



Saudi Arabian Monetary Agency

Forty Sixth
Annual Report
The Latest Economic Developments
1431H (2010G)
Research and Statistics Department



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FOREWORD

It gives me pleasure to present, in the name of the Board of Directors, the Forty-Sixth Annual Report of the Saudi Arabian Monetary Agency, which reviews latest developments witnessed by the Saudi economy during fiscal year 1430/31H (2009) and the first quarter of fiscal year 1431/32H (2010). The Report covers various areas of the domestic economy, including monetary developments, banking activity, capital market, prices, public finance, national accounts, foreign trade and balance of payments in addition to other productive sectors such as oil, industry, electricity, agriculture, water, transport, telecommunications and others. The Report also provides an overview of latest global economic and financial developments. The Report mainly relies on official data obtained from ministries, Government departments and public sector enterprises, in addition to a host of data issued by SAMA itself. I would like to thank all ministries and entities, whose names are indicated in the tables of the Report, for their cooperation in making available valuable information and data for the preparation of this Report.

The Report gives full description of SAMA's functions such as conducting monetary policy and supervising commercial banks and cooperative insurance activity. The Report also includes the Auditors' Report of SAMA's Final Accounts for fiscal year ending on 30th June 2009, and SAMA's initial balance sheet for fiscal year ending on 30th June 2010.

Finally, I would like to thank all SAMA's staff for the efforts they exerted for the preparation of this Report.

Dr. Muhammad Al-Jasser
Governor and Chairman of the Board

Sha'ban 1431H
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CONTENTS

	Page
World Economy	8
Saudi Economy	26
Monetary Developments.....	41
Banking Sector.....	51
Supervision and Control of Commercial Banks and Insurance Activity.....	68
Capital Market	82
Prices and Costs of Living	104
Public Finance	114
National Accounts and Sectoral Developments	124
External Sector	131
Petroleum and Mineral Resources	148
Commerce and Industry	159
Tourism Sector	166
Water and Electricity	176
Agriculture and Animal Husbandry	185
Transport and Communications	192
Education, Health and Social Services	202
Population and Labour Force	214
Appendix of Statistical Tables	238



World Economic Situation

During 2009, the world economy performed better than what had been expected. Following the deepest recession of the post-world war II period, the economic situation improved to cover all advanced economies in the second half of 2009 and beginning of 2010. Nevertheless, improvement is expected to be slow, but the economic activity is expected to be relatively strong in many emerging and developing economies, largely driven by strong world demand. The economic policies adopted are expected to restore balance in the world demand as support continued in cases where economy did not stabilize. Policy makers are facing a challenge in restoring balance in demand by shifting their focus from the public sector to the private sector and from economies with external deficits to those with surpluses, apart from making reforms in the financial sectors. The latest data show that the global economy recorded a negative growth rate of 0.6 percent in 2009, better than what had been expected at the beginning of the crisis. The global economy is also projected to register a growth of 4.2 percent in 2010.

Economic Growth

The growth rate of the world economy (in real terms) was affected by the financial crisis, with the world economy registering a negative growth rate of 0.6 percent during 2009, compared to a positive growth rate of 3.0 percent in 2008. Major advanced economies recorded a negative growth rate of 3.2 percent in 2009, compared to a growth of 0.5 percent in 2008 (Table 1.1). The negative growth rate in the USA was 2.4 percent in 2009, against a growth rate of 0.4 percent in 2008; and the Euro area had a negative growth rate of 4.1 percent, against a growth rate of 0.6 percent. Germany and France recorded negative growth rates of 5.0 percent and 2.2 percent respectively in 2009, compared to growth rates of 1.2 percent and 0.3 percent respectively in 2008. However, the negative growth rate in Italy increased from negative 1.3 percent in 2008 to negative 5.0 percent in 2009. It also increased in Japan from negative 1.2 percent to negative 5.2 percent. In the UK, the growth rate was negative 4.9 percent in 2009, against a positive growth of 0.5 percent in 2008. The new industrial Asian economies registered a negative growth rate of 0.9 percent, compared to a growth of 1.8 percent in preceding year. In the emerging markets and

Table 1.1: WORLD REAL GDP GROWTH RATES
(In percent)

	2003	2004	2005	2006	2007	2008	2009	Projections 2010
The World	3.6	4.9	4.5	5.1	5.2	3.0	-0.6	4.2
Advanced economies	1.9	3.2	2.7	3.0	2.8	0.5	-3.2	2.3
Major advanced economies	1.8	2.9	2.4	2.6	2.2	0.2	-3.4	2.4
USA	2.5	3.6	3.1	2.7	2.1	0.4	-2.4	3.1
Euro Area	0.8	2.2	1.7	3.0	2.8	0.6	-4.1	1.0
Japan	1.4	2.7	1.9	2.0	2.4	-1.2	-5.2	1.9
Germany	-0.2	1.2	0.7	3.2	2.5	1.2	-5.0	1.2
France	1.1	2.3	1.9	2.4	2.3	0.3	-2.2	1.5
Italy	0.0	1.5	0.7	2.0	1.5	-1.3	-5.0	0.8
U.K.	2.8	3.0	2.2	2.9	2.6	0.5	-4.9	1.3
Canada	1.9	3.1	3.0	2.9	2.5	0.4	-2.6	3.1
Other advanced economies	2.5	4.0	3.5	3.9	4.0	1.7	-1.1	3.7
European Union	1.5	2.7	2.2	3.4	3.1	0.9	-4.1	1.0
New industrial Asian economies	3.2	5.9	4.8	5.8	5.8	1.8	-0.9	5.2
Emerging markets and developing countries	6.2	7.5	7.1	7.9	8.3	6.1	2.4	6.3
Sub-Saharan Africa	5.0	7.1	6.3	6.5	6.9	5.5	2.1	4.7
Asian developing countries	8.2	8.6	9.0	9.8	10.6	7.9	6.6	8.7
China	10.0	10.1	10.4	11.6	13.0	9.6	8.7	10.0
India	6.9	7.9	9.2	9.8	9.4	7.3	5.7	8.8
Middle East and North Africa	6.9	5.8	5.3	5.7	5.6	5.1	2.4	4.5
Middle & Eastern European Countries	4.8	7.3	5.9	6.5	5.5	3.0	-3.7	2.8
Western Hemisphere	2.2	6.0	4.7	5.6	5.8	4.3	-1.8	4.0
Brazil	1.1	5.7	3.2	4.0	6.1	5.1	-0.2	5.5
Commonwealth of Independent States	7.7	8.2	6.7	8.5	8.6	5.5	-6.6	4.0
Russia	7.3	7.2	6.4	7.7	8.1	5.6	-7.9	4.0

Source: IMF, *World Economic Outlook*, April, 2010.



developing countries, the growth rate went down from 6.1 percent in 2008 to 2.4 percent in 2009. In Asian developing countries, the growth rate went down from 7.9 percent to 6.6 percent. The growth rate in China decreased from 9.6 percent to 8.7 percent; and in India from 7.3 percent to 5.7 percent. In Middle East and North African countries (MENA), the growth rate declined from 5.1 percent in 2008 to 2.4 percent in 2009. In the Sub-Saharan African countries, the growth rate decreased from 5.5 percent to 2.1 percent. The Central and Eastern European countries (CEEC) recorded a negative growth of 3.7 percent in 2009, against a growth rate of 3.0 percent in 2008. The growth rate in the Western Hemisphere registered a negative growth of 1.8 percent, compared to a growth of 4.3 percent in the preceding year. The Commonwealth of Independent States (CIS) recorded a negative growth rate of 6.6 percent in 2009, against a positive growth of 5.5 percent in 2008.

Preliminary projections by the IMF for 2010 show an improvement in the world economy situation. The world economy is expected to register a growth rate of 4.2 percent in 2010. Advanced economies are projected to record a positive growth rate of 2.3 percent in 2010 compared to a negative growth rate of 3.2 percent in 2009. The USA is expected to grow by 3.1 percent against a negative growth rate of 2.4 percent in the preceding year and the Euro area is projected to grow by 1.0 percent compared to a negative growth rate of 4.1 percent. The new Asian industrial economies are expected to register a positive growth rate of 5.2 percent against a negative growth rate of 0.9 percent. The growth rate is also expected to increase in developing and emerging economies from 2.4 percent in 2009 to 6.3 percent in 2010. In China, the growth rate is expected to rise

from 8.7 percent to 10.0 percent. Chart 1.1 shows the world real GDP growth rates in most groups of countries during the period 2005-2010. It shows that they are expected to achieve positive growth rates in 2010.

Inflation

Inflation rates, measured by change in consumer price indices, decreased in all groups of countries. In advanced economies inflation rate dropped from 3.4 percent in 2008 to 0.1 percent in 2009; in the Euro area from 3.3 percent to 0.3 percent, and in the new Asian industrial economies from 4.5 percent in 2008 to 1.3 percent in 2009. In emerging and developing economies, the inflation rate also fell from 9.2 percent to 5.2 percent. In Asian developing countries, it went down from 7.4 percent in 2008 to 3.1 percent in 2009 and in the Commonwealth of Independent States from 15.6 percent to 11.2 percent (Table 1.2).

Preliminary projections for 2010 indicate that inflation rates are expected to go up in most regions of the world. In advanced economies, the inflation rate is projected to increase from 0.1 percent in 2009 to 1.5 percent in 2010; in the Euro area, from 0.3 percent to 1.1 percent; in the new Asian industrial economies from 1.3 percent to 2.3 percent; in emerging and developing economies from 5.2 percent in 2009 to 6.2 percent in 2010, and from 3.1 percent to 5.9 percent in Asian developing countries. However, inflation rate in the Commonwealth of Independent States is expected to go down from 11.2 percent in 2009 to 7.2 percent in 2010. Chart 1.2 shows inflation rates in selected groups of countries during the period 2005-2010. Increases in inflation rate are noticed in all groups of countries except the Commonwealth of Independent States.

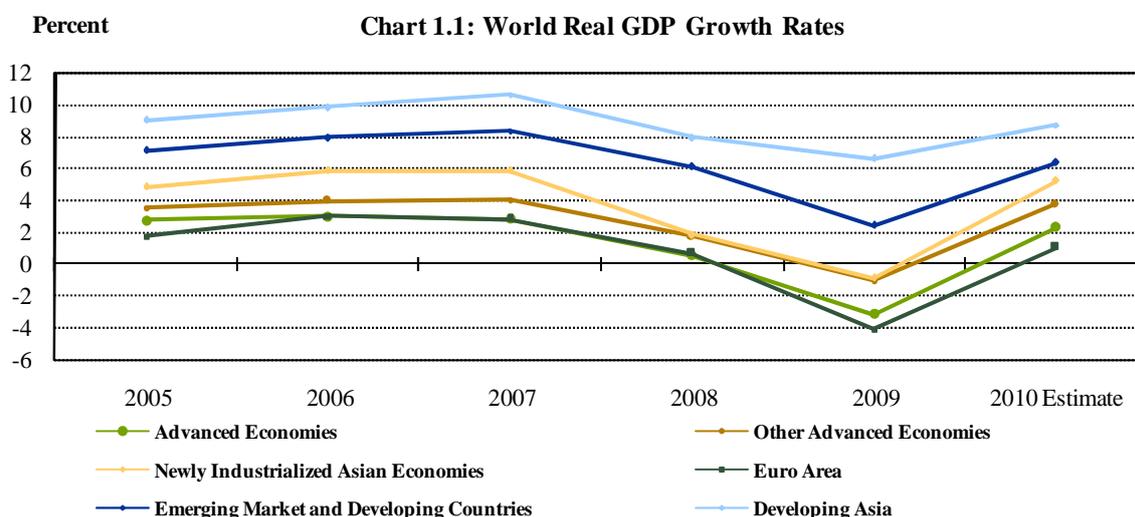




Table 1.2: MAJOR DEVELOPMENTS IN THE WORLD ECONOMY
(Percent)

	<u>2008</u>	<u>2009</u>	<u>Projections</u> <u>2010</u>
Economic Growth			
World	3.0	-0.6	4.2
Major advanced economies	0.5	-3.2	2.3
Euro area	0.6	-4.1	1.0
Other advanced economies	1.7	-1.1	3.7
New industrial Asian economies	1.8	-0.9	5.2
Emerging Markets and Developing Countries	6.1	2.4	6.3
Commonwealth of Independent States	5.5	-6.6	4.0
CPI			
Major advanced economies	3.4	0.1	1.5
Euro area	3.3	0.3	1.1
New industrial Asian economies	4.5	1.3	2.3
Emerging Markets and Developing Countries	9.2	5.2	6.2
Developing Asian countries	7.4	3.1	5.9
Commonwealth of Independent States	15.6	11.2	7.2
LIBOR⁽¹⁾			
U.S. Dollar deposits	3.0	1.1	0.5
Japanese Yen deposits	1.0	0.7	0.6
Euro deposits	4.6	1.2	0.9
Unemployment rates			
Major advanced economies	5.8	8.0	8.4
Euro area	7.6	9.4	10.5
New industrial Asian economies	3.4	4.3	4.1
Government fiscal Surplus/deficit⁽²⁾			
Major advanced economies	-3.6	-8.7	-8.3
New industrial Asian economies	0.8	-1.2	-0.7
Growth rate of world trade (goods and services)	2.8	-10.7	7.0
Exports			
Advanced economies	1.9	-11.7	6.6
Emerging Markets and Developing countries (weighed average)	4.0	-8.2	8.3
New industrial Asian economies	3.8	-5.5	7.3
Imports			
Advanced economies	0.6	-12.0	5.4
Emerging Market and Developing countries	8.5	-8.4	9.7
New industrial Asian economies	3.4	-8.2	7.4
Current Account⁽³⁾			
Advanced economies	-1.3	-0.4	-0.4
USA	-4.9	-2.9	-3.3
Euro area	-0.8	-0.4	0.0
Japan	3.2	2.8	2.8
Germany	6.7	4.8	5.5
France	-2.3	-1.5	-1.9
Italy	-3.4	-3.4	-2.8
U.K.	-1.5	-1.3	-1.7
Canada	0.5	-2.7	-2.6
New industrial Asian economies	4.9	8.9	6.6
Foreign Exchange Reserves (Billion SDR)			
Industrial countries	18000.5	27288.9	---
Developing countries	7100.4	11387.2	---
Net Private Capital Flows to Emerging Economies (billion \$)	179.2	180.2	209.8
Average Prices of Oil (US\$ per barrel)⁽⁴⁾	36.4	-36.3	29.5
Arabian Light ⁽⁵⁾	95.0	59.5	---

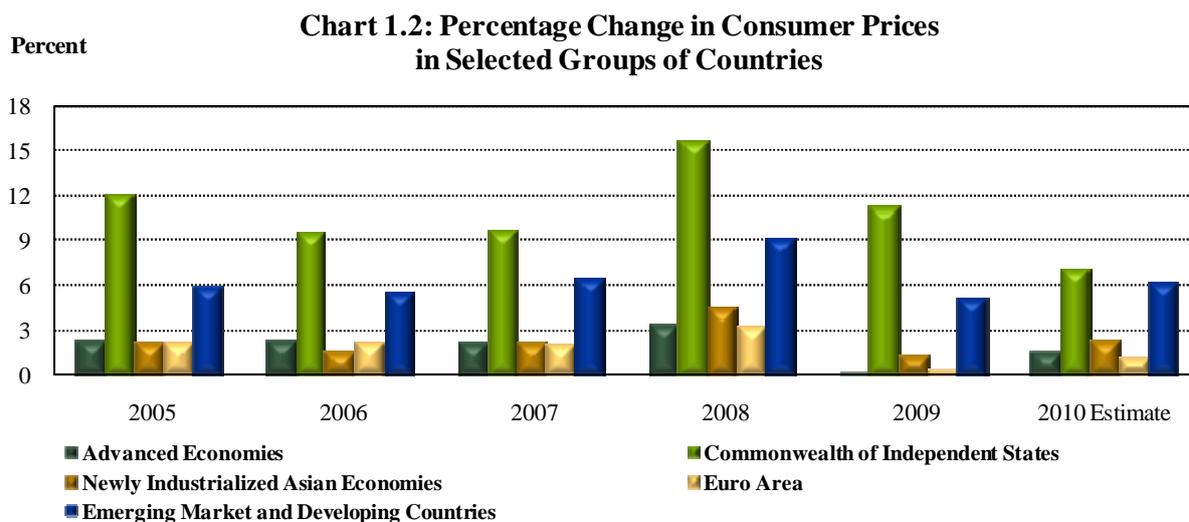
(1) Six-month rate for each USA and Japan and three-month rate for Euro Zone.

(2) Ratio of deficit/surplus to GDP. (3) Ratio of surplus/deficit to GDP.

(4) Percentage of annual change of simple average of spot prices of Brent, Dubai and West Texas Intermediate crude oil.

(5) OPEC data.

Source: IMF, World Economic Outlook, April, 2010



Unemployment

There was a noticeable divergence in unemployment rates across the world. In Spain and USA, the sharp rise in unemployment may largely be attributed to the effect of the fall in GDP, apart from the effect of the financial pressure and depressed prices of housing. In other countries, the increase in unemployment was less than expected, partly due to short-term work shift programs. Conventional monetary and fiscal policies are still the key instruments for supporting employment through their effect on economic activity.

Unemployment rates in most global economies went up during 2009. In advanced economies, the unemployment rate rose from 5.8 percent in 2008 to 8.0

percent in 2009. In the USA, it went up from 5.8 percent to 9.3 percent. In the Euro area, it increased from 7.6 percent in 2008 to 9.4 percent in 2009. The unemployment rate increased in Germany from 7.2 percent in 2008 to 7.4 percent in 2009, in France from 7.9 percent to 9.4 percent, and in Italy from 6.8 percent to 7.8 percent. The rate also rose in Japan from 4.0 percent in 2008 to 5.1 percent in 2009, in the UK from 5.6 percent to 7.5 percent, in Canada from 6.2 percent in 2008 to 8.3 percent in 2009, and in the new Asian industrial economies from 3.4 percent to 4.3 percent (Table 1.3).

Preliminary projections for 2010 indicate an increase in unemployment rates in most global economies. In advanced economies, the unemployment rate is expected to rise from 8.0 percent in 2009 to 8.4

Table 1.3: ADVANCED ECONOMIES: UNEMPLOYMENT RATES
(Ratio to labor force)

	2007	2008	2009	Projections 2010
Advanced economies	5.4	5.8	8.0	8.4
Major advanced economies	5.4	5.9	8.2	9.4
United States	4.6	5.8	9.3	9.4
Euro area	7.5	7.6	9.4	10.5
Japan	3.8	4.0	5.1	5.1
Germany	8.4	7.2	7.4	8.6
France	8.3	7.9	9.4	10.0
Italy	6.1	6.8	7.8	8.7
U.K.	5.4	5.6	7.5	8.3
Canada	6.0	6.2	8.3	7.9
New Industrial Asian	3.4	3.4	4.3	4.1

Source: IMF, World Economic Outlook, April, 2010.

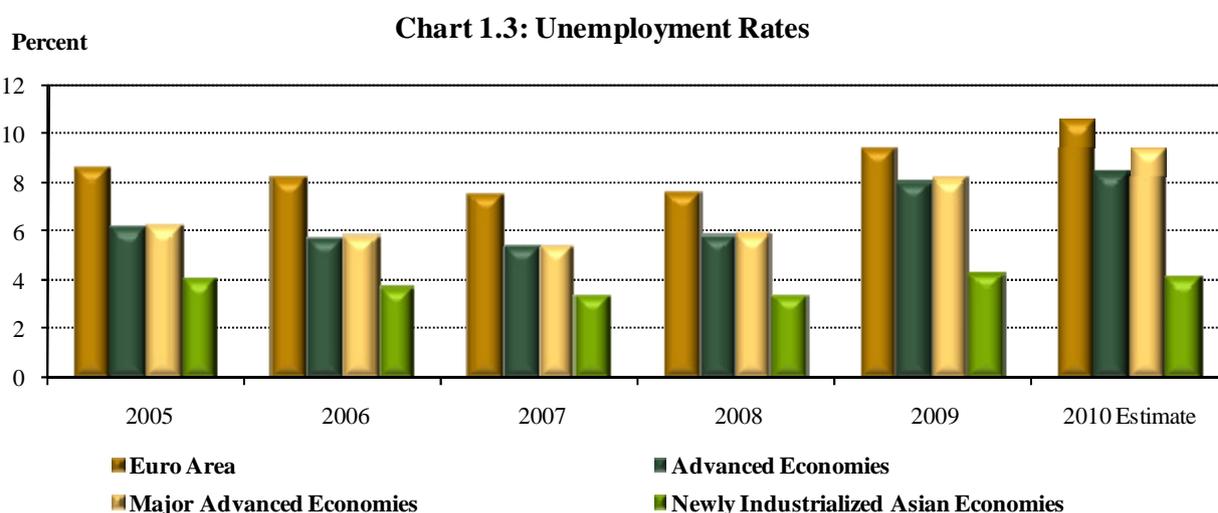


percent in 2010. In the USA, the rate is expected to go up from 9.3 percent to 9.4 percent. In the Euro area, it is expected to increase from 9.4 percent to 10.5 percent. The unemployment rate is projected to go up in Germany from 7.4 percent in 2009 to 8.6 percent in 2010, in France and Italy from 9.4 percent and 7.8 percent to 10.0 percent and 8.7 percent respectively. The unemployment rate is also expected to increase in the UK from 7.5 percent to 8.3 percent. However, the rate is expected to decrease in Canada from 8.3 percent to 7.9 percent and in the new Asian industrial economies from 4.3 percent in 2009 to 4.1 percent in 2010. Chart 1.3 shows unemployment rates in selected groups of countries during the period 2005-2010 and increases in unemployment rates in all groups of countries in 2009.

Fiscal Balances

Fiscal balances in all regions of the world continued to deteriorate during 2009. Despite substantial fiscal deficit and growing public debt in many countries, it is necessary to proceed with stimulating plans for the global economy until recovery becomes well-rooted. At the same time, governments should commit themselves to greatly reduce fiscal deficits when recovery becomes robust.

Advanced economies recorded an increase in fiscal deficit amounting to 8.7 percent of GDP in 2009, compared to a deficit of 3.6 percent in 2008. The deficit in the USA went up from 6.6 percent in 2008 to 12.5 percent in 2009. In the Euro area, the deficit increased from 2.0 percent to 6.3 percent. In Germany, the deficit



stood at 3.3 percent in 2009, compared to 0.0 percent in 2008. In France it increased from 3.4 percent to 7.9 percent, and in Italy from 2.7 percent in 2008 to 5.3 percent in 2009. In Japan, the deficit went up from 4.2 percent to 10.3 percent. In the UK, it increased from 4.8 percent in 2008 to 10.9 percent in 2009. In Canada, the surplus of 0.1 percent in 2008 turned into a deficit of 5.0 percent in 2009. Other advanced economies recorded a deficit of 1.6 percent in 2009, against a surplus of 1.5 percent in 2008. The deficit in the new Asian industrial economies stood at 1.2 percent in 2009, against a surplus of 0.8 percent in 2008 (Table 1.4).

According to preliminary projections for 2010, the deficit in advanced economies is expected to decline from 8.7 percent in 2009 to 8.3 percent in 2010. In the USA, the deficit is projected to decrease from 12.5 percent in 2009 to 11.0 percent in 2010. However, the deficit in the Euro area is expected to go up from 6.3 percent to 6.8 percent. In

Germany and France, the deficit is projected to increase from 3.3 percent and 7.9 percent to 5.7 percent and 8.2 percent respectively, while it is expected to decline to 5.2 percent in Italy. In Japan, the deficit is expected to decrease from 10.3 percent in 2009 to 9.8 percent in 2010, while it is expected to rise from 5.0 percent to 5.1 percent in Canada. In the UK, the deficit is expected to rise from 10.9 percent to 11.4 percent. The deficit in the new Asian industrial economies is expected to decline from 1.2 percent in 2009 to 0.7 percent in 2010.

Monetary and Financial Developments

In the light of the economic recession, marked decline in lending activity and concerns about possible global depression, the global economic activity witnessed the sharpest decline. Hence, monetary authorities of global economies made considerable reduction in interest rates and took unusual measures to inject liquidity and maintain credit sustainability.



Table 1.4: TRENDS OF GOVERNMENT FISCAL BALANCES*
(Percent)

	2007	2008	2009	Projections 2010
Advanced economies	-1.1	-3.6	-8.7	-8.3
Major advanced economies	-2.1	-4.7	-10.0	-9.5
United States	-2.7	-6.6	-12.5	-11.0
Euro area	-0.6	-2.0	-6.3	-6.8
Japan	-2.4	-4.2	-10.3	-9.8
Germany	0.2	0.0	-3.3	-5.7
France	-2.7	-3.4	-7.9	-8.2
Italy	-1.5	-2.7	-5.3	-5.2
U.K.	-2.7	-4.8	-10.9	-11.4
Canada	1.6	0.1	-5.0	-5.1
Other advanced economies	3.7	1.5	-1.6	-1.7
New industrial Asian economies	3.9	0.8	-1.2	-0.7
Other Emerging Markets and Developing				

*Ratio of surplus/deficit to GDP.

Source: IMF, World Economic Outlook, April, 2010

Interest Rates

The prevailing LIBOR rate* for US dollar denominated deposits declined from 3.0 percent in 2008 to 1.1 percent in 2009; and it is expected to continue declining to 0.5 percent in 2010. The interest rate for euro (EUR) deposits decreased from 4.6 percent to 1.2 percent; and it is expected to drop to 0.9 percent in 2010. The interest rate for Japanese yen (JPY) deposits went down from 1.0 percent in 2008 to 0.7 percent in 2009; and it is expected to further decrease to 0.6 percent in 2010.

Exchange Rates

In the fourth quarter of 2009, the US dollar recorded an increase against a number of major currencies. At the top of such currencies was the Japanese yen, which decreased by 3.71 percent against US dollar, followed by the Swedish krona (SEK) by 2.73 percent, and the euro by 2.13 percent. The currencies, which rose against US dollar during the fourth quarter of 2009, were the Mexican peso (MXP) by 3.11 percent being at the top, followed by the Canadian dollar (CAD) by 2.20 percent, and the South African rand (ZAR) by 1.75 percent.

