وزارة الاستثمار
Ministry of Investment

استثمر في السعودية
INVEST SAUDI

ECONOMIC AND INVESTMENT MONITOR, SAUDI ARABIA

Q3 2025

INVEST SAUDI استثمر في السعودية

وزارة الاستثمار Ministry of Investment

King Salman Bin Abdulaziz Al-Saud

Custodian of the Two Holy Mosques,

"My primary goal is to be an exemplary and leading nation in all aspects, and I will work with you in achieving this endeavor."

INVEST SAUDI استثمر في السعودية

وزارة الاستثمار
Ministry of Investment

Prince Mohammed bin Salman bin Abdulaziz Al Saud

HRH Crown Prince and Prime Minister

"Our nation holds strong investment capabilities, which we will harness to stimulate our economy and diversify our revenues."

Contents

Abbreviation List

Bn	Billion
Capex	Capital Expenditures
CPI	Consumer Price Index
FDI	Foreign Direct Investment
GASTAT	General Authority for Statistics
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
ICT	Information Communications Technology
IMF	International Monetary Fund
IPI	Industrial Production Index
LLC	Limited Liability Companies
MISA	Ministry of Investment of Saudi Arabia
Mn	Million
MoF	Ministry of Finance
NIS	National Investment Strategy
NOMU	Parallel Market Index
OECD	The Organization for Economic Cooperation and Development
OPEC	The Organization of Petroleum Exporting Countries
OPEC+	A group of OPEC and non-OPEC oil-producing states
PMI	Purchasing Managers' Index
PoS	Points of Sale
REPI	Real Estate Price Index
SADAD	National Electronic Bill Presentment and Payment
SAIBOR	Saudi Arabian Interbank Offered Rate
SAMA	Saudi Central Bank
SAR	Saudi Riyals
SMLLC	Single-member Limited Liability Company
SMEs	Small and Medium Enterprises
Tadawul	The Saudi Stock Exchange
TASI	Tadawul All Share Index
WEO	World Economic Outlook
WB	World Bank
WPI	Wholesale Price Index

Executive Summary (1/2)

- **The International Monetary Fund (IMF),** in the World Economic Outlook (WEO) October 2025, revised up **global growth** projections to 3.2% in 2025 and 3.1% in 2026.
- The **OECD's** latest data issued in October 2025 showed an increase in **global FDI inflows** by 64.7% in Q2 2025 compared to the same period of previous year.
- **The global PMI** increased by 2.2% YoY in Q3 2025, with the index averaging 50.4 point, reflecting a global recovery in index performance.
- Global **oil prices** declined in Q3 2025, with **Brent crude** averaging $68.1/barrel, down 13.3% YoY from an average of $78.5/barrel in the same quarter of the previous year.
- **Natural gas prices** in the **US gas markets** increased during Q3 2025 by 43% compared to Q3 of the previous year. As for **European gas markets**, natural gas prices decreased by 1.1% in the same period.
- The IMF projects the **Saudi economy's GDP to grow** at 4.0% in 2025 and 2026.
- According to the GASTAT flash estimates, **Real GDP** increased by 5.0% YoY in Q3 2025. This is driven by a 4.5% YoY growth in non-oil activities and a 8.2% YoY increase in Oil activities, and a 1.8% in government activities.
- In Q2 2025, the **Saudi Unemployment Rate** reached 6.8%, a increase of 0.5 percentage points compared to Q1 2025.
- **SADAD payments and Points of Sale (PoS)** transactions grew by 9.1% YoY and 7.3% YoY, respectively in Q3 2025. Cash withdrawals decreased by 3.4% YoY.
- **Money Supply** grew by 7.8% YoY in Q3 2025, driven by a rise in time and savings deposits of 21.7% (rise in companies and individuals time and savings deposits by 21.8% and a rise in government time and savings deposits by 21.7%).
- **Reserve assets** recorded a decrease of 1.4% YoY in Q3 2025, due to a 3.6% decline in the investment in foreign securities.

Executive Summary (2/2)

- **Consumer Price Index (CPI)** average recorded 2.2% in Q3 2025, compared to 1.8% in the same quarter of the previous year.
- **Tadawul All Share Index (TASI)** declined by 5.9% by the end of Q3 2025. In contrast, the Parallel Market Index (NOMU) rose by 0.1% in the same period.
- **Non-oil exports** increased by 18.1% in Q2 2025, reaching SAR 88.1 billion, compared to SAR 74.6 billion during the same period in 2024. In August 2025, **Merchandise exports** increased by 6.6% YoY, primarily due to a 7.0% increased in **oil exports**. In contrast, **non-oil exports** decreased by 6.7% during the same period.
- The actual performance of nominal **GFCF exceeded the targets of NIC for the fourth consecutive year** (2021-2024), with an actual performance surpassing the target by 49% in 2024. **Total nominal GFCF in 2024** reached SAR 1,441 billion, recording a growth of 13.1% YoY.
- Saudi Arabia has achieved advanced positions in several **global indicators**, ranking 1st **among the G20** in both the National Context Index for 2024 and the ICT Development Index for 2025, as well as maintaining 1st globally in both Total Value of Venture Investment and ICT Access.
- MISA seeks to promote local investment and attract foreign investment. It also organizes and participates in a variety of events. In Q3 2025, MISA took part and organized in **11 local and international events** in different fields.
- Chapter Four showcases the development of **Foreign Direct Investment (FDI)** in Saudi Arabia, presenting the 2024 FDI results and the role of the adopted methodology in supporting Saudi Vision 2030 objectives. It also highlights the distribution of FDI by Ultimate Controlling Parent (UCP) Nationality, reflecting the diversity of global partnerships and foreign investors' confidence in the Saudi economy.

01

GLOBAL ECONOMY

One: Global Economy

I: Economic Growth

i. Global Economy Outlook

The International Monetary Fund (IMF), in the World Economic Outlook (WEO) October 2025, revised up **global growth** projections to 3.2% in 2025 and 3.1% in 2026, with a increase of 0.2 percentage point for 2025 compared with WEO July 2025. The IMF increased the projection for **advanced economies** for 2025 by 0.1 percentage point to reach a growth of 1.6%, the IMF also increased its projections for **emerging markets and developing economies** by 0.1 percentage point to reach a growth of 4.2% in 2025. The slowdown in growth rates is attributed to uncertainty and rising protectionism.

Regarding **Saudi Arabia**, the IMF projected that **the Kingdom's GDP** will grow by 4.0% in 2025 and 2026 according to WEO October 2025, revised up by 0.4 and 0.1 percentage point respectively compared to the projections of WEO July 2025.

Growth Rate (Real GDP, Annual Percent Change, %)	2023	2024	2025*	2026*
Global Economy	3.5	3.3	3.2	3.1
Advanced Economies	1.7	1.8	1.6	1.6
Emerging Markets and Developed Economies	4.7	4.3	4.2	4.0
Saudi Arabia	0.5**	2.0**	4.0	4.0
United States	2.9	2.8	2.0	2.1
China	5.4	5.0	4.8	4.2
Japan	1.2	0.1	1.1	0.6
India	9.2	6.5	6.6	6.2
Euro Area	0.4	0.9	1.2	1.1

Source: IMF (WEO October 2025)
*Projections
**Source: GASTAT

ii. Inflation

The IMF, in the WEO October 2025, projects a decline in **global inflation** from 4.2% in 2025 to 3.7% in 2026. The IMF projects inflation for **advanced economies** to decline from 2.5% in 2025 to 2.2% in 2026. This decline is attributed to lower commodity prices and tighter monetary policies. Despite the continued decrease in inflation rates in some countries, inflationary pressures persist, particularly in the United States, due to elevated tariffs even after their reduction in mid-2025, alongside ongoing global trade and geopolitical tensions.

Inflation rate (%)	2023	2024	2025*	2026*
Global Economies	6.7	5.8	4.2	3.7
Advanced Economies	4.6	2.6	2.5	2.2
Emerging Market and Developing Economies	8.2	7.9	5.3	4.7

Source: IMF (WEO, October 2025)
*Projections

iii. Gross Fixed Capital Formation (GFCF) as Percentage of GDP*

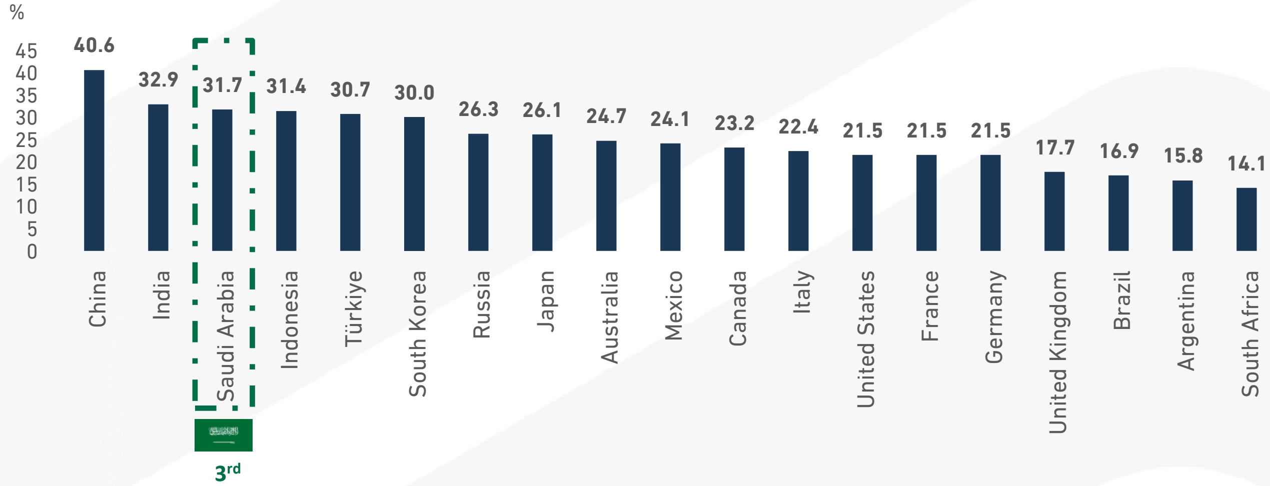
According to the **IMF's investment data** in WEO October 2025, the global GFCF (**as % of GDP**) is projected to reach 25.6% in 2025, a slight decline form 26.1% in 2024. The decline in global investment in 2025 compared to 2024 reflects a decrease in GFCF contribution to the GDP across advanced economies, G7 countries, and Emerging market and developing economies. Looking ahead, IMF's projections indicate a slight recovery in global GFCF, with 25.7% of GDP in 2026.

GFCF (% of GDP) *	2022	2023	2024	2025**	2026**
Global Economy	27.4	26.5	26.1	25.6	25.7
Advanced Economies	23.4	22.5	22.2	22.1	22.0
The Group of Seven (G7)	22.8	22.0	21.7	21.6	21.5
Emerging market and developing economies	32.9	32.1	31.6	30.8	31.1
Euro Zone	23.9	22.4	21.3	21.5	21.5

Source: IMF (WEO, October 2025)
*Includes Gross fixed capital formation as a % of nominal GDP (total value of GFCF and changes in inventories)
**Projections

According to the IMF, Saudi Arabia ranked **3rd*** among the G20 countries in terms of GFCF rate as percentage of GDP in 2024.

GFCF as Percentage of GDP** of the G20 Countries in 2024



Source: IMF (WEO, October 2025), GASTAT
* Saudi Arabia data based on annual national accounts publication 2024 by GASTAT.
**Includes GFCF as a % of nominal GDP (total value of GFCF and changes in inventories).

3.1 Foreign Direct Investment (FDI) Inflows

The OECD's latest data issued in October 2025 showed an increase in **global FDI inflows** by 64.7% in Q2 2025 compared to the same period of previous year. FDI inflows into the OECD and G20 countries also recorded an increase of 266.6% and 58.2% respectively for the same period.

According to the **UNCTAD World Investment Report 2025**, FDI recorded a modest recovery in 2024, supported by the easing of some monetary policies and corporate efforts to diversify supply chains. The report's data indicates an increase in global FDI by 4% in 2024 to reach $1.5 trillion. However, this growth was largely driven by intermediate investment flows across several European economies. Excluding these flows, global FDI declined by 11% for the second consecutive year, led by a 22% drop in advanced economies, reflecting heightened investor caution amid rising economic uncertainty.

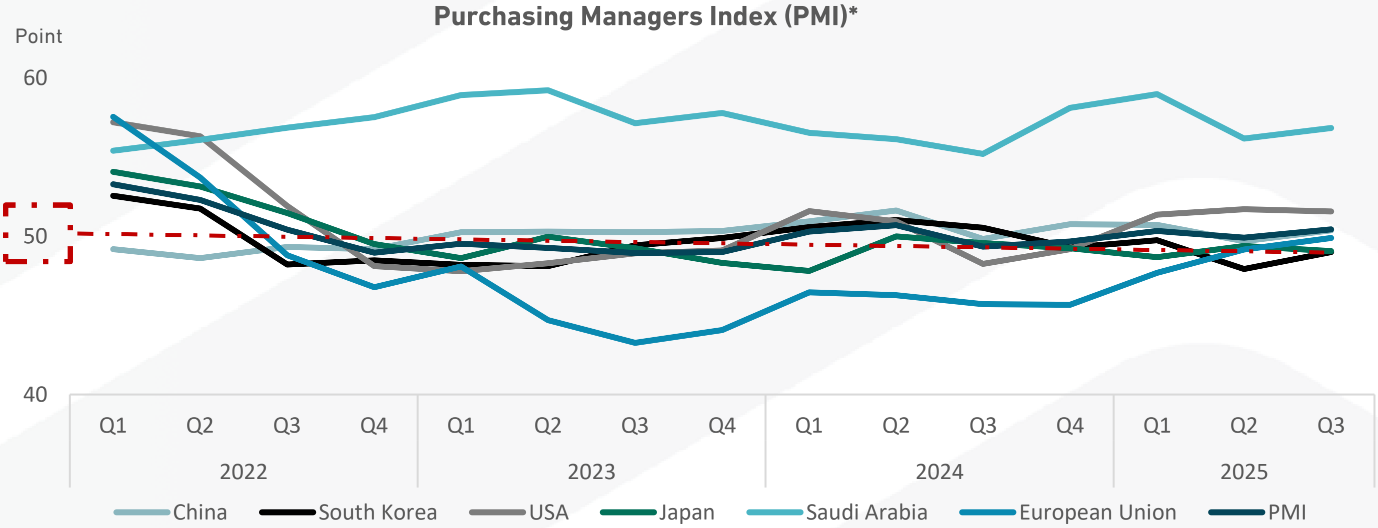
FDI Inflows (%)-on an annual basis	2022 Q2	2023 Q2	2024 Q2	2025 Q2
Global FDI	-17.8%	-25.3%	-42.6%	64.7%
OECD countries	6.2%	-36.6%	-77.6%	266.6%
G20	-22.4%	-13.5%	-31.1%	58.2%

Source: OECD, October 2025

iv. Global Purchasing Managers Index (PMI)

The global PMI increased by 2.2% YoY in Q3 2025, with the index averaging 50.4 point, reflecting a global recovery in index performance. The index also showed slower growth in South Korea, and Japan, with declines of 3.0%, and 1.0% respectively over the same period. In contrast, China, the United States,the European Union and Saudi Arabia recorded increases of 1.1%, 6.8%, 9.2%, and 3.0% respectively in Q3 2025 compared to the same period of the previous year. It is worth noting that South Korea, Japan, and the European Union all recorded PMI values below 50 point by the end of Q3 2025.

The global PMI also recorded 50.4 point during the same period, signaling a recovery in business activity at the global level. South Korea's PMI was the lowest among the selected countries, standing at 49.0 point in Q3 2025. This was largely due to external trade pressures from newly imposed U.S. tariffs, which created uncertainty and reduced global demand, leading to a drop in new orders. South Korea also saw a slowdown in domestic spending and investment, which negatively impacted its manufacturing and services activity.



*Global Manufacturing PMI shows the economic trends in the industry, taking into account recent demands, employment, production output, suppliers to delivery time and inventory of purchases, If the index is above 50.0 signals an improvement since previous month

Source: IHS Markit

V. Global Uncertainty Index

The Global Uncertainty Index reached unprecedented levels in Q3 2025, hitting 106.8 thousand point, up by 455% compared to the same quarter of the previous year. This surge reflects mounting concerns over the future of the global economy. Key drivers behind this spike include escalating geopolitical tensions - particularly in the Middle East and Eastern Europe - as well as newly imposed U.S. tariffs on several countries. These measures have fueled global anxiety over the stability of energy markets and supply chains, further amplifying uncertainty across markets.

