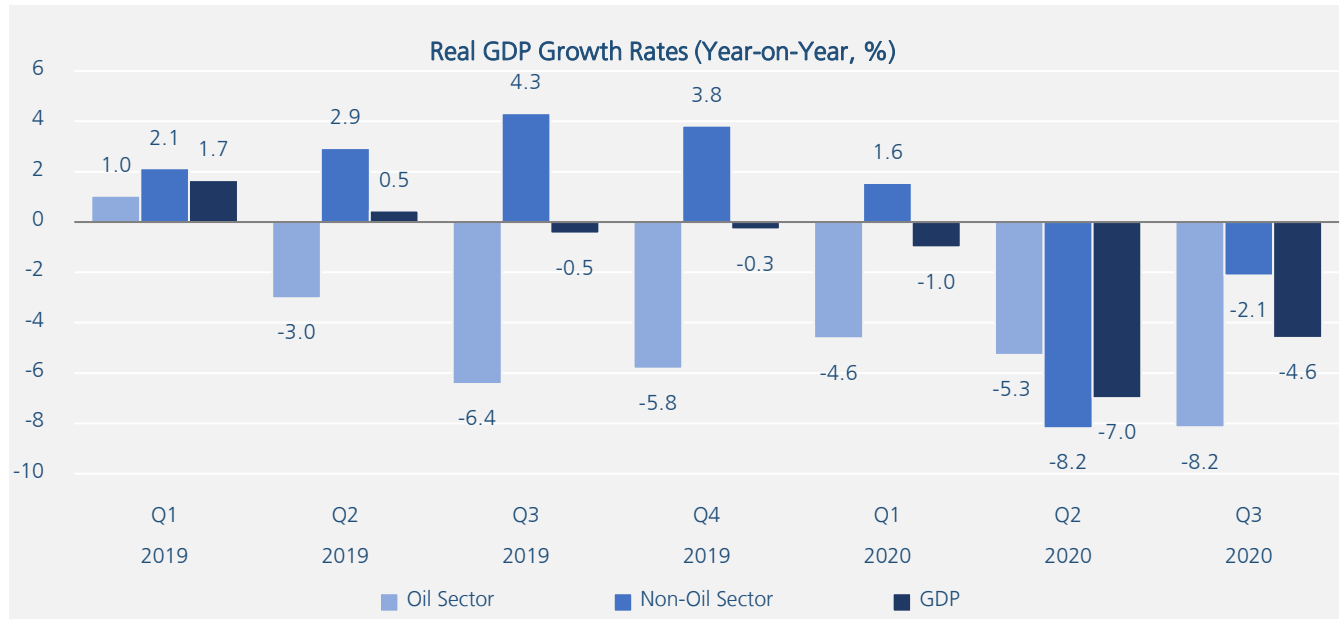
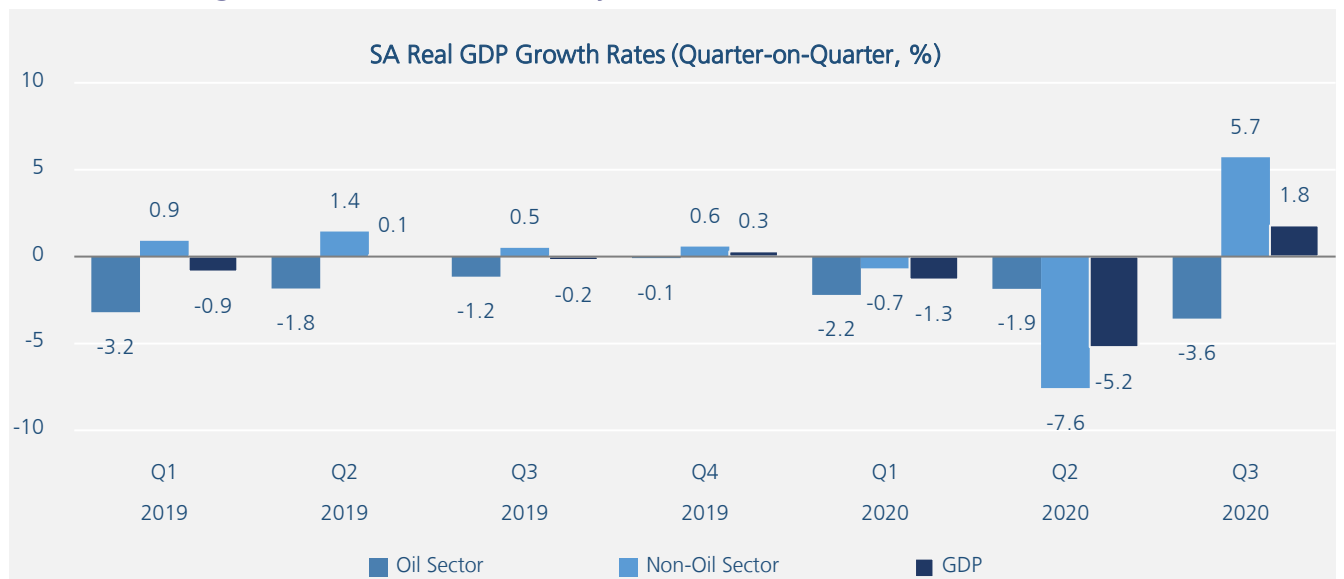