In 2009, a single currency, namely the Japanese yen, recorded a decline of 2.52 percent against the US dollar, while the remaining major currencies rose against the US dollar. The Brazilian riyal (BRL) increased against the US dollar by 32.86 percent, the

South African rand by 27.55 percent, and the Australian dollar (AUD) by 27.40 percent. The US dollar decreased against the New Zealand dollar (NZD) by 23.79 percent during 2009.

In Japan, the Japanese yen lost 2.52 percent against the US dollar during 2009. This could be ascribed to the policy aimed at weakening the yen against other currencies to enhance Japanese exports, and the Japanese fiscal deficit which hit a record level. The exchange rate of the Japanese yen against the US dollar reached its highest level of JPY 86.31 per dollar at the end of November 2009, reaching an all-time high for the last 14 years. At the end of the year, the exchange rate of the yen stood at JPY 93.15 per dollar, and it amounted to JPY 91.74 per dollar at the beginning of May, 2010. In Europe, the euro exchange rate increased against the US dollar during 2009, reaching \$1.43 at the end of the year and registering an increase of 2.7 percent. This increase could be attributed to continued difference between the official interest rates of the two currencies and the prevailing belief in the market that the European Central Bank was going to raise the euro official interest rate, before taking similar action by the Federal Reserve. The euro exchange rate against the dollar witnessed a decline at the end of 2009 due to a number of reasons, including the improvement in the American labor market, Dubai crisis, and emergence of Greece's crisis. At the beginning of May 2010, the euro witnessed a noticeable fall against the dollar to \$1.27.

* Six-month rate for U.S.A. and three-month rate for Euro zone.



In the UK, the Pound Sterling (GBP) exchange rate fluctuated during the last quarter of 2009. At the beginning of the quarter, it declined to its lowest level of \$1.57 in the quarter and the last six months. This was due to the decision taken by the Bank of England to maintain the official interest rate at 0.50 percent. Afterwards, the Pound Sterling exchange rate recorded an improvement, reaching \$1.68 at mid-November, then it declined again to \$1.61 at the end of the year. This decline was ascribed to the improvement in the American labor market and Dubai crisis, which highlighted the exposure of British commercial banks. During 2009, the Pound Sterling exchange rate registered a rise of 10.8 percent against the dollar, but it declined to \$ 1.48 at the beginning of May.

Capital Markets

Equity Markets

The equity markets in the world made substantial gains during the fourth quarter of 2009 due to abundance of liquidity, decline in the finance cost, and the relative recovery achieved by global economies. In the USA, Dow Jones Index (DJIA) broke its lowest level to reach 9,487 during the first week of the fourth quarter, then it rose to reach its highest level of 10,548 over the quarter on December 30, 2009. This was attributed to the high level of sales during holidays and increased prices of primary commodities. Over the year, the DJIA index went up by 1,652 points or 18.8 percent to reach 10,428 at the end of the year, achieving its best annual performance since 2003. At the beginning of May 2010, DJIA stood at 10,380 points. In Japan, NIKKEI index for Japanese shares recorded an increase of 1,686 points during 2009 to 10,546 at the end of the year, increasing by 19 percent over the preceding year. This improvement was attributed to an increase in the production of manufacturing industry in Japan and expansion in the economic activity in China, which was in favor of the Japanese export companies. During the fourth quarter of 2009, NIKKEI index recorded its lowest level of 9082 at the end of November. This was due to the exposure of Japanese companies and Asian companies in general to the Dubai crisis. The NIKKEI index amounted to 10,525 at the beginning of May 2010.

In Europe, the European equity market witnessed a similar trend as the American and Japanese equity markets in the fourth quarter of 2009. Morgan Stanley (MSCI-EURO) index for European shares recorded its lowest level during the fourth quarter at the beginning of November, standing at 810 points. This decline came as a correction of the sharp increase in primary commodities' prices, which lasted for 15 months. At the end of the fourth quarter, the index

improved to record its highest level of 885 in the quarter on December 29, 2009. This rise was due to the increase in share prices of companies working in the area of iron and energy along with high oil prices. During 2009, the index went up by 161 points to close at 878 points at the end of the year, rising by 22.5 percent compared to the preceding year. In the UK, the FTSE-100 index for British shares increased by 979 points or 18.7 percent to 5,413 during 2009. The FTSE-100 index fluctuated during the fourth quarter of 2009, declining to its lowest level of 4,989 at the beginning of October due to deteriorated situation of the labor market in the USA, while its highest level of 5,438 was registered on December 29. At the beginning of May 2010, it stood at 5,123.

Securities Markets

After the decline in yields on most government bonds in major currencies, they began to reverse their trend during the fourth quarter of 2009. In the USA, UK, and Euro area, yields on most bonds of all maturities increased, while in Japan, yields on short-term and medium-term bonds decreased but they increased on long-term bonds. In the USA, the yield on 30-year US bonds increased by 200 basis points to 4.65 percent, and they also increased on 10-year and 2-year US bonds by 164 basis points and 36 basis points respectively. These developments may reflect the cumulative inflationary pressures in the US economy due to injection of liquidity in the domestic economy. In Japan, yields on bonds of 2-year maturity decreased by 23 basis points, but it increased on bonds of 30-year maturity by 54 basis points, reflecting investors' fear of inflation on the medium-term.

In the Euro area, yields on 3 and 4-year maturity bonds went down, while they increased on bonds of the other maturities. The yields on 2-year maturity bonds fell by 42 basis points, but it increased on 10-year maturity bonds by 44 basis points. The decline of yields on medium-term maturity bonds was attributed to investors' concern about the repercussions of the global crisis, while the increase in yield on long-term maturity bonds was likely because of inflation generated due to current monetary policy. In the UK, while the performance of yields on medium-term (1 or 2-year maturity) bonds varied, the yields on the other bonds increased. The yields on 10-year bonds were at the top, increasing by 100 basis points. The increase was due to current monetary and fiscal policy aiming at facing repercussions of the global financial crisis, resulting in injection of more liquidity in the domestic economy and keeping the official interest rate at 0.50 percent as from March, 2009; the lowest level reached since the establishment of the Bank of England in 1694.



International Trade and Balances of Payments

A. International Trade

In 2009, international trade contracted along with the general decline in global economic activity. The growth rate of the volume of world trade went down from 2.8 percent in 2008 to a negative growth of 10.7 percent in 2009. It is expected to record a growth of 7.0 percent in 2010. The growth rate of exports of goods and services in major advanced economies contracted from 1.9 percent in 2008 to a negative growth of 11.7 percent in 2009. It is projected to record a positive growth rate of 6.6 percent in 2010. In emerging markets and developing countries, the rate declined from 4.0 percent to a negative growth rate of 8.2 percent, and it is expected to record a growth of 8.3 percent in 2010. In new industrial Asian countries, the rate went down from 3.8 percent in 2008 to a negative growth rate of 5.5 percent in 2009, and it is expected to record a growth rate of 7.3 percent in 2010.

The growth rate of import of goods and services in major advanced economies dropped from 0.6 percent in 2008 to a negative growth rate of 12.0 percent in 2009. It is expected to increase to 5.4 percent in 2010. In emerging markets and developing countries, the rate also declined from 8.5 percent to a negative growth rate of 8.4 percent, and it is expected to record a growth rate of 9.7 percent in 2010. In the new industrial Asian countries, the rate declined from 3.4 percent in 2008 to a negative growth rate of 8.2 percent in 2009. The rate is expected to grow by 7.4 percent in 2010.

B. Balance of Payments

The deficit in the current account of the balance of payments of advanced economies, as a ratio of GDP, decreased from 1.3 percent in 2008 to 0.4 percent in 2009. It is expected to remain unchanged at 0.4 percent in 2010. In the USA, the deficit went down from 4.9 percent in 2008 to 2.9 percent in 2009, and it is expected to rise to 3.3 percent in 2010. In the Euro area, the deficit declined from 0.8 percent in 2008 to 0.4 percent in 2009, but no deficit is expected to occur in 2010. In Germany, the surplus to GDP decreased from 6.7 percent of GDP in 2008 to 4.8 percent in 2009, but it is expected to increase to 5.5 percent in 2010. In France, the deficit went down from 2.3 percent to 1.5 percent, and it is expected to rise to 1.9 percent in 2010. In Italy, the deficit was stable at 3.4 percent in 2009, and it is expected to go down to 2.8 percent in 2010. In Japan, the surplus decreased from 3.2 percent in 2008 to 2.8 percent in 2009, and it is expected to remain unchanged at 2.8 percent in 2010. In the UK, the deficit went down from 1.5 percent to 1.3 percent, and it is projected to go up to 1.7 percent in 2010. Canada registered a deficit of 2.7 percent in 2009,

against a surplus of 0.5 percent in 2008. The deficit in Canada is expected to decrease to 2.6 percent in 2010. The surplus in the new industrial Asian economies increased from 4.9 percent in 2008 to 8.9 percent in 2009, and it is expected to stand at 6.6 percent in 2010 (Table 1.2).

In Asian developing countries, the current account surplus, as a ratio of GDP, declined from 5.7 percent in 2008 to 4.1 percent in 2009, and it is expected to remain unchanged at 4.1 percent in 2010. In the Commonwealth of Independent States (CIS), the surplus also decreased from 4.9 percent to 2.6 percent, but it is expected to increase to 4.0 percent in 2010. In the Middle East and North African countries (MENA), the surplus went down from 15.5 percent in 2008 to 1.8 percent in 2009, and it is expected to rise to 5.2 percent in 2010. The Sub-Saharan African countries registered a deficit of 2.1 percent in 2009, compared to a surplus of 0.9 percent in 2008. Their deficit is expected to decline to 1.7 percent in 2010. In the Western Hemisphere countries, the deficit went down from 0.6 percent in 2008 to 0.5 percent in 2009, and it is expected to come to 1.0 percent in 2010. In the Central and Eastern European countries (CEEC), the deficit declined from 8.0 percent in 2008 to 2.3 percent in 2009, but it is expected to rise to 3.5 percent in 2010.

Capital Flows to Emerging and Developing Markets

Net private capital flows to emerging and developing markets increased to \$180.2 billion during 2009 against \$179.2 billion in 2008, and these are expected to increase to \$209.8 billion in 2010. Region-wise data show that the Asian emerging countries recorded a net capital inflow of \$145.5 billion in 2009 against \$33.8 billion in 2008, and the inflows are expected to amount to \$76.0 billion in 2010. The net private capital inflows to the Western Hemisphere countries went down from \$56.9 billion in 2008 to \$32.3 billion in 2009, and these are expected to go up to \$79.7 billion in 2010. Net capital inflows in the Middle East and North Africa countries increased from \$5.4 billion in 2008 to \$16.8 billion in 2009, but are expected to decline to \$12.9 billion in 2010. In the Commonwealth of Independent States (CIS), net capital outflows declined from \$95.6 billion in 2008 to \$55.6 billion. Their capital outflows are expected to rise to \$56.5 billion in 2010. In the Sub-Saharan African countries, net capital inflows decreased from \$24.8 billion in 2008 to \$18.2 billion, and they are expected to go up to \$40.6 billion in 2010 (Table 1.5).

A breakdown of the components of the flows shows that net direct investment flows to emerging and developing markets dropped from \$439.9 billion in



Table 1.5: CAPITAL FLOWS TO EMERGING AND DEVELOPING MARKETS

(In billions of US dollars)

	2007	2008	2009	Projections 2010
Total				
Net private capital flows	689.3	179.2	180.2	209.8
Net direct investments	412.1	439.9	274.8	294.1
Net portfolio investment	88.6	-84.7	23.2	-27.8
Other net investments	188.6	-176.0	-117.9	-56.5
Net official flows	-98.4	-116.9	80.2	-2.3
Changes in reserves*	-1226.0	-666.6	-538.8	-632.4
Sub - Saharan Africa				
Net private capital flows	26.3	24.8	18.2	40.6
Net direct investments	22.9	32.6	22.8	25.4
Net portfolio investment	9.5	-20.6	6.9	11.6
Other net investments	-6.1	12.8	-11.6	3.6
Net official flows	-3.8	-3.3	6.2	7.9
Changes in reserves*	-29.2	-17.1	8.2	-12.8
Developing Asia				
Net private capital flows	195.9	33.8	145.5	76.0
Net direct investments	152.6	133.5	66.8	48.1
Net portfolio investment	68.9	-4.6	20.3	-8.4
Other net investments	-25.6	-95.0	58.3	36.3
Net official flows	-0.6	8.7	9.8	7.4
Changes in reserves*	-627.9	-440.5	-460.8	-448.1
Middle East and North Africa				
Net private capital flows	43.9	5.4	16.8	12.9
Net direct investments	43.2	61.2	70.0	71.7
Net portfolio investment	-44.1	0.4	-44.8	-56.2
Other net investments	44.8	-56.2	-8.4	-2.5
Net official flows	-75.5	-121.5	-28.3	-75.8
Changes in reserves*	-231.6	-186.0	8.0	-60.0
Western Hemisphere				
Net private capital flows	107.4	56.9	32.3	79.7
Net direct investments	87.4	91.9	65.0	87.9
Net portfolio investment	38.8	-19.0	29.7	18.4
Other net investments	-18.4	-16.0	-62.4	-26.6
Net official flows	-5.8	2.2	43.4	13.7
Changes in reserves*	-133.1	-50.9	-57.8	-48.7
Common Wealth of Independent States**				
Net private capital flows	129.8	-95.6	-55.6	-56.5
Net direct investments	28.3	53.0	18.9	19.2
Net portfolio investment	19.5	-30.9	2.4	-9.1
Other net investments	82.0	-117.7	-77.0	-66.6
Net official flows	-6.6	-25.9	14.5	18.3
Changes in reserves*	-168.1	33.1	-14.0	-41.7

* Minus sign indicates an increase.

** Georgia and Mongolia are Included.

Source: IMF, *World Economic Outlook*, April 2010.



2008 to \$274.8 billion in 2009, but these are expected to increase to \$294.1 billion in 2010. Net portfolio investment inflows stood at \$23.2 billion in 2009, against net outflows of \$84.7 billion in 2008. Net portfolio investment outflows are expected to stand at \$27.8 billion in 2010. Net outflows of other investments stood at \$117.9 billion in 2009, compared to \$176.0 billion in 2008. Net outflows of other investments are expected to decline to \$56.5 billion in 2010.

World Oil Market

According to the International Energy Agency (IEA), world oil demand declined by 1.4 percent to 85.0 million barrels per day (b/d) in 2009 against 86.2 million b/d in 2008. The average world oil demand is projected to increase by 1.9 percent to 86.6 million b/d in 2010. Demand by countries of the Organization for Economic Co-operation and Development (OECD) accounted for 45.5 million b/d or 53.5 percent of total world demand during 2009.

Average world oil supply* fell by 1.7 percent to 84.9 million b/d during 2009 from 86.4 million b/d in the preceding year. Total supply from OPEC countries declined by 6.2 percent to 33.4 million b/d in 2009 against 35.6 million b/d in 2008, while the supply from OECD countries rose by 0.5 percent to 19.4 million b/d. The supply from other oil producing countries increased by 2.1 percent to 29.4 million b/d during 2009. The remaining 2.3 million b/d represented net gains and losses of the refining process. Projections for 2010 anticipate OECD oil supply to decline to 19.0 million b/d, while the supply from other oil producing countries is expected to rise to 30.2 million b/d.

According to latest data of the IMF's "World Economic Outlook" report (April, 2010), the average oil price** declined by 36.3 percent in 2009, but it is expected to increase by 29.5 percent to \$80 per barrel in 2010.

Economic Developments in GCC countries

Affected by conditions witnessed by the global economy, economic growth rates (in real terms) in GCC countries went down during 2009. In Saudi Arabia, the growth rate declined from 4.2 percent in 2008 to 0.6 percent in 2009. It also fell in the Sultanate of Oman from 12.8 percent to 3.5 percent. In Qatar, it went down from 13.4 percent in 2008 to 9.5 percent in 2009. In the Kingdom of Bahrain, the growth rate went down from

6.3 percent in 2008 to 2.9 percent in 2009. In the UAE, the growth rate decreased by 2.5 percent, compared to a growth of 7.4 percent in the preceding year. The growth rate also declined in Kuwait by 1.7 percent, against a growth of 8.5 percent in 2008 (Table 1.6).

Inflation rates in all GCC countries declined during 2009. In Saudi Arabia, the inflation rate decreased from 9.9 percent in 2008 to 5.1 percent in 2009. It also went down in the UAE from 12.3 percent in 2008 to 1.6 percent in 2009. In Kuwait, it declined from 10.6 percent in 2008 to 4.0 percent in 2009. In the Kingdom of Bahrain, it declined from 3.5 percent to 2.8 percent. The inflation rate in the Sultanate of Oman also dropped from 11.8 percent in 2008 to 3.4 percent in 2009. In Qatar, however, the inflation rate registered a negative growth of 4.9 percent in 2009, against a rise of 15.1 percent in 2008.

With regard to balance of payments, total exports (FOB) of the GCC countries fell by 34.4 percent from \$749.3 billion in 2008 to \$491.7 billion in 2009. In Saudi Arabia, exports (FOB) decreased from \$313.4 billion in 2008 to \$192.2 billion in 2009. In the UAE, exports also went down from \$239.2 billion to \$174.7 billion. Exports also dropped in Qatar from \$54.9 billion to \$33.2 billion. In Kuwait, they decreased from \$87.0 billion in 2008 to \$50.2 billion in 2009. Also, in the Sultanate of Oman and the Kingdom of Bahrain, exports (FOB) declined from \$37.7 billion and \$17.3 billion to \$29.8 billion and \$11.9 billion respectively. Total imports (FOB) of GCC countries went down from \$359.8 billion in 2008 to \$300.4 billion in 2009, decreasing by 16.5 percent. Imports (FOB) of Saudi Arabia fell from \$100.6 billion in 2008 to \$86.4 billion in 2009. They decreased in UAE from \$176.3 billion to \$144.5 billion and in Qatar from \$25.1 billion in 2008 to \$20.9 billion in 2009. The imports (FOB) in Kuwait went down from \$22.9 billion to \$20.5 billion. In the Sultanate of Oman and the Kingdom of Bahrain, imports decreased from \$20.7 billion and \$14.2 billion to \$18.4 billion and \$9.6 billion respectively.

The current account surplus registered a decline in all GCC countries during 2009. In Saudi Arabia, the current account surplus fell from \$132.3 billion in 2008 to \$22.8 billion in 2009. It declined in Kuwait from \$64.8 billion to \$27.6 billion. In the UAE, the surplus of \$22.3 billion in 2008 went down to a deficit of \$4.0 billion in 2009. Qatar also registered a decline in its surplus from \$14.2 billion in 2008 to \$0.7 billion in 2009. It also declined in the Sultanate of Oman from

* Including condensates and natural gas liquids.

** Simple average of spot oil prices of North Sea (Brent) oil, Dubai oil and West Texas Intermediate.



Table 1.6: MAJOR DEVELOPMENTS IN GCC ECONOMIES

(Billion dollar)

	UAE		Bahrain		KSA		Oman		Qatar		Kuwait	
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
Nominal GDP	254.4	228.3	21.9	20.6	472.3	372.3	60.3	59.4	100.4	82.3	148.2	127.0
Real GDP growth percentage	7.4	-2.5	6.3	2.9	4.2	0.6	12.8	3.5	13.4	9.5	8.5	-1.7
Interest Rates on USA Dollar (3-month libor)	2.2	0.3	2.4	0.3	2.2	0.3	2.9	0.7	2.2	0.3	2.9	0.7
Inflation rate	12.3	1.6	3.5	2.8	9.9	5.1	11.8	3.4	15.1	-4.9	10.6	4.0
Money Supply*	29.1	5.4	20.8	4.5	17.6	10.7	23.1	4.7	21.9	12.7	15.9	13.2
Imports (FOB)	176.3	144.5	14.2	9.6	100.6	86.4	20.7	18.4	25.1	20.9	22.9	20.5
Exports (FOB)	239.2	174.7	17.3	11.9	313.4	192.2	37.7	29.8	54.9	33.2	78.0	50.2
Current account	22.3	-4.0	2.3	0.6	132.3	22.8	5.5	0.9	14.2	0.7	64.8	27.6
Ratio of current account balance to GDP**	8.8	-1.8	10.3	2.7	27.9	6.0	9.1	1.5	14.1	0.9	43.7	21.7
Government balance (% of GDP)**	13.6	-0.5	7.5	-0.9	32.6	-6.3	6.0	1.3	10.6	8.5	28.3	18.6
Population (million)	5.6	5.4	1.1	1.1	24.8	25.4	2.9	3.0	1.4	1.6	3.4	3.5

* M2 in Oman represents broad money supply, while M3 represents broad money supply in the remaining GCC countries.

** Ratio of surplus/deficit to GDP (at current prices).

Source: IMF, World Economic Outlook, April 2010; EIU Report, April 2010. Central Department of Statistics and Information, and SAMA.

\$5.5 billion to \$0.9 billion and in the Kingdom of Bahrain from \$2.3 billion in 2008 to \$0.6 billion in 2009.

Fiscal balances in all GCC countries registered declines. In Saudi Arabia, there was a deficit of 6.3 percent, as a ratio of GDP, against a surplus of 32.6 percent in 2008. The surplus in Kuwait went down from 28.3 percent to 18.6 percent, and in Qatar from 10.6 percent in 2008 to 8.5 percent in 2009. In the Sultanate of Oman, the surplus also decreased from 6.0 percent to 1.3 percent. The budgetary deficit in the UAE stood at 0.5 percent in 2009 against a surplus of 13.6 percent in 2008. The Kingdom of Bahrain recorded a deficit of 0.9 percent in 2009 against a surplus of 7.5 percent in 2008.

Regional and International Cooperation

1. The GCC Monetary Union

The Supreme Council of the GCC countries held its 30th session in Kuwait city, in December 2009. It reviewed the progress reports on the monetary union

and expressed satisfaction with the progress achieved in this regard. It endorsed the ratifications by member states joining the monetary union Agreement and directed the establishment of the Monetary Council. The Council urged the Monetary Council's Board of Directors to intensify efforts to accomplish the tasks entrusted to it by virtue of the Agreement, including setting the time schedule for issuing the unified currency and putting it in circulation.

The GCC Monetary Council held its 1st meeting on March 30, 2010 in Riyadh in the presence of Their Excellencies, Governors of central banks and monetary agencies of the member states, namely Kingdom of Bahrain, Kingdom of Saudi Arabia, the State of Qatar, and the State of Kuwait. In its first meeting, the Board of Directors discussed requirements of the next phase represented in completing the institutional and organizational structure of the Monetary Council's works. Moreover, it discussed the implementation of the Monetary Council's major functions set forth under its Charter, most important of which include preparing



and coordinating monetary policies, continued development of the statistic systems, and preparing payments and settlements systems. The Board also discussed a number of issues which are essential for the Council's work, such as completion of the executive organ of the Council and preparing its financial and administrative rules and regulations and operating budget for the current fiscal year. In conclusion, the Council emphasized the importance of deep-rooting its institutional work, its independence and continued efforts for establishing the central bank and issuing the unified currency. These are the resolutions issued on the matters discussed:

- Electing the Governor of SAMA, His Excellency Dr. Muhammad Al-Jasser as the chairman of the Monetary Council's Board of Directors for one-year term as from 30/3/2010, (14 Rabi' II 1431H), and electing the Governor of Central Bank of Bahrain, His Excellency Rasheed Muhammad Al-Maraj as the vice-chairman of Board of Directors for one-year term as from the same aforementioned date.
- Forming a supreme preparatory committee to pursue the implementation of the first steps for electing the Monetary Council's Chief Executive Officer, setting regulations and infrastructures for the Council's operation and preparing institutional work as soon as possible.

2. Common Gulf Market

The common gulf market focuses on GCC citizenship in the economic area, and it is based on the core principle that all GCC citizens should enjoy a national treatment in any GCC member state. Statistical data show an increasing number of beneficiaries from the resolutions of the common Gulf market. The number of GCC citizens who moved inter-GCC countries increased from 4.5 million in 1995 to more than 15 million in 2008, while the cumulative number of licenses granted to GCC citizens for practicing different economic activities amounted 28 thousand at the end of 2008. With regard to the number of GCC citizens owning real estates in GCC countries outside their home country, statistics indicate a continuous increase in the number of beneficiaries from resolutions permitting ownership of real estate to reach 7,359 in 2008. In the stock trading area, the number of GCC citizens holding shares in joint stock companies in GCC countries, other than their home countries, was about 685 thousand in 2008. As for inter-trade field, the GCC countries have eliminated the customs barriers on their products among the member countries, exempting such products from customs duties. In 1983, the GCC countries established a free trade zone which was followed by establishing the

customs union in 2003. Over the years from 1983 to 2003, a number of laws, rules and policies were approved, facilitating smooth movement of goods and services among the GCC countries. Since the customs union enhances the benefits of the common gulf market, many resolutions issued by the market, such as the movement of individuals and free practice of economic activities contribute directly to promoting and increasing the GCC inter-trade. As a result of these resolutions and actions, the volume of GCC inter-trade increased from \$6 billion in 1983 to \$65 billion in 2008.

3. Free Trade Agreements of GCC Countries

The GCC countries have been negotiating with a number of countries and international groups to establish free trade zones. The following is a review of the current status of these negotiations:

Singapore:

The GCC countries and Singapore signed the Free Trade Agreement in Doha on December 15, 2008. The Agreement was circulated to the member countries to take the measures needed for ratification. Oman and Qatar have ratified this Agreement.

EFTA Group:

In June, 2009, The GCC countries signed the Free Trade Agreement with the four members of the European Free Trade Association (EFTA), namely, Switzerland, Norway, Iceland, and Liechtenstein. This Agreement is in the ratification process.

New Zealand

The six-round negotiations between GCC countries and New Zealand to enter into a free trade agreement have been completed. The Agreement documents were signed in Wellington, New Zealand in October, 2009. A meeting between the representatives concerned with the negotiations is expected to be held to review and draft the Agreement in its final form in a bid to its ratification.

European Union:

The negotiations with the European Union were suspended in December 2008 due to failure to reach a resolution over pending issues.

Countries with which GCC countries have ongoing negotiations

The GCC countries have started negotiations to enter into free trade agreements with a number of countries, namely, China, Japan, Pakistan, India, South Korea, Turkey and the group of Mercosur countries (Argentina, Brazil, Uruguay and Paraguay).



New Requests to Enter into Negotiations for Free Trade Agreements with GCC countries and Considering Their Feasibility

The GCC Secretariat General has received a number of negotiation requests to enter into free trade agreements and feasibility of such requests is under consideration.