**A quarterly index that measures global economic and policy uncertainty and covers 143 countries.

Source: FEDERAL RESERVE BANK

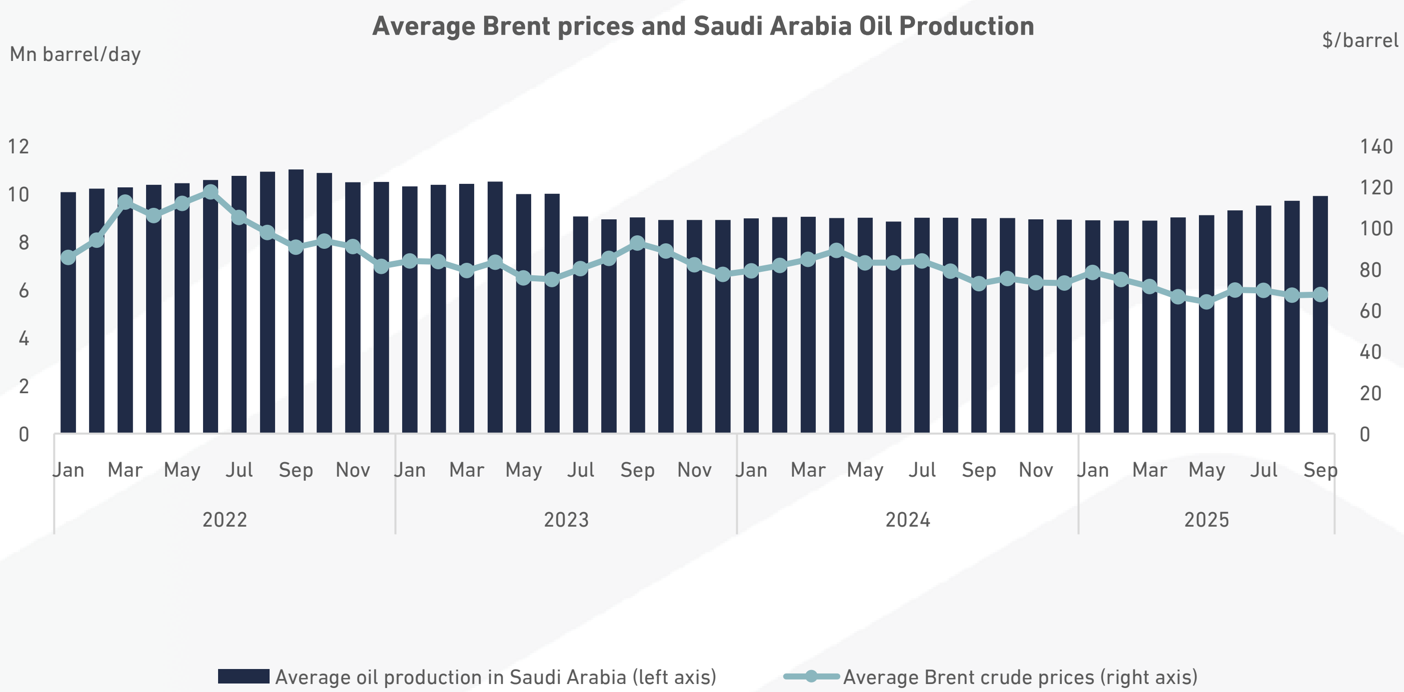
II: Energy Markets

i. Oil

The Organization of Petroleum Exporting Countries (OPEC) report indicates a decline in global oil prices in Q3 2025, as the average price of **Brent crude** declined by 13.3% YoY to reach an average of $68.1/barrel, compared to an average of $78.5/barrel in the same quarter of the previous year. A sharp decline of 7% YoY **in oil prices is witnessed in September** 2025 compared to the same period of the previous year.

The average oil production in Saudi Arabia witnessed an increase during Q3 2025, averaging 9.7 million barrels/day, compared to the same quarter last year which amounted to about 9 million barrels/day. The rise in production was driven by the increase in oil output and supply from OPEC+ countries, which began in April 2025, as part of the group's plan to gradually ease voluntary production cuts.

The **OPEC**, in October 2025 report, indicates that global oil demand will reach about 105.1 million barrels/day in 2025, an increase of 1.3 million barrels/day, compared to 2024. It expects this growth to continue in 2026 at about the same rate.



Source: OPEC

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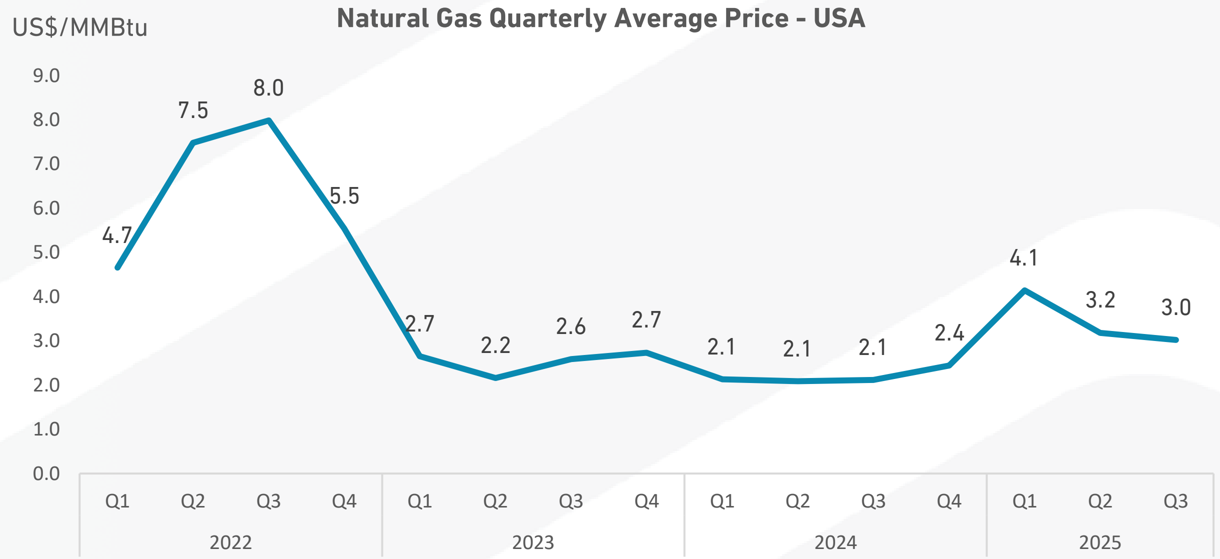
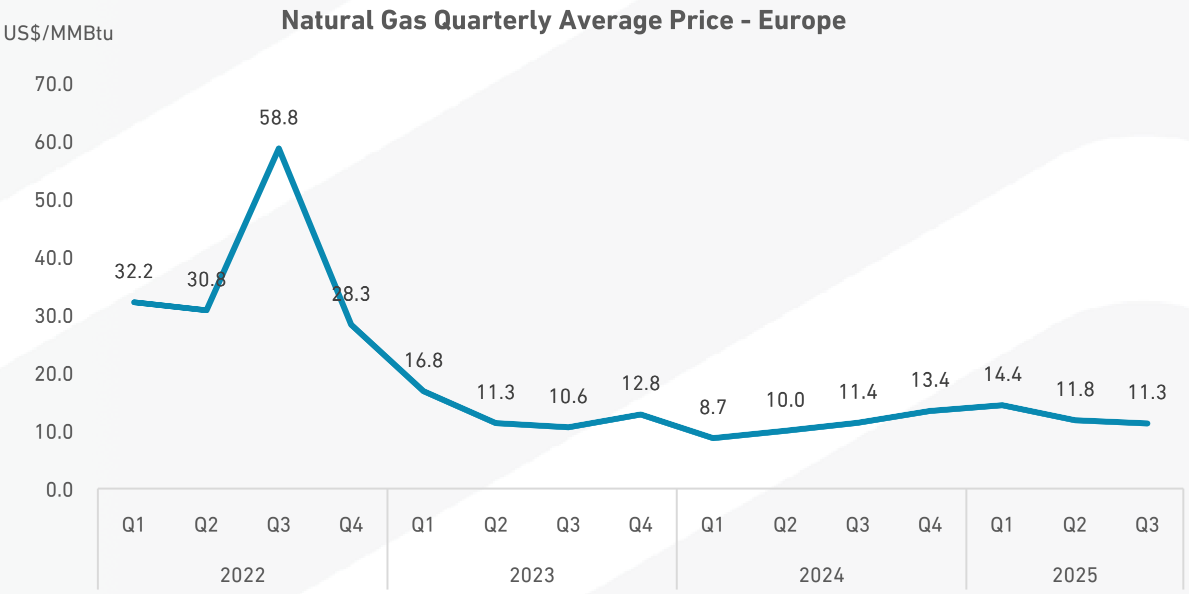
ii. Natural Gas Market

The **OPEC** data shows an increase in the average spot price of **natural gas** in the **United States market** by 43% YoY in Q3 2025, reaching an average of $3.0/MBtu, compared to an average of $2.1/MBtu, in the same quarter of the previous year.

In Europe, gas prices recorded a slight decline in Q3 2025, as the average price of **natural gas** in the **European market** reached an average of $11.3/MBtu, decreasing by 1.1% compared to an average of $11.4/MBtu in the same quarter of the previous year.





Source: U.S. Energy Information Administration (EIA)
International Monetary Fund via FRED

02

SAUDI ECONOMY

Two: Saudi Economy

I: Saudi economy robustness, and local and international outlook

Despite global economic challenges and shifting geopolitical landscapes, Saudi Arabia's economy has witnessed a profound positive transformation over the past years, due to the economic reforms that began since the launch of **Saudi Vision 2030** that has helped to improve the performance of many economic, financial and investment indicators, which underpinning the Kingdom's goal to be among the top 15 economies worldwide by 2030.

The IMF projections, in the WEO October 2025, indicate a 4.0% growth in Saudi Arabia's GDP for 2025, 0.4 percentage point higher than the WEO July 2025, and also increased its projection for GDP growth in 2026 from 3.9% to 4.0%. This is due to the increase in the non-oil sector.

The Organization for Economic Cooperation and Development (OECD), September 2025, projects Saudi real GDP to grow by 3.7% in 2025 and 3.9% in 2026.

The World Bank, in its October 2025 report, projects Saudi real GDP to grow by 3.2% in 2025 and 4.3% in 2026.

Fitch affirms Saudi Arabia's rating at “A+” with a stable outlook in its July 2025 report. The agency also highlighted that the fiscal reforms increase the budget’s resilience to oil price volatility. Moreover, **Standard & Poor’s (S&P)** confirms Saudi Arabia’s rating at “A+” with a stable outlook in its March 2025 report, reflecting the Kingdom’s ongoing reforms to contribute to supporting the development of the non-oil sector and the sustainability of public finances.

Saudi Arabia GDP Growth Projections (%)

Source: IMF Report (WEO, Oct 2025), World Bank Report (Global Economic Prospects, Oct 2025), OECD (The OECD Economic Outlook Sep 2025), S&P, Fitch.

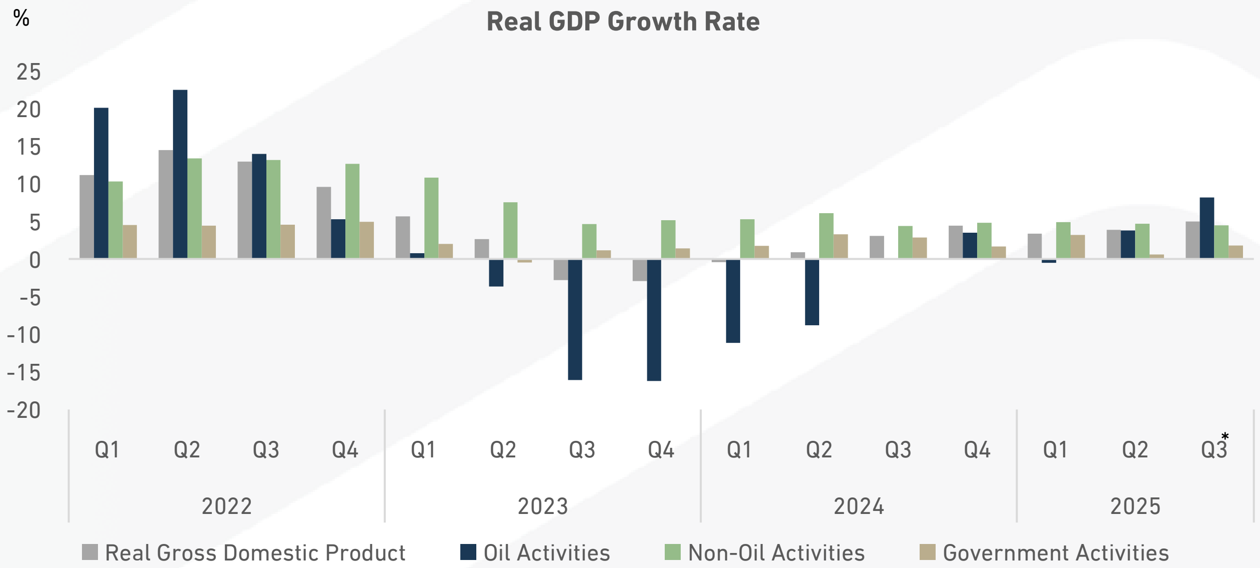
II: Saudi Economy Actual Performance

i. Real Sector

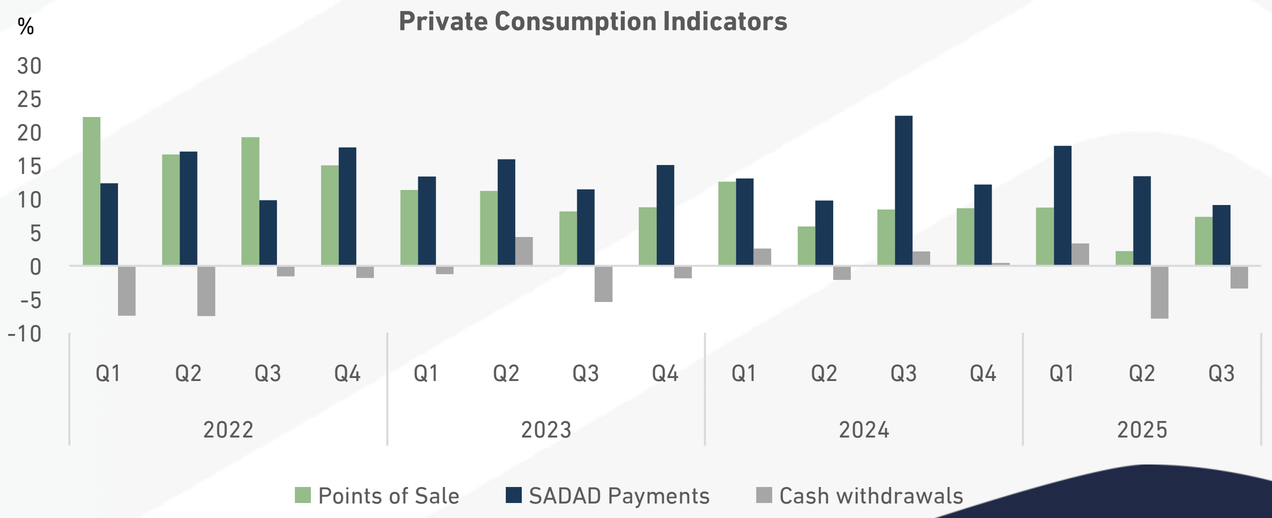
According to the GASTAT flash estimates, Real GDP increased by 5.0% in Q3 2025 compared to the same quarter in the previous year. This is driven by a 4.5% growth in non-oil activities and a 8.2% increase in oil activities and a 1.8% increase in government activities.

According to the Saudi Central Bank's (SAMA) latest data for September 2025, the main **consumption indicators** recorded positive growth rates in Q3 2025, as the **PoS** and **SADAD payments** increased by 7.3% YoY and 9.1% YoY, respectively.

The increase in **PoS sales** is attributed to higher sales in other services, and jewelry sectors which grew by 34.0% each, and Clothing & Accessories sector grew by 18.4% in Q3 2025. The number of PoS transactions in the other sectors also increased by 53.3%, and Clothing & Accessories sector by 26.8%, jewelry sector by 24.1%, for the same period. Additionally, in Q3 2025 **Cash withdrawals decreased** by 3.4% YoY.



Source: GASTAT
*Flash estimates



Source: SAMA

Looking at the private investment indicators, the **Purchasing Managers' Index (PMI)** increased by 3.0% in Q3 2025, reaching 56.8 point compared to 55.2 point in Q3 2024.
Cement sales increased by 10.1% YoY in Q3 2025, to reach 14.1 million tons.