## Saudi economy grows 1.8 % in Q3/2020 with respect to the previous quarter, driven by private sector. Year on year growth still negative at 4.6 % over Q3/2019

According to the preliminary estimates, Gross Domestic Product (GDP) of Saudi Arabia at constant prices recorded a negative growth rate of 4.6% in the third quarter of 2020 compared to the third quarter of 2019. This negative growth originated mainly from the contraction in the oil sector by 8.2% and a negative growth rate of 2.1% recorded in the non-oil sector. The private sector economy shrunk by 3.1%, while the government sector showed a positive growth rate of 0.5%.



Compared to the previous quarter, seasonal adjusted GDP recorded a positive growth of 1.8% in Q3/2020. This quarter-on-quarter positive growth originated mainly from the expansion in the non-oil sector by 5.7% and a negative growth rate of 3.6% observed in the oil sector. Economic growth in the private sector was 7.6%, while the government sector increased by 1.5%.

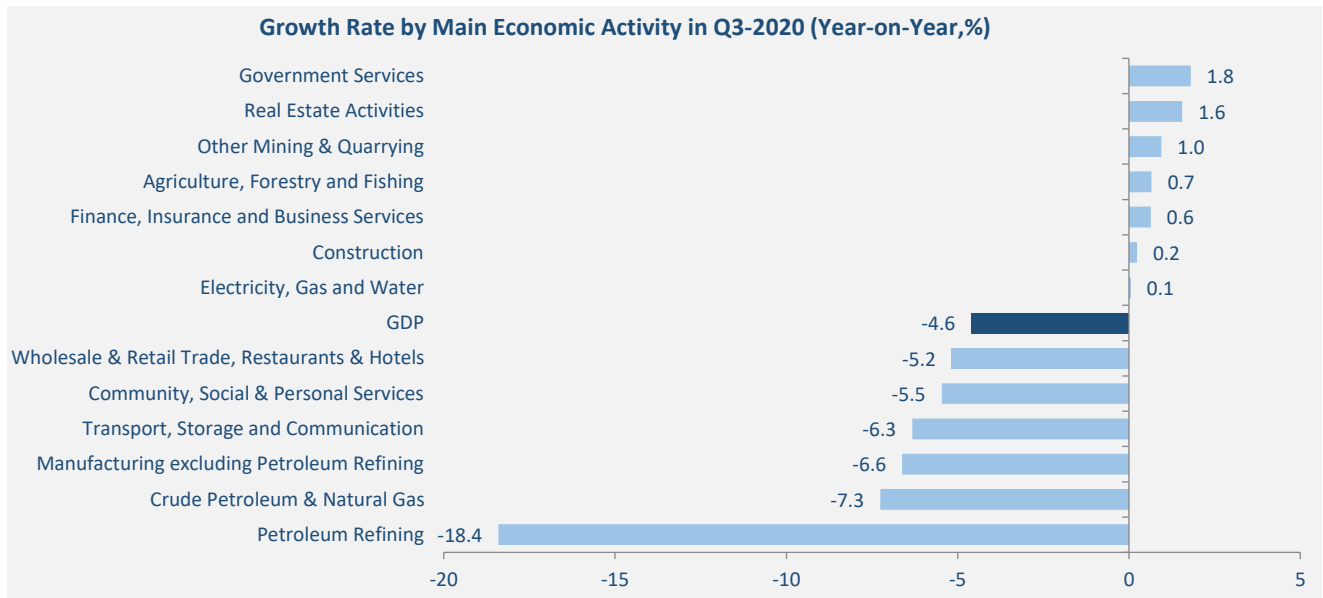


## GDP by economic activity at constant prices

- Growth of main economic activities on a year-on-year basis**

Compared to Q3/2019, economic growth was the highest in government services (1.8%) in Q3/2020, followed by real estate activities (1.6%), and other mining and quarrying activities (1.0%).