4. Arab Financial Institutions

Arab financial institutions hold annual meetings, usually in Spring. During these meetings, the performance of each institution and the issues on their agendas are reviewed. The following is a brief summary about these institutions:

A) Arab Monetary Fund (AMF)

In 2009, the AMF witnessed a remarkable expansion in its lending activity. It extended five new loans with a total value of \$470 million against \$132 million in 2008. Total loans extended by the AMF to Arab countries since it commenced its lending operations in 1978 up to 2009 increased to \$5.6 billion. Total outstanding loans indebted by borrowing countries stood at \$1.5 billion (about 53 percent of AMF's paid-in capital in convertible currencies), compared to \$1.2 billion in the preceding year (42 percent of AMF's paid-in capital). Total realized income amounted to \$167.3 million at the end of 2009 compared to \$144.0 million in the preceding year, while total spending stood at \$22.5 million against \$21.1 million in the preceding year. The AMF's paid-in capital stood at \$2.8 billion at the end of 2009, in which Saudi Arabia's contribution amounted to \$424.4 million or about 14.9 percent of the total paid-in capital.

B) Arab Bank for Economic Development in Africa (BADEA)

The BADEA's capital increased by \$600 million to \$2.8 billion at the end of 2009 against Rls 2.2 billion at the end of 2008. Saudi Arabia's contribution stood at \$685.0 million or 24.5 percent. Total funding allocations stood at \$200 million in 2009 against \$190 million in 2008. The BADEA recorded total revenues of \$174.9 million in 2009 against a loss of \$74.4 million in the preceding year. Its total expenditures stood at \$16.8 million in 2009 against \$16.2 million in the preceding year. Its assets totaled \$3.3 billion in 2009 against \$3.2 billion at the end of 2008. It recorded a net income of \$158.2 million during 2009 against a loss of \$90.6 million in the preceding year.

C) Arab Fund for Economic and Social Development

During 2009, the Fund extended 18 loans with a total value of \$1.2 billion. The cumulative value of loans extended by the Arab Fund since the

commencement of its operations in 1974 up to the end of 2009 reached \$23.7 billion, distributed into 554 loans. The Fund's assets totaled \$9.8 billion at the end of 2009 against \$9.4 billion in the preceding year. The equities of the member countries stood at \$9.5 billion against \$9.1 billion. The Fund's total income increased from \$21.9 million in 2008 to \$448.3 million at the end of 2009. The Fund recorded a net profit of \$421.7 million in 2009 against a net loss of \$3.3 million in 2008. The Fund's capital stood at \$7.3 billion, of which \$1.7 billion or 24.0 percent was contributed by Saudi Arabia.

D) Arab Investment and Export Credit Guarantee Corporation (Dhaman)

The total value of guarantee operations stood at \$700.8 million in 2009 against \$1.0 billion in 2008. At the end of 2009, Dhaman's assets totaled \$339.3 million against \$334.8 million at the end of 2008. The shareholders' equities stood at \$302.6 million against \$300.7 million. Dhaman registered a net profit of \$18.2 million in 2009 against a net loss of \$43.7 million in the preceding year. Its paid-in capital stood at \$193.2 million as at the end of 2009. Saudi Arabia's contribution to the paid-in capital stood at \$13.1 million or 6.8 percent.

E) Arab Authority for Agricultural Investment and Development (AAID)

The income of the AAID totaled \$67.7 million during 2009 against a loss of \$103.6 million in the preceding year. Its total expenditures stood at \$20.6 million in 2009 against \$29.0 million in the preceding year. The AAID registered a net profit of \$44.0 million in 2009, compared to a loss of \$136.3 million in 2008, and its total assets stood at \$719 million at the end of 2009 against \$740 million in the preceding year. The shareholders' equities stood at \$565 million (161 percent of paid-in capital) against \$532 million in the preceding year. The AAID's paid-in capital totaled \$351.0 million at the end of 2009, to which Saudi Arabia's contribution stood at \$78.8 million or 22.4 percent.

5. The Islamic Development Bank (IDB)

The IDB's total assets rose from \$11.3 billion in 2008 to \$13.7 billion in 2009, and its total liabilities went up from \$2.8 billion in 2008 to \$4.5 billion in 2009. Total revenues decreased from \$630.3 million to \$580.8 million. Total expenditures rose from \$330.4 million in 2008 to \$369.0 million in 2009. The IDB's total net income declined from \$299.9 million to \$211.8 million. Its total loans amounted to \$3.7 billion in 2009 against \$3.6 billion in the preceding year. Total repaid loans stood at \$2.6 billion in 2009 against \$2.8 billion in the preceding year. The IDB's subscribed for capital



amounted to \$25.1 billion, to which Saudi Arabia's contribution stood at \$6.7 billion or 26.6 percent.

6. The OPEC Fund for International Development (OFID)

The OFID's capital stood at \$2.293 billion in 2009 against \$2.298 billion in 2008. Its total assets stood at \$5.6 billion in 2009 against \$5.3 billion in 2008. In 2009, the OFID extended loans with a total value of \$2.3 billion, against \$1.9 billion in 2008. Total income stood at \$448.7 million in 2009 against a total loss of \$628.4 million in 2008, with a net profit of \$395.2 million against a net loss of \$657.9 million in 2008. Total contributions of member countries to the OFID amount to \$3.4 billion, in which Saudi Arabia's contribution stood at \$1.0 billion.

7. Greater Arab Free Trade Zone (GAFTZ)

Since the initiation of common Arab cooperation, the Arab countries have been adopting inter-trade as a main source for achieving Arab economic integration. Hence, the Arab countries signed a number of agreements aiming at achieving free inter-trade. Instruments of integration of the Arab economy still depend on free inter-trade of goods, however, the process of achieving free inter-trade in services is capturing more attention within the GAFTZ framework. In this context, 11 member countries have been negotiating since 2003 to enter an agreement on free inter-trade in services in the same manner as the WTO's GATS but with more extensive commitments and obligations to free trade in services than the obligations undertaken by the Arab countries towards WTO. The significance of free trade in services arises from the role that it might perform to promote inter-trade. According to the available data, the Arab countries exports of services (excluding Government services) amounted to \$89 billion in 2007, while the Arab countries imports of services stood at \$133 billion in the same year.

8. International Monetary Fund (IMF)

International Monetary and Financial Committee

The International Monetary and Financial Committee held its 21st meeting in Washington, D.C. on April 24, 2010. The Committee discussed a number of issues. The most important of these are the following:

a. Signs of a strengthening economic recovery are encouraging but many challenges remain to be tackled collaboratively. The Committee will

continue to work to phase in country-specific exits from stimuli, achieve balanced and stable global economy, renew job creation, achieve price stability, and avoid protectionism in all its forms. The Committee welcomes the Fund's support of the G-20 Mutual Assessment Process, which should help to guide members towards strong, sustainable, and balanced growth.

- b. Strengthening regulation, supervision, and resilience of the financial sector and working on establishing a stable global financial system that can support the economic recovery remain critical tasks. The Committee looks forward to discussing the work of the Fund on a range of options on how the financial sector can make a fair and substantial contribution to cover the burden of extraordinary government support.
- c. The Committee welcomes the recovery in many low-income countries, reflecting their improved macroeconomic frameworks, effective policy responses, and the support of the international community. The participants thank members that have committed additional loans and subsidy resources for concessional lending, and call on other donors to contribute. The Committee welcomes the recent adoption of the framework for facilitating mobilization of loan resources for concessional lending to low-income countries.
- d. The Committee urges all members to promptly consent to the 2008 quota and voice reform. It pledges to complete the quota review before January 2011 in line with the parameters agreed in Istanbul and in parallel deliver on other governance reforms including senior management selection, ministerial engagement, the Board's composition and size, voting majorities, and staff diversity. The Committee welcomes the agreement on the New Arrangements to Borrow.
- e. The Committee commends the Fund's intensive efforts in responding to members' needs in dealing with the fallout from this crisis. The crisis has underlined the importance of strengthening the analysis of systemic risks and linkages of avoiding moral hazard and of responding to such crises as appropriate with adequate quota and other resources, and well-tailored facilities with adequate safeguards. In this regard, the Committee welcomes the important work on the Fund's mandate and responsibilities over surveillance, lending, and the stability of the international

* GAFTZ includes: Jordan, UAE, Bahrain, Tunisia, Saudi Arabia, Syria, Iraq, Oman, Qatar, Kuwait, Lebanon, Libya, Egypt and



monetary and financial system. It calls on the Fund to study the other policy options to promote long-term global stability and proper functioning of the international monetary system. In the meantime, the Committee calls on the Fund to strengthen surveillance further by sharpening its focus on macro-financial issues, capital flows, and systemic risks and spillovers.

9. World Bank Group Development Committee

The Development Committee held its meeting in Washington, D.C. on 25 April 2010. The Committee discussed a number of issues, the most important of which are the following:

- a. As it emerges from the worst crisis in decades, the world economy faces an uncertain and uneven recovery. The crisis has interrupted progress in reducing poverty and the impact will be long-lasting. With only five years to meet the Millennium Development Goals, efforts must be intensified to reach the poor wherever they are – in middle income countries, low income countries, and especially in Sub-Saharan Africa. The Committee welcomed the World Bank Group (WBG)'s response to the crisis through new and creative approaches to help its clients, including IFC's innovative response, as well as the WBG's increased support, exceeding \$100 billion since the start of the crisis and the IMF's support of almost \$175 billion.
- b. The Committee recognizes the historic nature of this crisis and supports the World Bank Group embarking on fundamental reforms and developing a post-crisis directions strategy. The WBG will be better equipped to address the development challenges of the 21st century and its overarching objective of overcoming poverty. These ongoing reforms will strengthen the efficiency, effectiveness and accountability of the World Bank Group. The Committee emphasized that it supports such legitimacy of the reform through voting reforms and it is rebuilding its financial capacity. The Committee looks forwards to the Board's proposals for strengthening corporate governance and accountability at the annual meetings of the WBG for 2010.
- c. In line with its Istanbul commitments, the Committee endorsed voting reform to increase the voting power of developing and transition countries (DTC) in the IBRD by 3.13 percent, bringing it to 47.19 percent. This represents a total shift of 4.59 percent to DTCs since 2008. The 2010 realignment includes a selective capital increase of \$27.8 billion with paid-in capital of \$1.6 billion. The approach used for the 2010 shareholding realignment and its elements are the basis for the current selective capital increase only. For the next shareholding review in 2015, the Committee committed to establish a work program and a road map to arrive at a benchmark for a dynamic formula reflecting the principles agreed on in Istanbul, moving over time towards equitable voting power and protecting the voting power of the smallest poor countries. The Committee reiterates the importance of an open, merit-based and transparent process for the selection of the President of the World Bank Group and enhancement of staff diversity to reflect better the global nature of the WBG.
- d. As a first step towards IFC voting reform, the Committee endorsed an increase in basic votes and a selective capital increase of \$200 million, representing a total shift of 6.07 percent, to bring DTC voting power to 39.48 percent and move towards a broad and flexible alignment with IBRD shareholding.
- e. The Committee endorsed a general capital increase for IBRD of \$58.4 billion of which 6 percent, or \$3.5 billion, would be paid-in capital. It further endorsed reform of loan maturity terms to be discussed at the integrated financial review in June 2010 as well as the IDA-16 replenishment through fairer and wider burden-sharing. The Committee also reconfirmed its commitment to ensuring that IFC has the resources necessary for its continued growth. It endorsed a package of measures to enhance IFC's financial capacity, subject to the Board review.
- f. The Committee urged the Boards and WBG management to expedite the necessary procedures so the appropriate resolutions to implement the voting reform and capital packages will be submitted to the IBRD and IFC Boards of Governors by end-June 2010.

10. Bank for International Settlements (BIS)

The BIS held its annual meeting in Basel, Switzerland, in June, 2009. The BIS released its 79th Annual Report which discussed ways to exit the financial crisis, which reached its tipping point during September and October of 2008, leading the monetary and financial authorities to work on restoring the financial system to its proper track and facing the challenges the real economy is encountering. The monetary policies measures were unprecedented in their depth and breadth. Nonetheless, more actions are still needed to address this issue. A sound financial system is an essential precondition for the effectiveness of expansionary policies and real growth stability on the



long-term. Also, Governments and private sector have to cooperate to structure a more flexible financial system. Addressing the huge failures revealed by the crisis is nothing but a necessity for defining and mitigating the financial systemic risk from all of its perspectives through adopting macroprudential policy, which represents the BIS's main concept in its work for years. Furthermore, the Report called for reforming all instruments, markets and financial institutions if establishing a strong financial system is needed. It also touched upon the insufficiency of the improvement of the systems lately, stating that macroeconomic policies could perform a role in the financial stability promotion. From the perspective of the monetary policy, this means better taking cognizance of asset prices and credit booms, while it means encouraging the medium-term financial discipline and long-term sustainability from the perspective of the financial policy. The BIS announced its 2009 balance sheet, which amounted to SDR 255 (\$381 billion) billion as at end-March, 2009, declining by SDR 56 billion from the preceding year. The net profit declined by 18 percent to SDR 446 million (\$666 million).

11. Financial Stability Board* (FSB)

The Financial Stability Board (FSB) was established in April, 2009 as the successor to the Financial Stability Forum, which was founded in 1999 on the initiative of the G7 Ministers of Finance and Central Bank Governors. It addresses vulnerabilities in the financial system and develops financial and supervisory systems of the global financial institutions and related regulations and policies to insure the maintenance of the global financial stability. The FSB consists of representatives of national financial bodies (from G20) such as central banks, monetary authorities, ministries of finance and supervisory entities as well as the global financial institutions and authorities responsible for setting international standards. It also includes a number of committees formed of central banks' experts.

The FSB involves 36 members including the international institutions, namely, USA, UK, Switzerland, Singapore, Netherlands, Japan, Italy, Hong Kong, Germany, France, Canada, Australia, Kingdom of Saudi Arabia, Brazil, Argentina, China, India, Indonesia, South Korea, Mexico, Russia, South Africa, Spain, and Turkey.

The mandate of the FSB is to:

- assess vulnerabilities affecting the financial system and identify and oversee actions needed to address them;

- promote coordination and information exchange among authorities responsible for financial stability;
- monitor and advise on market developments and their implications for regulatory policy;
- monitor and advise on best practice in meeting regulatory standards;
- undertake joint strategic reviews of the policy development work of the international standard setting bodies to ensure their work is timely;
- set guidelines for support and establishment of supervisory colleges;
- manage contingency planning and ensure cross-border cooperation and crisis management, particularly with respect to systemically important firms; and
- collaborate with the IMF to conduct Early Warning Exercises.

As for obligations of membership, members of the FSB commit to pursue the maintenance of financial stability, maintain the openness and transparency of the financial sector, implement international financial standards, and agree to undergo periodic peer reviews. The FSB, working through its current members, seeks to give momentum to a broad-based multilateral agenda for strengthening financial systems and the stability of international financial markets along with maintaining duties granted to the relevant national financial authorities.

The committees working under FSB are: Steering Committee, Standing Committee on Assessment of Vulnerabilities, Standing Committee for Regulatory and Supervisory Cooperation, and Standing Committee on Standards Implementation as well as some secondary committees and expert networks working under these main committees.

12. Basel Committee

At its meeting held in December, 2009, the Basel Committee approved a package of proposals to strengthen global capital and liquidity regulations with the goals of promoting a healthier banking sector and a better balance between financial innovation and sustainable growth. The Committee is also reviewing the need for additional capital, liquidity or other supervisory measures to reduce the externalities created by systemically important institutions.

The Committee is mindful of the need to introduce these measures in a manner that raises the resilience of the banking sector over the longer term,

* Financial Stability Forum, previously.



while avoiding negative effects on bank lending activity that could impair the economic recovery. To this end, the Committee is initiating a comprehensive impact assessment of the capital and liquidity standards proposed in the consultative documents. In a number of proposals, the Committee is still considering different options, which will be included in the impact assessment. The Committee will ensure that implementation of the new standards is consistent with financial market stability and sustainable economic growth. The impact assessment will be carried out in the first half of 2010. On the basis of this assessment, the Committee will then review the regulatory minimum level of capital and the reforms proposed in this document to arrive at an appropriately calibrated total level and quality of capital. The calibration will consider all the elements of the Committee's reform package and will not be conducted on a piecemeal basis. The fully calibrated set of standards will be developed by the end of 2010 to be phased in as financial conditions improve and the economic recovery is assured, with the aim of implementation by end-2012. The Committee will put in place appropriate phase-in measures and grandfathering arrangements for a sufficiently long period to ensure a smooth transition to the new standards.

13. Group of Twenty (G20)

The G20 held its third leaders' summit in September 2009 in Pittsburgh. The summit statement commended the progress made since London Summit in April 2009. It referred to the G20's commitments to pursue work till lasting recovery is achieved and ensure that restoring growth is in line with jobs creation. It also referred to preparing exit strategies in which stimulus will be withdrawn when the time is right in cooperative and coordinated way. The leaders also agreed to:

- Launch a framework that lays out the policies and the way the members act together to generate strong, sustainable and balanced global growth. They also agreed on the need for a durable recovery that creates the good jobs people need, and to work together to assess how policies fit together, to evaluate whether they are collectively consistent with more sustainable and balanced growth, and to act as necessary to meet common objectives.
- Make sure that regulatory and control systems for banks and other financial firms reins in the excesses that led to the crisis and committed to prevent banking from returning to its previous behavior. They also committed to act together to raise capital standards of financial institutions, to implement strong international compensation standards aimed at ending practices that lead to excessive risk-

taking, to improve the over-the-counter derivatives market, to create more powerful tools to hold large global firms to account for the risks they take, and make sure that standards for large global financial firms commensurate with the cost of their failure. For all these reforms, they have set strict and precise timetables.

- Reform the global architecture to meet the needs of the 21st century, designate the G20 to be the premier forum for the international economic cooperation, ensure promoting emerging markets and developing countries in IMF, transfer of at least 5% from over-represented countries to under-represented countries using the current quota formula as the basis to work from, and increase voting power in the World Bank for under-represented developing countries.
- Take new steps to increase access to food, fuel and finance among the world's poorest since reducing the development gap can be a potent driver of global growth.
- Phase out and rationalize over the medium term inefficient fossil fuel subsidies while providing targeted support for the poorest.
- Maintain openness and move toward greener and more sustainable growth.

14. Group of Seven (G7)

The G7 Finance Ministers and Central Bank Governors of the major industrialized countries held a meeting in Canada, on 5-6 February, 2010. They reviewed the global economic position, in which they remarked improvement signs but submitting the committed incentive is required, bearing in mind the phased in exit and moving towards more sustainable fiscal tracks. With regard to financial reform, they discussed capital adequacy and agreed to work closely to rein in the financial crisis caused by financial institutions and burden them with cost incurred. They also touched upon issues related to development and responsibility for "millennium development objectives", especially health care for mothers and children. Moreover, they discussed resources and reforms of the international financial institutions to meet poorest countries needs. They also discussed the Haitian human disaster caused by the earthquake and pledged to write off its debts.

15. OPEC

The 156th Meeting of the Conference of the Organization of the Petroleum Exporting Countries (OPEC) convened in Vienna, Austria, in March 2010. The conference reviewed recent oil market



developments, in particular supply/demand projections for 2010, and noted that, while the global economy is rebounding from the recession period, serious threats remain. The conference further noted that, although world oil demand is projected to increase marginally during the year, this rise will be more than offset by the expected increase in non-OPEC supply, meaning that 2010 is likely to witness a decline in the demand for OPEC crude oil for the third consecutive year. The persistently high OECD stock levels, which are estimated to currently stand at 59-

61 days of forward cover i.e. well above their five-year average, indicate that there has been a contra-seasonal stock build in the first quarter 2010 and the stock increase is expected to continue throughout the year. In light of the foregoing, the conference decided to maintain the current oil production ceiling unchanged. Moreover, the conference emphasized the commitment by the organization to stabilize the market, provide a regular supply of petroleum to consumers at fair price levels and adequate future supply■



The Saudi economy continued its growth in 2009 despite the unfavorable global conditions caused by the global economic and financial crisis that resulted in significant decline in oil prices during the year. Thanks, however, to the coordinated monetary and fiscal policies of the Kingdom and the continued structural and regulatory reforms, the Saudi economy successfully overcame the difficulties and continued to grow during the year, though at a reduced rates. The Saudi economy also witnessed a decline in the overall level of prices during the year.

OPEC sources indicate that the average price of Arabian Light dropped by 35.2 percent to \$ 61.4 per barrel, compared with \$ 94.8 per barrel in 2008, the year which witnessed the highest average oil prices .

The Kingdom's daily average oil production, (according to the Ministry of Petroleum and Mineral Resources) declined to 8.2 million barrels per day in

2009 from 9.2 million barrels per day in 2008, denoting a fall of 11.3 percent.

As a result of the decline in both prices and oil production in 2009, the GDP at current prices, of which the oil sector constituted 46.7 percent, dropped by 21.2 percent to Rls 1.4 trillion in 2009 compared to Rls 1.8 trillion in 2008. GDP at constant prices (base year 1999) grew by 0.6 percent to Rls 841.2 billion compared to Rls 836.1 billion in 2008. The state budget recorded a deficit of Rls 86.6 billion, or 6.1 percent of GDP in 2009 against a surplus of Rls 580.9 billion, or 32.5 percent of GDP in the previous year.

The current account of balance of payments recoded a surplus of Rls 85.4 billion, or 6.1 percent of GDP in 2009. This was the eleventh consecutive year of surplus. Broad money supply (M3) increased by 10.7 percent to Rls 1,028.9 billion. Table 2.1 shows the important indicators of the Saudi economy.

Table 2.1: SELECTED ECONOMIC INDICATORS

	2005	2006	2007	2008	2009
Estimated population (in million)	23.11	23.68	24.24	24.81	25.37
GDP at current prices (billion Riyals)	1182.5	1335.6	1442.6	1786.1	1409.1
GDP at constant prices of 1999 (billion Riyals)	762.3	786.3	802.2	836.1	841.2
Non-oil GDP deflator	110.3	114.4	116.2	119.7	121.3
Inflation rate (consumer prices)	0.7	2.2	4.1	9.9	5.1
Aggregate money supply M3 (billion Riyals)	553.7	660.6	789.8	929.1	1028.9
Daily Average for Saudi Oil Production (Million Barrel)	9.4	9.2	8.8	9.2	8.2
Average price of Arabian Light oil (US\$)*	50.15	61.05	68.74	94.77	61.38
Riyal's real effective exchange rate (2000=100)	82.3	80.8	78.5	97.7	105.7
Ratio of currency in circulation to total money supply	11.6	10.5	9.1	8.9	8.6
Ratio of total deposits to total money supply	88.4	89.5	90.9	91.1	91.4
Net foreign assets of domestic banks (billion Riyals)	26.4	70.6	42.5	41.5	111.2
Interest rates on domestic currency Deposits % (3 months)	3.8	5.0	4.8	2.9	0.6
Banks capital adequacy ratio (Basel standard)**	17.8	21.9	20.6	16.0	16.5
Actual government revenues (billion Riyals)	564.3	673.7	642.8	1101.0	509.8
Actual government expenditures (billion Riyals)	346.5	393.3	466.2	520.1	596.4
Ratio of budget deficit / surplus to GDP	18.4	21.0	12.2	32.5	-6.1
Exports of goods*** (billion Riyals)	666.4	776.5	854.4	1154.0	697.3
Import of goods CIF (billion Riyals)	223.0	261.4	338.1	431.8	358.4
Ratio of current account surplus to GDP	39.8	27.8	24.3	27.8	6.1
Current account (billion Riyals)	337.5	371.0	350.0	496.2	85.4
Share price index (1985=1000)	16712.6	7933.3	11038.7	4803.0	6121.8

* OPEC's sources.

** As from 2008 According to Basel II, while the preceeding years are according to Basel I.

*** Including oil export+ other exports (of which re-export + bunker oil).



Economic Growth

Preliminary data of the Central Department of Statistics and Information (CDSI) indicate that GDP at current prices (including import duties) recorded a decline of 21.2 percent to Rls 1,409.1 billion in 2009. This was attributable to the decline in the growth rate of the oil sector GDP, which dropped by 37.9 percent to Rls 671.1 billion. The non-oil sector GDP grew by 5.1 percent to Rls 725.1 billion. The non-oil private sector GDP (at current prices) went up by 3.6 percent to Rls 456.2 billion, while that of the government sector grew by 7.7 percent to Rls 268.9 billion.

Data on GDP at constant prices (including import duties) show that it grew by 0.6 percent to Rls 841.2 billion in 2009 compared to Rls 836.1 billion in the preceding year. All major economic activities continued to show progressiveness at varying

percentages. The agriculture, forestry, and fishing activity grew by 0.6 percent. The manufacturing industries, including oil refining, registered a growth of 2.3 percent. The public utilities activity (electricity, gas and water) grew by 6.8 percent. The construction activity grew by 4.7 percent. The wholesale and retail trade, restaurants and hotels activity was up by 2.5 percent. The transport, storage and communications activity increased by 6.9 percent. The finance, insurance, real estate and business services activity depicted a growth rate of 3.7 percent. The community, social and personal services activity rose by 4.0 percent. The activity of the government services' producers grew by 3.8 percent (Table 2.2).

Cost of Living

The general cost of living index for all cities (1999=100) registered an increase of 5.1 percent in

**Table 2.2: GROSS DOMESTIC PRODUCT BY ECONOMIC SECTORS
AT PRODUCERS' VALUES IN CONSTANT PRICES (1999=100)**

(Million Riyals)

	2007	2008	2009*	% Change in 2009
A. Industries and other producers (excluding government services' producers)				
1. Agriculture forestry & fishing	39,466	39,731	39,986	0.6
2. Mining & Quarrying	210,140	219,065	201,829	-7.9
a. Crude oil & Natural Gas	207,257	216,104	198,793	-8.0
b. Other mining & Quarrying Activities	2,884	2,962	3,036	2.5
3. Manufacturing Industries	97,677	103,509	105,867	2.3
a. Oil Refining	21,549	22,354	22,381	0.1
b. Other Industries	76,128	81,154	83,485	2.9
4. Electricity, Gas & Water	13,142	14,018	14,976	6.8
5. Construction	56,799	57,629	60,341	4.7
6. Wholesale & Retail Trade & Restaurants & Hotels	66,893	71,212	72,992	2.5
7. Transport & Storage & Communication	49,766	55,822	59,682	6.9
8. Finance, Insurance, Real Estate and Business services	102,320	104,781	108,691	3.7
a. Houses Ownership	52,822	53,951	54,639	1.3
b. Others	49,498	50,829	54,052	6.3
9. Community & Social & Personal services	30,297	31,028	32,267	4.0
10. Minus calculated banking services	15,508	15,528	16,019	3.2
B. Government Services' Producers	141,821	145,210	150,744	3.8
Total (excluding import duties)	792,813	826,478	831,356	0.6
Import duties	9,398	9,655	9,828	1.8
GDP	802,211	836,133	841,184	0.6

* Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



2009. The wholesale price index recorded a decline of 3.0 percent in the same year. Non-oil GDP deflator registered a rise of 1.3 percent.