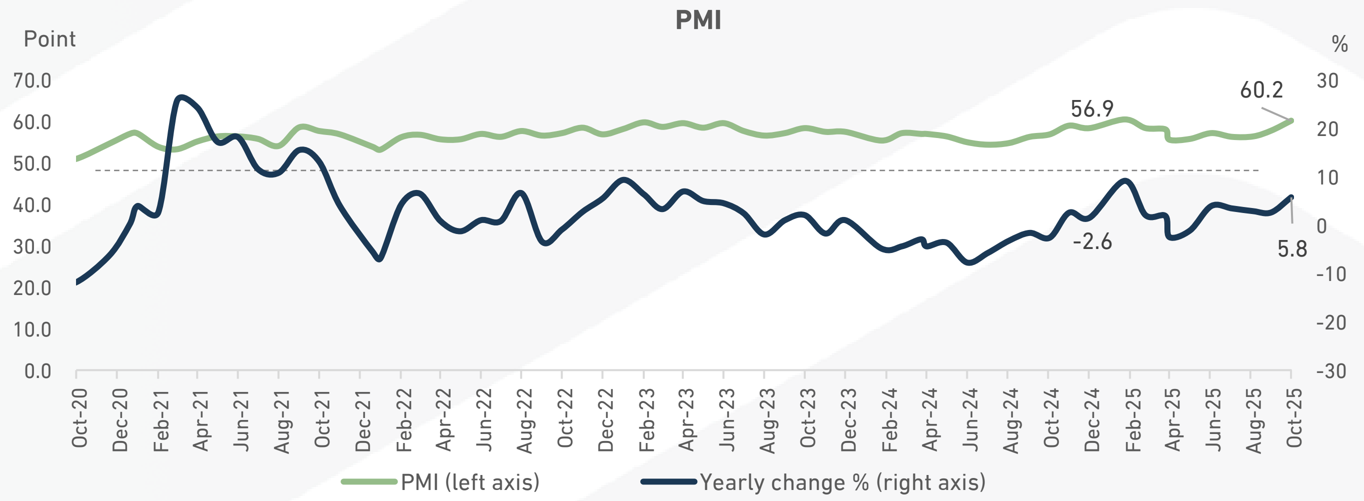
The Real Estate Price Index (REPI) in Q3 2025 grew by 1.3% YoY, driven by an 6.8% increase in commercial property prices and a 15.3% rise in agricultural property prices, while residential property prices declined by 0.9%.

i.i. Labor Market

According to the GASTAT Labor Force Survey, the **Unemployment rate for Saudis** reached 6.8% in Q2 2025, recording an increase of 0.5 percentage point compared to Q1 2025, continuing to achieving 2030 Vision target.

The Total unemployment rate reached 3.2% in Q2 2025, recording an increased of 0.4 percentage point compared to Q1 2025.

Regarding the **unemployment rate for non-Saudis**, it reached 1.4% in Q2 2025 compared to 0.8% in the previous quarter.



Source: Riyadh bank, (S&P).

*When the PMI index is above 50 signals an improvement since the previous month.

Source: GASTAT

ii. Monetary Sector

2.1 Money Supply and Reserve Assets

According to SAMA data, the **money supply** increased by 7.8% YoY in Q3 2025, driven by a rise in time and savings deposits of 21.7% (rise in companies and individuals time and savings deposits by 21.8% and a rise in government time and savings deposits by 21.7%).

Reserve assets decreased by 1.4% YoY in Q3 2025, due to a 3.6% decline in the investment in foreign securities.

2.2 Interest Rates

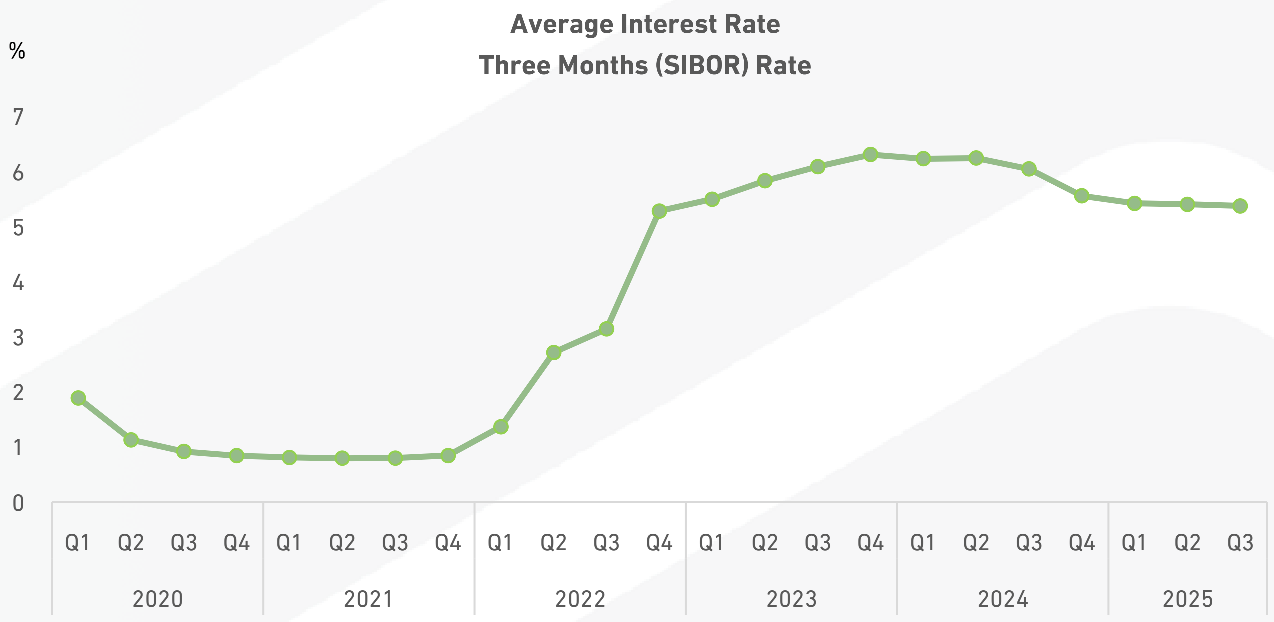
The average Interbank Offered Rate (SAIBOR) recorded 5.4% in Q3 2025, declined by 0.7 basis point compared to Q3 2024. The **Rate of Repurchase Agreement (Repo)** also decreased to reach 4.8% and the **Rate of Reverse Repurchase Agreement (Reverse Repo)** decreased to reach 4.3%.

Meanwhile**, lending activity** remains strong in the Kingdom. Bank credit to the public sector grew by 17.3% in Q3 2025 compared to Q3 2024, while credit to the private sector increased by 13.0% YoY. Additionally, real estate loans financed by commercial banks recorded a 14.5% YoY in Q2 2025.

2.3 Inflation

According to GASTAT data, the **average inflation rate**, measured by the **Consumer Price Index (CPI)**, stood at 2.2% in Q3 2025, up from 1.4% in the same quarter of the previous year. This increase was mainly driven by higher prices in housing, water, electricity, gas, and other fuels up 5.7% and personal goods and services up 5.1%. In September 2025, CPI remained at 2.2%, with the housing, water, electricity, gas, and fuel category increased at 5.2%.

The Wholesale Price Index (WPI) increased by 2.1% YoY in Q3 2025, due to higher prices of other transportable goods by 4.1% (33.7% of the index weight).



Source: SAMA, GASTAT

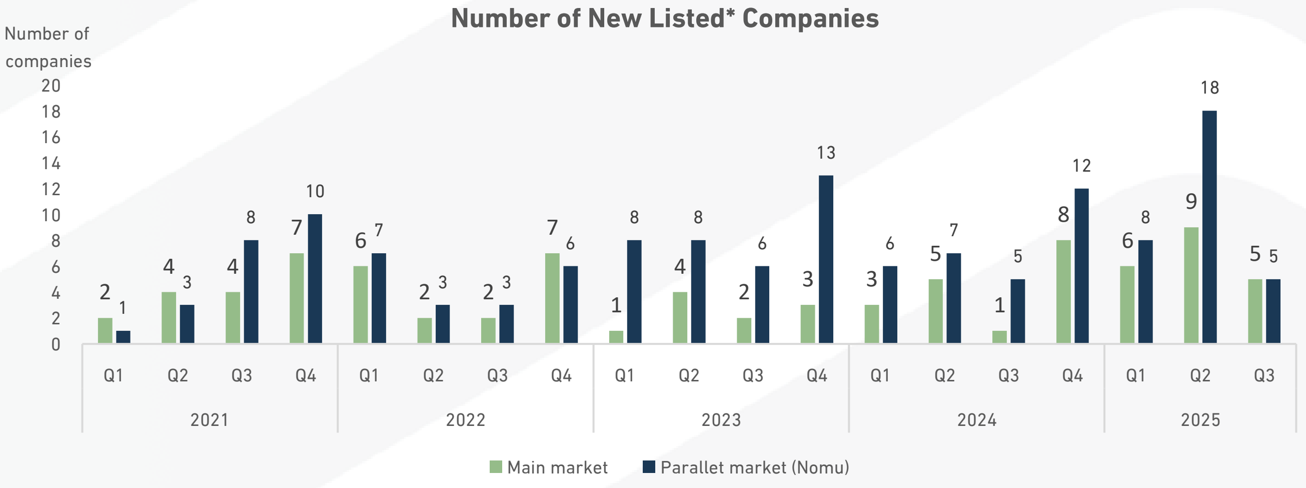
iii. Capital Market

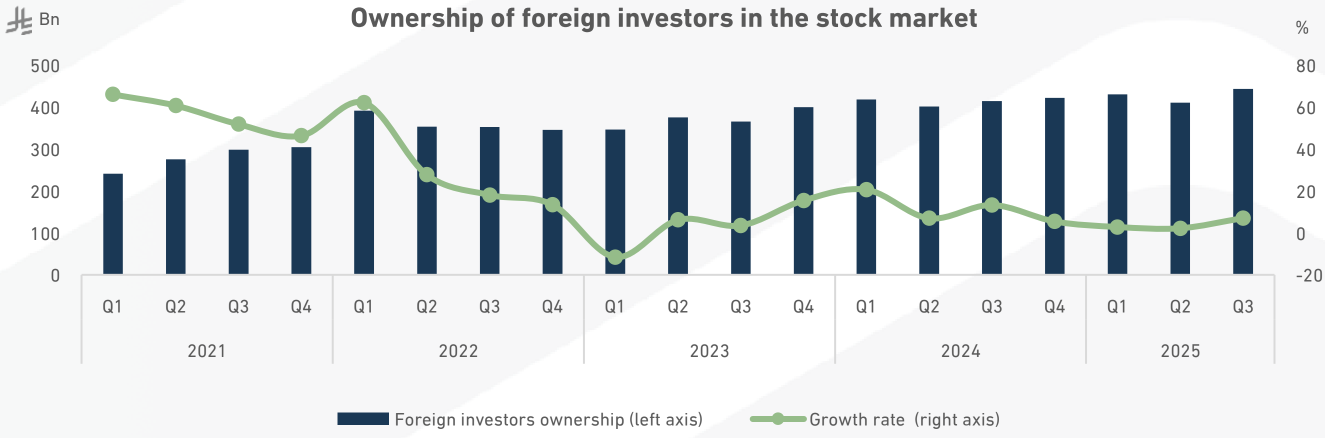
Tadawul All Share Index (TASI) closed at 11,503 points by the end of Q3 2025, down by 5.9% compared to the previous year. **The total market capitalization of listed shares** recorded SAR 9.3 trillion by the end of Q3 2025, reflecting a decline by 7.8% YoY.

In contrast, the **Parallel Market Index (NOMU)** rose by 0.1% at the end of Q3 2025 compared to the same period last year, closing at 25,472 points. **The market capitalization of listed shares on NOMU** reached SAR 49.1 billion, marking a 11.5% decrease compared to Q3 2024.

The total number of new listed companies in Q3 2025 reached (10) companies, with 5companies listed in TASI and 5 companies listed in NOMU*.

The value of the GCC investors' ownership decreased by 3.9% YoY and the **value of foreign investors' ownership** increased by 7.1% YoY, by the end of Q3 2025.





Source: Saudi Exchange (Tadawul)
*Number of new companies listed on the capital market includes companies listed on the main market and the parallel market (Nomu). Also, including direct listing companies

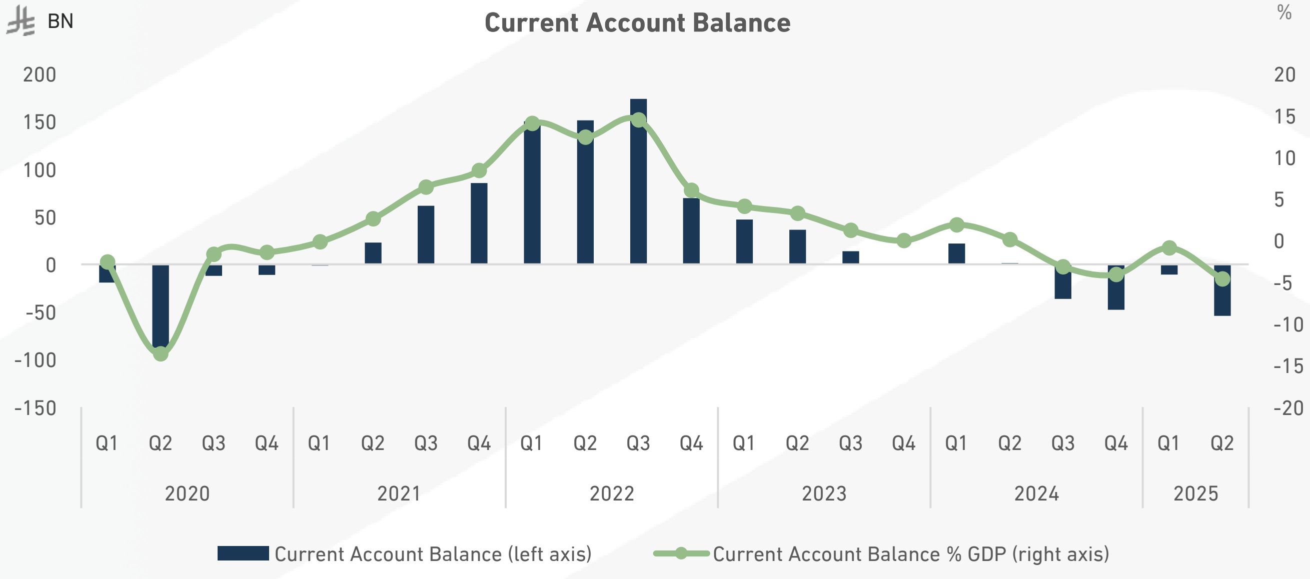
iv. External Sector (Balance of Payments)

According to SAMA data for the balance of payments in Q2 2025, **the current account** recorded a deficit of SAR 54 billion, compared to a surplus of SAR 1.3 billion for the same quarter in the previous year.

According to data issued by GASTAT, Saudi Arabia's **foreign trade performance** in Q2 2025 recorded a trade surplus of SAR 35.2 billion, compared to a surplus of SAR 87.1 billion in the same period of the previous year, recording a decrease of 59.6%. **Merchandise exports** declined by 7.2% YoY, totaling SAR 274.1 billion, down from SAR 295.4 billion in Q2 2024, mainly due to an 15.8% drop in oil exports, which reached SAR 186.0 billion compared to SAR 220.8 billion in the same quarter of the previous year.
However, **Non-oil exports*** rose by 18.1%, reaching SAR 88.1 billion compared to SAR 74.6 billion for the same period in 2024. **Imports** also increased by 14.7% in Q2 2025, amounting to SAR 238.9 billion, up from SAR 208.3 billion in Q2 2024. Non-oil exports to total imports reached approximately 36.9% in the same period.

In August 2025, Saudi Arabia's **trade balance** recorded a surplus of SAR 24.2 billion, increased by 4.1% compared to a surplus of SAR 23.2 billion in the same month of the previous year. **Merchandise exports** increased by 6.6% YoY, primarily due to a 7.0% increased in oil exports. In contrast, non-oil exports* decreased by 6.7% during the same period.

Imports increased by 7.4% YoY, amounting to SAR 74.9 billion in August 2025.