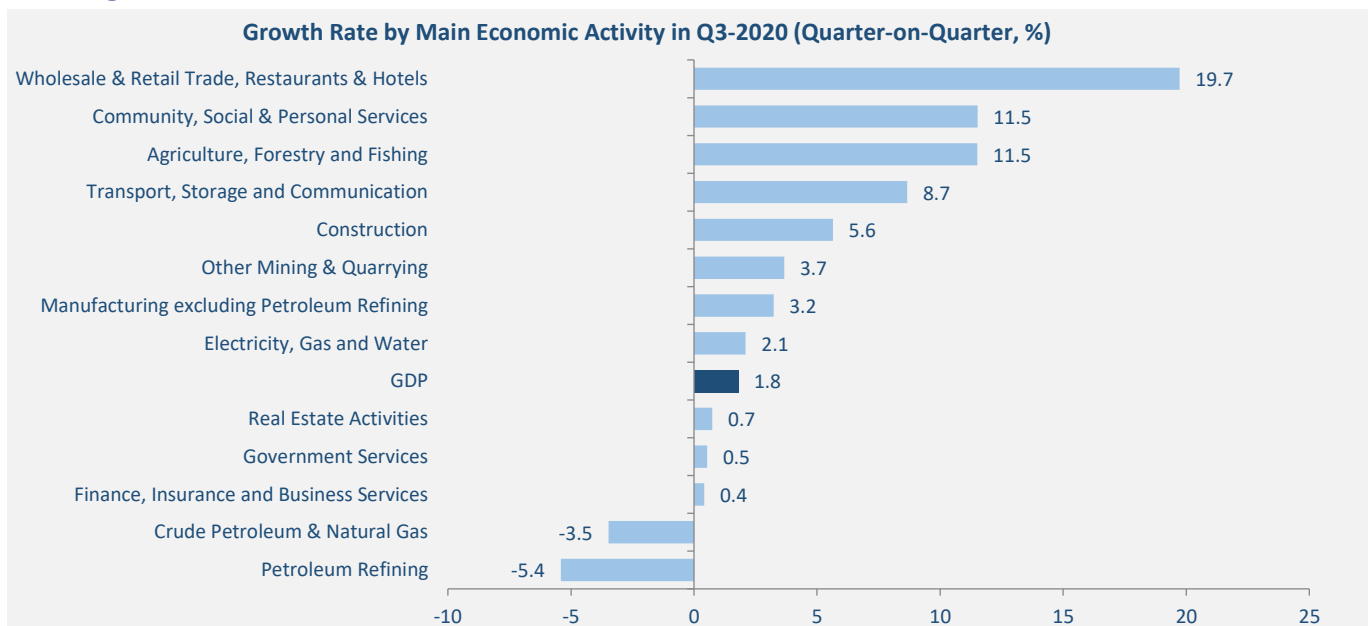
The petroleum refining activity recorded the largest decrease of -18.4%, followed by the crude oil & natural gas (-7.3%), and the manufacturing excluding petroleum refining activities (-6.6%).



- Growth of main economic activities on a quarter-on-quarter basis**

Compared to Q2/2020, economic growth was the highest in wholesale and retail trade with a growth rate of 19.7%, followed by community, social & personal services (11.5%), agriculture, forestry and fishing activities (11.5%), and transportation, storage, and communication activities with a growth rate of 8.7%.

The petroleum refining activity recorded the largest decrease of -5.4%, followed by the crude petroleum & natural gas (-3.5%).

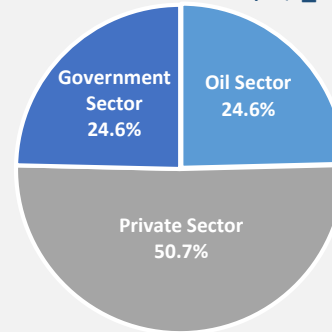


## Size of the Economy and Shares of Sectors and Activities at current prices

The Saudi GDP at current prices amounted to SAR 668.1 billion in the third quarter of 2020.

