter of 2020. In comparison to Q2/2021 real GDP growth was 5.7% in Q3/2021. Economic growth was mainly driven by oil activities, which increased by 9.3% year-on-year (12.7% q-o-q). Non-oil activities grew by 6.3% (y-o-y) and 2.6% (q-o-q), government activities by 2.7% (y-o-y) and 1.1% (q-o-q). (Fig.1)



Expenditure on GDP at Constant Prices

Domestic demand developed very strongly in Q3/2021 with private final consumption growing by 9.7% (y-o-y; 2.8% q-o-q) and gross fixed capital formation growing by 13.5% (y-o-y; 3.6% q-o-q). External demand was also an important growth factor in Q3/2021 with exports growing by 14.2% (y-o-y; 7.3% q-o-q). Imports grew by 8.3% (y-o-y), but declined by 2.8% compared to the previous quarter. Government final consumption expenditure decreased by 1.1% on an annual basis, but expanded by 0.8% compared to the previous quarter. (Fig.2)



Gross Domestic Product by Economic Activities at Constant Prices

All economic activities recorded a positive annual growth in the third quarter of 2021. Petroleum Refining activities recorded the highest growth rates of 19.2% (y-o-y) and 1.4% (q-o-q), followed by Financial, Insurance, and Business services activities with a growth of 13.4% (y-o-y) and 12.7% (q-o-q). Wholesale & Retail trade, Restaurants & Hotels activities grew at 10.8% (y-o-y), and 2.7% (q-o-q). On the other hand, Manufacturing excluding Petroleum Refining activity recorded a positive growth of 4.8% (y-o-y), while declined by 1.6% (q-o-q) (Fig.3).

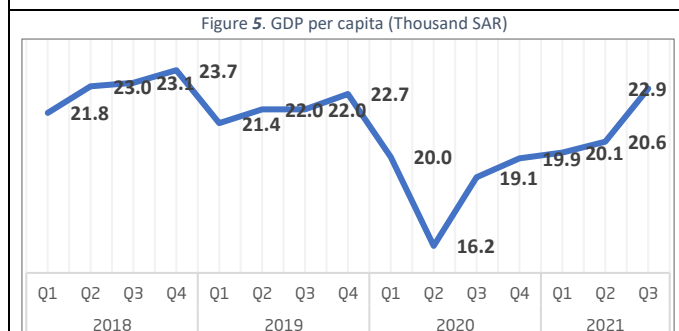
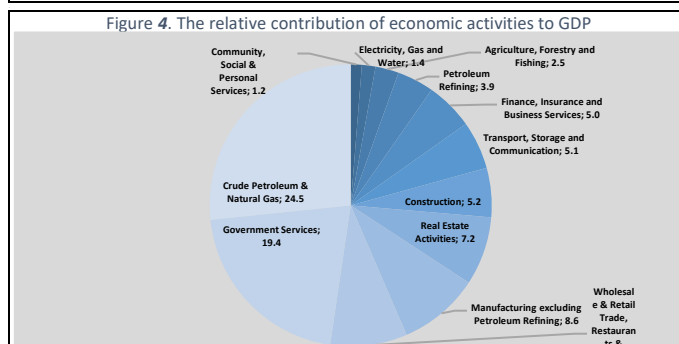
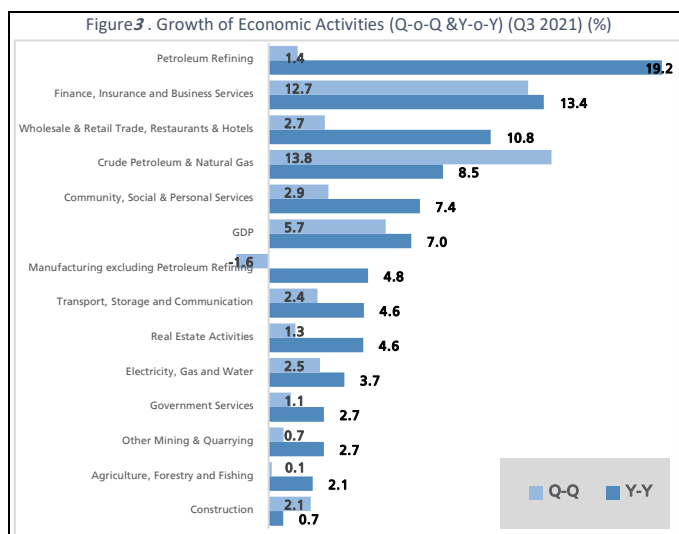
The size of economy and the contribution of economic activities at current prices

In the third quarter of 2021, GDP of the Kingdom of Saudi Arabia amounted to 820,148 million riyals at current prices. Non-oil activities contributed 48.4% in the gross value added at current prices, while oil activities contributed 32.9% and government activities contributed 18.7%.

On the level of economic activities and their contribution to GDP, Crude Petroleum and natural gas activities achieved the highest contribution with 26.6%, followed by Government services activities 17.4%, followed by Wholesale & Retail trade, Restaurants & Hotels activities with a contribution of 9.3%. (Fig. 4)

GDP per capita

GDP per capita amounted to 22,883 riyals in the third quarter of 2021, growing by 19.8% compared to the same quarter of the previous year (Q3/2020), and grew by 11.0% compared to Q2/2021. (Fig.5).



Methodology

GDP (production approach): It is the total production minus the total intermediate consumption of all economic activities plus net taxes on products.

Institutional sectors were replaced by main economic activities as following:

- **Oil Activities:** include crude oil, natural gas and refining activities
- **Government activities:** includes the activities of all government entities that are included in the final budget of government.
- **Non-oil activities:** It includes all other economic activities except oil activities and government services activities.

Seasonal Adjustments: It is the process of estimating and removing the seasonal, weekends and calendar effects from data. Seasonally adjusted data means that seasonal, holidays and calendar effects are cleared to make data comparable across quarters:

1. weather, climate conditions and social habits.
2. effect of events and holidays such as Eid-al-adha and Eid-al-fitr holidays and changes in weekend's compositions.

Seasonally adjusted data mainly focuses on comparing the current quarter with the previous quarter. The TRAMO-SEATS method is used to make seasonal adjustments, based on the ARIMA model used in many international organizations. The (JDemetra+) program is used to implement seasonal adjustments applications. For more, details, please click [here](#).

Tables