Source: SAMA, GASTAT
*Non-oil exports include re-exports

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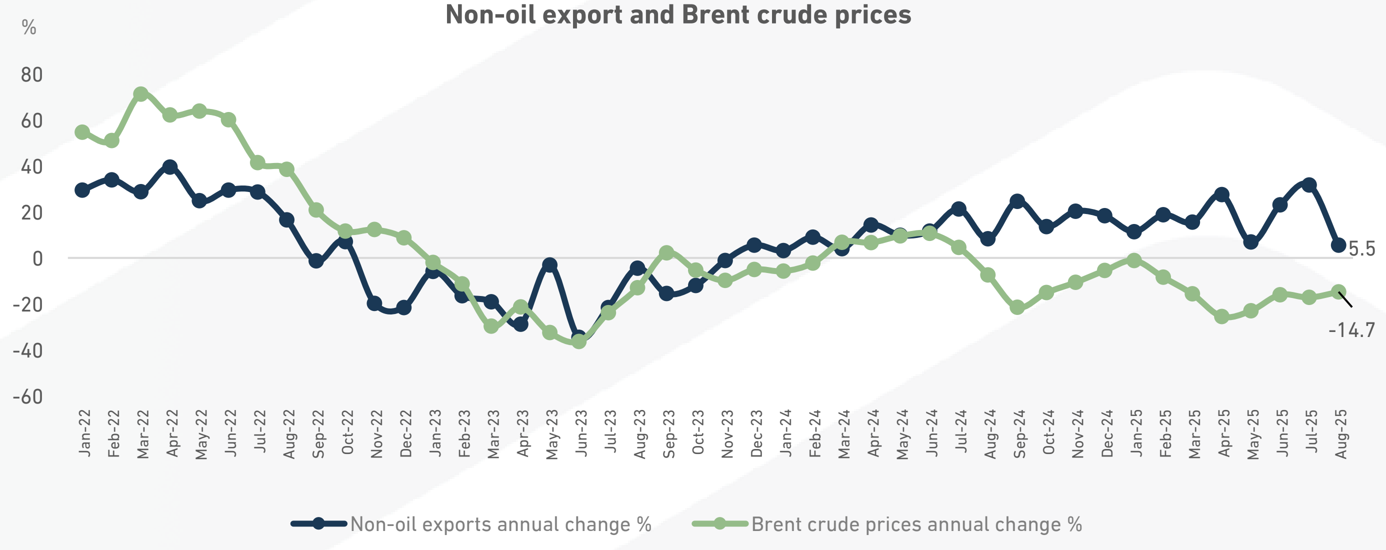
Saudi Arabia Non-oil Exports* Vs Imports

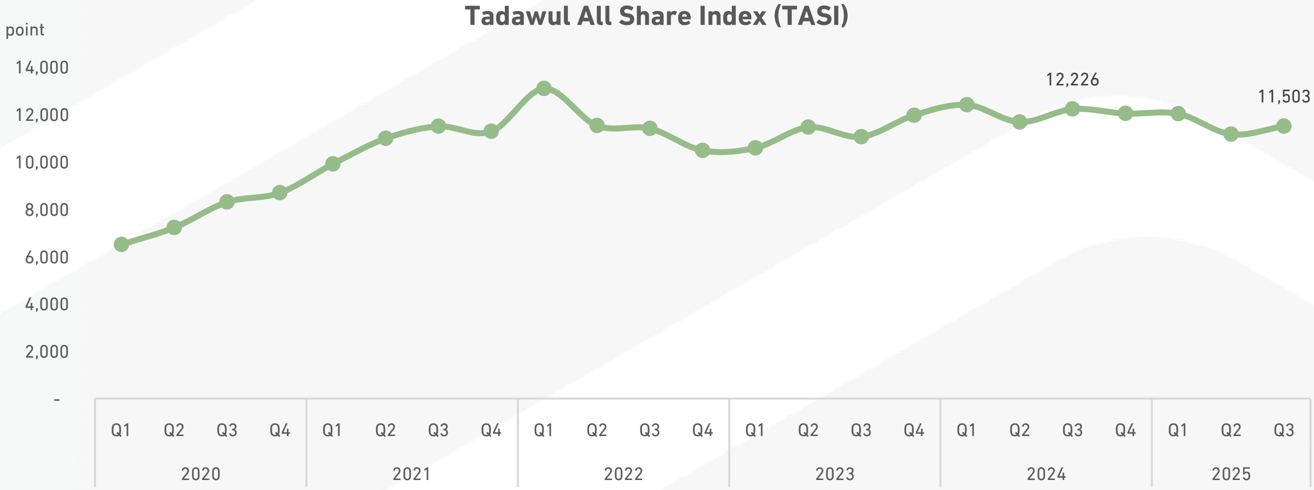
Non-oil export and Brent crude prices



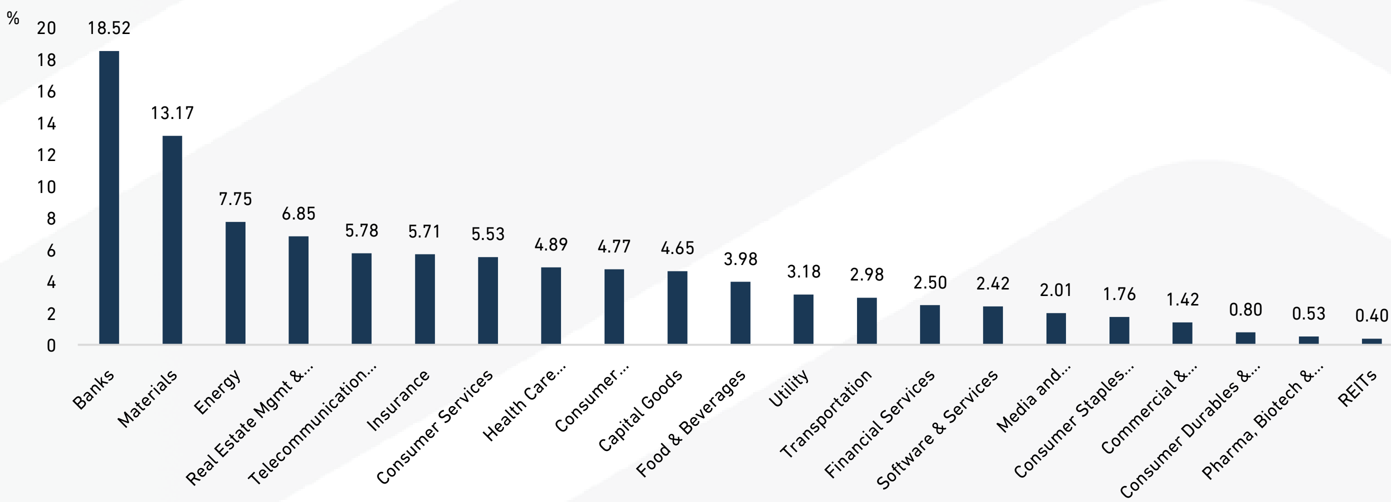
Trade Balance

Source: GASTAT
*Non-oil exports include re-exports.

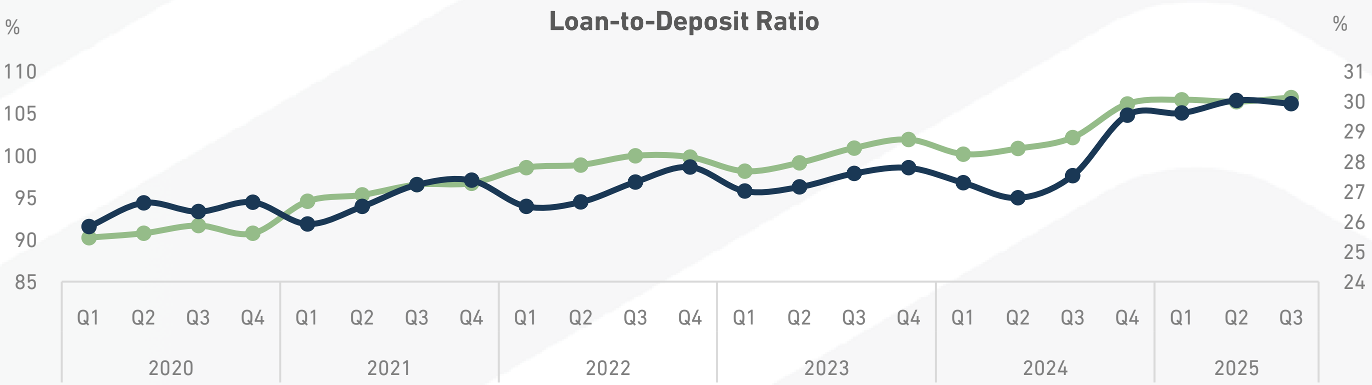
Tadawul All Share Index (TASI)



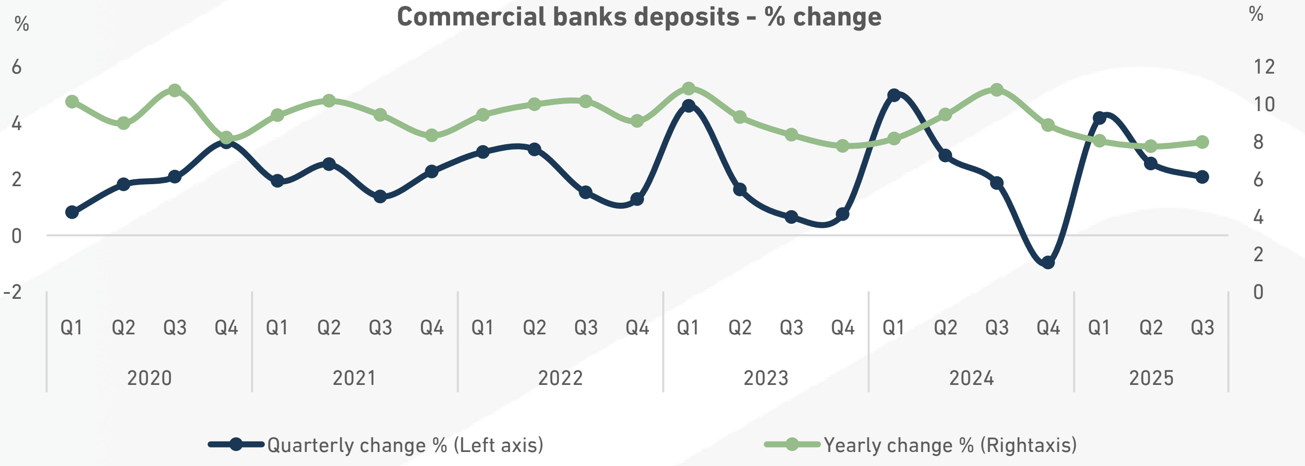
The Ratio of Shares Traded Value by Sector to Total Trading Value of TASI (Q3 2025)



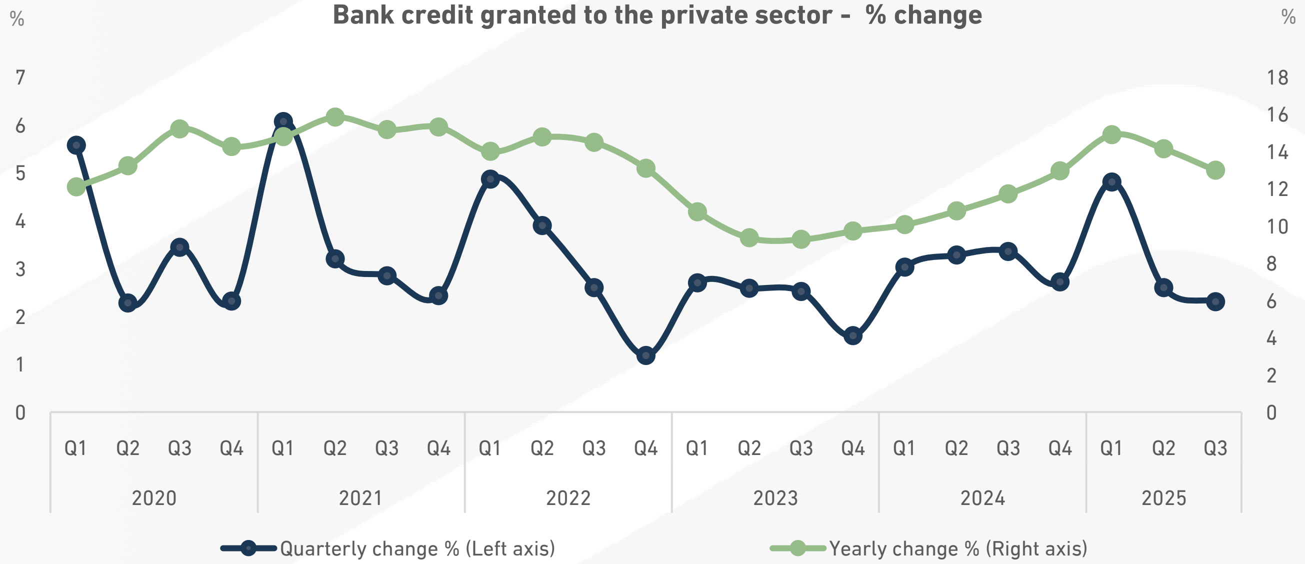
Loan-to-Deposit Ratio



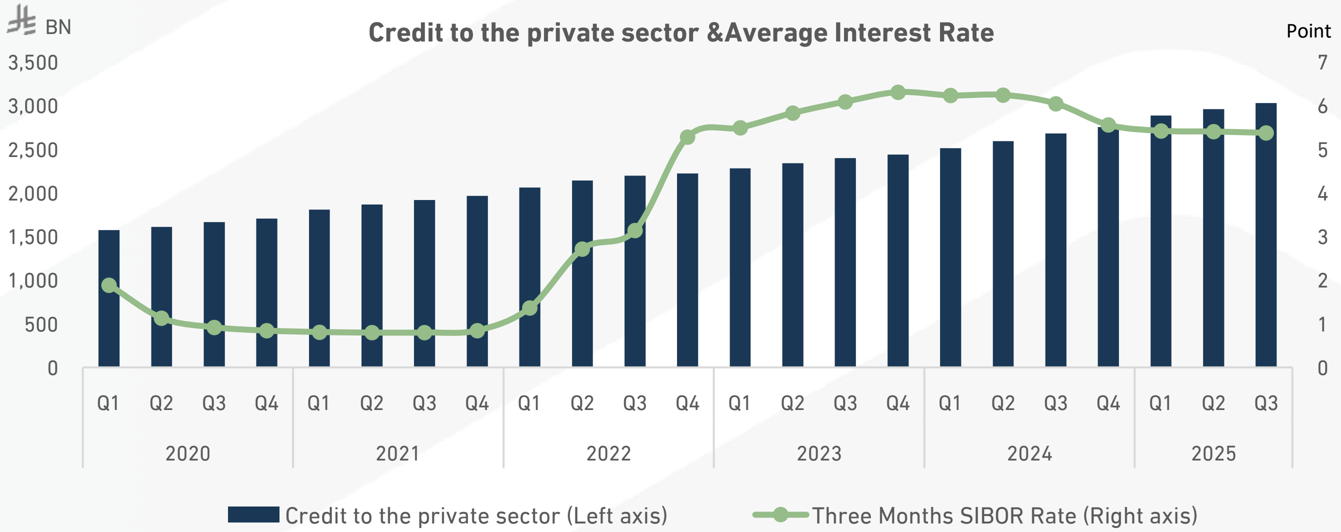
Source: Saudi Exchange (Tadawul) ,SAMA



Commercial banks deposits - % change
%
%
6
4
2
0
-2
12
10
8
6
4
2
0
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3
2020
2021
2022
2023
2024
2025
Quarterly change % (Left axis)
Yearly change % (Rightaxis)

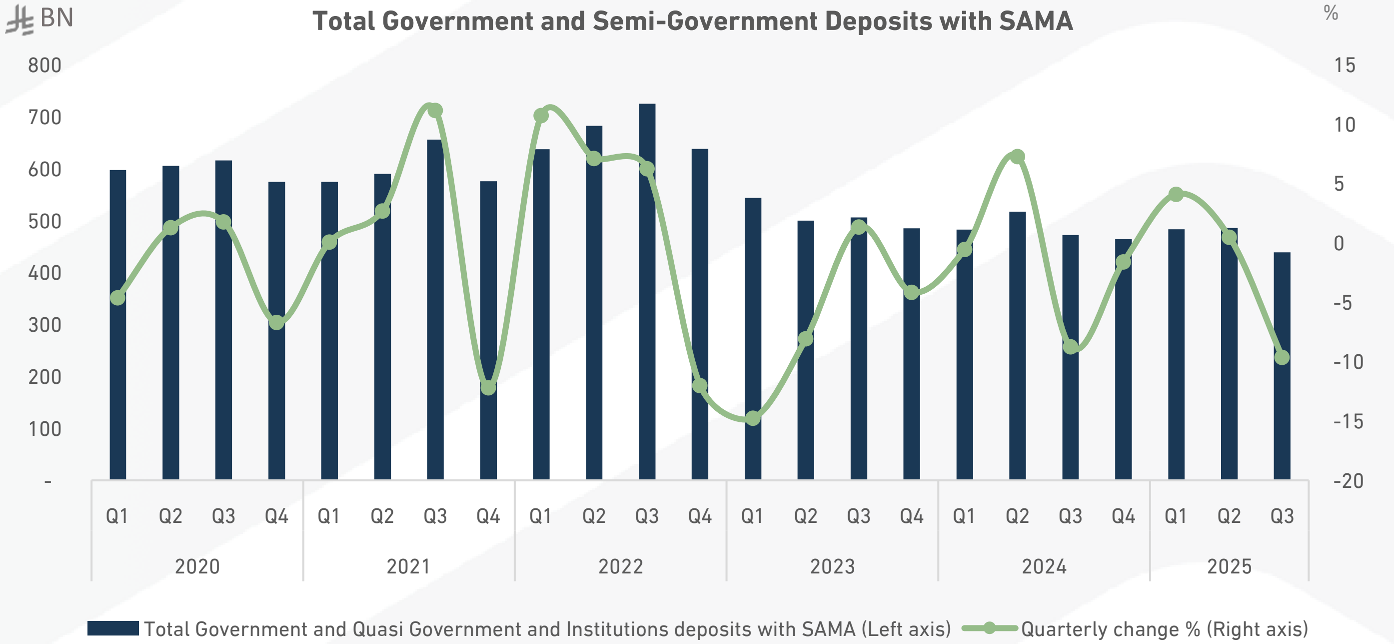


Bank credit granted to the private sector - % change
%
%
7
6
5
4
3
2
1
0
18
16
14
12
10
8
6
4
2
0
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3
2020
2021
2022
2023
2024
2025
Quarterly change % (Left axis)
Yearly change % (Right axis)