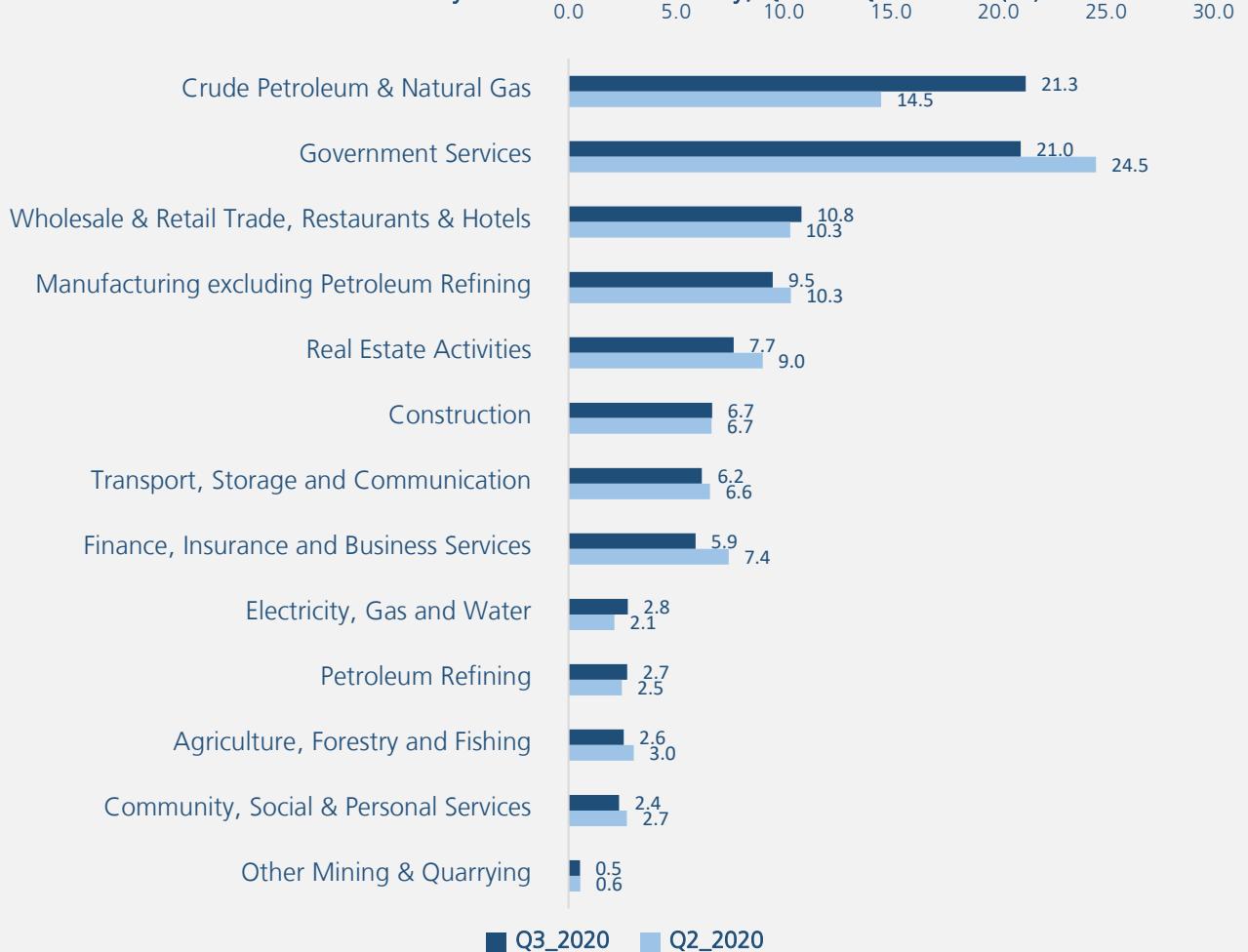
The private sector accounted for 50.7% of GDP, followed by the government sector with a share of 24.6%, and the oil sector with a share of 24.6%.

Share of Sectors in GDP, Q3\_2020



Looking at the individual activity items and their contribution to GDP, crude petroleum & natural gas accounted for 21.3% of GDP, followed by government services with 21.0%. Wholesale & retail trade, and restaurants & hotels contributed with 10.8%, and manufacturing excluding petroleum refining with 9.5% to GDP.