Supply and Demand

Total supply of goods and services (at current prices) recorded a fall of 1.9 percent in 2009 (Table 2.3). This was largely due to a decrease in total imports by 9.1 percent. Non-oil GDP (at current prices) rose by 5.1 percent. The government sector non-oil GDP grew by 7.7 percent while that of the private sector rose by 3.6 percent.

Total demand for goods and services (at current prices) recorded an increase of 0.9 percent in 2009, as compared to 2008. The rise was due to a 5.2 percent growth in gross consumption expenditure, an increase of 8.1 percent in the final private sector's consumption, a rise of 1.0 percent in government sector's final

consumption, partly offset by a 6.4 percent drop in gross investment expenditure, and a 7.0 percent decline in non-oil exports.

Money Supply and Banking

Broad money (M3) increased by 10.7 percent to Rls 1,028.9 billion in 2009 compared to an increase of 17.6 percent in the preceding year. Currency outside banks rose by 6.5 percent, demand deposits by 26.5 percent, and other quasi-money deposits by 35.3 percent. However, time and saving deposits dropped by 12.0 percent compared to 2008.

The banking sector witnessed many significant developments in 2009 in comparison with the preceding year. These included:

- Commercial banks' total assets/liabilities recorded an increase of 5.2 percent to Rls 1,370.3 billion

Table 2.3: AGGREGATE NON-OIL SUPPLY AND DEMAND

(At current prices)

(Million Riyals)

	2007	2008	2009*	% change in 2009
Aggregate supply**	1,186,381	1,352,546	1,327,492	-1.9
Non-oil GDP	641,947	689,978	725,096	5.1
Government sector	236,984	249,715	268,859	7.7
Private sector	404,963	440,263	456,237	3.6
Total imports	544,434	662,568	602,396	-9.1
Aggregate demand	1,151,724	1,328,164	1,339,926	0.9
Final consumption	743,319	842,049	885,883	5.2
Government consumption	322,086	345,098	348,469	1.0
Private consumption	421,233	496,951	537,414	8.1
Gross fixed capital formation for non-oil sector	244,412	329,760	308,607	-6.4
Government	84,042	109,882	119,663	8.9
Private	146,405	171,928	168,180	-2.2
Changes in stocks ***	13,965	47,950	20,764	-56.7
Non-oil exports	163,993	156,355	145,436	-7.0
Merchandise exports	104,077	121,206	109,224	-9.9
Service exports	59,916	35,149	36,212	3.0

* Preliminary data.

** The supply– demand imbalance is because the total imports contain oil imports.

*** Includes errors and omissions.

Source: Central Department of Statistics and Information, Ministry of Economy & Planning



during 2009 as compared to a rise of 21.1 percent in the preceding year.

- Total bank deposits rose by 11.2 percent to Rls 940.5 billion in 2009 against an increase of 17.9 percent in the preceding year. Bank deposits constituted 91.4 percent of aggregate money supply (M3) at the end of 2009 as compared to 91.1 percent at the end of the preceding year.
- Commercial banks' claims on the private sector decreased by 0.04 percent to Rls 734.2 billion during 2009 against an increase of 27.1 percent in the preceding year.
- Commercial banks' claims on the government sector decreased by 24.6 percent to Rls 182.3 billion during 2009 against an increase of 33.2 percent in the preceding year.
- Total foreign assets of commercial banks increased by 37.0 percent to Rls 210.9 billion during 2009 compared to a rise of 4.2 percent in the preceding year. Foreign liabilities of commercial banks went down by 11.4 percent to Rls 99.7 billion against a rise of 6.9 percent in the preceding year. Net foreign assets of commercial banks registered an increase of 167.9 percent to Rls 111.2 billion compared to a rise of 2.3 percent in the preceding year.
- Commercial banks' profits dropped by 10.4 percent to Rls 26.8 billion at the end of 2009 compared to Rls 29.9 billion in the preceding year.
- Commercial banks' capital and reserves increased by 24.1 percent to Rls 163.6 billion during 2009 compared to a 24.3 percent rise in the preceding year. The ratio of capital and reserves to total deposits stood at 17.4 percent in 2009 compared to 14.0 percent in the preceding year.

Domestic Stock Market

The general share price index registered an annual increase of 27.5 percent to 6,121.8 at the end of 2009 compared to 4,803.0 at the end of the preceding year. Market capitalization of shares went up to Rls 1,195.5 billion in 2009 from 924.0 billion in the past year.

Fiscal Developments

Preliminary data of the actual revenues and expenditures for fiscal year 1430/1431H (2009) indicate a decline of 53.7 percent in actual revenues to Rls 509.8 billion compared to Rls 1,101.0 billion in the preceding year. Actual expenditures went up by 14.7 percent to Rls 596.4 billion compared to Rls 520.1 billion in the preceding year. Actual deficit amounted to Rls 86.6 billion compared to a surplus of Rls 580.9 billion in 2008. Oil revenues constituted 85.2 percent of

total revenues in 2009, while other revenues constituted 14.8 percent. Current expenditure accounted for 69.8 percent while capital expenditure constituted 30.2 percent of total expenditure.

Current Account of the Balance of Payments and External Trade

Preliminary estimates of the Kingdom's balance of payments indicate a decline in current account surplus by 82.8 percent to Rls 85.4 billion in 2009, constituting 6.1 percent of the GDP. The decline in surplus in the current account was due to a decrease of 71.7 percent in the goods and services surplus to Rls 155.0 billion in 2009 compared to Rls 548.1 billion in the preceding year as a result of a decline in oil exports by 42.0 percent to Rls 611.5 billion and in non-oil exports by 9.9 percent to Rls 109.2 billion. Imports (FOB) recorded a fall of 14.1 percent to Rls 324.0 billion in 2009.

Commerce and Industry

Commerce and industry sectors continued to record remarkable growth rates in 2009. The Ministry of Commerce and Industry issued commercial registers for the establishment of 2,865 new companies with a total capital of Rls 32.9 billion in 2009. The total number of existing companies in the Kingdom up to the end of 2009 rose to 15,387, with a total capital of Rls 782.0 billion. Company-wise distribution of capital was as follows: 72.8 percent was accounted for by joint-stock companies, 25.6 percent by limited liability companies, 0.5 percent by holding companies, and 1.1 percent by mixed liability partnerships.

The Ministry of Commerce and Industry issued 70.1 thousand new commercial registers for the establishment of new commercial proprietorship firms during 2009 in different regions of the Kingdom, raising their total number by 9.6 percent over the preceding year to 800.1 thousand.

Water and Electricity

The Kingdom's production of desalinated water during 2009 went down by 7.4 percent to 1,022.2 million cubic meters compared to 1,103.4 million cubic meters, in the preceding year.

The Kingdom's consumption of electricity rose by 6.8 percent in 2009, raising total sales of electric power to 193,471.2 gigawatts/hour. The actual capacity of electricity generation went up to 38.7 thousand MW, denoting a rise of 10.6 percent over the preceding year. The number of subscribers to electricity services in the Kingdom increased by 5.2 percent to 5.7 million in 2009.



Population and Labour Force

Estimates issued by the Central Department of Statistics and Information indicate that the Kingdom's total population stood at 25.4 million in 2009, of which 18.5 million were Saudis, constituting 73.1 percent of total population, and 6.8 million were non-Saudis, representing 26.9 percent of the total population.

According to the statistics of the Ministry of Labour for 2009, total labour force working in the private sector in the Kingdom stood at 6.9 million, with Saudis constituting 9.9 percent and non-Saudis 90.1 percent of the total.

Statistics of the Ministry of Civil Service indicate that total labour force working in the government sector in the Kingdom stood at 899.7 thousand in 2008, with Saudis constituting 92.0 percent and non-Saudis 8.0 percent. The number of Saudi male workers totaled 552.7 thousand, while that of Saudi female workers were 275.1 thousand.

Tourism Activity in the Kingdom

The surveys of the Saudi Commission for Tourism and Antiquities (SCTA) indicate that the number of domestic tourism trips by citizens and residents rose by 14.2 percent to 32.9 million during 2009 compared to 28.8 million in the preceding year. Inbound tourism trips by foreign citizens to the Kingdom dropped by 25.9 percent to 10.9 million in 2009 compared to 14.7 million in the preceding year. Total domestic tourism nights went up by 3.0 percent to 205.0 million in 2009 compared to 199.0 million in the preceding year. Expenditures on domestic tourism trips stood at Rls 35.3 billion in 2009, declining by 6.1 percent from the preceding year. On the other hand, expenditures on outbound tourism trips (excluding international transport expenses) rose by 28.4 percent to Rls 25.3 billion in 2009 compared to Rls 19.7 billion in the previous year.

As for the regions most attractive tourism locations in the Kingdom, the surveys indicate that Makkah is the most attractive region, attracting 13.7 million tourism trips, accounting for 41.6 percent of total tourism trips. The Eastern region, Riyadh region, 'Asir region and Al-Madinah region followed next, with 4.3 million, 4.1 million, 3.5 million and 2.8 million trips, respectively.

Agriculture and Animal Husbandry

Agriculture production in the Kingdom dropped by 1.0 percent to 9,734 thousand tons in 2008. The cultivated area went down by 9.6 percent to 971.6 thousand hectares. The area cultivated with grain

declined by 19.4 percent to 469.3 thousand hectares against 582.1 thousand hectares in the preceding year. Grain production decreased by 17.8 percent to 2,438.0 thousand tons against 2,967 thousand tons in the preceding year. The decline was in response to the government policy aimed at reducing water-intensive crops, particularly grain and fodder.

Vegetables and fruits production in the Kingdom increased in 2008. The Ministry of Agriculture's data indicate that vegetables production rose by 3.9 percent to 2,696 thousand tons in 2008. Fruits production also increased by 2.2 percent to 1,616 thousand tons in the same year.

Production of red meat, poultry and fish meat declined by 7.9 percent to 709 thousand tons in 2008 compared to 770 thousand tons in the preceding year. Dairy products rose by 17.7 percent to 1,690 thousand tons compared to 1,436 thousand tons in the preceding year.

The data of the Ministry of Agriculture shows that animal output and poultry declined. Livestock dropped by 9.1 percent in 2008 to 16.1 million heads, and poultry dropped by 12.3 percent to 443.8 million birds.

Restructuring and Privatization

In pursuance of the kingdom's efforts to raise economic performance and achieve optimum utilization of available resources, the Council of Ministers issued several resolutions in 2009 aimed developing the Saudi economy. A number of development steps were also taken in the structuring of the Saudi economy and to continue privatization process, which is a strategic option adopted by the Kingdom for the continued activation of the role of the private sector, increasing its contribution to GDP and raising the efficiency of production. The following are salient achievements made in 2009 in this regard:

I. Most prominent regulatory developments in the Saudi economy during 2009:

- The Council of Ministers issued a resolution on 29/01/1430 H (26/01/2009), approving the Law of the Agricultural Development Fund to replace the Law of the Saudi Arabian Agricultural Bank.
- The Council of Ministers issued a resolution on 7/2/1430H (02/02/2009), approving the National Strategy for Industry and Mechanisms for its Implementation.
- On 21/02/1430H (16/02/2009), the Council of Ministers issued a resolution approving the accession of Saudi Arabia to the Convention on the



Franchises of the Specialized Agencies and their Immunities adopted by the General Assembly of the United Nations on November 21, 1947..

- The Council of Ministers issued a resolution on 28/02/1430H (23/02/2009) approving the restructuring of the Saudi Arabian Authority for Standards and Specifications and studying its law and role in the light of the establishment of the Public Authority for Food and Drug and changing its name to the Saudi Authority for Standardization, Metrology and Quality.
- The Council of Ministers issued a resolution on 28/02/1430H (23/02/2009) approving the licensing of the establishment of Yanbu Company for water and electricity (a joint-stock company).
- The Council of Ministers issued a resolution on 12/03/1430H (09/03/2009) approving the controls on the sale of residential, commercial, office, industrial and service equipment on the “Sale by Booking basis”.
- The Council of Ministers issued a resolution on 19/03/1430H (16/03/2009) approving the license to establish a Saudi holding joint-stock company with the name of (Water and Electricity Holding Company).
- The Council of Ministers issued a resolution on 19/03/1430H (16/03/2009) approving the license to establish a Public Shareholding Company with the name of (Solidarity Saudi Company for Takaful).
- The Council of Ministers issued a resolution on 26/03/1430H (23/03/2009) approving the license to establish a Saudi joint-stock company with the name of Hasanah Investment Company (Hasanah).
- The Council of Ministers issued a resolution on 17/04/1430H (13/04/2009) approving the license to establish a joint-stock company with the name of (Saudi Company for Agricultural Investment and Livestock Production).
- The Council of Ministers issued a resolution on 02/05/1430H (18/05/2009) approving the license to establish a public shareholding company (with the name of Saudi Tokyo Marine Company).
- The Council of Ministers issued a resolution on 08/06/1430H (01/06/2009) approving the license to establish a joint-stock company with the name of (AMANA) Company.
- The Council of Ministers issued a resolution on 22/06/1430H (15/06/2009) approving funding the activity of the Saudi Commission for Tourism and Antiquities (SCTA) and its programs relating to domestic tourism, establishing domestic tourism development companies with the participation by the State in their capital and whose functions include development of tourist destinations, especially in new tourist areas; finding appropriate forms for the participation of government specialized credit institutions in financing domestic tourism projects. The Saudi Commission for Tourism and Antiquities and its organs shall work toward increasing private sector’s participation in domestic tourism development and voluntary funding for the activities of domestic tourism, and encouraging the government agencies which own the tourist sites to investment and lease them for long-term periods in order to develop and encourage investment in these sites.
- The Council of Ministers issued a resolution on 06/07/1430H (30/06/2009) approving the license to establish a Saudi joint stock company with the name of (Saudi Electronic Information Exchange Company (Tabadul).
- The Council of Ministers issued a resolution on 20/07/1430H (13/07/2009) approving the Human Resources Development Fund’s utilization of investment loans available to own shares of public joint stock companies, whose licenses are issued according to royal decrees.
- The Council of Ministers issued a resolution on 24/09/1430H (14/09/2009) approving the agreement of the GCC Monetary Union adopted by the Supreme Council of the GCC counties at its twenty-ninth session, held in Muscat on 1 and 02/01/1430H (20 and 21 /12/2008) .
- The Council of Ministers issued a resolution on 17 /09/1430H (07/09/2009) approving any licensed bank in the Kingdom to establish a one person company to be wholly owned by the bank as an exemption from the provisions of some articles of the Companies Law , provided that this company should be in the form of a limited liability company or a closed joint stock company and its activity should be within the authorized activities of the Bank. This company shall be established by an approval of the Minister of Commerce and Industry based on the approval of SAMA.
- The Council of Ministers issued a resolution on 30 /10/1430H (19/10/2009) entrusting the Royal Commission for Jubail and Yanbu with the management of Ras Al-Zour area for mining industries and the provision of services to mining and other industries following same pattern of Jubail and Yanbu.
- The Council of Ministers issued a resolution on 28/11/1430H (16/11/2009) approving the adoption of the Common Gulf Market Document, and application of provisions of Article VI of this Document concerning the ownership of real-estate after the completion of necessary statutory procedures.



II. Contribution of Public Investment Fund to Privatization

The Public Investment Fund (PIF), in cooperation with the World Bank Institute, is holding specialized workshops for senior managers and officials of the ministries and different government agencies, so as to promote the culture of privatization, acquaint participants with the objectives and policies of privatization and standards for defining priorities in the selection of enterprises qualified for privatization; clarify the controls for privatization of public enterprises. The Fund also participated in several seminars organized by other entities for this purpose.

Prominent contributions of Public Investment Fund (PIF) to Privatization of institutions and enterprises

1- PIF contribution to development of services

Recognizing the importance of the development of some service sectors, the PIF established a number of service companies with its full ownership. The PIF has established Al-Elm for Information Security Company, the Saudi Company for the Exchange of Electronic Information and the National Company for Procurement of Pharmaceuticals and Medical Supplies with a capital of 1.5 trillion to provide medicines, medical equipment and supplies, deliver and store them for the interest of government sectors. A company for developing public education was established with a capital of Rls 100 million, aimed at implementing King Abdullah bin Abdulaziz's Project for Development of Education. It envisages development of curriculum, teacher training, information technology and extra-curriculum activities with an estimated cost of nine thousand million riyals.

2- PIF contribution to development of tourism sector

In implementation of the Council of Ministers' Resolution No. (209) dated 22/06/1430H providing for the establishment of companies for tourism development with government participation in their capital, entrusting them with the functions to develop tourist sites, participate along with government specialized credit institutions in funding these tourist sites and increase private sector participation. Preparation of documents for establishing a holding company for tourism development is underway, so that the government contributes to its capital, through Public Investment Fund with a group of professional investors from the private sector. The company aims at developing tourism destinations, such as the development of the Aqeer shores in the Eastern Region and participating in the Heritage Hotels Project, which the Saudi Commission for Tourism and Antiquities plans to develop.

III. The contribution of private sector to the activities of the Ministry of Health

The private sector participates in the provision of health services in Saudi Arabia. It plays a good role in the operation of some public hospitals through a program of contracting with the private sector, where it operates partly a number of hospitals and it fully operates others in some locations.

Based on the evaluation of contractual operation results, the Ministry of Health has headed towards self-operation and disposed of contractual operation due to poor services provided by the contracting companies and their failure to properly maintain the medical enterprises and equipment owned by the government.

In spite of this, the Ministry of Health has provided considerable investment opportunities for the private sector in the areas of construction, supply of medical and non-medical equipment, importing medicines and medical supplies and others. The most important aspects of the private sector participation in the activities of the Ministry during the years of the Eighth Development Plan can be summarized as follows:

1- Building and equipping hospitals

The private sector participated during the last five years in the establishment of many hospitals, and medical towers. Total number of hospital and medical towers awarded to the private sector during the years of the Eighth Five-Year Development Plan was 62 with total capacity of 10, 865 beds, at a total cost of Rls 10.94 billion.

2- Constructing and equipping health centers

The private sector participated in the implementation of the great national project for setting up new health centers to replace the old and leased centers. The number of these new centers totaled 1,499, with a total cost of Rls 5.3 billion covered from the surplus of budget revenues .

3- Development of health facilities

The private sector participated in the implementation of many development projects at different facilities of the Ministry of Health at an estimated cost of more than Rls 2.5 billion throughout the Kingdom.

4- Purchase of medicines and medical supplies

The private sector participated in the provision of the requirements of hospitals and health centers of medicines and medical supplies at a total cost of more than Rls 12.6 billion.



5- Participation in the Implementation of the Cooperative Health Insurance Law

The Cooperative Health Insurance Law covered all non-Saudi workers in the private sector. The number of insurance companies offering medical insurance stood at 25, and the total health facilities that provide health insurance are 1,217, of which 1,186 facilities belong to the private sector and 31 are owned by the public sector.

IV. Privatization of social services in 2009

- 1- The strategy for privatization of social services had been submitted to the Supreme Economic Council for approval. The Custodian of the Two Holy Mosques, the President of the Supreme Economic Council, issued his approval of the strategy for the privatization of social services provided by the Ministry of Social Affairs. The Ministry will determine the types of activity and social services, taking into account the priority for privatization and submit an implementation program for their privatization to the Supreme Economic Council. Work is currently under way to develop an implementation program for the activities of social services which will be privatized by the Ministry in accordance with the requirements of the privatization strategy in the Kingdom.
- 2- A workshop was held during fiscal year 1429/1430H where businessmen and officials of charitable associations and institutions and those interested in this field were invited to introduce the strategy for the privatization of social services and to identify ways to activate the role of the private sector, associations and charity foundations in providing social services.

In 2009, comprehensive rehabilitation centers, vocational rehabilitation centers, day care centers, and elderly nursing homes were established. A detailed plan containing a set of steps and programmed activities is being developed aimed at transferring social services from the public to the private sector, identifying those responsible when implementing each plan and time limit for implementation. A strategy and timetable to achieve this objective will also be developed for raising the efficiency of the national economy and increase its competitive capacity to meet regional and international challenges and competition. Furthermore, a detailed study will be prepared to establish controls and standards to ensure quality of services and mechanisms for supervision and follow-up of service providers. Forms, bases and mechanisms for involving the private sector will be developed such as: bidder invitation document, the criteria for evaluation of bids, preparation and drafting of necessary contracts for the

implementation phase. The procedural manual (Guide Book) for the privatization of the activity will also be prepared to enlighten those involved in the process of privatization according to the requirements of the privatization strategy adopted by the Supreme Economic Council.

V. Saudi Company for Railways

Royal Decree No. (M/26) was issued on 25/4/1427H providing for the establishment of the Saudi Company for Railways (SAR), with a capital of SR 1.0 trillion, to be subscribed in full by the Public Investment Fund. The objective is to build a north -south railway, its related services and facilities; to operate, manage and supervise it directly or through third parties in accordance with economic operating and safety standards.

The north -south railway project aims at supporting the exploitation of the mineral resources in both Hazm Al-Jalamid (a phosphate mine), and Zabirah (a bauxite mine), as well as providing cargo and passenger transport services between Riyadh and Al-Hadithah, via Al-Jawf, Ha'il, Al-Qassim and Al-Jubail with a length of 2,400 km .

The Fund has recently contracted with a number of companies specialized in the field of design and supervision of implementation, and signed two contracts for land works and leveling the path of the railway in the Al-Nfoud with a length of 280 km. It also signed three contracts for civil works and railways for the first three parts of the project with a length of 1,766 km, which together constitute the transportation lines for minerals from Hazm Al-Jalamid and Zabirah to Ras Al-Zour, in addition to the northern parts of cargo and passengers transport lines and the southern part of the cargo and passengers line (from Zabirah to King Khaled International Airport). Four contracts were also signed; two for the purchase of diesel locomotives to carry minerals, transport wagons for phosphate and other general cargo wagons. Moreover, a contract for the design and implementation of signals and control of the project was signed, as well as a contract for the conceptual design for passengers' train.

VI. Water and sewage

The National Water Company was established to develop the water and sewage sector in line with the comprehensive development in the Kingdom according to the international standards with emphasis on the establishment of a robust infrastructure to serve the requirements of the growing population and to provide high quality services to clients and work to protect and preserve natural resources.



The National Water Company (a Saudi joint-stock company, fully owned by the government represented by the Public Investment Fund) was established under Royal Decree No. (M/1) dated 13/1/1429H providing for the approval of granting the license to establish the National Water Company under its basic Statute, with a capital of RIs 22 billion.

The National Water Company is concerned with the provision of the services (groundwater extraction, production, purification and distribution, wastewater collection and treatment in Saudi Arabia). It also contributes to training the national human cadres, their qualification, employment of the national workforce, creating capacities and rehabilitation facilities, scientific research, development and transfer, Saudization and development of technology.

The cities targeted for privatization, in the first phase, are Riyadh, Jeddah, Al- Madinah, Dammam, Al-Khobar, Makkah, and Ta'if. The cities were chosen as a first phase to implement the company's contracts with the private sector therein, because of their economic importance due to their population density and steady growth. Population in these cities accounts for 48.24 percent of the total population of the Kingdom. The ratio of the water supply to these cities is 63 percent of the total water supply in the Kingdom.

The National Water Company is currently working on privatization of sewage water recycling plants in the cities of Riyadh and Jeddah. The existing sewage water recycling plants were floated in a tender to the private sector on the basis of management contracts. The floated plants include: Kharj Plant (1), Kharj Plant (2) and Al-Ha'ir Plant (1), in addition to offering Kharj Plant (3), Al-Ha'ir Plant (2) to the private sector on the basis of building, operation and transfer of ownership (BOT). These will be followed by the privatization of sewage water recycling plants in Jeddah governorate and other targeted cities:

- The National Water Company signed a management contract with the global operator (the French Veolia Water Incorporation) to participate in the management, operation and maintenance of water and sewage sector in Riyadh on the basis of partnership contracts with the private sector (Public and Private Partnership), for an implementation period of 6 years.
- The National Water Company signed a management contract with the Alliance of the French Company (Soiz Environment) and Arabian Company for Water and Power Development (Acqua Power) on the basis of partnership contracts with the private sector (Public and Private Partnership), for an implementation period of 7 years.
- Signing of several contracts with a number of consulting firms to privatize water-related projects in (Makkah, Ta'if, Al-Madinah, Dammam and Al-Khobar).
- Transferring all of the government's contractual obligations for groundwater sectors, drinking water distribution sector, sewage collection, water distribution networks, sewage collection networks, sewage recycling plants, and recycled water in Riyadh and Jeddah to the National Water Company as from 1/9/1429H (1/9/2008). All water projects in the cities of Riyadh and Jeddah, worth RIs18.5 billion, were transferred to the National Water Company.
- Executing a number of quick improvements in both Riyadh and Jeddah to enhance water pumping and reduce interruptions.
- Executing a number of projects to develop and improve infrastructure. A strategic plan to reduce leakage and waste of water networks, using the latest global methods and technologies in the field of water demand management, in addition to the expansion of water and sewage networks, the establishment of new plants for wastewater treatment, and making maximum use of recycled wastewater and protection of environment.
- Forming a committee to survey and follow-up collection of the company's debts from beneficiaries .
- Improving and accelerating the procedures for payment of suppliers' and contractors' dues, thereby, contributing to the development of existing customer service centers, and increasing the level of employees' performance.
- Executing a number of automated systems, using the enterprise resources management system (ERP).