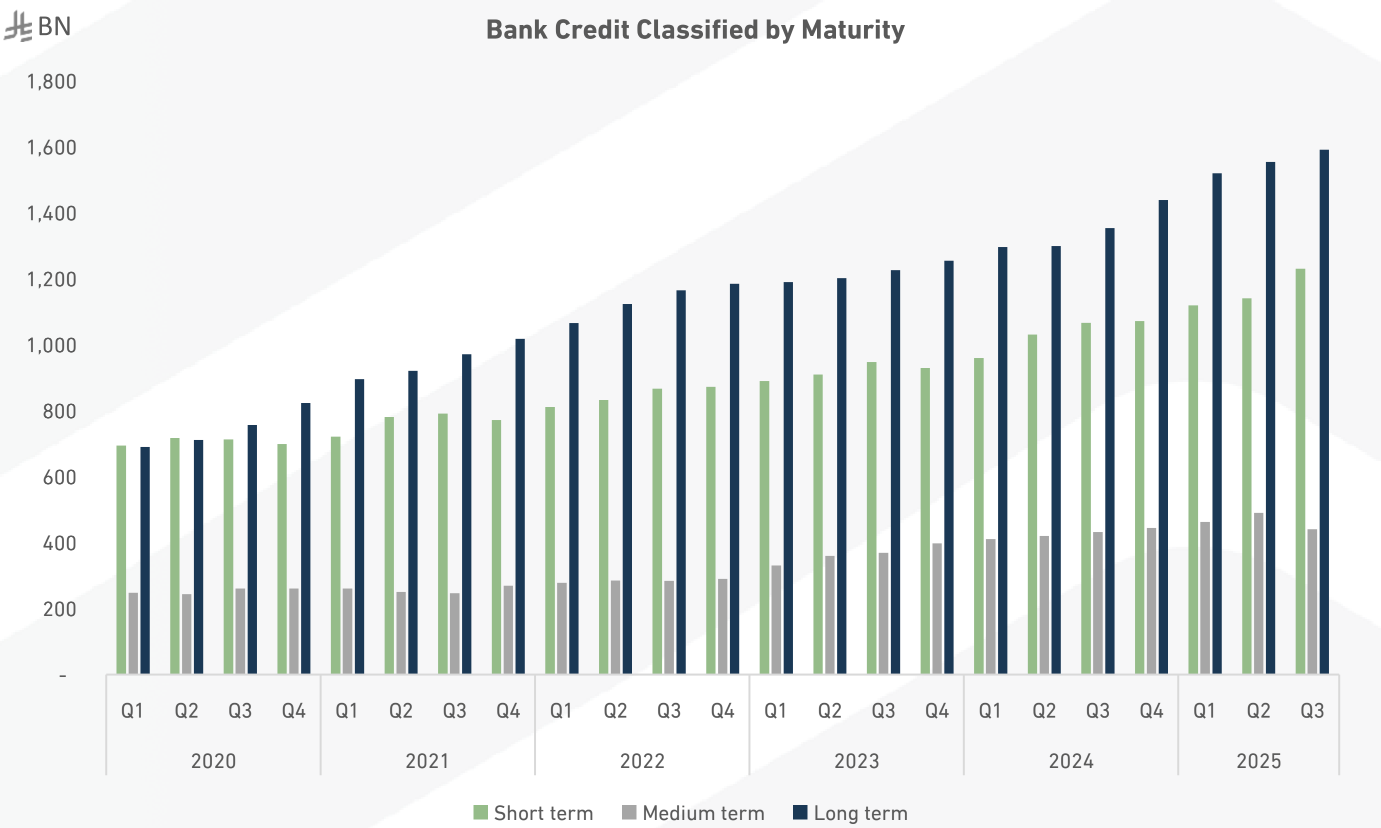


BN
Credit to the private sector &Average Interest Rate
Point
3,500
3,000
2,500
2,000
1,500
1,000
500
0
7
6
5
4
3
2
1
0
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3
2020
2021
2022
2023
2024
2025
Credit to the private sector (Left axis)
Three Months SIBOR Rate (Right axis)

Source: SAMA



BN
Total Government and Semi-Government Deposits with SAMA
%
800
700
600
500
400
300
200
100
-
15
10
5
0
-5
-10
-15
-20
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3
2020 2021 2022 2023 2024 2025
Total Government and Quasi Government and Institutions deposits with SAMA (Left axis)
Quarterly change % (Right axis)



BN
Bank Credit Classified by Maturity
1,800
1,600
1,400
1,200
1,000
800
600
400
200
-
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3
2020 2021 2022 2023 2024 2025
Short term
Medium term
Long term

Source: SAMA

03

ENABLING INVESTMENT AND ENHANCING THE ATTRACTIVENESS OF ITS ENVIRONMENT IN SAUDI ARABIA

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Three: Enabling Investment and Enhancing the Attractiveness of Its Environment in Saudi Arabia

I: Saudi Arabia's Targets Related to Investment Indicators

The National Investment Strategy (NIS) is one of the enablers to achieve the targets of Saudi Vision 2030, through:

among the top **15** largest economies in the world by 2030

by

⃁ **+12** trillion
Increase in the cumulative volume of investments
by 2030

7.0%
Target of Saudi unemployment rate
by 2030

50%
Increase in non-oil exports contribution to non-oil GDP
by 2030, compared to 16% in 2016

65%
Increase in the private sector contribution to GDP
by 2030, compared to 40% in 2016

The NIS Investment Targets by 2030

⃁ **1.7** trillion
Overall domestic investment component of gross fixed capital formation

⃁ **388** billion
FDI inflows (or **5.7%** contribution to GDP)

⃁ **2** trillion
Overall GFCF with a contribution of **30%** to GDP

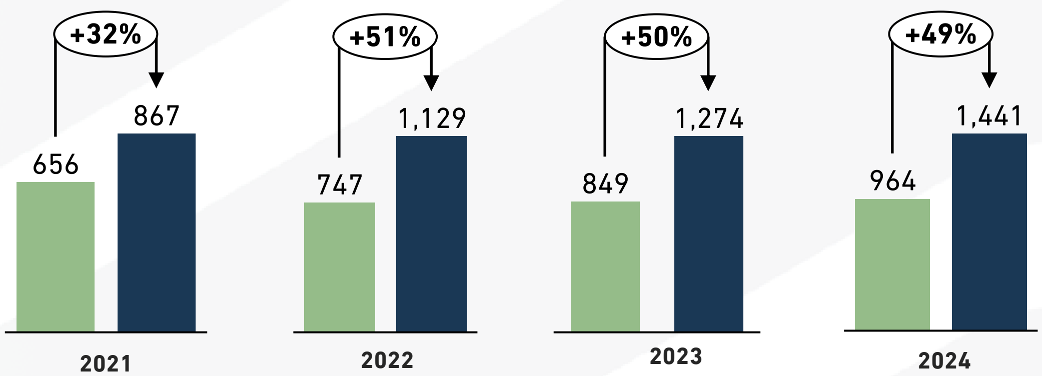
*Including the comprehensive update of GDP issued by GASTAT.
Source: National Investment Strategy (NIS), GASTAT

II: Investment in Saudi Arabia

i. Gross Fixed Capital Formation (GFCF):

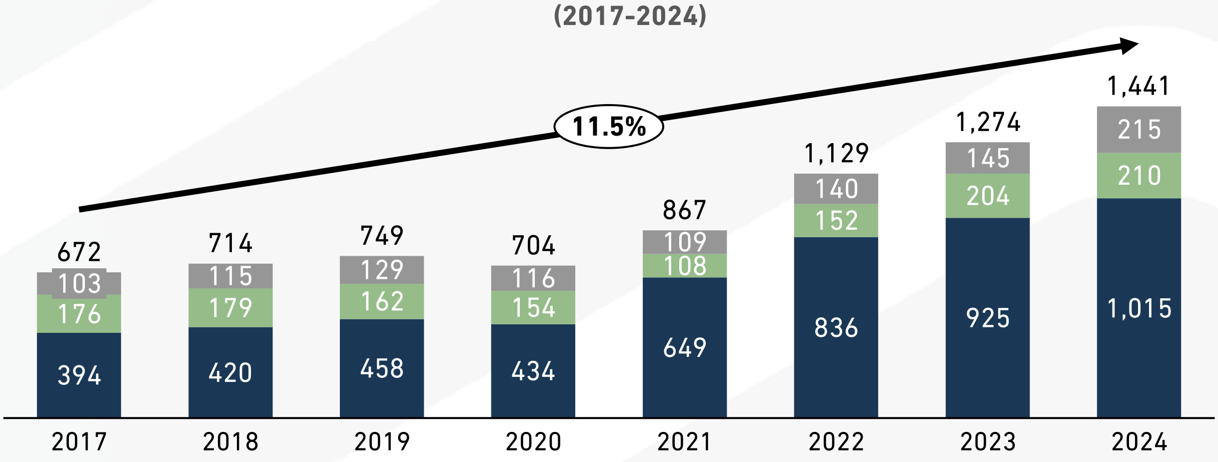
From 2021–2024, nominal GFCF consistently exceeded the targets set under the NIS for the fourth consecutive year, with an actual performance surpassing the target by 49% in 2024.

Actual performance Vs. Nominal GFCF Targets (2021-2024) (billion ⃁)



Nominal GFCF reached SAR 1,441 billion in 2024, recording a growth of 13.1%, mainly driven by a 10% rise in (non-oil, non-government (private sector)) GFCF, which accounted for 70% of the total during the same period.

The nominal GFCF by Sectors (2017-2024)



Source: MISA, GASTAT (Annual National Accounts Publication 2024)

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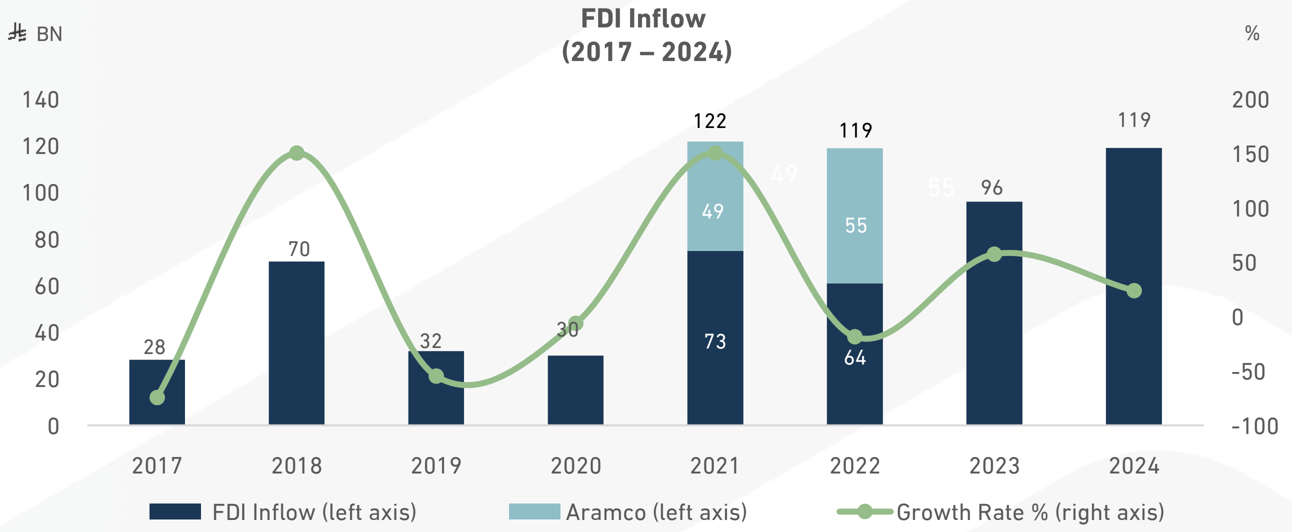
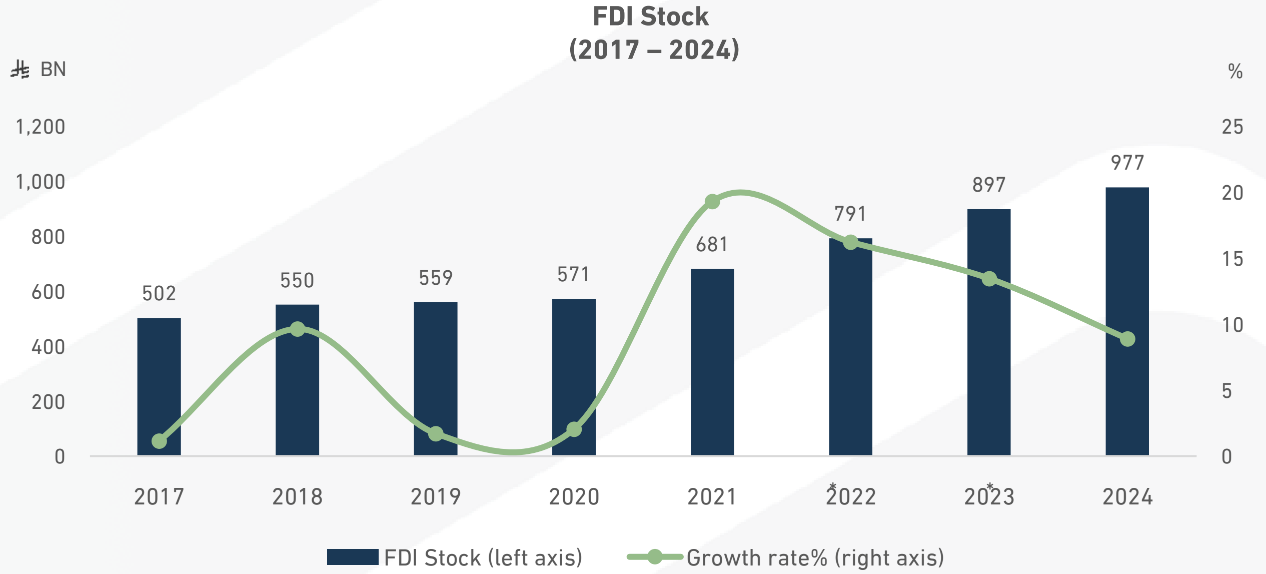
II: Investment in Saudi Arabia

ii. Foreign Direct Investment in Saudi Arabia:

In 2024, **FDI inflow** amounted to SAR 119 billion, exceeding the NIS target of SAR 109 billion by 9% (actual performance vs. NIS target). FDI inflow increased by 24% in 2024 compared to 2023, reflecting the attractive investment environment and government efforts to increase investments and achieving the Vision 2030 goals.



FDI stock increased by 9% in 2024 compared to 2023, reaching SAR 977 billion (by the end of 2024). Moreover, FDI stock as a percentage of GDP reached around 21% in 2024.