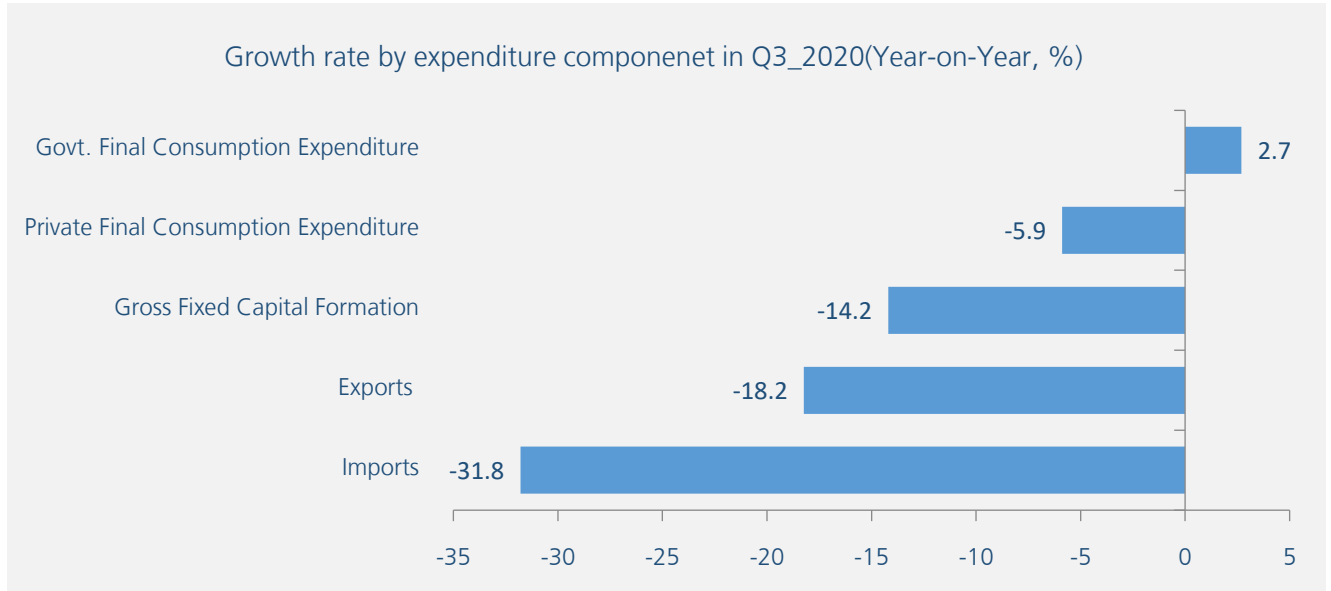
Contribution to GDP by Main Economic Activity, Q2 and Q3 of 2020 (%)



## GDP by expenditure components at constant prices

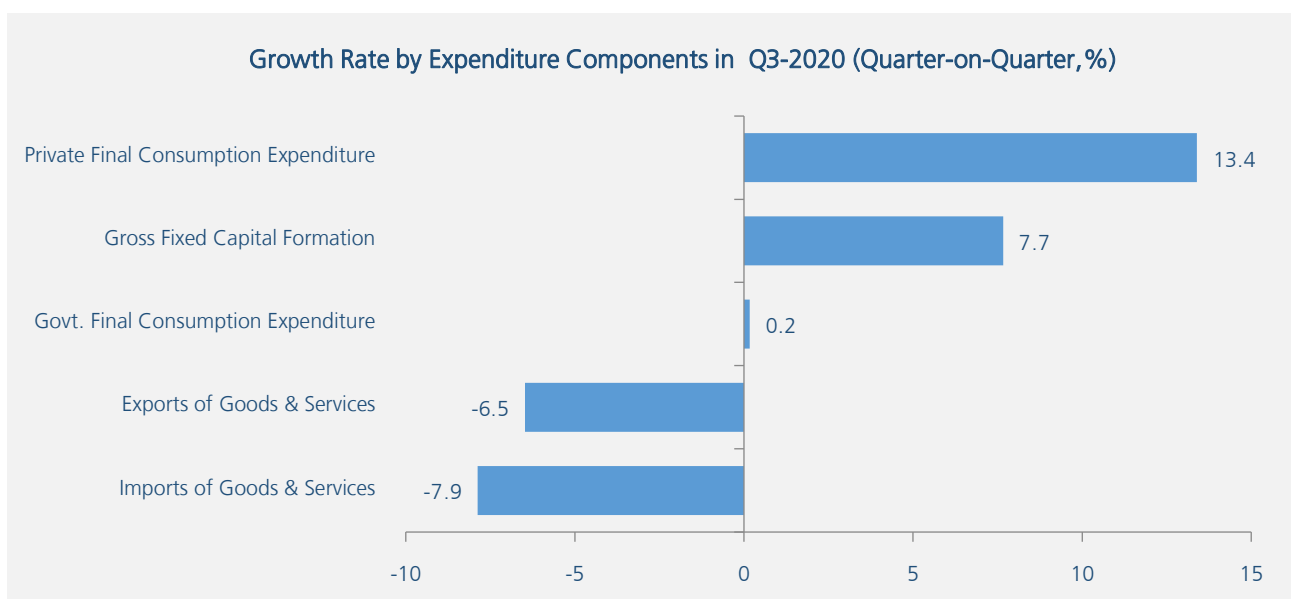
- Growth of expenditure items on a year-on-year basis**