VII. Saudi Arabian Airlines

The privatization program of Saudi Arabian Airlines is being implemented in stages as follows:

Selection of consultants:

This phase had been completed, during which, the consultant firms for the privatization project were selected. The General Organization for Saudi Arabian Airlines, in coordination with the Ministry of Finance, obtained a list of consultants. A committee of members of the Board of Directors of the Organization was formed to study the capabilities of consultants, and thereby a list of qualified consultants, were identified and the results of the evaluation of offers submitted by the consultants were approved. Afterwards, the Organization Management negotiated, prepared and completed their contract procedures. The Organization



received the approval of His Royal Highness Crown Prince, Deputy Prime Minister, Minister of Defense and Aviation, and Inspector General (Chairman of the Board of Directors of the Saudi Arabian Airlines) to sign contracts with representatives of the following global consultation firms:

- Financial Advisor Group and Experience Houses:
Paris National Bank and the European Investment Paribas Bank (BNP- PARIBAS) with the participation of the following consultation firms and experience houses:

- Gulf Investment Corporation - International Gulf Bank.
- SH & E.
- KPMG.
- Legal Advisor Group:

The Legal Adviser Group for the privatization program of Saudi Arabian Airlines includes the following companies:

- Clifford Chance.
- Al-Jadaan Legal Consultation Firm.

Privatization of Holding Company:

After completion of the comprehensive restructuring preparation stage, re-establishment and implementation of the privatization options relating to the strategic business units, the privatization of Saudi Arabian Airlines as a holding company will start after completing all Royal approvals to determine the subscription percentage, requirements and the statutory procedures required to implement it.

VIII. Department of Zakat and Income Tax

During 1430/1431H (2009), the Department of Zakat and Income Tax updated and developed procedures and regulations in various organizational, administrative and technical fields. These efforts are reflected on the improvement of work performance, facilitating its procedures and increasing realized revenues.

The most significant achievements made by the Department during fiscal year 1430/1431H (2009) are the following:

1- Automation and IT:

The Automated System was implemented in Jeddah branch on the tax returns of zakat-payers during 2009. It will be successively applied in various branches of the Department over the next two years.

The automated system project, which the Department started to apply, is also currently linked to the Comprehensive Content Project through the electronic external portal which will allow zakat-payers

to enter tax returns automatically rather than being entered manually. Moreover, the Internal Portal to implement the internal procedures between the General Department and branches is being developed, to inquire about transactions, archiving them electronically and refer to them when needed, including zakat-payers, files and e-recruitment.

2- Administrative organization and human resource development:

Since 1428H, the Department adopted an organizational structure that takes into account current and future needs in line with modern management in developed tax departments. The updated organizational structure of the Department was built on the basis of centralization of supervision rather than on centralization of implementation. Hence, the General Department will be a supervisory and control department, while the branches will be concerned with the implementation of the instructions and directives issued by their general department. The Department continues to update its organizational structure whenever needed.

Recognizing the importance of human resources, the Department continued to fill its vacant positions in coordination with the Ministry of Civil Service during the year 1430/1431H(2009). The number of employees of the Department rose to 1,247 employees at the end of 1430H, from 1,199 at the end of 1429H. The department is keen to raise the efficiency of its employees. Therefore, it has paid particular attention to training as 871 training courses were held within and outside the Kingdom during the fiscal year.

3- Educating Zakat-payers:

Educating zakat-payers is an important element to urge them to voluntarily abide by the submission of zakat and tax returns and pay dues on time. The Department was keen on keeping in touch with Zakat-payers through its website during 2009. It issues a specialized periodical journal, and a weekly page in the Al-Eqtisadiyah newspaper, which contains all matters of interest to zakat-payers. The Department also replies to the inquiries of Zakat-payers, issues booklets and specialized awareness brochures, holds seminars and regular meetings with Zakat-payers, their audit representatives and with many specialized departments of relevant government agencies.

4- The number of Zakat-payers and the proceeds of the Department:

As a result of regular follow-up by the Department of zakat-payers, encouraging them to visit the Department to finalize their zakat and tax position



on a timely basis, led to the increase of the total number of zakat-payers to 408, 052 at the end of 1430H from 393, 000 at the end of 1429H distributed to major Zakat-payers in the General Department, ten main branches and thirty four financial branches. The number of Zakat-payers whose data were updated according to the requirements of the new automated system rose to 224,644 from 207,175 at the end of 1429H. Work is in progress on continued updating of the information related to the remaining Zakat-payers.

The revenues of the Department amounted to Rls 14.3 billion for fiscal year 1430/1431H (2009), Rls 6.6 billion of which are shariah zakat. They are transferred to the designated account in the Saudi Arabian Monetary Agency on a daily basis to spend them on Social Security Beneficiaries by the Social Security Agency of the Ministry of Social Affairs.

5- Contribution to encouraging investment in the Kingdom and entering into agreements:

The Department of Zakat and Income Tax continued to participate in the delegation of the Ministry of Finance during fiscal year 1430/1431 to hold talks with a number of countries with which the Kingdom has important investment and economic relations for entering into agreements for avoidance of double taxation and encouraging investment. This has resulted in the conclusion of several agreements. Up to the end of 1430H, the number of Agreements for avoidance of double taxation ratified by the Government which were in force, stood at 13, concluded with France, Britain, Austria, China, India, Pakistan, South Korea, South Africa, Spain, Turkey, Malaysia, Italy and Russia. The number of agreements signed, but are still not in force, totaled 5, with Greece, Uzbekistan, Netherlands, Belarus and Syria. Negotiations on seventeen agreements have been completed and are expected to be signed and ratified with Bangladesh, Senegal, Tunisia, Ghana, Singapore, Croatia, Kazakhstan, Ukraine, Romania, Ireland, Japan, Philippines, Malta, Poland, Sri Lanka, Vietnam and Ethiopia. In addition, negotiations are underway with a number of other countries to conclude bilateral agreements for avoidance of double taxation.

These agreements are legal arrangements that determine tax relations with other countries. They clearly define the tax treatment of an investor from a signatory country of the activity in the other signatory country, ensure no double taxation on business income. Thus, these agreements reduce the tax burden on investors, contribute to transparency and stability in the tax process, and stimulate investment among the signatory countries, especially that some of them have

privileges or tax exemptions in specific areas of activity for the purpose of encouraging investment in these activities.

IX. Saudi Electricity Company

The company has developed the necessary strategies for the development of the electricity system and for indentifying projects to be implemented in participation with the private sector, to meet increased demand is estimated at 70 thousand MW in 2020.

In accordance with this approach, the company has implemented a number of projects under the private sector partnership program. Two of such projects are Water and Electricity Company, a company equally owned by the Saudi Electricity Company and the General Organization for Water Desalination.

The Shuaibah Project 3 for water and electricity production is the first dual electricity- water production project in partnership with the private sector. The project was completed in August of 2009; it boosted power generation capacities to 900 MW. and 880 thousand cubic meters of water. Moreover, Alshoqeq project for electricity and water production is expected to start operation in 2010. It will produce 850 MW of electricity and 212 thousand cubic meters of water. The Jubail Water and Power Company (JWAP) project, with a capacity of 2750 MW and 800 thousand cubic meters of water, started operation in 2009.

The first stage of the private Sector Participation Program only involves electricity-generation (independent production projects). It consists of three projects:

- Rabigh project for independent power generation which is the first of the private sector participation in project Program for generating electricity, executed on the Build, Operate and Transfer of ownership (BOT) basis. The contract, at a cost of Rls 9 billion, was concluded in July 2009, for generating 1,200 MW of electricity by 2013.
- Riyadh project 11 is the second on the list of independent power generation program with a capacity of 1,800 MW to be completed in 2013. Recently, five Saudi and international alliances submitted their offers to take part in this project which to be shared equally by the Company and the winning alliance. The offers were opened in last December. The cost of investments is estimated at Rls 12 billion
- Al-Qariah project for independent power generation (under preparation) with a capacity of 2,000 megawatts of electricity, planned to be completed within five years.



With regards to the restructuring plan of its activities, the Company entails assigning the main areas of activity (generation, transferring, and distribution) to subsidiaries owned by the Saudi Electricity Company (SEC) to be as a holding company. Implementation of the plan will start by the beginning of 2011, after its approval by the Board of Directors as a transitional phase to make it ready for a competitive market phase in electricity. During the current year, the requirements for registering the power transfer Company with the Ministry of Commerce and Industry were completed.

X. Electricity and Co-generation Regulatory Authority (ECRA)

The Electricity and Co-generation Regulatory Authority regulates electricity industry and water desalination within the framework of the Government's Laws, Decisions, policies, standards and specifications applicable in the Kingdom, and in line with the best practices and methods applied globally in order to ensure providing consumers with electricity, co-generation production services and sufficient and safe desalinated water of high quality at competitive prices.

Contribution of Private Sector to Power Industry

Encouraging the private sector's contribution to generating electricity and co-generation is vital to the development and sustainability of this industry in the Kingdom. Investment opportunities available for the private sector are as follows:

- Establishing independent projects for electricity generation and water production.
- Building, leasing and operating transfer lines or any of these processes.
- Establishing generation and co-generation companies.
- Renting and operating some of the existing facilities.
- Entering into contracts to manage some of the existing firms.
- Establishing generation and co-generation companies.
- Purchasing some of the existing power generation and water desalination facilities.

During 2009, a number of power generation projects were operated, adding 3,510 MW of energy.

Among the most important power generation sector projects signed in 2009 was the conversion of the existing Gas power plant into a compound plant at a cost of Rls 6,883 million with the aim of producing additional 1,241 MW. The plant is expected to put into operation before Summer 2013.

As for the Energy Transmission Sector projects, 23 new plants were operated, and they included 58 transformers, raising the total number of new transformers to 80 with total capacity of 7,815 MVA.

The ECRA's Future Plans.

These are summarized as follows:

- Completion of a long-term plan for the Kingdom's requirements of electric power and desalinated water for the coming twenty five years.
- Completion of the preparation of agreements for power conversion and connection with transmission network for use in electricity power transmission.
- Setting rules governing the opening of a competitive electricity market.
- Commencement of the operation of Electricity Industry Data and Information Management System during the first quarter of 2010.
- Signing consultation contracts for specialized studies on the electricity industry during 2009 to:
 - Prepare a long-term plan, in cooperation with the Ministry of Petroleum and Saudi Aramco for fuel .
 - Launch a project for studying the capital and operation costs and monitoring the expenditures of the SEC.

In the context of its future plans, ECRA intends to regulate the electricity industry through several phases:

Phase I: Institutional development through:

1. Establishment of Wheeling Charge (An amount charged by one electrical system to transmit the energy of, and for, another system or systems).
2. The establishment of the Saudi Grid Company (SGC).
3. The establishment of power generating companies.
4. Establishment of the Saudi Power Procurement Company (SPPC).
5. Improvement of Electrical Capital Allowances (ECAs).
6. Establishment of a fund for offsetting the income of electricity industry.
7. Installing digital meters for major consumers.

Phase II:

Competition in the spot market for the supply of energy to major consumers through:

1. Expansion in Parallel Market and establishment of competition in Hourly Spot Market.
2. Spot Pricing for major consumers.
3. Establishment of a company for distribution.
4. Installation of digital meters.
5. Separation of distribution activities from retail Service Providers.



6. Setting up independent retail sales companies and provision of services to subscribers.

Phase III:

Establishment of a competitive Electricity Wholesale Market through:

1. All consumers will be subject to spot pricing.
2. Reducing the role of electric-power purchase and sale company and the role of the offsetting fund.
3. Expansion of the role of independent service providers who sell electricity on retail basis.

Rules, Regulations and Procedures Related to Electricity Industry

The following rules and procedures related to electricity industry were issued:

- Implementing rules of Electricity Law related to ECRA's tasks, in Jumada 'I, 1427 H.
- The ECRA's Statute under the Council of Ministers' Resolution No. 154, dated 4/5/1428 H.
- Implementing Rules for the Electricity Law.
- Electricity Transmission Code.
- Electricity Distribution Code.
- Measurement Code.
- A number of licenses for trading in desalinated water, including all licenses for electricity generation, transmission and distribution, co-generation and water desalination and others.
- Council of Ministers' Resolution No. 333, dated 16/10/1430 H, authorizing ECRA's Board of Directors to amend electricity tariff of non-residential consumption (commercial, industrial and governmental) up to 26 halalas KW/h.
- Approval of rules to report and investigate incidents.
- Formation of Supervisory Committee of the Distribution Code.

The National Electricity Register

The provisions of Clause 4-1 of Article 4 of the Electricity Law's Implementing Regulation provides that ECRA shall keep a National Electricity Register which shall include all licenses, resolution record, annual effective charges of licenses, all codes approved, standards and unified offers for delivery, unified agreements approved by ECRA, valid wheeling charges for licenses, capacity of generation and co-generation plants in the Kingdom, the installed capacity of distribution systems as well as any other information ECRA may find appropriate. ECRA also implemented a Data Management System for licensed entities to provide information via its website for public consumption. ECRA can also obtain information with accuracy and high-quality. Work at the program was expected to begin during the first half of the current year 2010.

XI. Saline Water Conversion Corporation (SWCC)

Following the approval of the Supreme Economic Council of the executive program for privatizing and restructuring the SWCC, the executive program was launched in January 2009 through eight tracks. A team consisting of members from SWCC and the consultation company will work on every track. During 2009, several designed tasks were completed according to the program plan as follows:

1. Administrative and organizational restructuring, setting a plan for rehousing of, staff and suggesting a governance example.
2. Execution of employment assessment and improvement process, and setting up grades and wage scales .
3. Completion of reengineering of work procedures, human and financial systems and supply and quality management systems.
4. A meeting was held with the team formed by the Ministry of Finance to work and coordinate with the SWCC team on the executive program for privatizing the SWCC. In addition, a timetable was set for the next round of meetings with the entities concerned with the SWCC privatization.
5. Transformation of work on a commercial basis.
6. Completing revision of the Request of Financial Proposal (RFP) as an example for floating future plants after transforming the SWCC to work on a commercial basis (desalination plants privatization).
7. Continued designing strategies and communication plans through completing the second awareness raising campaign and measuring how far staff are ready for change through analyzing the findings of the third questionnaire.

Furthermore, financial requirements for establishing and managing the holding company on a commercial basis will be on the table of discussion in coordination with the Ministry of Finance and the Public Investment Fund. With respect to establishing future affiliated production companies after the pattern of the independent water and power production projects, the possibility of the participation of the private sector in a different way to the process of building or operation in Ras Tanura and Yanbu, is under consideration . The possibility of restructuring ownership is also considered. As for the organizational structure and procedures, the establishment of extra strategic units and improvement of necessary labor requirement should be taken into account.

XII. Privatization of Educational Services

The Ministry of Education submitted a proposal to the Supreme Royal Court regarding forming a committee to study privatizing public education.



Subsequently, Royal Order No. (BM/6478) dated 22/7/1428 H, was issued for forming a ministerial committee from the Ministry of Education, the Ministry of Finance, the Ministry of Economy and Planning, the Ministry of Commerce and Industry, the Supreme Economic Council and the Council of Saudi Chambers. The Committee arrived at the following:

- A. Supporting private education (including Kindergartens) in conformity with the objectives specified in the Development Plan, and in a manner that guarantees boosting its efficiency.
- B. Start managing and operating public schools of high operation cost by the private sector in calculated steps in accordance with the management and operation of schools of the three educational levels (elementary, intermediate and secondary) for boys and girls, as well as managing and operating literacy and adult education programs, managing and operating the institutes, centers and classes of special education (people with special needs).
- C. Expanding participation of the private sector in providing supporting services and necessary infrastructure for public education by the private sector in the following areas:
 1. Managing and operating summer activity centers for students.
 2. Managing and operating training and rehabilitation institutes and centers.
 3. Producing and improving education techniques.
 4. Provide school busses for boys and increase the number of school busses for girls.
 5. Utilize student hostels in all education departments, in a way enabling students and local community to invest their time well, and activate the role of school libraries to turn into sources of education and knowledge, and management and operation by the private sector.
 6. Provide e-learning services, by presenting remote education via an interactive education gate which fulfills the needs of students and teachers.
- D. Due to the variety of options, the various consequent advantages and risks, and the different financial, structural, organizational and functional requirements, the committee sees that a comprehensive strategy for enhancing participation of the private sector in education needs to be prepared. This will enable making an assessment of available alternatives and selecting the best one by the use of an elaborated approach for assessment, and weighing these choices on the basis of cost and quality, as well as specifying the requirements and financial, structural, functional, organizational, and

legal consequences of the strategy, setting a clear practical timetable, and necessary criteria for the success of the strategy.

- E. There are some programs and projects for developing public education such as the King Abdullah Bin Abdul Aziz Project for Developing Public Education (Tatweer). The Ministry of Education floated a tender to prepare a strategy to enhance private sector participation in public education, in a bid to designate international office specialized in carrying out such studies.

XIII. General Authority of Civil Aviation (GACA)

Below are the airline companies which obtained approval of the GACA for operating as a local or international carrier:

1. Sama Airlines Limited (Sama), a Saudi company with a capital of Rls 300 million, founded by Investment Enterprises Ltd., serving currently sixteen destinations in the Kingdom and in neighboring countries as casual flights.
2. The National Air Services Co. (NAS), with a capital of Rls 1 billion, its headquarters is in Riyadh. It launched its first flight on February 17, 2007 and it is serving 20 domestic destinations and international destinations, as casual flights.
3. Alwafeer Air co., a Saudi company with a capital of Rls 163 million. Its headquarters is in Jeddah, it was founded by a group of Saudi businessmen. It is dedicated to transporting pilgrims, Ummrah performers and visitors from all Islamic regions in the world to King Abdul Aziz International Airport in Jeddah and Prince Mohammed Bin Abdul Aziz Airport in Al-Madinah and returning them to their countries, in accordance with the rules and regulations applicable in the Kingdom. Alwafeer Air co. started its actual commercial international operation during Hajj season for 1430H.

One of the main activities of the GACA is the expansion project of King Abdulaziz International Airport to be completed within three years. It is fully funded from the state budget. Another project is Al-'Ula airport. The GACA has entrusted some projects to the private sector such as building a compound for public services to provide pilgrim terminals with cold water for air-conditioning and equip them with stand-by power generators and water reservoirs, as well as the project for building a new water desalination plant in King Abdulaziz International Airport. The actual production started on 1/3/2006. Duty free market projects were established in the Kingdom's international airports. The total amount of investment stood at Rls 100 million. Now, preparation is underway for floating tenders for



airport city projects for the development of Prince Mohammad Bin Abdulaziz International Airport in Al-Madinah by PPP (public and private partnership), and Ha'il new airport project in cooperation with the Saudi Arabian general Investment Authority and the private sector.

XIV. Economic Cities Authority

The Authority is responsible for full supervision of the economic cities (administratively and financially) to achieve their objectives of internalizing national capital and attracting foreign investments as well as fulfilling the goals of the Kingdom's development plans regarding concluding agreements and contracts, setting plans and programs, and carrying out necessary studies for developing, supporting, monitoring the growth of economic cities and maintaining their gains.

It is also responsible for revising and approving the general plans of the economic cities and making sure they are well implemented as well as:

- setting controls that specify the best international standards and specifications of the economic city infrastructure,
- specifying conditions for constructing buildings, roads, seaports, and industrial, commercial and residential zones,
- providing services for public benefit, taking into consideration security, safety, environment and public health requirements,
- setting required controls for managing, operating, safety ensuring of industrial zones within economic cities,
- issuing licenses for commercial, industrial, service, vocational, educational, training and medical activities according to rules and standards set by the board including approaches to monitor and control these activities,
- specifying charges for licenses and services provided in the economic cities,
- granting rights for profiting inside these economic cities,
- establishing firms or participating therein as partner in accordance with effective legal procedures, in a manner that would guarantee the functions, jurisdiction, and tasks entrusted to the Authority,
- application of controls for designing, building, operation and maintenance, setting controls and measures governing the work of the Chief Executive of the economic city and his responsibility,
- supervision and control of developers, investors, operators, contractors and personnel, residents and visitors of the economic cities, and
- undertaking any other task that conforms with its nature or the purpose of its establishment■



Monetary developments in the Kingdom in 2009 and the first quarter of 2010 were in line with the economic and financial developments at the domestic and international levels. The domestic liquidity continued its growth in conformity with the expansion in government expenditure on all domestic economic sectors with the aim of achieving the development objectives and citizen welfare. Broad money (M3) recorded a rise of 10.7 percent during 2009, reaching a record level of Rls 1.0 trillion, but with a less accelerated growth rate than in the preceding year due to reasons that will be highlighted later in this chapter.

Developments in 2009

Monetary Policy

To address the repercussions of the global financial crisis at the end of the last year, SAMA continued in 2009 to pursue an accommodative monetary policy aimed at achieving stability in the financial sector and strengthening the domestic economy through enhancing the liquidity position of banks to encourage credit to the private sector in the context of the decline in inflationary pressures to 5.1 percent in 2009 from 9.9 percent in 2008.

The improvement of global demand on energy at the end of the first quarter of 2009 contributed to raising the Kingdom revenues to record levels that provided support and assurance for implementing the strategic vision announced by The Custodian of the Two Holy Mosques, King Abdullah Bin Abdulaziz in G-20 summit in Washington D.C. at the end of 2008 by increasing public spending by Rls 400 billion during the coming five years, starting from 2009, to boost investment spending on development projects for attaining sustainable economic growth.

Along with the continuation of government's spending and the rise in domestic liquidity, SAMA also facilitated the development process by retaining the accommodative measures taken last year and reinforcing some of them during 2009. The accommodative measures included:

- 1- Maintaining the Statutory Reserve Requirement for demand deposits at 7.0 percent and for time and savings deposits at 4.0 percent.
- 2- Reducing the Repo Rate from its previous level of 2.50 percent at the end of 2008 to 2.00 percent in early 2009 and reducing the Reverse Repo Rate in gradual steps from 1.50 percent in December 2008 to 0.25 percent by the middle of June 2009.
- 3- Maintaining the ceiling on weekly issuance of treasury bills at Rls 3.0 billion. Treasury bills were priced at 80.0 percent of the Saudi inter-bank deposit rate (SIBIDR) in order to encourage banks

to channel liquidity toward lending to the private sector.

- 4- In the second half of 2009, SAMA withdrew gradually the fixed deposits placed with commercial banks during the fourth quarter of 2008 after achieving the purpose of its placement and the availability of adequate liquidity with the domestic banking sector.

The year 2009 witnessed a slight increase in Repo transactions between commercial banks and SAMA. The daily average of Repo transactions amounted to Rls 1.43 billion during 2009 against Rls 1.41 billion during 2008. The daily average of Reverse Repo agreements between commercial banks and SAMA more than double from Rls 37.3 billion in 2008 to Rls 84.5 billion in 2009.

Money Supply

The domestic liquidity continued its growth in 2009 but at a lower rate compared to the preceding year. Broad money (M3), consisting of currency outside banks and bank deposits, registered a rise of Rls 99.8 billion or 10.7 percent to Rls 1.0 trillion compared to Rls 139.4 billion or 17.6 percent in 2008. Bank deposits, the main component of money supply that represented 91.4 percent of (M3), went up by Rls 94.4 billion or 11.2 percent but at a lower acceleration compared to 17.9 percent or Rls 128.6 billion in 2008. Currency outside banks rose by Rls 5.4 billion or 6.5 percent compared to a rise of Rls 10.8 billion or 15 percent in the preceding year.

Contrary to the preceding year, the growth in bank deposits in 2009 was accounted for by substantial growth in demand deposits, and other quasi-monetary deposits, the latter being made up of residents' foreign currency deposits, marginal deposits for letters of credit, outstanding remittances, and banks' repo transactions with the private sector dealers. Demand deposits grew by 26.5 percent (Rls 90.7 billion) compared to a rise by 10.0 percent (Rls 31.1 billion) in 2008. Similarly, other quasi-monetary deposits went up by 35.3 percent (Rls 48.0 billion) compared to 10.4 percent (Rls 12.9 billion) in the preceding year, recording the highest growth rate during the last two decades. In contrast, time and savings deposits went down in 2009 by 12.0 percent (Rls 44.2 billion) compared to a growth rate of 29.9 percent (Rls 84.6 billion) in 2008, which was the first decline since 1990. The decline in time and savings deposits might reflect the general tendency to allocate a large amount of the income for spending at the expense of savings. This could have been due only to shifting from one account to another due to the decline



in the interest rate return (Tables 3.1, 3.2 and 3.3 and Charts 3.1 and 3.2).

An analysis of the relative weights of the components of money supply (M3) during 2009, indicates that there was a decline in the relative share of currency outside banks from 8.9 percent in 2008 to 8.6 percent in 2009, which represented a 3.8 percent fall, continuing the decline that started in 2000 at an annual average of 7.0 percent. The share of time and savings deposits in broad money supply (M3) declined from 36.9 percent to 31.4 percent. The demand deposits share went up from 36.9 percent to 42.1 percent and that of other quasi-monetary deposits from 14.6 percent to 17.9 percent (Table 3.3).

According to Table 3.2, the data for 2009 show that the growth rate of narrow money supply (M1) (currency outside banks + demand deposits) increased two fold to 22.6 percent compared to 10.9 percent in the preceding year. This increase resulted mainly from a substantial increase in demand deposits. The year 2009 witnessed a deceleration in M2 (M1 + time and

savings deposits) by 6.5 percent against 19.0 percent in the preceding year. The deceleration resulted from a notable decrease in time and savings deposits for this year. The growth rate of broad money supply (M3) (M2 + other quasi-monetary deposits) also decelerated to 10.7 percent against 17.6 percent in the preceding year. As a result of these developments, the ratio of M1 to M3 increased during 2009 to 50.7 percent against 45.8 percent in the preceding year, while that of M2 to M3 decreased by 82.1 percent against 85.4 percent during 2008 (Table 3.4).

Causative Factors for Change in Broad Money (M3)

An analysis of factors affecting broad money (M3) indicates a deceleration in its growth rate to 10.7 percent in 2009 from 17.6 percent in 2008 despite the large increase in net domestic expenditure of the government. This deceleration mainly resulted from the increase in the deficit of the private sector's balance of payments which amounted to Rls 489.1 billion compared to Rls 344.0 billion in the preceding year, and a decline in both bank claims on the private sector

Table 3.1: MONEY SUPPLY

(Million Riyals)

End of Year	Currency	Demand	M1	Time and	M2	Other Quasi-	M3
	Outside						
	Banks		(1+2)	Deposits	(3+4)		(5+6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005	64288	219251	283539	165266	448805	104869	553675
2006	69324	243418	312742	226027	538769	121815	660583
2007	72192	311365	383557	283059	666616	123140	789755
2008	83006	342488	425494	367624	793118	136007	929125
2009	88395	433162	521558	323377	844935	184009	1028944
2010*	89822	452188	542010	313707	855717	154793	1010511

* End of 1st. Quarter.