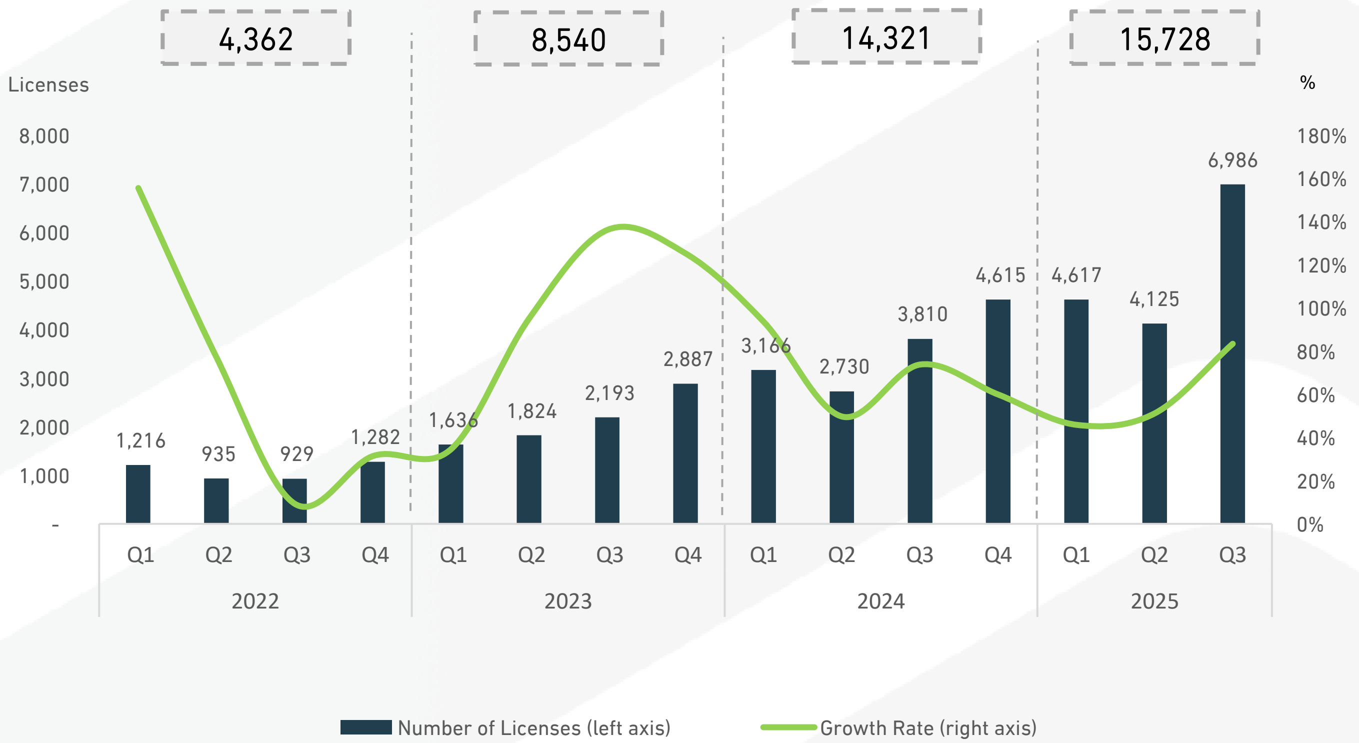
Source: MISA, GASTAT

*Updated data, based on the Annual Foreign Direct Investment Bulletin 2024

iii. Investment Licenses in Q3 2025

The total **number of investment licenses** issued in Q3 2025 reached 6,986, up by 83.4%, compared to 3,810 in the same quarter of the previous year (excluding licenses issued as part of the anti-concealment law enforcement).

***Number of investment Licenses**



Source: MISA
*Figures exclude investment licenses issued as part of the anti-concealment law enforcement
Historical figures of investment licenses are subject to update according to data dynamics

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In Q3 2025, several investment licenses were issued in the following activities: **construction**,, **Wholesale and retail trade, and manufacturing** representing **66%** of total investment licenses.

Activity*	2024 Q3	2025 Q3	Growth Rate %
Construction	1,062	2,583	143
Wholesale and retail trade	363	1,214	234
Manufacturing	599	803	34
Accommodation and food service	279	563	102
Information and communication	341	517	52
Professional, scientific and technical activities	378	316	(-16)
Transportation and storage	186	314	69
Administrative and support service	186	212	14
Real estate	69	92	33
Human health and social work activities	39	86	121
Education	40	81	103
Other service	57	42	(-26)
Agriculture, forestry and fishing	55	40	(-27)
Water supply; sewerage, waste management	41	35	(-15)
Arts, entertainment and recreation	34	31	(-9)
Financial and insurance services	28	30	7
Mining and quarrying	35	25	(-29)
Electricity, gas, steam and air conditioning	16	2	(-88)
Public administration and defense	2	0	-
Total	**3,810**	**6,986**	**83**

Source: MISA
*Figures exclude investment licenses issued as part of the anti-concealment law enforcement
Historical figures of investment licenses are subject to update according to data dynamics

III: Saudi Arabia's Performance in Global Indicators

Saudi Vision 2030 has indeed led to significant improvements in various international indicators

Saudi Arabia Credit Rating (Standard & Poor's)
A+ with stable outlook
Source: S&P, March 2025

Saudi Arabia Credit Rating (Fitch)
A+ with stable outlook
Source: Fitch, July 2025

Saudi Arabia Credit Rating (Moody's)
Aa3 with stable outlook
Source: Moody's, November 2024

Saudi Arabia's ranking among the G20

Population growth rate	1	Source: World Bank,2024
National Entrepreneurship Context Index for 2024	1	Source: GEM, 2025
ICT Development Index	1	Source: ITU, 2025
Telecommunication Infrastructure Index	2	Source: United Nations, 2024
E-Government Development Index	2	Source: United Nations, 2024
Online Service Index	2	Source: United Nations, 2024
GovTech Maturity Index	3	Source: World Bank,2023
Gross Capital Formation, % of GDP for 2024*	3	Source: IMF, October 2025
World Competitiveness Ranking (Overall)	4	Source: IMD, 2025
E-Participation Index	5	Source: United Nations, 2024
Total reserves	6	Source: World Bank,2024
Global Talent Index	7	Source: IMD, 2025
Global Happiness Index	8	Source: WHR, 2025
Human Capital Index	8	Source: United Nations, 2024
Economic Freedom Index	9	Source: Heritage Foundation, 2025

*Saudi GDP data is based on the 2024 Annual National Accounts Bulletin issued by the GASTA.

III: Saudi Arabia's Performance in Global Indicators

Saudi Arabia's ranking globally

Total Value of Venture Investment
1st
among the MENA region and North Africa
Source: SVC, H1 2025

ICT Access
1
out of 139
Source: WIPO, 2025

PCSI economic expectations
1
out of 22
Source: Ipsos, September 2025

Easy to start a business
1
out of 51
Source: GEM, 2025

Cyber security
1
out of 67
Source: IMD, 2024

PCSI investment climate
2
out of 22
Source: Ipsos, September 2025

Venture capital
2
out of 67
Source: IMD, 2024

ICT
2
out of 139
Source: WIPO, 2025

State of cluster development
3
out of 139
Source: WIPO, 2025

GovTech Maturity Index
3
out of 198
Source: World Bank,2023

FDI Confidence Index
3
among Emerging markets
Source: Kearney, 2025

Online Service Index
4
out of 193
Source: UN, 2024

International experience
5
out of 69
Source: IMD, 2025

Business Environment
5
out of 139
Source: WIPO, 2025

Financing and scaling up of startups
4
out of 139
Source: WIPO, 2025

Entrepreneurship Policies and Culture
5
out of 139
Source: WIPO, 2025

Total reserves
7
out of 167
Source: World Bank,2024

Saudi Stock Exchange
11th
among the largest markets by market capitalization
Source: Tadawul, September 2025

IV: Efforts to Support Investment Environment in Saudi Arabia's Strategic and operational achievements

i. Key operational achievements of MISA

As part of MISA's ongoing efforts to enhance the Saudi investment ecosystem and improve the investor experience, **MISA has achieved several milestones during Q3 2025, including:**

31
Licenses for regional headquarters

69
Addressing investors challenge

+129K services
Provided via outreach centers

+61K E-services
Provided via the website

+43K services
Provided via comprehensive service centers

ii. MISA Events in Q3 2025

MISA, seeks to promote local investment and attract foreign investment. It also organizes and participates in variety of events. **In Q3 2025**, MISA took part and organized **11 local and international events in different fields**.

Moreover, MISA also participated in investment forums between Saudi Arabia and several countries, aiming at enhancing the investment ecosystem in the Kingdom, develop investment opportunities, promote local investment, and attract foreign investment by highlighting Saudi Arabia's major opportunities.

INNOPROM

INNOPROM International Industry Form

7 July 2025
Yekaterinburg, Russia

MISA participated in the INNOPROM 2025 International Industrial Exhibition as one of kingdom's representative as a partner country. The participation included 18 government entities and 20 national companies representing vital sectors such as industrial services, technology, minerals, industrial automation, tourism, and culture. The participation aimed to strengthen international engagement and underscore investment opportunities in Saudi Arabia.

Saudi-Syrian Investment Forum

24 July 2025
Damascus, Syria

The Saudi investment delegation concluded its visit to Syria, headed by HE Khalid Al-Falih, the Minister of Investment, after a series of meetings with Syrian officials to open up prospects for cooperation in various investment areas to achieve economic growth, prosperity, and comprehensive sustainable development in Syria.

Saudi-Syrian Roundtable

24 July 2025
Riyadh, Saudi Arabia

In the presence of HE the Minister of Investment, Khalid Al-Falih, and HE Dr. Mohammad Nidal Al-Shaar, an agreement was signed to promote and protect mutual investments between Kingdom of Saudi Arabia and the Syrian Arab Republic. A dialogue session was also held, bringing together representatives from the public sector and private investors.

The New Global Sport Conference (NGSC2025)

THE NEW GLOBAL SPORT CONFERENCE

23 August 2025
Riyadh, Saudi Arabia

HE the Minister participated in a panel discussion in the New Global Sport Conference alongside several high-ranking officials, attended by executives and industry leaders. In a strategic move to strengthen the Kingdom's position in the gaming and esports industry. MISA signed two MoUs with the Social Development Bank and the Esports World Cup Foundation.

Workshops and Roundtables in shanghai

24 August 2025
Shanghai, China

In the presence of HE the Minister of Investment, four workshops and roundtables were held in Shanghai with the participation of representatives from both the public and private sectors. These included an investment workshop on industrial value chains, a roundtable titled "Integrated 'Value Chain", a roundtable on shipbuilding and maritime supply chains, and a workshop focused on the agriculture sector.

Workshops and Roundtables in Beijing

26 August 2025
Beijing, China

Four workshops and roundtables were held in Beijing, in the presence of HE the Minister of Investment and with the participation of representatives from both the public and private sectors. These included a financial sector workshop, a closed meeting with bank executives, a telecommunications sector workshop, and a workshop for construction sector.

Financial Sector Roundtable

29 August 2025
Hong Kong, China

A financial sector roundtable was held to showcase and discuss opportunities of cooperation and investment partnerships, in the presence of HE the Minister of Investment and the Saudi Consul General in Hong Kong. The meeting was attended by leaders of 20 major Chinese financial companies and several relevant Saudi governmental and private entities.

Poland-Saudi Arabia Investment Forum

10 September 2025
Warsaw, Poland

HE the Minister of Investment Khalid Al-Falih participated in Poland-Saudi Arabia Investment Forum, H.E emphasized the depth of the economic partnership between both countries and exploring cooperation opportunities in the fields of energy, innovation, and future industries, in a way that enhances the path of joint growth and development.

Hannover Messe 2025

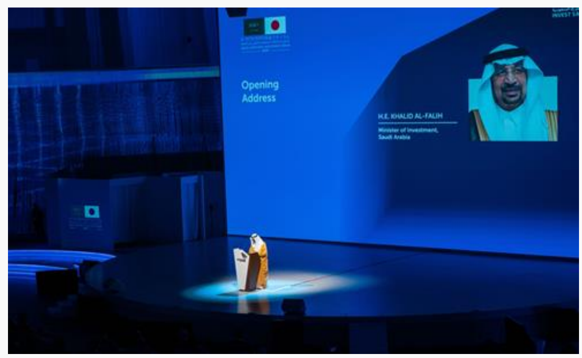
23 September 2025
Shanghai, China

The Ministry of Investment participated in the Hannover Messe "Industrial Automation Show" in Shanghai, as a part of the Ministry of Industry and Mineral Resources pavilion, to introduce investment opportunities in the industrial sector and the attractive investment environment in the Kingdom. The visit also aimed to review the investor journey, the services and facilities that are provided by the system to investors.

Saudi-Japanese Investment at EXPO

24 September 2025
Osaka, Japan

The Saudi-Japanese Investment Forum at EXPO 2025 brings together business leaders to explore joint opportunities and build strategic partnerships. HE the Minister of Investment reviewed the convergences between Saudi Vision 2030 and the Japan "Society 5.0" Vision, stressing the importance of cooperation to build open markets and long-term investment between both countries.



Roundtables in South Korea

25 September 2025
South Korea

In the presence of HE the Minister of Investment, three roundtables were held in South Korea with the participation of public and private sector representatives. The discussions covered petrochemicals, mining, automotive, healthcare, and ICT, as well as cooperation with leading Korean companies under the Saudi-Korean SME and Entrepreneurship Program. Another Roundtable focused on localizing maritime supply chains, with the participation of HD Hyundai and the participation of 30 senior executives from major Korean shipbuilding companies.

V: Key Legislation Related to Investment

MISA aims to provide a safe and competitive investment environment, as well as developing investment laws and procedures with its partners from government entities, to complement the legislative and regulatory structure. Investment legislation plays a crucial role in enhancing the investment environment and attracting capital to Saudi Arabia.

- **Highlights of MISA's journey**

Real Estate Ownership by Non-Saudis Law (1447 AH)

The law permits non-Saudis to own real estate or acquire other real property rights in the Kingdom, as determined by the Council of Ministers. It also allows non-listed companies with foreign ownership to acquire or own real estate rights. The new law aims to enhance foreign investment in Saudi Arabia's real estate market.

The Statistics Law (1447 AH)

The law aims to regulate statistical work, enhance its effectiveness and coverage, and improve the quality of statistics in the Kingdom to better support development planning. It also defines the role of the General Authority for Statistics as the entity responsible for producing, developing, and publishing official statistics in line with international standards and principles.

Law of Crafts and Handicrafts Industries (1447 AH)

The law aims to regulate, develop, and promote handicraft activities, in a way that supports the related activities of national cultural heritage and protects it from extinction. The law also seeks to enhance the competitiveness by fostering the production and marketing of high-quality, competitive products and services both locally and internationally.

Municipal Requirements for Transportation Service Centers (1447 AH)

The Ministry of Municipal and Rural Affairs and Housing updated the municipal requirements for transport service centers and vehicle accommodation facilities to encourage investment and facilitate procedures for investors and beneficiaries. The update was developed based on global best practices, particularly in site and space requirements.

Digital ID Use for Non-resident Foreigners to Own Property in Saudi Arabia

To facilitate procedures for non-Saudis in completing real estate ownership transactions without the need for physical presence in the Kingdom and to promote investment in the Saudi real estate market, the General Real Estate Authority is coordinating with relevant entities to establish the necessary mechanisms for activating the digital identity. These mechanisms are to be implemented prior to the enforcement of the Non-Saudi Real Estate Ownership Law.

VI: Saudi Arabia's Key Initiatives to Support Investment in Q3 2025

1. A Set of Regulatory Enhancements for Investment Funds in the Kingdom

The Capital Market Authority's Board approved a set of enhancements to develop the regulatory framework for investment funds in the Kingdom. The amendments aim to strengthen the asset management industry and enhance its competitiveness by adopting global best practices and improving key regulatory provisions. The updates also support the growth of investment and real estate funds, promote transparency and disclosure for unit holders, and reinforce governance standards to protect investors' rights.

2. Cultural Investment 2025

Under the patronage of His Royal Highness Prince Mohammed bin Salman, the Ministry of Culture is organizing the inaugural Cultural Investment Conference at the King Fahd Cultural Center in Riyadh. The conference, which is the first of its kind in the Kingdom, aims to explore future trends in cultural investment and sustainable creative production. It annually brings together various stakeholders in the cultural ecosystem, including government and private entities, investors, and creators, locally and globally.

3. Industry and Mineral Pioneers Week

The Small and Medium Enterprises General Authority (Monsha'at), through its business support centers, organizes the Industry and Mining Pioneers week, aiming to showcase investment opportunities and government initiatives that serve the various SMEs sectors, and enhance communication between entrepreneurs and investors in the industry and mining sectors.

04

Foreign Direct Investment (FDI) in Saudi Arabia: "Accelerated Growth and Global Confidence"

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Introduction

FDI represents one of the key drivers of Saudi Arabia's economic growth and plays a pivotal role in achieving the objectives of Vision 2030, which aims to diversify the national economy and expand foreign investment across various strategic sectors - particularly non-oil sectors. These efforts seek to create more job opportunities, facilitate knowledge transfer, and enhance the global competitiveness of the Kingdom's economic sectors.

In line with the ongoing initiatives to improve the investment climate and strengthen the Kingdom's appeal to international investors, Saudi Arabia has witnessed significant regulatory and legislative transformations, alongside an increase in high-value investment opportunities across multiple sectors. These opportunities have been actively promoted through bilateral committees, international conferences, and global forums, positioning the Kingdom as a leading global investment destination. As a result, the Saudi economy has experienced notable growth and diversification in FDI.

This chapter provides an overview of FDI performance in 2024, with particular focus on the distribution of investments by Ultimate Controlling Parent (UCP) Nationality.