The government final consumption was the only expenditure component showing positive growth rates of 2.7% in Q3/2020 on a year-on-year basis. Imports of goods & services recorded the largest decrease of -31.8%, followed by a negative growth of exports of goods & services of -18.2%. Gross fixed capital formation declined by -14.2%, and the private final consumption by -5.9%.



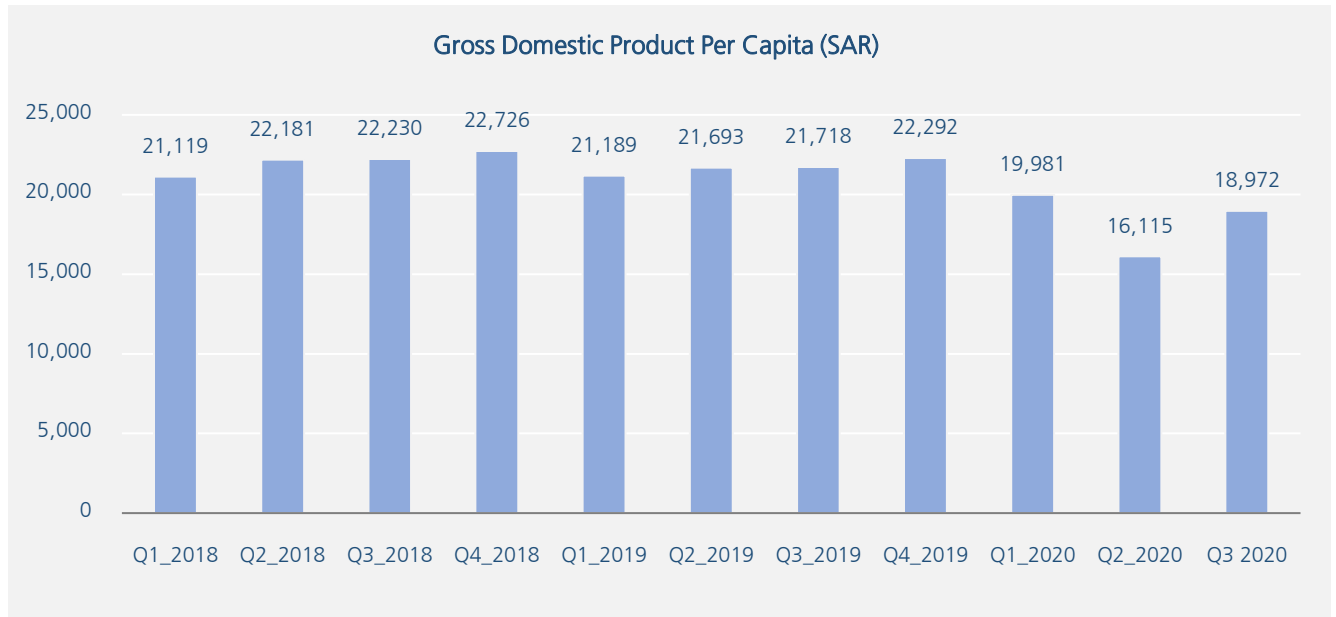
- Growth of expenditure items on a quarter-on-quarter basis**

Comparing the economic development of Q3/2020 to the previous quarter, private final consumption expenditure showed a remarkable pick-up of 13.4%. Gross fixed capital formation grew by 7.7%, while government final consumption remained flat with a growth rate of 0.2%. International trade is still in negative territory with imports of goods & services decreasing by -7.9% and exports of goods & services by -6.5%.