** Comprise residents' foreign currency deposits, marginal deposits for LCs, outstanding remittances, and banks repo transactions with private parties.

Table 3.2: GROWTH RATES OF MONEY SUPPLY AND ITS COMPONENTS

(In percent)

End of Year	Currency	Demand	M1	Time and	M2	Other Quasi-	M3
	Outside						
	Banks			Deposits			
2005	6.9	3.8	4.5	20.9	10.0	19.0	11.6
2006	7.8	11.0	10.3	36.8	20.0	16.2	19.3
2007	4.1	27.9	22.6	25.2	23.7	1.1	19.6
2008	15.0	10.0	10.9	29.9	19.0	10.4	17.6
2009	6.5	26.5	22.6	-12.0	6.5	35.3	10.7
2010*	8.4	20.0	17.9	-12.0	4.8	3.6	4.7

* End of 1st. Quarter.



Table 3.3: COMPOSITION OF MONEY SUPPLY

(% shares in M3; End of Period)

	2005	2006	2007	2008	2009	2010*
Currency outside banks	11.6	10.5	9.1	8.9	8.6	8.9
Bank deposits	88.4	89.5	90.9	91.1	91.4	91.1
Demand deposits	39.6	36.8	39.4	36.9	42.1	44.7
Time & savings deposits	29.8	34.2	35.8	39.6	31.4	31.0
Other quasi-monetary deposits	18.9	18.4	15.6	14.6	17.9	15.3
Money supply (M3)	100.0	100.0	100.0	100.0	100.0	100.0

* End of 1st. Quarter.

by Rls 0.3 billion and on the public sector enterprises by Rls 3.9 billion. Factors affecting broad money supply are illustrated further in Table 3.5 and Chart 3.3.

Monetary Base and Money Multiplier

Monetary base in 2009 registered a high growth rate of 37.9 percent (Rls 68.3 billion) to Rls 248.5 billion compared to a slight decrease of Rls 0.6 billion in the preceding year. This growth resulted from a great increase in the amount of bank reserves (commercial banks' cash in vault and banks deposits' with SAMA) which increased by Rls 63.0 billion or 64.8 percent in 2009 compared to a decrease of 10.5 percent in 2008. The other component of the monetary base, currency outside banks, went up by Rls 5.4 billion or 6.5 percent to Rls 88.4 billion against Rls 83.0 billion in 2008.

The money multiplier went down from 5.16 in 2008 to 4.14 in 2009 due to the rise in the ratio of bank reserves to bank deposits from 11.5 percent in 2008 to 17.0 percent in 2009 whose effect on money creation was partially offset by the decrease in currency to deposit ratio (which had an increasing effect on money creation) from 9.8 percent in the preceding year to 9.4 percent in 2009 (Table 3.6 and Chart 3.4).

Income Velocity of Money

Income velocity of money continued its descending trend for the twelfth consecutive year. This was specifically because of the relatively larger growth in money supply than in GDP of the non-oil sector of the economy. The downward trend took place due to the injection of relatively substantial liquidity in the economy through the enlarged domestic expenditure by the government to cope with domestic and international developments, as well as because of the accommodative monetary policy adopted by SAMA as from the fourth quarter of 2008 to deal with the global financial crisis and enhance the position of liquidity in the economy.

Chart 3.1: Growth Rates of Money Supply (M3)

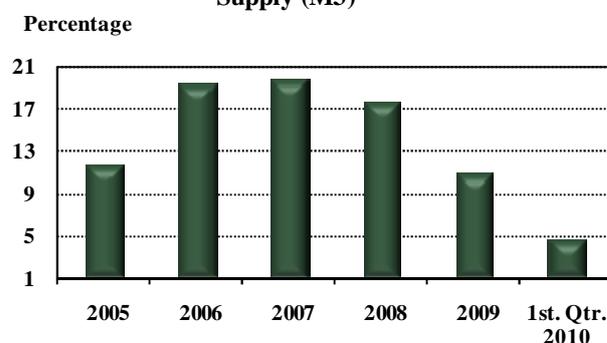


Chart 3.2: Components of Money Supply

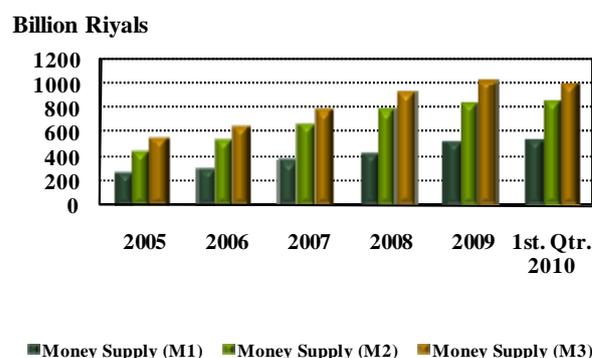


Table 3.4: MONETARY RATIOS

(In percent)

Year	M1/M3	M2/M3
2005	51.2	81.1
2006	47.3	81.6
2007	48.6	84.4
2008	45.8	85.4
2009	50.7	82.1
2010*	53.6	84.7

* End of 1st. Quarter.



Table 3.5: CAUSATIVE FACTORS FOR CHANGE IN BROAD MONEY SUPPLY (M3)

(Billion Riyals)

	2008	2009	First quarter	
			2009	2010
Change in M3	139.4	99.8	131.6	44.9
Causative Factors				
Net domestic expenditures of the government*	339.7	456.4	101.2	64.3
Change in bank claims on the private sector	156.7	-0.3	102.2	17.6
Change in bank claims on non-financial public sector enterprises	-5.4	-3.9	-2.8	-1.4
Private sector balance of payments deficit**	-344.0	-489.1	-134.9	-96.0
Other items (net)	-7.7	136.9	65.9	60.3
Total	139.4	99.8	131.6	44.9

* Domestic expenditures less domestic revenues of the government.

** Estimates.

Chart 3.3: Causative Factors for Change in M3

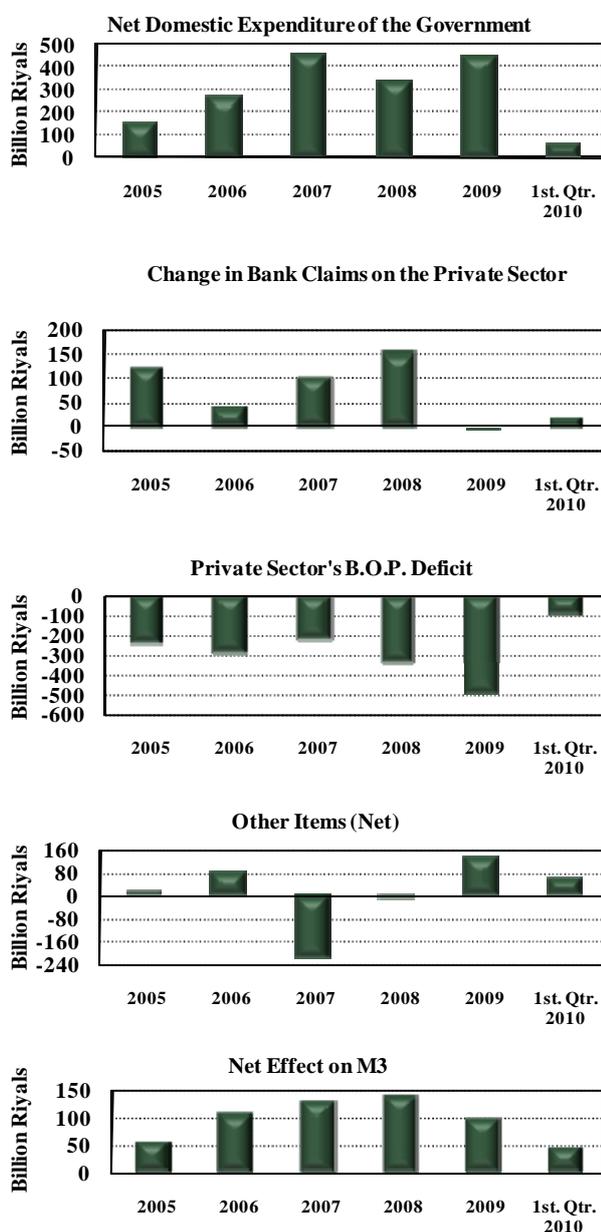
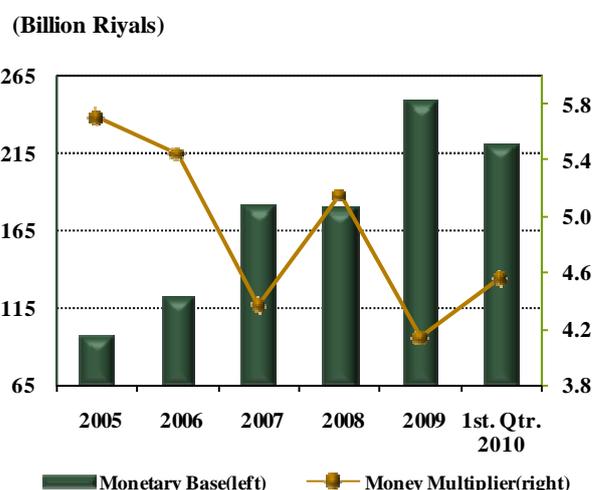


Table 3.6: MONETARY BASE AND MONEY MULTIPLIER

End of Year	Monetary Base (Million Rls)	Money Multiplier
2005	96934	5.71
2006	121385	5.44
2007	180806	4.37
2008	180177	5.16
2009	248513	4.14
2010*	221398	4.56

* End of 1st. Quarter.

Chart 3.4: Monetary Base and Money Multiplier





Data show that income velocity of money supply in its three definitions (M1), (M2) and (M3) went down from 0.81, 0.96 and 1.78 in 2008 to 0.74, 0.90 and 1.54 respectively in 2009 (Table 3.7). Income velocity of money represents the ratio of the non-oil sector's GDP at current prices to the average level of money supply. The ratio serves as an indicator of the number of times money is used to finance economic transactions. The oil sector's GDP is excluded from calculation because it is subject to wide fluctuations, depending on the global demand/supply position of oil and the resulting changes in oil prices in the international markets.

Seasonal Trends of Currency outside Banks

In the Kingdom, the demand for currency usually rises significantly during the last quarter of each year according to the Islamic Calendar (Hijri year) which stretches from Ramadan to Dhul Hijjah and tends to taper off after the end of the season as it is indicated by data on seasonal trends of currency outside

banks through recording highest and lowest levels of currency outside banks in terms of both Hijri and Gregorian months (Table 3.8 and Chart 3.5). The demand for currency reached its seasonal peak of Rls 93.3 billion at the end of November 2009 (Dhul Hijjah 1430H) while it declined to its lowest level of Rls 82.9 billion at the end of March 2009 (Rabi' II 1430H).

Monetary Survey

Monetary survey, as shown in Table 3.9, represents an analytical review of the consolidated balance sheets of the Saudi Arabian Monetary Agency and the commercial banks. The main purpose of preparing the monetary survey is to combine asset and liability items of the banking system (SAMA and the commercial banks) to explain changes in money supply of the banking system in terms of changes in the rest of the banking system's liabilities and assets according to the major sectors of the economy viz. the private, government and foreign sectors.

Table 3.7: INCOME VELOCITY OF MONEY*
(Non-Oil Sector)

Year	M1	M2	M3
2005	2.04	1.32	1.07
2006	2.09	1.25	1.02
2007	1.92	1.10	0.91
2008	1.69	0.97	0.81
2009**	1.54	0.90	0.75

* Calculated by using average of money supply.

** Data of Non- Oil GDP Sector are Provisional.

Chart 3.5: Seasonal Trends in Currency Outside Banks

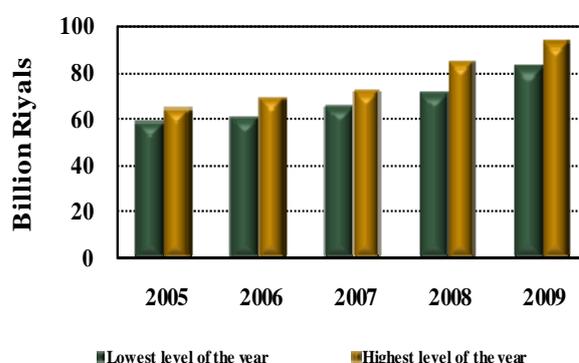


Table 3.8: SEASONAL TRENDS IN CURRENCY OUTSIDE BANKS

Currency Outside Banks Highest Level of the Year			Currency Outside Banks Lowest Level of the Year		
Gregorian Month-End	Corresponding Hijri Date	Amount (Million Riyals)	Gregorian Month-End	Corresponding Hijri Date	Amount (Million Riyals)
10/2005	28/9/1426	66304	2/2005	19/1/1426	58388
12/2006	10/12/1427	69324	8/2006	7/8/1427	60573
12/2007	21/12/1428	72192	3/2007	12/3/1428	65068
9/2008	30/9/1429	84326	2/2008	21/2/1429	70804
11/2009	13/12/1430	93305	3/2009	4/4/1430	82860

Note: For earlier data, refer to the statistical section of this Report.



It is important to indicate that the monetary process in an oil-based economy differs significantly from that in non-oil economies. In Saudi Arabia, the receipts of oil revenues directly produce a rise in government deposits with SAMA, but they have no immediate impact on domestic liquidity. Until the government injects this revenue into the domestic income stream, through its domestic expenditures, the inflow of foreign exchange is turned into domestic liquidity. For the same reason, external government transactions have no impact on domestic liquidity. It is the private sector's transactions with the rest of the world that affect domestic liquidity. Given the relatively limited domestic production base and the openness of the economy, the private sector's payments for imports and other external transactions far exceed its receipts from abroad. It, therefore, becomes necessary to work out the actual net domestic expenditures of the government and the balance of payments deficit of the private sector, so as to have a realistic vision about the impact of these two sectors on domestic liquidity. Taking these two items together with the change in the other items, will provide the monetary survey with the basis for constructing causative factors of the change in broad money supply (M3).

Data on monetary survey indicate a decrease in net foreign assets by Rls 52.6 billion or 3.1 percent to Rls 1.6 trillion in 2009 against a rise of Rls 512.9 billion or 43.8 percent in the preceding year. Government deposits (which include letters of credit and documents for collection) declined by 12.6 percent to Rls 923.1 billion in 2009 compared to a significant rise of 104.4 percent to Rls 1.1 trillion in the preceding year. In 2009, bank claims on the private sector did not record any notable change, while bank claims on government went down by 26.5 percent to Rls 154.2 billion. Similarly, claims on non-financial public sector enterprises declined by 12.3 percent to Rls 28.1 billion. Data on monetary survey also indicate that total assets declined by 4.2 percent to Rls 2.5 trillion compared to a rise of 37.8 percent in the preceding year.

Interest Rate Developments

Saudi Interbank Offered Rate (SIBOR) on Riyal deposits declined to its lowest levels in 2009 following the downward adjustments of the official reverse repo rates by SAMA and in line with the general trend of interest rates in the international financial market. The three-month Saudi Interbank Offered Rate (SIBOR) on Riyal deposits declined by 226 basis points to 0.63 percent during 2009 from 2.89 percent during 2008, showing a fall of 78.2 percent. Similarly, interest rate

on Dollar deposits went down by 225 basis points to 0.74 percent in 2009 compared to 2.99 percent in the preceding year, declining by 75.3 percent. As the decline in the interest rates on Dollar deposits was more than that in the interest rates on Riyal deposits, the differential between the two average rates that was in favour of the Riyal to the extent of 10 basis points in 2008 broadened to 11 basis points, increasing by 10 percent in 2009 (Table 3.10 and Chart 3.6).

Exchange Rate Developments

In keeping with the decision of the Supreme Council of the GCC countries at its 21st session (Bahrain, 30-31 December 2000) to have the US Dollar as the official common anchor as from 1st January 2003 and to fix and keep their exchange rates with it unchanged until the ultimate adoption of a unified currency for the region, apart from the requirements of the domestic economic interest, SAMA continued to maintain the official peg of the Saudi Riyal and its exchange rate to the U.S. Dollar at Rls 3.75 per Dollar in 2009. Due to the substantial Dollar liquidity in the banking system, SAMA did not enter into any foreign exchange swaps. Therefore, the Saudi Riyal exchange rate continued to maintain stability at its announced level (Table 3.11).

Public Debt

With the improvement in its fiscal position as from 2003, the government has continued to substantially reduce its public debt. Preliminary figures indicate that the public debt dropped to Rls 225 billion by the end of 2009 from Rls 237 billion in the preceding year. This drop was due to a rise in oil revenues which resulted in increased surplus in the government budget. A part of that surplus was allocated to repay the public debt. Due to the decline in GDP at current prices in 2009, the ratio of public debt to GDP, however, increased from 13.3 percent in 2008 to 16.0 percent in 2009. As for the public debt market, there was no considerable change as no public debt instruments were issued during 2009 due to the government's willingness to repay the budget deficit from accumulated budgetary surpluses of the past years.

Overview of SAMA's Balance Sheet (2009)

The data of the financial position of SAMA indicated a decline of 8.1 percent in its total assets and liabilities from Rls 1,710.0 billion in 2008 to Rls 1,570.7 billion at the end of 2009. Reviewing the developments of the most salient items of SAMA's financial position, it would be noted, on the liabilities side, that deposits of the central government and government agencies and institutions declined by 11.3



Table 3.9: MONETARY SURVEY*
(End of year)

	2005	2006	2007	2008	2009	2010***
<i>(Million Rivals)</i>						
Assets						
Foreign assets (net)	589947	899782	1170965	1683832	1631277	1659795
SAMA	563557	829185	1128466	1642312	1520042	1558253
Commercial banks	26390	70597	42499	41520	111235	101542
Domestic credit	595404	634237	759495	976543	916561	958435
Bank claims on private sector	435926	476020	577882	734557	734237	745758
Bank claims on government	127806	123253	144179	209920	154188	182787
Bank claims on non-financial public sector enterprises	31672	34965	37434	32065	28136	29890
Total	1185351	1534019	1930460	2660375	2547838	2618230
Liabilities						
Broad money M3	553675	660583	789755	929125	1028944	1010511
Government deposits **	240645	338171	516718	1055958	923118	949782
Other items (net)	391031	535265	623987	675292	595776	657937
Total	1185351	1534019	1930460	2660375	2547838	2618230

(Percent changes)

Foreign assets (net)	59.0	52.5	30.1	43.8	-3.1	1.7
Domestic credit	21.6	6.5	19.7	28.6	-6.1	4.6
Bank claims on private sector	38.9	9.2	21.4	27.1	0.0	1.6
Bank claims on government	-12.9	-3.6	17.0	45.6	-26.5	18.5
Bank claims on non-financial public sector enterprises	8.7	10.4	7.1	-14.3	-12.3	6.2
Broad money M3	11.6	19.3	19.6	17.6	10.7	-1.8
Government deposits **	145.1	40.5	52.8	104.4	-12.6	2.9
Other items (net)	46.7	36.9	16.6	8.2	-11.8	10.4

* Consolidated balance sheet of Saudi Arabian Monetary Agency and commercial banks.

** Including letters of credit and documents for collection.

*** End of 1st. Quarter.

Table 3.10: INTEREST RATES ON RIYAL AND DOLLAR DEPOSITS*
(Average rates for Three-month deposits)

Year	Saudi Riyal Deposits	Dollar Deposits	Differential Between Riyal and Dollar rate
2005	3.75	3.49	0.27
2006	5.02	5.13	-0.11
2007	4.79	5.22	-0.43
2008	2.89	2.99	-0.10
2009	0.63	0.74	-0.11
2010**	0.26	0.24	0.02

* Inter-bank rates.

** Average of 1st. Quarter.

Chart 3.6: Interest Rates on Riyal and Dollar Deposits

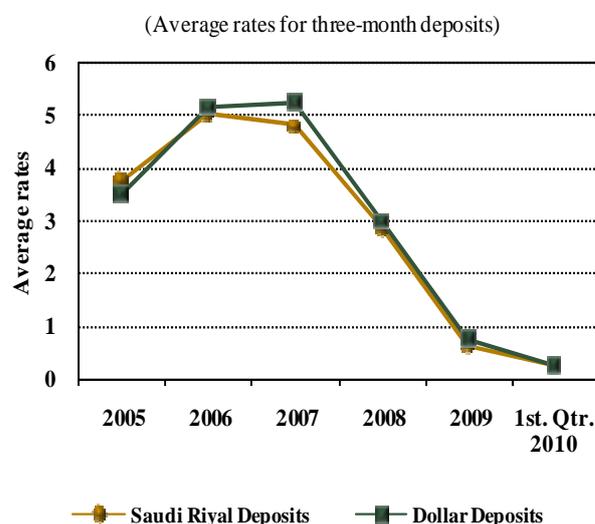




Table 3.11: INDICES OF THE EXCHANGE RATE OF THE RIYAL IN THE SPOT MARKET

Year	Maximum Value	Minimum Value	Average (whole period)
2005	3.7519	3.7498	3.7502
2006	3.7508	3.7421	3.7501
2007	3.7542	3.7000	3.7464
2008	3.7685	3.7115	3.7503
2009	3.7532	3.7467	3.7504
2010*	3.7551	3.7454	3.7497

* First Quarter.

Source: REUTERS.

percent to Rls 933.9 billion compared to a rise of 104.7 percent to Rls 1,052.3 billion in 2008. However, commercial banks' deposits with SAMA grew by 13.5 percent to Rls 50.7 billion, compared to a lower growth rate than 23.2 percent in the preceding year.

As for foreign assets, SAMA's deposits abroad decreased by 11.5 percent to Rls 335.7 billion against a rise of 53.8 percent in the preceding year. SAMA's investments abroad dropped by 7.2 percent to Rls 1,071.5 billion compared to a rise of 46 percent in the preceding year. Currency cover rose slightly by 1.7 percent to Rls 123.1 billion compared to a rise of 14.2 percent in 2008 (Table 3.12).

Developments during the first quarter of 2010

Monetary Policy

The inflation* rate declined during the first quarter of 2010 to 4.5 percent compared to 5.1 percent at the end of 2009. The decline in inflationary pressures enabled SAMA to continue pursuing accommodative monetary policy with the aim of achieving stability in the financial sector, enhancing the liquidity position, coping with domestic and international economic developments, meeting domestic demand for credit, and enabling banks to perform their role in financing the Kingdom's development process. The accommodative measures that were retained during 2009 included the following:

- 1- Repo rate at 2.0 percent.
- 2- Reverse repo rate at 0.25 percent.

*Inflation rate reach a level of 4.9 percent at the end of April 2010.

- 3- Statutory reserve requirement for demand deposits at 7.0 percent, and that for time and savings deposits at 4.0 percent.

The daily average of repurchase agreements rose to Rls 2.3 billion during the first quarter of 2010 from Rls 1.6 billion during the corresponding period of 2009, while the daily average of reverse repurchase agreements increased to Rls 94.9 billion during the first quarter of 2010 from Rls 74.2 billion during the first quarter of 2009. Moreover, SAMA did not enter into any FX swaps with domestic banks during the first quarter of 2010.

Money Supply

During the first quarter of 2010, broad money (M3) recorded a rise of Rls 44.9 billion or 4.7 percent to Rls 1010.5 billion compared to a rise of Rls 131.6 billion or 15.8 percent during the first quarter of 2009. Money supply (M1) and (M2) increased by 17.9 percent and 4.8 percent or Rls 82.2 billion and Rls 39.5 billion respectively.

It would be noted that the components of broad money (M3) during the first quarter of 2010 recorded a slight rise. Total bank deposits constituted 91.1 percent of total money supply, and currency outside banks accounted for 8.9 percent of total money supply at the end of the first quarter of 2010 against 91.4 percent and 8.6 percent during the same period of the preceding year respectively.

Interest rate and Exchange rate

Interest rates on domestic inter-bank deposits declined slightly during the first quarter of 2010 in line with the general trend of the level of interest rates in the international financial markets. The three-month Saudi Interbank Offered Rate (SIBOR) came down to 0.26 percent compared to 0.63 percent at the end of 2009. The difference between interest rates on three-month riyal deposits and on three-month dollar deposits was in favour of that of the dollar to the extent of two basis points compared to 11 basis points at the end of 2009 in favour of the riyal.

During the first quarter of 2010, the Riyal's exchange rate against the US Dollar in the spot market was stable around its official rate of Rls 3.75 per US Dollar.

As for the public debt market during the first quarter of 2010, the ceiling on the weekly issuance of treasury bills was raised from Rls 3.0 billion to Rls 9.0



billion. The price of treasury bills was maintained at 80.0 percent of the interest rate on Saudi inter-bank deposit rate (SIBIDR) to encourage domestic banks to direct liquidity to lending.

Overview of SAMA's Balance Sheet

In the first quarter of 2010, deposits of central government and government agencies and institutions increased by 2.6 percent or Rls 24.0 billion to Rls 957.9 billion compared to the preceding quarter, against a decline of 4.9 percent at the end of the first quarter of 2009 and compared to the preceding quarter. Commercial banks' deposits with SAMA grew by 1.0 percent or Rls 0.5 billion to Rls 51.2 billion compared to the preceding quarter. Moreover, currency issued increased by 0.4 percent or Rls 0.5 billion to Rls 123.4 billion compared to the preceding quarter against an increase of 2.0 percent in the corresponding quarter of the preceding year.

On the assets side, SAMA's deposits with banks abroad went down by 5.0 percent or Rls 16.9 billion to Rls 318.8 billion during the first quarter of 2010 compared to the end of the preceding quarter, and against a decline of 17.0 percent or Rls 64.6 billion in the corresponding quarter of the preceding year. However, SAMA's investments abroad increased by 5.1 percent or Rls 54.6 billion to Rls 1,126.1 billion at the end of the first quarter of 2010 compared to the preceding quarter, and against a decline of 3.4 percent in the corresponding quarter of the preceding year. Cash in hand decreased by 5.6 percent or Rls 1.3 billion to Rls 22.5 billion compared to the preceding quarter, and against a rise of 11.1 percent or Rls 3.0 billion in the corresponding quarter of the preceding year (Table 3.12)

The Most Prominent Developments of Saudi Currency

SAMA, the second oldest central bank in the Arab world, commenced its work on 14/1/1372H (4/10/1952). One of the foremost tasks of SAMA was the completion of the establishment of the Saudi monetary system. The Saudi gold pound was issued in Safar 1372 H, and its exchange rate was set at 40 Saudi silver Riyals which equaled \$ 10.90. This exchange rate was consistent with the targeted exchange rate of the riyal against US Dollar, (3.70) riyals per US dollar. SAMA focused at that time on maintaining that exchange rate, and exercised all its powers, in cooperation with the banking system, to achieve this goal.