I: The methodology used and its role in enabling and supporting Vision 2030

The methodology adopted in Saudi Arabia for calculating FDI aligns with international best practices, reflecting the Kingdom's efforts to promote FDI, enhance data quality and transparency, and create a globally competitive investment environment. This approach enables both local and foreign investors to access more accurate and comprehensive data to support informed decisions, through several **new indicators** consistent with global standards, as follows:

- FDI stock, FDI inflow & outflow and FDI net inflow **by:**

Economic Activity	Financial Instrument	City & Administrative Region
Nationality of the investing country	UCP Nationality	Geographical, regional economic and development groupings

- Investment income from dividends and interest paid to non-residents and from non-residents
- Value of reinvested profits of the foreign direct investor
- Coordinated direct investment survey (CDIS)
- FDI net inflow (as % of Nominal GDP)

The methodology supports and enables investment through key aspects, including:

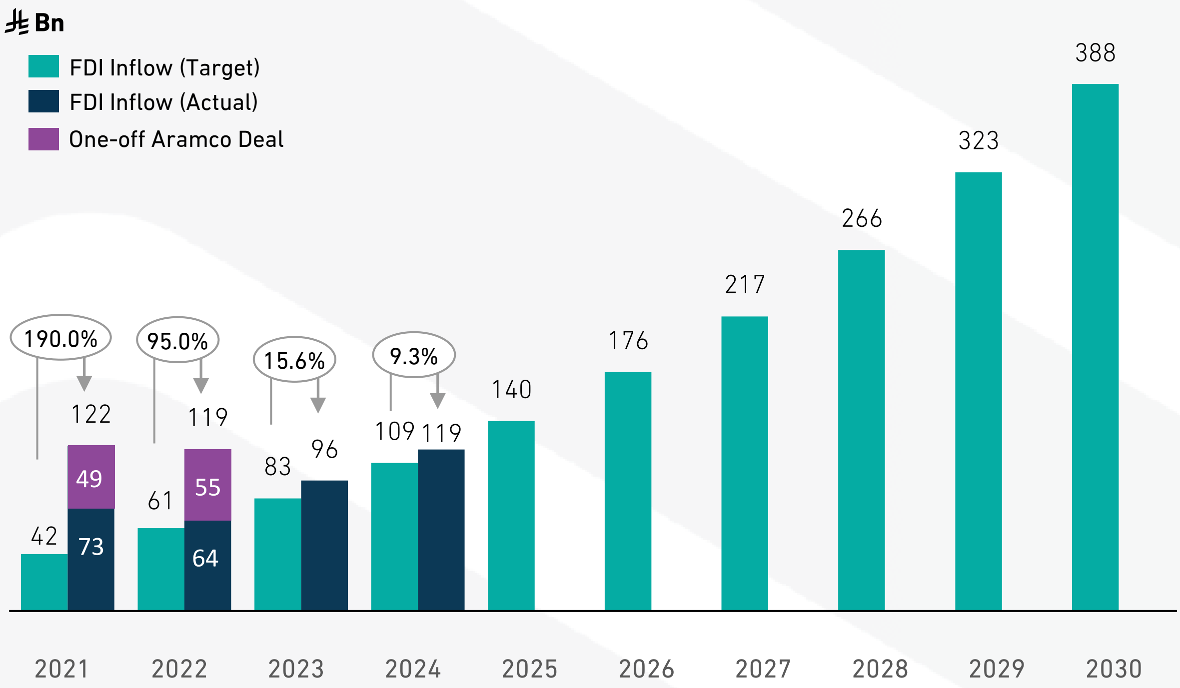
Meeting regional requirements, such as providing detailed classifications of FDI inflow and income indicators in the balance of payments.	Contributing to Vision 2030 objectives, particularly in tracking the targets of the National Investment Strategy.	Identifying promising investment opportunities in priority non-oil sectors to attract global investors.

II: Overview of FDI Performance in the Kingdom

Despite global economic and investment challenges, Saudi Arabia has exceeded its ambitious FDI targets for the fourth consecutive year. This success is aligned with the National Investment Strategy (NIS), a key pillar of Saudi Vision 2030, which has helped enhance the Kingdom's investment environment and reinforce its position as a leading global investment destination.

In 2024, FDI inflows reached SAR 119.2 billion, surpassing the NIS target of SAR 109 billion by 9.3%. This performance highlights the Kingdom's strong commitment to attracting and sustaining foreign investment.

FDI Inflow Targets and Actual Performance



Sources: MISA.

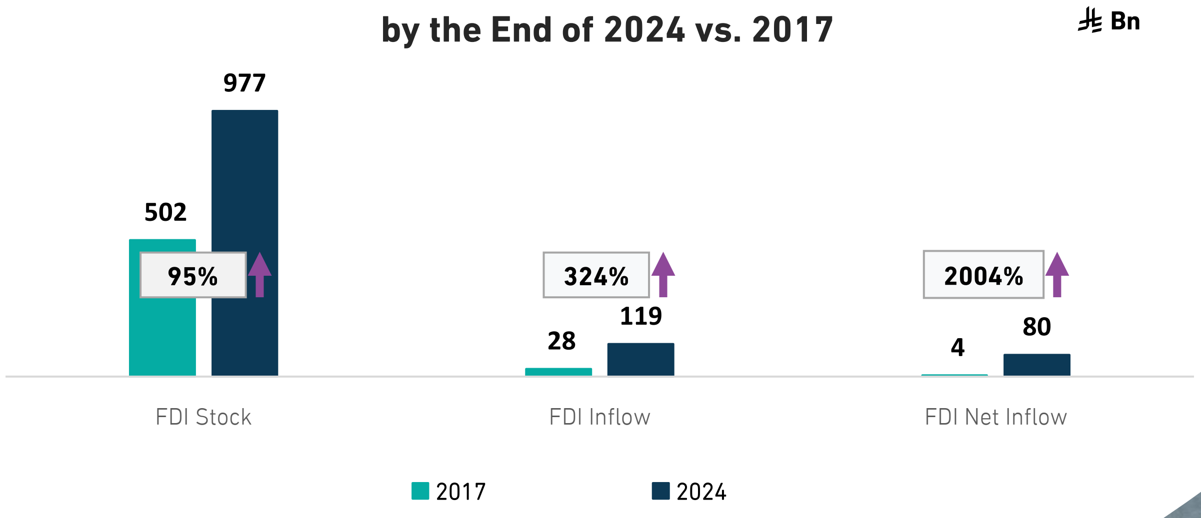
II: Overview of FDI Performance in the Kingdom

1. Comparative Analysis of FDI Performance in Saudi Arabia: 2024 vs. 2017

Between 2017 and 2024, Saudi Arabia's FDI stock approximately doubled. During the same period, FDI inflows increased 4 times.

Among the G20 countries in 2024, Saudi Arabia **ranked 3rd** in FDI stock growth and **14th** in total FDI stock—underscoring its accelerated progress in attracting foreign investment.

The development of FDI in Saudi Arabia by the End of 2024 vs. 2017



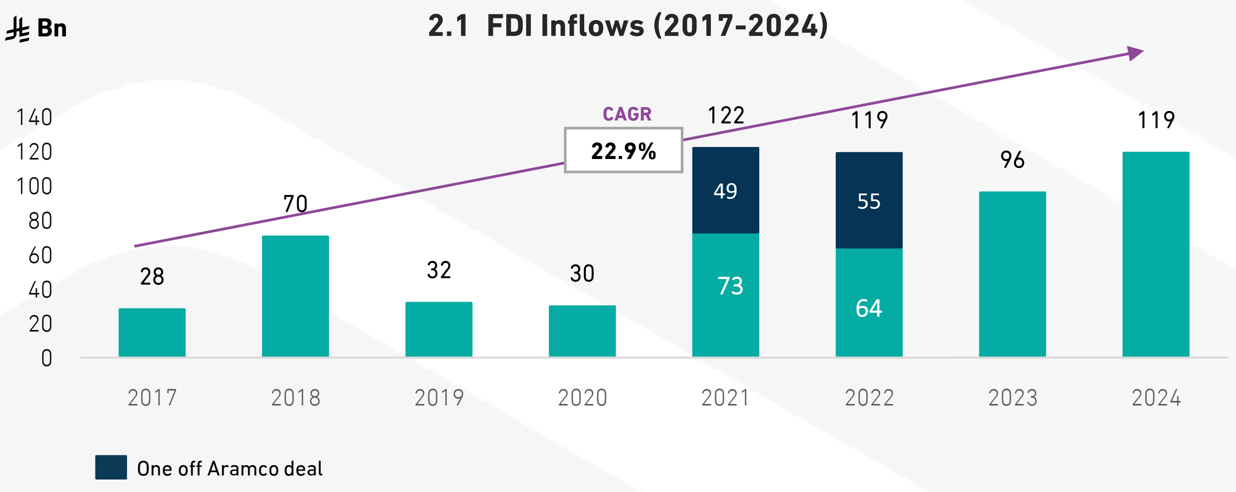
Sources: MISA.

II: Overview of FDI Performance in the Kingdom

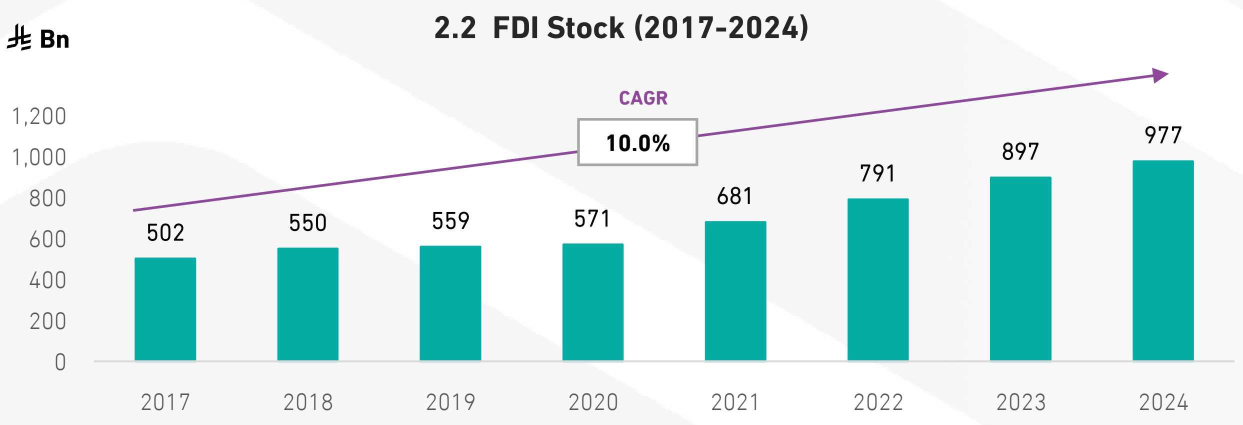
2. Historical Overview of FDI in Saudi Arabia

In 2024, FDI inflows reached SAR 119.2 billion—a fourfold increase compared to SAR 28.1 billion in 2017.

When comparing the pre-National Investment Strategy (NIS) period (2017–2019) to the post-implementation period (2020–2024), FDI inflows grew by an impressive 157%, underscoring the Kingdom's continued efforts to strengthen its investment environment and attract foreign capital.



FDI stock nearly doubled to SAR 977.3 billion by the end of 2024, up from SAR 501.8 billion in 2017, reflecting a compound annual growth rate (CAGR) of **10%**.



Sources: MISA.

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III: FDI Performance by Ultimate Controlling Parent Nationality (UCP)

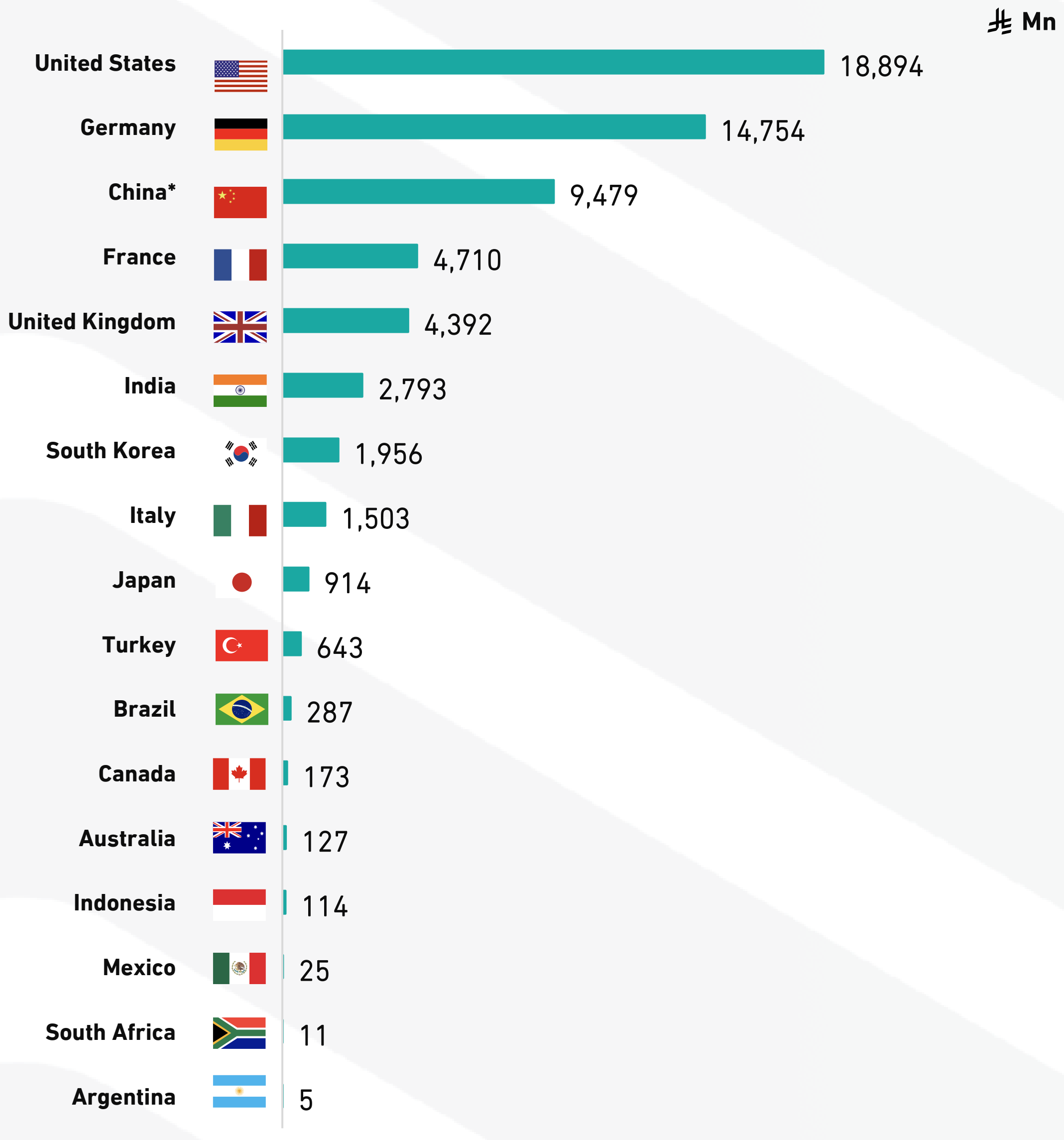
1. The Concept of the Ultimate Controlling Parent, UCP

It is the final company in a foreign investor's ownership chain that possesses sufficient voting shares in all or some of the other entities to control their management and operations, either directly or indirectly influencing all units in the chain, provided it is not under the control of another foreign investor.

III: FDI Performance by Ultimate Controlling Parent Nationality (UCP)

2. By G20 Country

FDI Inflows into Saudi Arabia from G20 Countries (2024)



In 2024, **G20 countries by UCP nationality** accounted for nearly 51% of **FDI inflows** into Saudi Arabia, led by the **United States** 16%, **Germany** 12%, and **China** 8%.