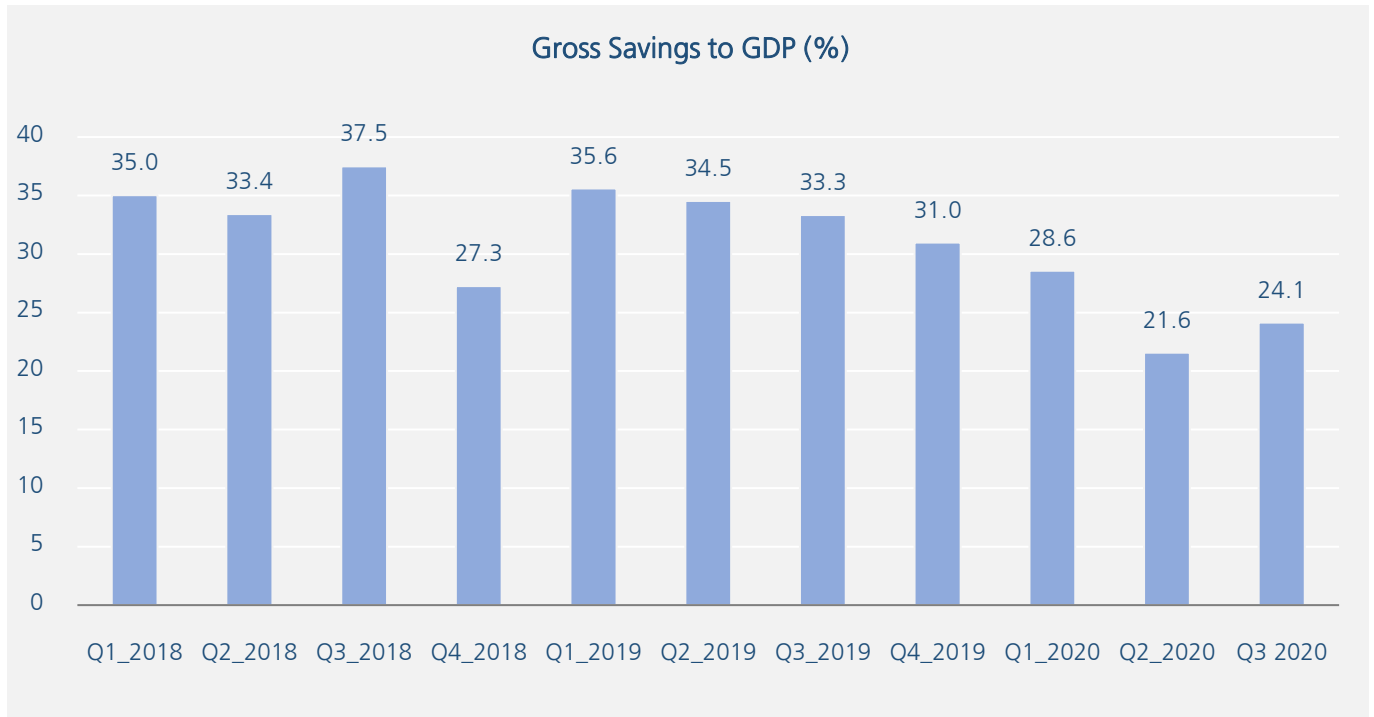
## GDP per capita

GDP per capita amounted to SAR 18,972 in the third quarter of 2020, down 12.6% from the same quarter of the previous year, but 17.7% higher than in the previous quarter.



## Gross Savings

Gross savings amounted to SAR 161.2 billion in the third quarter of 2020, decreasing by 35.1% from the same quarter of the previous year, and accounted for 24.1% of GDP compared to 33.3% in the same quarter of the previous year.





## Gross Domestic Product (GDP)

### Gross Domestic Product (by production approach):

The total output minus total intermediate consumption for all economic activities plus net taxes on products.

### Gross Domestic Product (by expenditure approach):

The total of final expenditures at purchasers' price including Government and Private Final Consumption Expenditures, Gross Capital Formation, and Net Exports (Exports minus Imports).

## Methodological Note on Seasonal Adjustment Of Quarterly GDP

### Definition

It is the process of estimating and removing the seasonal and calendar effects from data. So, Seasonal Adjusted data means that it does not contain seasonal and calendar effects which are caused by climate conditions, social habits and calendar events such as Eid-al-adha and Eid-al-fitr holidays and changes in weekends compositions.

### Methods

Seasonal adjustment is carried out with TRAMO-SEATS method based on ARIMA (Autoregressive Integrated Moving Average) model of estimation that suggested by International Organizations. In the application of this method, JDemetra+ is used which is the software in accordance with International Standards of Statistics. Quarterly Gross Domestic Product by activities are adjusted and the seasonal and calendar effects are removed.