SAMA completed the process of minting silver riyal coins. In 1373H (1953), the silver riyal coin was minted with the name of King Abdulaziz imprinted on

them. This marked the issuance of the national currency by a Saudi national agency. SAMA has been maintaining the value of the Saudi riyal vis-a-vis other countries' currencies since its establishment.

For the convenience of pilgrims, who suffered a great pain in carrying heavy silver riyals, the Saudi Arabian Monetary Agency took the most courageous step in the Saudi monetary system which was represented in the issuance of what was known then as the pilgrims' receipts of ten riyal denomination. The pilgrims' receipts, of which five million were printed as the first issue, were put in circulation on 14/11/1372H (25/7/1953). Those pilgrims' receipts bore various phrases written in the Arabic, Persian, English, Urdu, Turkish and Malawian languages. The value of these receipts was pledged to be paid in silver riyal coins to their bearers. Apparently, that step was welcomed at that time by pilgrims' approval and acceptance, and it gained the confidence of people, traders and citizens of the domestic market. Consequently, SAMA reissued the ten riyal denomination and issued two new denominations along with it, the five riyals in 1373H (1954) and one riyal in 1375H (1956). Citizens and Pilgrims did not exchange the receipts for coins but instead they continued dealing with them. The government, represented by SAMA, concluded that citizens and pilgrims were willing to replace coins by banknotes. That was an important development signifying confidence in paper currency. As a result, the first issue, the firstborn issue of the Saudi paper currency, was released.

The first issue of Saudi banknotes was launched in the era of King Saud Bin Abdulaziz. Five banknote denominations were released on 1/1/1381H (14/6/1961). The issue denominations were one hundred riyals, fifty riyals, ten riyals, five riyals and one riyal. The issue was withdrawn from circulation on 1/5/1397H (24/6/1971).

The Saudi paper currency continued to be issued until the fifth issue was released in the era of the Custodian of the Two Holy Mosques King Abdullah Bin Abdulaziz. This issue was released gradually, according to a specific timetable. The banknote denominations of one hundred riyals and fifty riyals were released on Monday 4/5/1428H (21/5/2007), then denominations of ten riyals and five riyals were released at the beginning of Rajab 1428H (July, 2007), followed by the release of the denomination of five-hundred riyals at the beginning of Ramadan 1428 (September, 2007), and, finally, the denomination of one riyal was released after Eid Al-adha in 1428 (December 2007). SAMA also continued



Table 3.12: SAMA's FINANCIAL POSITION

(End of year)

(Million Rls)

	2005	2006	2007	2008	2009	2010*
Liabilities						
Notes issued	89751	94319	106053	121067	123127	123637
Government deposits	244412	342146	514123	1052336	933912	957911
Commercial banks' deposits	21272	24401	36277	44698	50715	51229
Foreign entities' Riyal deposits	10121	14147	14939	12488	10300	10308
Other liabilities	253848	409311	525424	479406	452599	467615
Total	619404	884324	1196816	1709995	1570653	1610700
Assets						
Currency cover (gold)	89751	94319	106054	121066	123127	123638
Cash in vault	18262	12777	23842	27053	23876	22550
Deposits with banks abroad	113954	123346	246792	379487	335673	318796
Investments in foreign securities	369973	625667	790559	1154247	1071542	1126127
Other assets	27464	28215	29569	28142	16435	19589
Total	619404	884324	1196816	1709995	1570653	1610700

* End of 1st. Quarter

minting coins of the denominations of 25, 10, and 5 halalas which bear the name of the Custodian of the Two Holy Mosques King Abdullah Bin Abdulaziz Al Saud.

As for providing security means for protecting banknote issues against counterfeiting and targeted tampering, SAMA has been keen since its

establishment on including special features and security marks which are hard to be counterfeited and easy to be identified and compared to faked ones. The features included: water mark, security thread and intaglio printing along with several security marks related to the public and other features related to experts, specialists, and those working in currency field■



During 2009, commercial banks continued maintaining their strong financial position despite the global financial crisis that affected most banking sectors in the developed world's countries. This was facilitated by the expansion in government expenditure on the development projects, the significant improvement in oil prices, the procedures adopted by SAMA to enhance liquidity, and improvement of risk management systems at commercial banks, in addition to banks' efficient management of their financial resources.

In view of good performance during 2009, commercial banks' total assets went up by 5.2 percent; bank deposits grew by 11.2 percent. The capital and reserves of commercial banks rose by 24.1 percent. However, their profits went down by 10.4 percent.

Commercial banks also witnessed notable expansion in operating and utilizing modern banking technology in 2009, including phone banking and internet services. They became capable of serving the domestic economy and their customers by providing a well integrated and modern range of high-tech banking services.

In the realm of training in banking business, SAMA's Institute of Banking continued its tasks in 2009, and organized a large number of outstanding financial and banking courses, symposia and conferences.

Consolidated Financial Position of Commercial Banks

Commercial banks continued to maintain their strong financial position during 2009 despite the global financial crisis. Commercial banks showed remarkable performance, enhancing their strong financial position. Their total assets rose by 5.2 percent (Rls 68.0 billion) to Rls 1,370.3 billion during 2009 as compared to a growth of 21.1 percent (Rls 227.1 billion) in the preceding year (Table 4.1).

Bank Deposits

During 2009, total bank deposits increased by 11.2 percent (Rls 94.2 billion) to Rls 940.5 billion as compared to a growth of 17.9 percent (Rls 128.6 billion) in the preceding year (Table 4.2 and Charts 4.1 and 4.2). The growth in bank deposits was attributed to several factors, the most important of which was increased net domestic government expenditure.

A review of bank deposits by type shows that demand deposits rose by 26.5 percent (Rls 90.7 billion) to Rls 433.2 billion in 2009, as compared to a lower growth of 10.0 percent (Rls 31.1 billion) in the preceding year. Their share in total deposits went up from 40.5 percent at the end of 2008 to 46.1 percent at the end of 2009. In contrast, time and savings deposits declined by 12.0 percent (Rls 44.2 billion) to Rls 323.4 billion compared to a rise of 29.9 percent (Rls 84.6 billion) in the preceding year. Their share in total deposits in 2009 decreased to 34.4 percent compared to 43.4 percent in

Table 4.1: CONSOLIDATED BALANCE SHEET OF COMMERCIAL BANKS
(End of period)

(Million Riyals)

	2005	2006	2007	2008	2009	2010*
Assets						
Reserves	32,646	52,061	108,614	97,171	160,118	131,575
Foreign assets	91,430	129,796	147,712	153,986	210,918	206,976
Claims on Government and non-financial public sector enterprises	159,478	158,218	181,613	241,986	182,324	212,677
Claims on the private sector	435,926	476,020	577,882	734,557	734,237	745,758
Claims on non-monetary financial institutions	538	837	1,429	911	1,365	1,452
Other assets	39,058	44,158	57,971	73,659	81,296	78,980
Total Assets/Liabilities	759,075	861,088	1,075,221	1,302,271	1,370,258	1,377,418
Liabilities						
Banking deposits	489,387	591,259	717,564	846,118	940,548	920,688
Foreign liabilities	65,040	59,199	105,213	112,466	99,683	105,434
Capital and reserves	66,608	79,947	106,026	131,822	163,642	182,787
Profits	25,611	34,665	30,264	29,928	26,830	6,933
Other liabilities	112,429	96,019	116,154	181,937	139,555	161,575

* End of the 1st quarter.



Table 4.2: BANK DEPOSITS

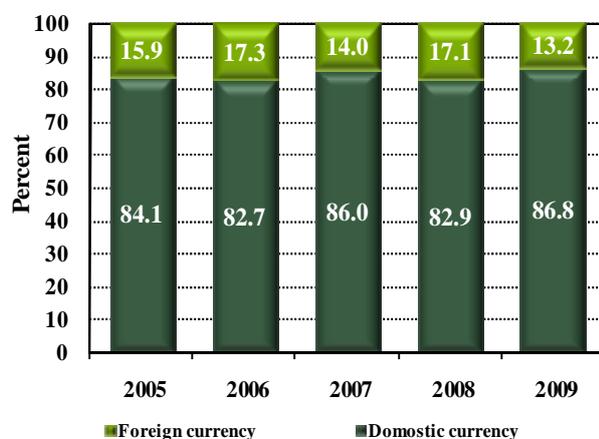
(End of period)

(Million Riyals)

	2005	2006	2007	2008	2009	2010*
First: By type						
Demand Deposits	219,251	243,418	311,365	342,488	433,162	452,188
Time and savings deposits	165,266	226,027	283,059	367,624	323,377	313,707
Other quasi-monetary deposits	104,869	121,815	123,140	136,007	184,009	154,793
Foreign Currency Deposits	77,735	102,580	100,631	111,971	160,730	130,965
For L/Cs	8,183	7,665	9,683	15,825	14,770	15,425
Repo Transactions	11,269	3,964	3,910	658	220	30
Outstanding Remittances	7,682	7,606	8,915	7,553	8,289	8,374
Second: By sector						
Private Sector	408,595	474,894	573,606	667,423	720,919	719,193
Public Sector	80,792	116,366	143,958	178,695	219,630	201,495
Third: By currency						
Domestic currency deposits	411,651	488,680	616,932	734,148	779,819	789,723
Foreign currency deposits	77,735	102,580	100,631	111,971	160,730	130,965
Total bank deposits	489,387	591,259	717,564	846,118	940,548	920,688

* End of the 1st quarter.

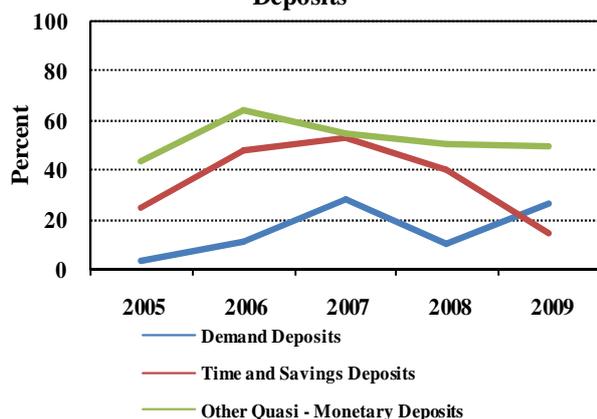
Chart 4.1: Deposits By Type of Currency



the preceding year. Other quasi-monetary deposits (the bulk of which is residents' foreign currency deposits) grew by 35.3 percent (Rls 48 billion) to Rls 184.0 billion as compared to a lower growth of 10.4 percent (Rls 12.9 billion) in the preceding year. Their share in total deposits went up to 19.6 percent in 2009 compared to 16.1 percent in the preceding year (Chart 4.3).

A breakdown of deposits by sector shows that deposits of the private sector increased by 8.0 percent (Rls 53.5 billion) to Rls 720.9 billion in 2009 compared to a growth of 16.4 percent (Rls 93.8 billion) in the preceding year. The share of this sector's deposits in total deposits stood at 76.6 percent compared to 78.9 percent in the preceding year. Deposits of the public sector increased by 22.9 percent (Rls 40.9 billion) to Rls 219.6 billion as compared to a growth of 24.1 percent (Rls 34.7 billion) in the preceding year. Hence, the share of this sector in total deposits went up from 21.1 percent in 2008 to 23.4 percent in 2009.

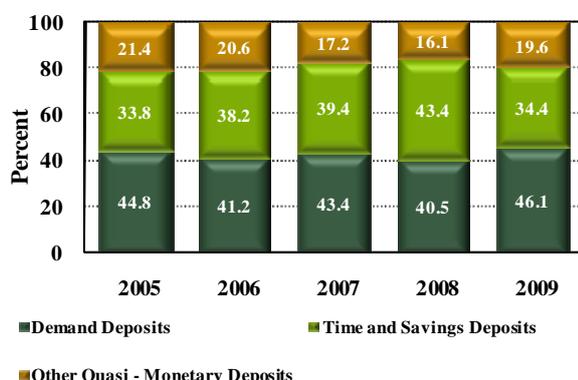
Chart 4.2: Growth Rates of Bank Deposits



A distribution of bank deposits by currency shows that domestic currency deposits increased by 6.2 percent (Rls 45.7 billion) to Rls 779.8 billion in 2009, as compared to an increase of 19.0 percent (Rls 117.2 billion) in the preceding year. Their share in total deposits stood at 82.9 percent as compared to 86.8 percent in the preceding year. Foreign currency deposits increased by 43.5 percent (Rls 48.8 billion) to Rls 160.7 billion as compared to a rise of 11.3 percent (Rls 11.3 billion) in the preceding year. Their share in total deposits went up from 13.2 percent in 2008 to 17.1 percent at the end of 2009.



Chart 4.3: Shares of Deposit Components



Bank Claims on the Private and Public Sectors

Total bank claims on the private and public sectors (loans, advances, bills discounted and investments) declined by 6.1 percent (Rls 59.5 billion) to Rls 917.9 billion in 2009 compared to an increase of 28.5 percent (Rls 216.5 billion) in the preceding year. They constituted 97.6 percent of total bank deposits as compared to 115.5 percent in the preceding year.

Total bank claims on the private sector declined by 0.04 percent (Rls 0.3 billion) to Rls 734.2 billion in 2009 as compared to a rise of 27.1 percent (Rls 156.7 billion) in

the preceding year. These claims represented 78.1 percent of total bank deposits at the end of 2009, compared to 86.8 percent in the preceding year.

Bank claims on the public sector (loans to public enterprises and investments in government securities) declined by 24.7 percent (Rls 59.7 billion) to Rls 182.3 billion in 2009 as compared to a rise of 33.2 percent (Rls 60.4 billion) in the preceding year. They constituted 19.4 percent of total bank deposits in 2009 compared to 28.6 percent at the end of the preceding year (Table 4.3 and Charts 4.4 and 4.5).

Bank Credit by Maturity

Short-term credit (less than one year) to the private and public enterprises declined by 5.7 percent (Rls 27.0 billion) to Rls 449.6 billion in 2009 compared to a growth of 37.1 percent (Rls 129.0 billion) in the preceding year. Medium-term credit (one to 3 years) increased by 12.0 percent (Rls 12.6 billion) to Rls 117.2 billion in 2009 compared to a rise of 25.7 percent (Rls 21.4 billion) in the preceding year. Long-term credit (more than 3 years) went up by 4.0 percent (Rls 6.5 billion) to Rls 170.1 billion compared to a decline of 0.3 percent (Rls 0.5 billion) in the preceding year.

Bank Credit by Economic Activity

A review of bank credit by economic activity during 2009 shows a mixed trend. Agriculture and

Table 4.3: BANK CLAIMS ON THE PRIVATE AND PUBLIC SECTORS

(End of period)

(Million Riyals)

	2007		2008		2009		2010*	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	Share
Claims on private sector	577,882	75.9	734,557	75.2	734,237	80.0	745,758	77.7
Bank credit	557,405	73.3	712,737	72.9	708,769	77.2	716,987	74.7
Loans and advances	549,884	72.3	703,617	72.0	701,706	76.4	709,802	73.9
Bills discounted	7,521	1.0	9,119	0.9	7,063	0.8	7,184	0.7
Investments in private securities	20,476	2.7	21,820	2.2	25,468	2.8	28,772	3.0
Claims on the public sector	181,613	23.9	241,986	24.8	182,324	19.9	212,677	22.2
Bank credit to non-monetary								
financial public sector enterprises	37,434	4.9	32,065	3.3	28,136	3.1	29,890	3.1
Investments in government securities	144,179	18.9	209,920	21.5	154,188	16.8	182,787	19.0
Treasury bills	16,748	2.2	119,224	12.2	78,497	8.6	112,883	11.8
Government bonds	127,431	16.7	90,696	9.3	75,691	8.2	69,905	7.3
Claims on non-monetary financial								
institutions	1,429	0.2	911	0.1	1,365	0.1	1,452	0.2
Total	760,924	100.0	977,454	100.0	917,926	100.0	959,887	100.0

* End of the 1st quarter.



Chart 4.4: Bank Claims By Sector

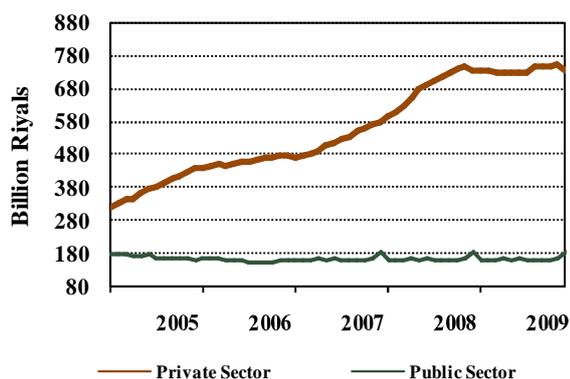
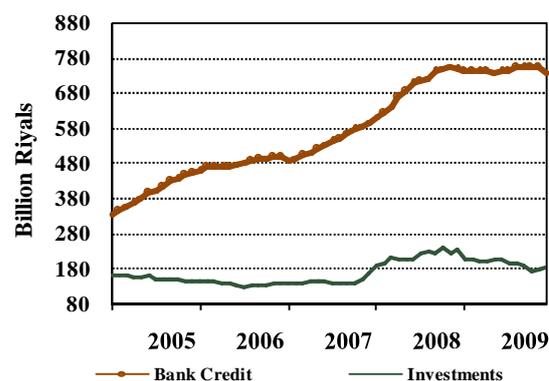


Chart 4.5: Bank Claims By Type



fishing sector witnessed largest decline rate of 20.5 percent (Rls 2.2 billion) to Rls 8.7 billion compared to an increase of 27.1 percent in the preceding year. Bank credit to the manufacturing and processing sector declined by 5.4 percent (Rls 4.3 billion) to Rls 75.0 billion, compared to a rise of 46.0 percent in the preceding year. Bank credit to the building and construction sector declined by 17.7 percent (Rls 9.6 billion) compared to a rise of 25.2 percent in the preceding year. Bank credit to the commerce sector declined by 4.3 percent (Rls 7.6 billion) to Rls 169.2 billion compared to a rise of 38.7 percent in the preceding year. In contrast, bank credit to mining and quarrying increased by 25.1 percent (Rls 1.1 billion) to Rls 5.3 billion compared to a rise of 9.4 percent in the preceding year; for electricity, water and other utilities sector by 25.7 percent (Rls 2.7 billion) compared to a rise of 80.8 percent in the preceding year; for transport

and communications sector by 1.6 percent (Rls 0.6 billion) to Rls 38.4 billion compared to a rise of 80.2 percent in the preceding year; and for finance sector by 26.4 percent (Rls 4.4 billion) to Rls 21.30 billion compared to a decline of 73.2 percent in the preceding year. However, services sector witnessed the highest increase rate of 42.7 percent (Rls 13.8 billion) to Rls 46.1 billion, compared to a rise of 4.5 percent in the preceding year (Table 4.4 and Chart 4.6).

Consumer and Credit Card Loans

Since 1999, commercial banks have been relatively expanding their consumer loans to individuals. These loans rose from Rls 38.4 billion at the end of 2001 to Rls 179.9 billion at the end of 2009. This has been due to the service of SARIE that provides the feature of direct transfer of salaries to customers' bank accounts, guaranteeing this type of loans. Total consumer

Table 4.4: BANK CREDIT TO THE PRIVATE SECTOR BY ECONOMIC ACTIVITY

(End of period)

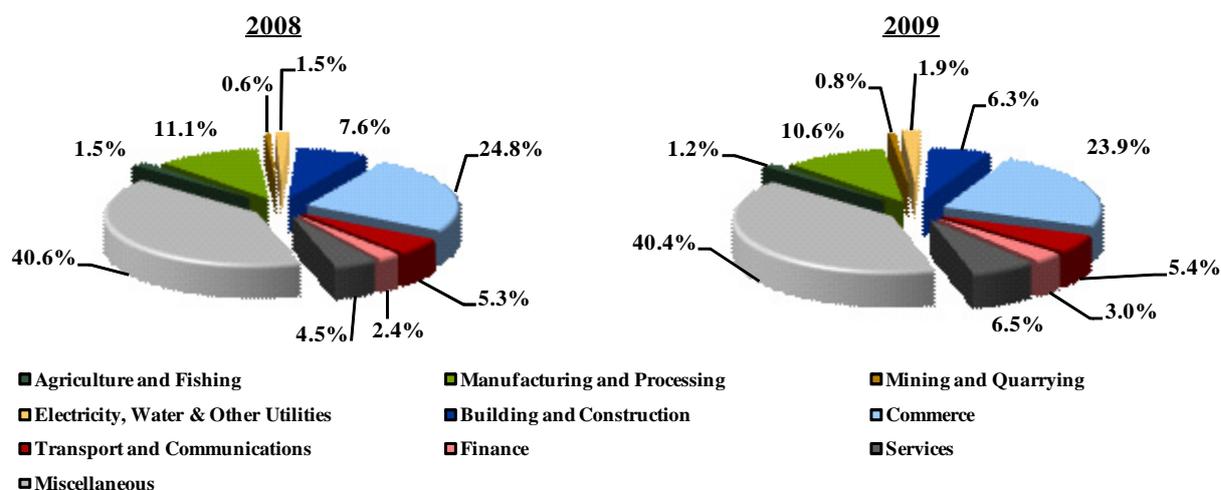
(Million Riyals)

	2007		2008		2009		2010*	
	Amount	% Share						
Agriculture and fishing	8,636	1.5	10,980	1.5	8,731	1.2	8,745	1.2
Manufacturing and processing	54,339	9.7	79,333	11.1	75,044	10.6	76,666	10.7
Mining and quarrying	3,897	0.7	4,265	0.6	5,337	0.8	4,685	0.7
Electricity, water and other utilities	5,878	1.1	10,629	1.5	13,365	1.9	15,450	2.2
Building and construction	43,421	7.8	54,371	7.6	44,741	6.3	48,248	6.7
Commerce	127,473	22.9	176,858	24.8	169,220	23.9	182,101	25.4
Transport & Communications	20,989	3.8	37,814	5.3	38,415	5.4	37,336	5.2
Finance	62,632	11.2	16,812	2.4	21,258	3.0	20,914	2.9
Services	28,286	5.1	32,324	4.5	46,123	6.5	32,092	4.5
Miscellaneous	201,854	36.2	289,351	40.6	286,536	40.4	290,749	40.6
Total	557,405	100.0	712,737	100.0	708,769	100.0	716,987	100.0

* End of the 1st quarter.



Chart 4.6: Bank Credit to the Private Sector By Economic Activity



loans rose by 3.4 percent (Rls 5.9 billion) in 2009 as compared to a decline of 2.5 percent (Rls 4.4 billion) in the preceding year. A review of the components of these loans shows that loans for other purposes increased by 1.7 percent (Rls 2.1 billion) to Rls 123.9 billion or 68.9 percent of total loans compared to a decline of 3.8 percent (Rls 4.9 billion) in the preceding year. Loans granted for real estates grew by 19.8 percent (Rls 3.0 billion) to Rls 17.9 billion or 9.9 percent of total consumer loans compared to a rise of 5.4 percent (Rls 0.8 billion) in the preceding year. Loans granted for buying motor vehicles and equipment went up by 2.3 percent (Rls 0.9 billion) to Rls 38.1 billion or 21.2 percent of total consumer loans compared to a growth rate of 0.9 percent (Rls 0.3 billion) in the preceding year. In contrast, credit card loans decreased by 8.8 percent (Rls 0.8 billion) to Rls 8.6 billion compared to a rise of 2.2 percent (Rls 0.2 billion) in the preceding year (Table 4.5 and Chart 4.7).

Chart 4.7: Total Consumer Loans

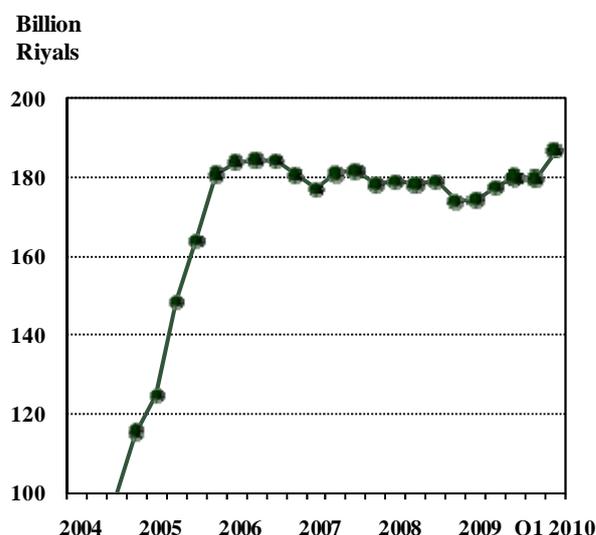


Table 4.5: CONSUMER AND CREDIT CARD LOANS

(End of Period)

(Million Riyals)

Year	Consumer Loans				Credit card Loans*
	Real estate	Motor vehicles and equipment	Others	Total	
2005	13,656.3	29,025.5	138,173.9	180,855.7	4,259.2
2006	13,690.0	34,261.8	132,726.4	180,678.2	7,349.3
2007	14,136.9	37,588.2	126,682.8	178,407.8	9,251.1
2008	14,906.0	37,261.3	121,817.3	173,984.6	9,451.6
2009	17,860.1	38,134.5	123,907.3	179,901.9	8,621.2

* Include Visa, Master Card, American Express, and Others.



Syndicated Loans

Preliminary data indicate that the number of syndicated loans provided by domestic and foreign banks to residents stood at 392 in 2009, increasing by 6.2 percent over the preceding year, while those provided to non-residents went down by 1.6 percent to 127. Total value of such loans provided to residents increased to RIs 118.6 billion in 2009, rising by 21.4 percent over the preceding year, while those provided to non-residents rose by 1.6 percent to RIs 35.7 billion.

Credit Worthiness in the Banking Sector

The importance of managing credit risks has increased with the rise in the volume of credit granted to individuals. In 1998, SAMA and the domestic banks started to study the idea of establishing a center or a company to provide credit information. In 2002, the Saudi Credit Information Company (SIMAH) was established. It has started working since 2004, as the first credit information company in Saudi Arabia, under the supervision of the Saudi Arabian Monetary Agency.