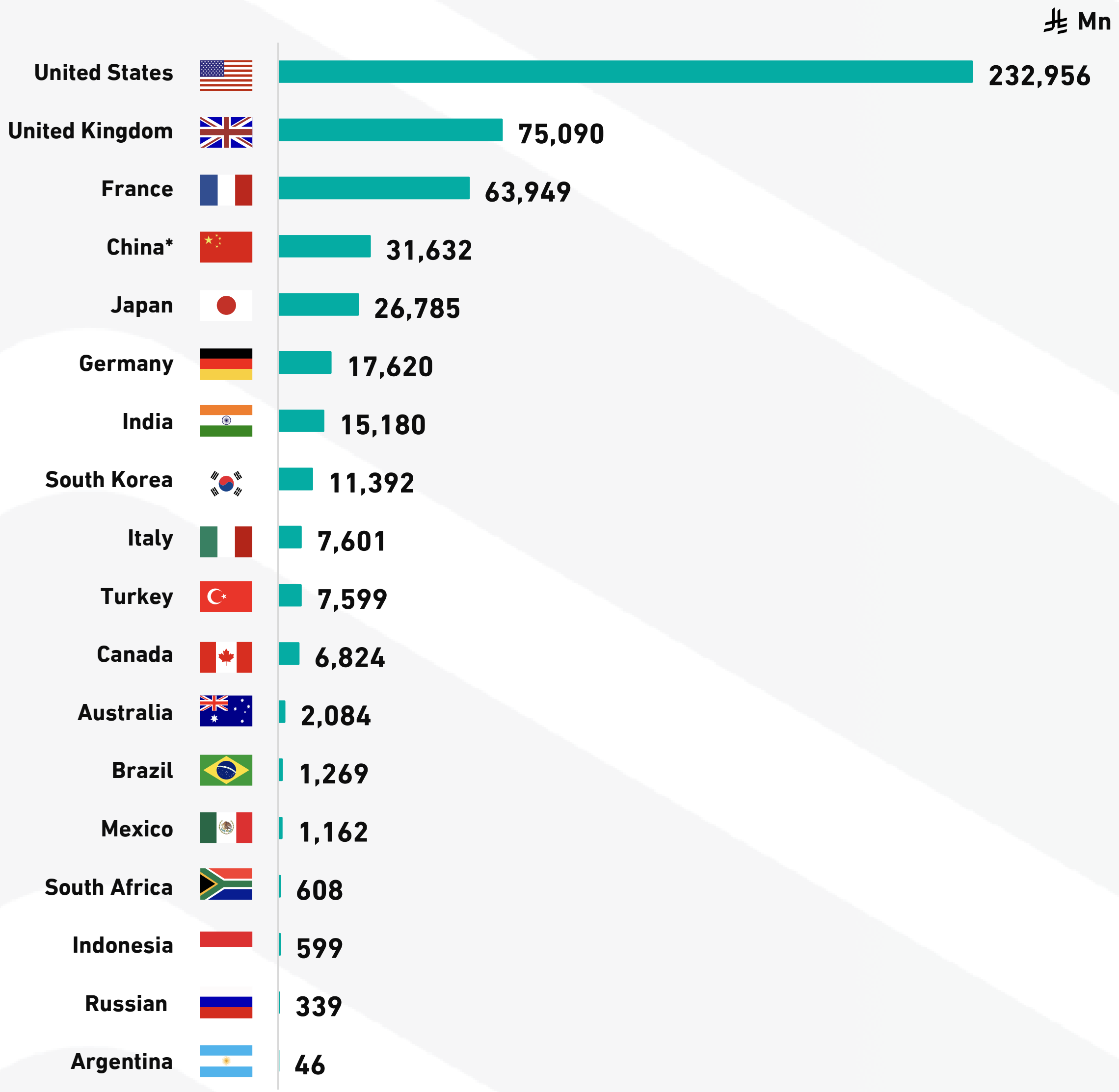
*China includes Hong Kong and Taiwan.

Source: MISA.

III: FDI Performance by Ultimate Controlling Parent Nationality (UCP)

2. By G20 Country

FDI Stock in Saudi Arabia from G20 Countries (2024)



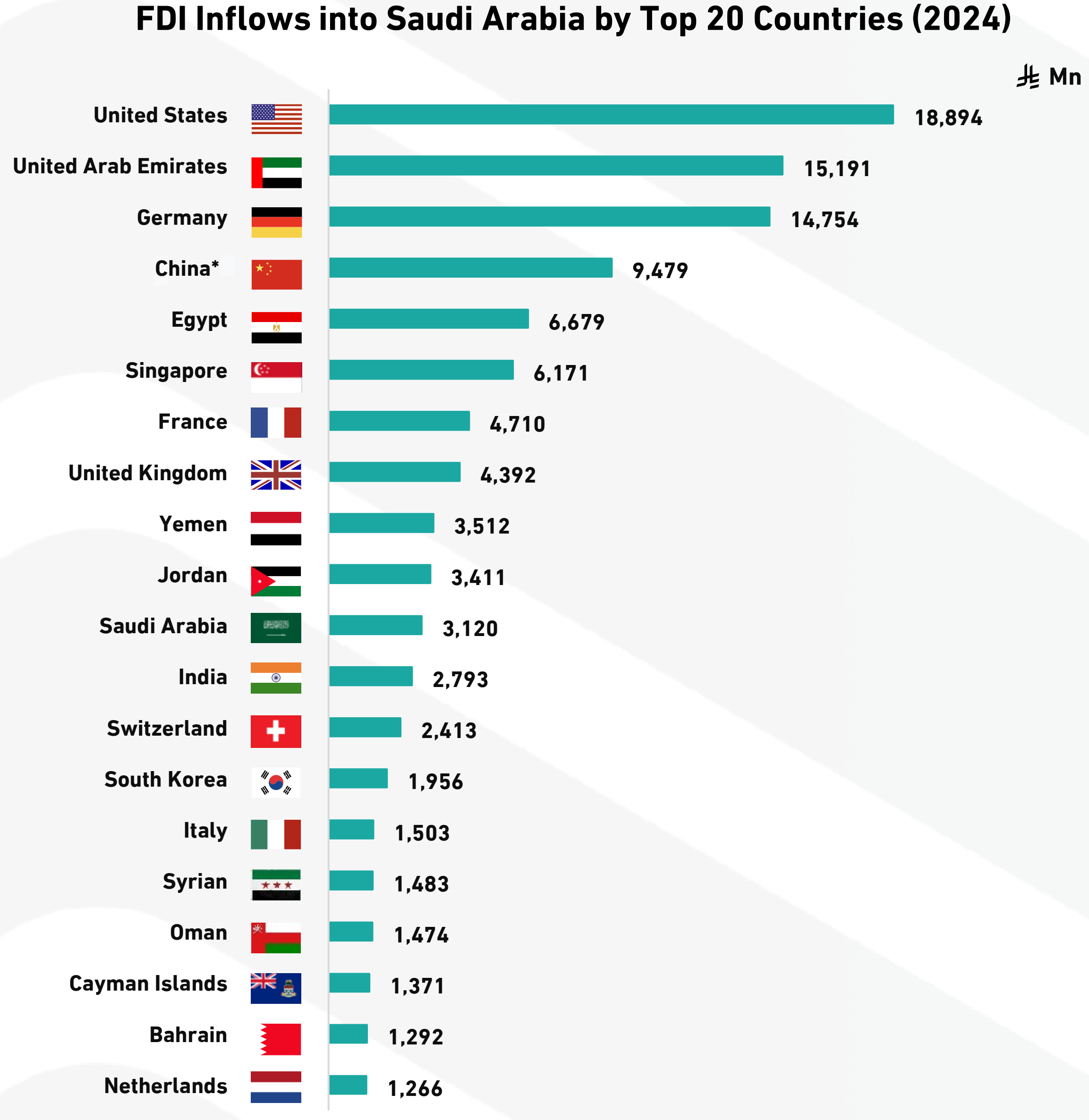
In 2024, **G20 countries by UCP nationality** accounted for 51% of Saudi Arabia's **FDI stock**, led by the **United States** 24%, the **United Kingdom** 8%, and **France** 7%.

*China includes Hong Kong and Taiwan.

Source: MISA.

III: FDI Performance by Ultimate Controlling Parent Nationality (UCP)

3. By Top 20 Country



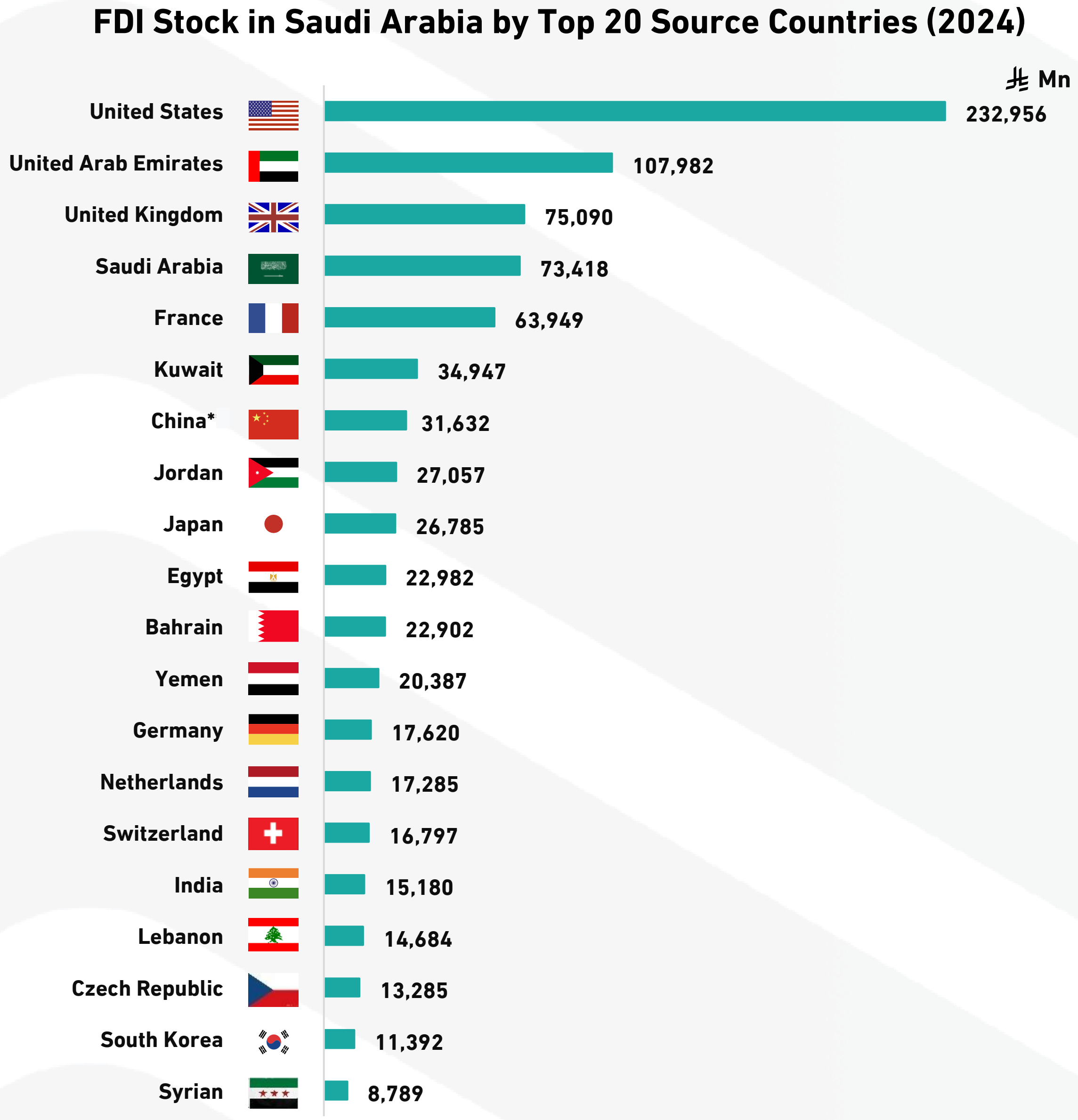
In 2024, the **top 20 countries by UCP nationality** accounted for 89% of total **FDI inflows** into Saudi Arabia, led by the **United States** 16%, the **United Arab Emirates** 13%, and **Germany** 12%.

*China includes Hong Kong and Taiwan.

Source: MISA.

III: FDI Performance by Ultimate Controlling Parent Nationality (UCP)

3. By Top 20 Country



In 2024, the **top 20 countries by UCP nationality** accounted for 87% of Saudi Arabia's **FDI stock**, led by the **United States** 24%, followed by the **United Arab Emirates** 11%, and **the United Kingdom** 8%.

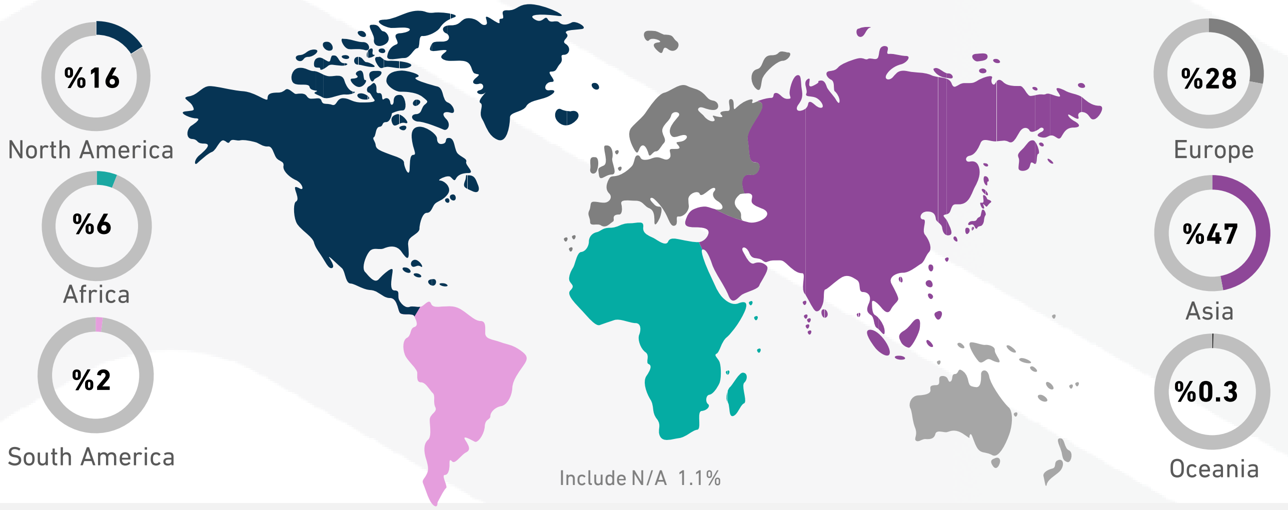
*China includes Hong Kong and Taiwan.

Source: MISA.

III: FDI Performance by Ultimate Controlling Parent Nationality (UCP)

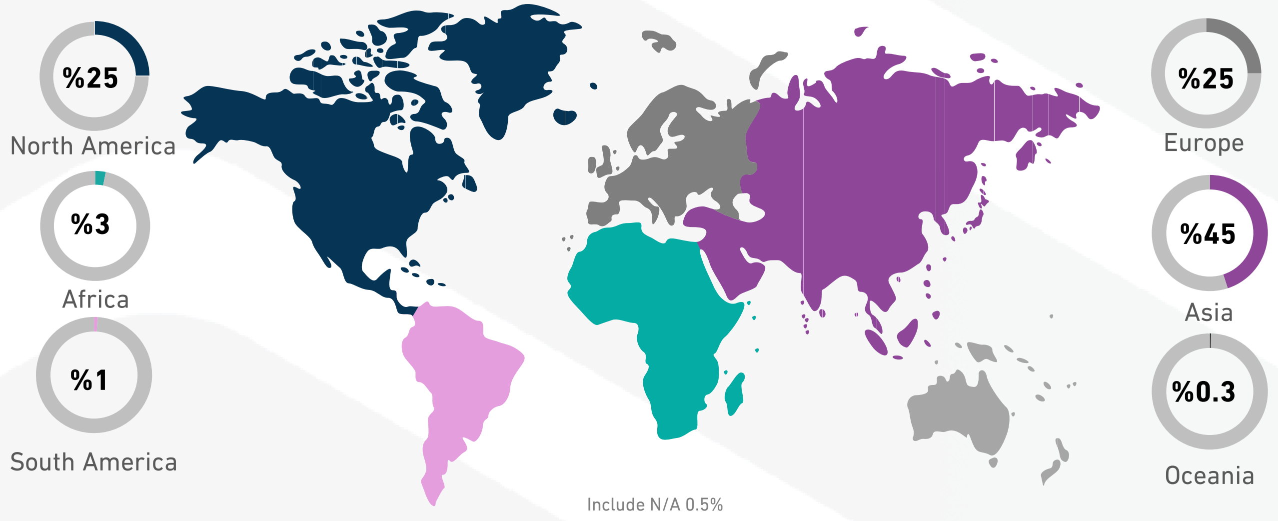
3. FDI by World Continent

FDI Inflows into Saudi Arabia by Continent (2024)



In 2024, **Asia** led FDI inflows into Saudi Arabia, accounting for **47%** of the total, followed by **Europe** with 28%.

FDI Stock by Continent (2024)



In 2024, **Asia** ranked first in FDI stock in Saudi Arabia, holding **45%** of the total, followed by **Europe** with 25%.

Source: MISA.

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IV: FDI details in 2024

FDI indicators reflect the attractiveness of Saudi Arabia's investment environment and the diverse opportunities across key economic sectors. They serve as a main reference for investors and decision-makers.
Accordingly, MISA has prepared a detailed report presenting FDI performance, including stock, inflow, and net inflows classified by:

- **Nationality of foreign investor**
- **Administrative regions of the Kingdom**
- **Economic activity**

A comprehensive analysis of these indicators is available in
"Foreign Direct Investment Report 2024",
issued by the Ministry of Investment

through **Invest Saudi website**

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