### Quality Assessment of Seasonal Adjustment

The quality of seasonal adjustment is measured by the help of standard statistical tests e.g. T-test & F-test .

### Revision Policy

By the nature of seasonal adjustment modelling procedures, seasonal adjusted figures are subject to revisions over time. These revisions are implemented on the seasonal adjusted figures as performed in original data.

### Using Seasonal Adjusted Data

Seasonal adjusted data mainly used in the comparisons of the present quarter data by the previous quarter. Also, it can be used by academicians, politicians, bureaucrats, planners and decision makers who want to see the long-term trend of quarterly gross domestic product. In addition, the international organizations use seasonal adjusted data to make comparisons between countries.



### GDP and Growth Rates by Economic Activity for Q3-2020

Economic Activity	At Current Prices		At Constant Prices		Seasonally Adjusted	
	Million SAR	Y-o-Y Growth Rate (%)	Million SAR	Y-o-Y Growth Rate (%)	Million SAR	Q-o-Q Growth Rate (%)
Agriculture, Forestry & Fishing	17,144	2.6	15,595	0.7	15,423	11.5
Mining & Quarrying	145,622	-30.1	231,074	-7.2	233,322	-3.4
a) Crude Petroleum & Natural Gas	142,081	-30.6	228,298	-7.3	230,637	-3.5
b) Other	3,541	1.2	2,776	1.0	2,685	3.7
Manufacturing	81,768	-10.4	70,125	-10.1	70,083	0.8
a) Petroleum Refining	18,260	-24.7	18,742	-18.4	18,503	-5.4
b) Other	63,508	-5.3	51,383	-6.6	51,580	3.2
Electricity, Gas, and Water	18,449	-1.6	14,389	0.1	8,260	2.1
Construction	44,645	5.6	30,163	0.2	29,786	5.6
Wholesale & Retail Trade, Restaurants & Hotels	72,390	-5.7	60,172	-5.2	60,263	19.7
Transport, Storage & Communication	41,454	-6.9	37,101	-6.3	37,641	8.7
Finance, Insurance, Real Estate Activities & Business Services	90,794	0.3	66,688	1.1	68,712	0.6
a) Real estate activities	51,306	1.5	35,063	1.6	35,834	0.7
b) Others	39,489	-1.2	31,624	0.6	32,878	0.4
Community, Social & Personal Services	15,738	-4.3	13,024	-5.5	13,769	11.5
Imputed Bank Service Charges	6,336	6.3	5,631	5.3	5,870	0.3
Sub - Total	521,668	-13.0	532,699	-5.6	531,388	2.0
Government Services	140,598	0.1	84,460	1.8	93,773	0.5
Total Except Import Duties	662,267	-10.5	617,159	-4.7	625,160	1.8
Import Duties	5,831	9.6	4,266	4.0	4,119	3.3
Gross Domestic Product	668,098	-10.4	621,425	-4.6	629,279	1.8

### GDP by Expenditure at Current Prices, Q3 2020 (Million SAR)

Period	GDP	Government Final Consumption Expenditure	Private Final Consumption Expenditure	Gross Capital Formation	Exports	Imports
Q1_2018	699,191	143,761	276,927	209,208	262,205	192,911
Q2_2018	738,851	183,286	279,739	171,774	299,490	195,438
Q3_2018	745,062	156,721	279,296	183,214	312,028	186,197
Q4_2018	766,354	242,333	282,278	145,943	307,214	211,413
<b>2018</b>	<b>2,949,457</b>	<b>726,101</b>	<b>1,118,241</b>	<b>710,139</b>	<b>1,180,937</b>	<b>785,960</b>
Q1_2019	718,543	151,611	284,817	206,588	270,641	195,115
Q2_2019	740,032	173,041	289,382	212,651	274,617	209,659
Q3_2019	745,369	173,464	291,597	221,431	262,079	203,201
Q4_2019	769,681	211,055	292,023	215,019	264,638	213,053
<b>2019</b>	<b>2,973,626</b>	<b>709,171</b>	<b>1,157,819</b>	<b>855,689</b>	<b>1,071,975</b>	<b>821,028</b>
Q1_2020	695,570	167,334	288,972	190,377	215,837	166,950
Q2_2020	564,211	169,209	243,536	189,100	121,357	158,991
Q3_2020	668,098	179,780	295,709	166,572	167,009	140,972

Links: [All Tables](#) [Methodological Note](#)