The Council of Ministers' decision was issued in 2008, approving the Credit Information Law. The Law required setting general principles and controls for the collection, exchange and protection of credit information of consumers. The law applies to companies and government and private agencies that have credit information. Government agencies that have credit information shall provide them to authorized companies in accordance with the controls laid down by those entities to ensure that there is no monopoly of such information. Companies shall be committed to collect and provide credit information and share them with each other, protect them, prepare consumer credit records and share them with the members upon request.

SIMAH is concerned with developing credit reports and records of all economic and financial sectors in Saudi Arabia through the provision of credit information to help these sectors to make quick and objective decisions through which they can provide customers with banking facilities and other services at prices commensurate with the different segments of the society and according to the financial solvency of each client. It also aims at helping credit providers make more accurate and objective decisions commensurate with the needs of individuals and companies in accordance with global standards and controls.

With regard to members, SIMAH started to cover most of the financial sectors in Saudi Arabia starting from 2004. In that year, the Saudi banking sector accounted for the largest segment of the

membership of SIMAH through the participation of more than 10 Saudi banks. In 2005, SIMAH started to cover the financial sector and government funds through six of the major companies in the Kingdom. In 2006, the automobile sector, the telecommunication sector SIMAH continued to cover most of the financial sectors in the Kingdom in 2007, with the entry of foreign banks operating in the Kingdom, major real estate sector companies, and more than other 18 members. In 2008, SIMAH started to cover the insurance sector, and witnessed the entry of more than 15 members, including some government bodies, such as the Saudi Arabian General Investment Authority. Members of SIMAH are expected to stand at more than 100 at the end of 2009. SIMAH is currently studying more than 30 applications for joining its membership; some have been officially approved and signed the membership agreement, while others are still in the process of evaluation.

In February 2009, SIMAH launched the "Commercial Credit Bureau" project in line with fiscal and monetary policies to develop and support the national economy by supporting the banking sector and the commercial finance industry in Saudi Arabia on scientific and professional bases. This system will help the banking sector in making professional decisions with calculated risks at the level of lending to companies and small and medium-size enterprises. It will develop policies and procedures of credit financing in the Kingdom. The project aims to provide accurate and correct information on companies, institutions and individuals. It aims at exchanging credit information among banks, by examining the ratios of partners, and their financial obligations, the size of facilities and lending, and linking companies with their subsidiaries. The project further aims at indicating any credit default cases and all the facilities provided to a customer.

In its continuous strive to provide a sound investment environment, SIMAH launched on the 7th of October 2009, a broad media campaign entitled "All our checks have balance.. 2010", aimed at reducing flash checks through a registration system for bouncing checks. A check is a commercial paper honoured according to the Law of Commercial Papers, rather than an instrument of credit. When it is drawn up, the obligation must be carried out in all honesty. Due to the check's paramount importance in financial dealings, drawing up a check without provision is an explicit violation of regulations, and it is an infringement of the rights of others. On the 1st of January 2010, all Saudi banks started the registration of dishonoured and bounced checks, adopting a mechanism through which SIMAH ensures identification of checks dishonoured by individuals, companies or financial



institutions, showing such checks in the credit reports of those individuals or companies.

With regard to the Business Reporting System, SIMAH launched, in collaboration with no less than nineteen (19) banks operating in the Saudi market, a system of inquiring about business reports of companies and institutions applying for credit facilities as a prerequisite to assess the creditworthiness and relative risks of the relationship and facilities provided, to approve or deny funding.

In regard to the National Data Pooling Project (NDPP), concerned with meeting the minimum requirements for capital adequacy standard issued by the Basel Committee on Banking Supervision in June 2004 (Basel II), SIMAH represented the banks and negotiated with the technical partner the basic human and technical requirements to ensure the success of the project. So far, nine basic requirements were met for this project, and the following items were handed over: the management plan for the project, the system for collecting information and tools required, the report evaluating the quality of the initial data received concerning the first, second and the third phases, Loss Given Default (LGD), Probability of Default (PD), and launch of the annual data and statistical analysis system of the probability of defaulting.

Commercial Banks' Foreign Assets and Liabilities

Foreign assets of commercial banks went up by 37.0 percent (Rls 56.9 billion) to Rls 210.9 billion in 2009 as compared to a rise of 4.2 percent (Rls 6.3 billion) in the preceding year.

Foreign liabilities of banks declined by 11.4 percent (Rls 12.8 billion) to Rls 99.7 billion in 2009 compared to a rise of 6.9 percent (Rls 7.3 billion) in the preceding year (Table 4.6, Charts 4.8 and 4.9).

As a result of these developments, commercial banks' net foreign assets (foreign assets minus foreign liabilities) increased by 167.9 percent (Rls 69.7 billion) to Rls 111.2 billion in 2009 as compared to a decline of 2.3 percent (Rls 1.0 billion) in the preceding year.

Commercial Bank Reserves

Commercial bank reserves (cash in vault and deposits with SAMA) increased by Rls 62.9 billion or 64.8 percent to Rls 160.1 billion in 2009 as compared to a decline of Rls 11.4 billion or 10.5 percent in the preceding year. The bulk of the increase was accounted for by other deposits with SAMA, increasing from Rls 41.1 billion in 2008 to Rls 98.3 billion, or by 139.1 percent (Rls 57.2 billion) in 2009.

Statutory deposits with SAMA rose by 13.6 percent (Rls 6 billion) to Rls 50.3 billion. In contrast, cash in bank vaults went down by Rls 0.2 billion to Rls 10.9 billion. Banks' current deposits declined by Rls 0.1 billion (14.0 percent) to Rls 0.6 billion. (Table 4.7).

Commercial Banks' Capital and Reserves

Capital and reserves of banks increased by Rls 31.8 billion or 24.1 percent to Rls 163.6 billion in 2009 as compared to a rise of Rls 25.8 billion or 24.3 percent in the preceding year. Their ratio to total deposits went up from 15.6 percent in 2008 to 17.4 percent in 2009. Their ratio to total assets rose to 11.9 percent against 10.1 percent in the preceding year. Capital ratio to risk-weighted assets (Basel Standard) stood at 16.5 percent at the end of 2009, much more than the internationally prescribed standard of 8.0 percent (Table 4.8).

Resources and Uses of Commercial Banks Funds During 2009

Added financial resources represent an increase in liabilities or decrease in assets, while a decrease in liabilities or an increase in assets indicate the use of these resources. During 2009, total added financial resources worked out broadly to Rls 186.1 billion compared to Rls 243.9 billion in the preceding year, declining by 23.7 percent. The main resources of funds were concentrated in an increase of Rls 94.4 billion in bank deposits, partial liquidation of government securities by Rls 55.7 billion, and an increase in capital base by Rls 31.8 billion. Part of public agencies' liabilities amounting to Rls 3.9 billion was repaid. The private sector repaid a part of its liabilities amounting to Rls 0.3 billion.

On the uses side, commercial banks increased their cash reserves (cash in vault and deposits with SAMA) by Rls 63 billion, or 35.9 percent of total added resources. Increase in foreign assets accounted for Rls 56.9 billion or 30.6 percent of added resources. The year of 2009 witnessed payment of about Rls 12.8 billion of foreign liabilities on banks, accounting for 6.9 percent of total added resources, in addition to payment of part of other liabilities amounting to Rls 45.0 billion or 24.6 percent of total added resources. Commercial banks spent a portion of their added resources during 2009 to increase other miscellaneous assets by Rls 7.6 billion (Table 4.9).

Commercial Banks' Profits

Banks' net profits at the end of 2009 stood at Rls 26.8 billion, denoting a decline of Rls 3.1 billion or 10.4 percent from the preceding year's profits of Rls 29.9 billion. In 2008, banks' profits decreased by Rls 0.3 billion or 1.1 percent from those of 2007.



Table 4.6: FOREIGN ASSETS AND LIABILITIES OF COMMERCIAL BANKS
(End of period)

(Million Riyals)

	Amount			Change					
	2008	2009	2010*	2008		2009		2010*	
				Amount	%	Amount	%	Amount	%
Foreign Assets									
Due from foreign banks	27,231	41,201	33,174	-1,628	-5.6	13,969	51.3	-9,428	-28.4
Due from branches abroad	41,780	39,434	36,921	19,233	85.3	-2,346	-5.6	8,350	22.6
Due from others	20,089	17,947	18,563	5,268	35.5	-2,142	-10.7	-478	-2.6
Investments abroad	64,886	112,337	118,319	-16,599	-20.4	47,451	73.1	46,772	39.5
Total	153,986	210,918	206,976	6,274	4.2	56,932	37.0	45,216	21.8
Foreign Liabilities									
Due to foreign banks	45,355	41,761	53,172	-18,885	-29.4	-3,593	-7.9	17,762	33.4
Due to branches abroad	29,447	25,311	20,954	15,029	104.2	-4,135	-14.0	1,575	7.5
Due to others	37,665	32,610	31,308	11,109	41.8	-5,055	-13.4	441	1.4
Total	112,466	99,683	105,434	7,253	6.9	-12,783	-11.4	19,778	18.8
Net Foreign Assets	41,520	111,235	101,542	-979	-2.3	69,715	167.9	25,439	25.1

* End of the 1st quarter.

Chart 4.8: Foreign Assets and Liabilities of Banks

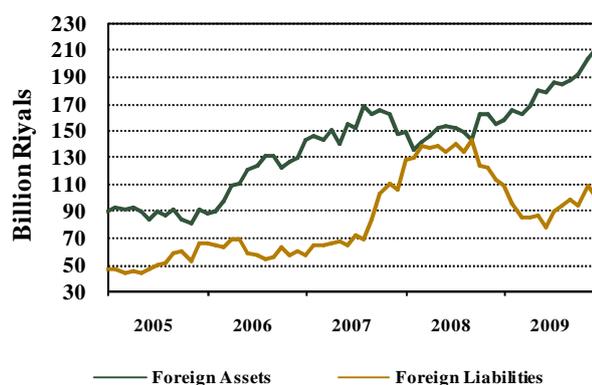


Chart 4.9: Ratio of Foreign Assets and Liabilities to Total Assets and Liabilities

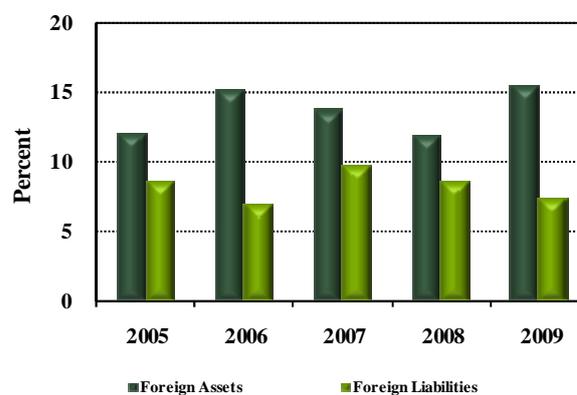


Table 4.7: COMMERCIAL BANK RESERVES
(End of period)

(Million Riyals)

	2005	2006	2007	2008	2009	2010*
Cash in vault	7,201	12,218	10,019	11,007	10,856	11,265
Deposits with SAMA:						
Current deposits	2,238	1,012	3,143	751	646	608
Statutory deposits	21,039	23,759	36,142	44,297	50,322	50,744
Other deposits	2,167	15,072	59,310	41,116	98,293	68,959
Bank reserves	32,646	52,061	108,614	97,171	160,118	131,575
Ratios (%) to bank deposits						
Cash in vault	1.2	1.7	1.2	1.2	1.2	1.2
Deposits with SAMA:						
Current deposits	0.4	0.1	0.4	0.1	0.1	0.1
Statutory deposits	3.6	3.3	4.3	4.7	5.4	5.5
Other deposits	0.4	2.1	7.0	4.4	10.5	7.5
Bank reserves	5.5	7.3	12.8	10.3	17.0	14.3

* End of the 1st quarter.



Table 4.8: CAPITAL AND RESERVES OF COMMERCIAL BANKS

(End of period)

(Million Riyals)

	2005	2006	2007	2008	2009	2010*
Capital and reserves	66,608	79,947	106,026	131,822	163,642	182,787
Capital and reserves as a ratio of:						
Bank deposits	11.3	11.1	12.5	14.0	17.4	19.9
Total assets	8.8	9.3	9.9	10.1	11.9	13.3
Risk-weighted assets to capital ratio (Basel Standard)	17.8	21.9	20.6	16.0	16.5	16.7

* End of the 1st quarter.

Table 4.9: SOURCES AND USES OF COMMERCIAL BANK FUNDS DURING 2009

(Billion Riyals)

Sources of Funds	Amount	% Share	Uses of Funds	Amount	% Share
Bank deposits	94.4	50.7	Cash reserves	63.0	33.9
Capital base	31.8	17.1	Foreign liabilities	12.8	6.9
Claims on private sector	0.3	0.2	Foreign assets	56.9	30.6
Liquidated Securities	55.7	29.9	Miscellaneous assets	7.6	4.1
Liabilities to public sector	3.9	2.1	Other liabilities	45.8	24.6
Total	186.1	100.0	Total	186.1	100.0

Number of Banks and their Branches

The number of commercial banks operating in the Kingdom in 2009 stood at 20, including branches of the National Bank of Kuwait, Deutsche Bank, Muscat Bank, National Bank of Bahrain and J.P. Morgan Bank. The number of bank branches went up by 109 to 1,519 over the preceding year. Distribution of bank branches by administrative regions shows that Riyadh accounted for 451 branches (29.7 percent of the total), Makkah 345 branches (22.7 percent), the Eastern Region 283 branches (18.6 percent), Al-Qassim 96 branches (6.3 percent) and Al-Madinah 69 branches (4.5 percent) (Table 4.10).

Banking Technology Developments in 2009

– Clearing House Operations

The number of commercial and personal checks cleared through the clearing houses in the Kingdom went down by 2.4 percent to 6,198 thousand in 2009. Their value decreased by 2.2 percent from Rls 526.1 billion in 2008 to Rls 514.5 billion in 2009. During 2009, average check value went up by 0.2 percent from Rls 82,815 in 2008 to Rls 83,004 in 2009.

The number of checks cleared at the main automatic clearing houses decreased at Riyadh by 1.7 percent to 2.3 million, at Jeddah by 4.6 percent to 1.4 million and at Al-Dammam by 1.2 percent to 1.7 million. The number of checks cleared in other cities also went down (except in Al-Ta'if): in Buraydah by 1.4 percent to 248.1 thousand, Makkah by 7.0 percent to Rls 127.4 thousand, Jazan by 6.0 percent to 24.4 thousand, Abha by 4.6 percent to 153.4 thousand, Tabuk by 3.5 percent to 53.9 thousand and Al-Madinah by 1.6 percent to 164 thousand. In contrast, automatically cleared checks in Al-Ta'if clearing house increased by 1.4 percent to 46 thousand (Chart 4.10).

– Saudi Payments Network (SPAN)

During 2009, SPAN witnessed several achievements, with continued growth in the size of transactions carried out through automated teller machines (ATMs), points of sale terminals (POS) and banking cards. SPAN continued to utilize the best technologies to provide speedy electronic services with accuracy and safety. SPAN recorded a positive growth

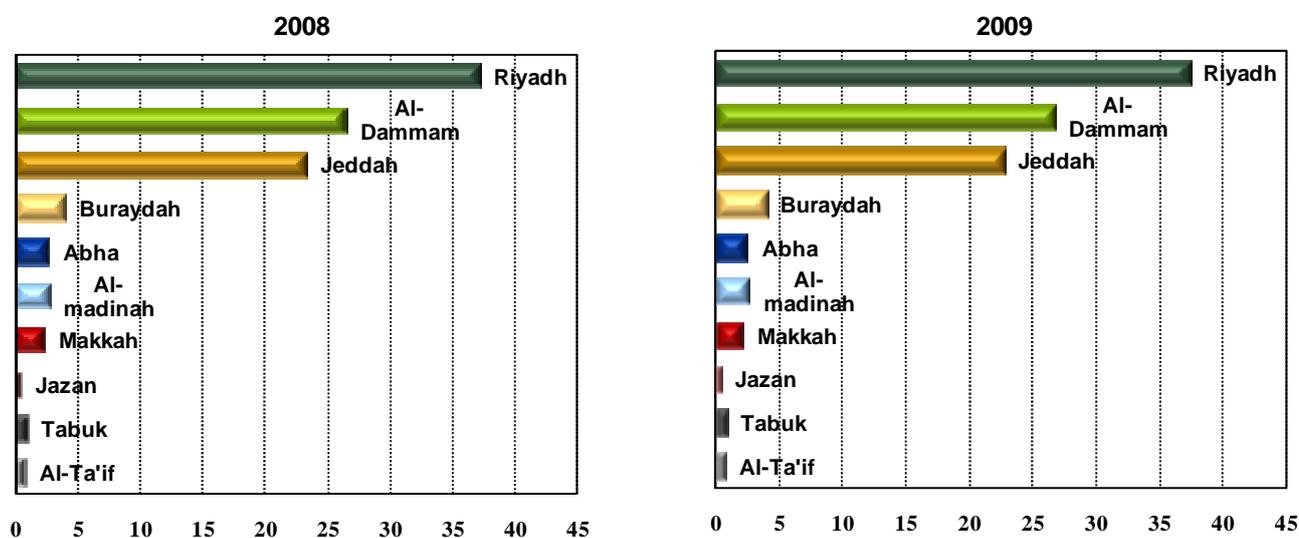


Table 4.10: BRANCHES OF BANKS CLASSIFIED BY ADMINISTRATIVE REGIONS

(End of period)

	Eastern							Northern						Total
	Riyadh	Makkah	Madinah	Region	Qassim	Asir	Tabouk	Hail	Border	Jawf	Jazan	Najran	Bahah	
2009														
Q1	430	321	66	264	93	89	35	28	12	18	31	19	24	1,430
Q2	433	327	68	268	94	91	37	28	12	18	31	19	24	1,450
Q3	442	335	69	275	94	93	37	28	12	20	33	19	24	1,481
Q4	451	345	69	283	96	96	39	28	13	20	34	20	25	1,519
2010														
Q1	459	352	69	287	97	96	40	28	13	20	34	20	25	1,540

Chart 4.10: Percent Shares of Commercial and Personal Cheques Cleared by City



in all its operations during 2009. The number of operating ATMs increased by 11.9 percent to 9,950 compared to a rise of 17.9 percent in the preceding year. The number of ATM cards issued rose by 10.9 percent to 13.7 million compared to an increase of 11.4 percent in the preceding year (Table 4.11).

The number of transactions carried out by SPAN in 2009 rose by 10.2 percent to 373 million as compared to a rise of 21.3 percent in the preceding

year. The value of withdrawals increased by 7.2 percent to Rls 197.8 billion compared to a rise of 24.6 percent in the preceding year. The number of transactions executed through the banks' network rose by 6.7 percent to 568.7 million compared to a rise of 41.2 percent in the preceding year, raising the value of cash withdrawals through the banks' network by 9.7 percent to Rls 213.5 billion compared to a rise of 21.1 percent in the preceding year. As a result, total number of transactions carried out by ATMs rose by 8.1 percent



Table 4.11: ATMs STATISTICS

Year	No. of ATMs	No. of Issued ATM Cards	No. of Operations (Million)			Cash withdrawals (Million Riyals)		
			(SPAN)	Banks' network	Total	SPAN	Bank's Network	Total
2005	4,588	8,041,886	205,445	327,758	533,203	108,225	137,677	245,902
2006	6,079	9,971,521	248,567	378,145	626,712	128,761	150,341	279,101
2007	7,543	11,104,901	278,913	377,578	656,491	148,050	160,684	308,734
2008	8,893	12,366,441	338,355	533,178	871,533	184,442	194,567	379,009
2009	9,950	13,712,905	372,974	568,727	941,701	197,769	213,516	411,285
2010*	10,216	11,480,840	98,888	156,719	255,608	52,384	59,479	111,863

* End of the 1st quarter.

to 941.7 million and their cash withdrawals increased by 8.5 percent to Rls 411.3 billion (Table 4.11 and Chart 4.11). It is worth mentioning that the share of SPAN's transactions in ATMs stood at 39.6 percent against 60.4 percent in the banks' network.

Transactions through POS terminals witnessed significant growth during 2009. The number of POS terminals rose by 14.2 percent to 82,620 compared to a rise of 17.5 percent in the preceding year. The number of operations through POS terminals went up by 3.4 percent to 124.8 million compared to a rise of 21.4 percent in the preceding year. Sales through POS terminals rose by 9.4 percent to Rls 56.3 billion compared to a rise of 30.4 percent in the preceding year (Table 4.12 and Chart 4.12), indicating reliance of customers on SPAN services and their enhanced confidence in the use of modern banking technology.

The growth achieved by SPAN and its users increased interest in carrying out their banking transactions electronically could be the factor which motivated banks to exert efforts in order to create more electronic channels, and undertake many upgrading and modernization processes to provide modern electronic services. The coming era will witness comprehensive development and modernization of the banking sector's payments systems and their infrastructure. New concepts and technologies will be introduced at the level of the payments systems and services provided.

– **Saudi Arabian Riyal Interbank Express (SARIE)**

SARIE has made further progress in electronic banking and commercial transactions as it constitutes the infrastructure upon which a number of sophisticated

Chart 4.11: Automated Teller Machine Statistics

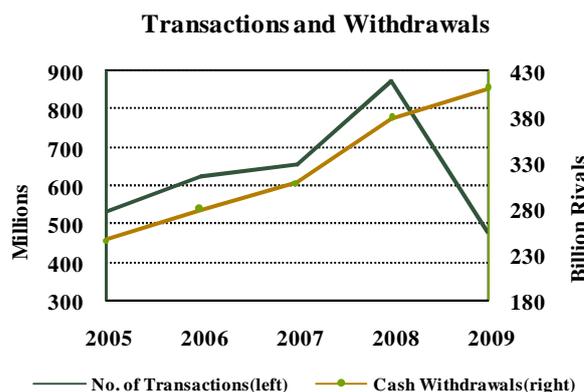
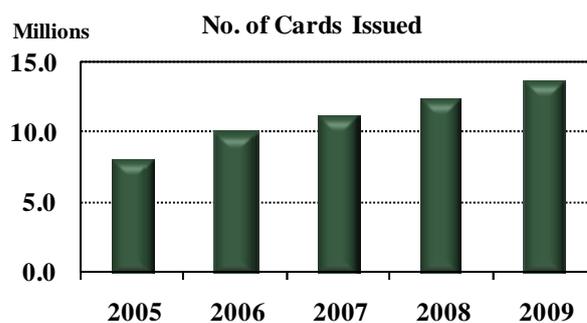
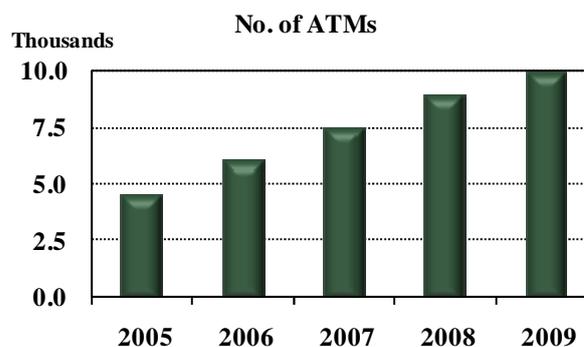


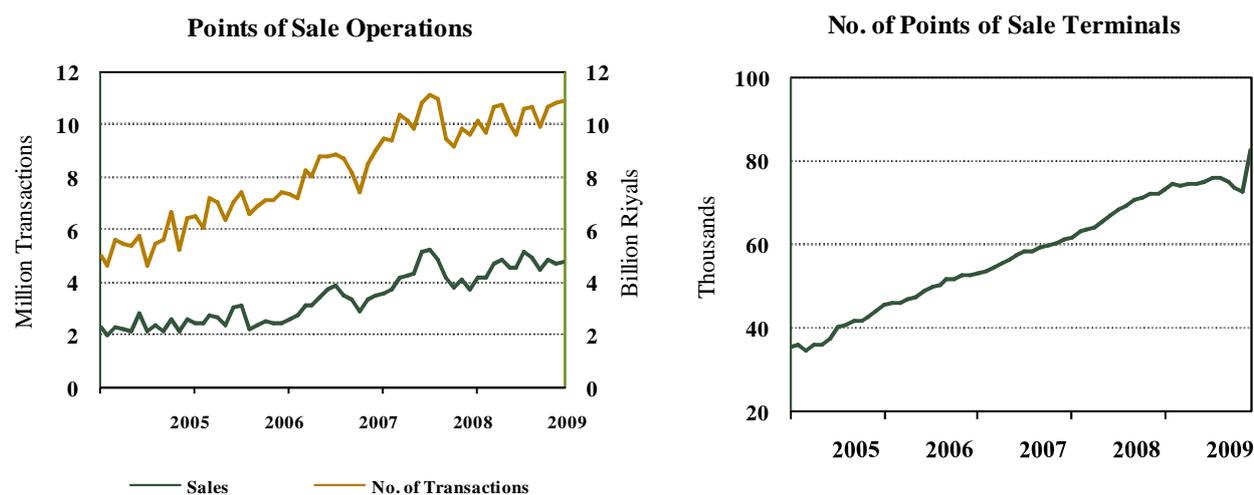


Table 4.12: POS STATISTICS

Year	Sales (In Million Riyals)	No. of Operations (Thousand)	No. of POS terminals
2005	28,076	66,127	44,253
2006	30,966	83,132	52,784
2007	39,431	99,435	61,557
2008	51,403	120,684	72,351
2009	56,256	124,830	82,620
2010*	16,131	34,517	82,086

* During the 1st quarter.

Chart 4.12



financial payment and settlements systems depend. Since coming into operation in 1418H (1997), SARIE has gone through a period of transformation in terms of technical and operational technology at SAMA and banks. Currently, 20 banks are participating in SARIE. National Bank of Pakistan, State Bank of India, T.C. Ziraat Bank and J.B. Morgan will join SARIE during 2010.

Total number of transactions executed through SARIE went up by 3.8 percent to 32,829 thousand during 2009 against a rise of 27.4 percent in the preceding year. Total value of transactions increased by 70.5 percent to Rls 61,234 billion as compared to a rise of 6.5 percent in the preceding year. A breakdown by customer's gross and single transactions conducted through SARIE shows that the number of single transactions rose by 12.4

percent to 2,622 thousand. Their value increased by 4.0 percent to Rls 2,176 billion. The number of gross transactions rose by 2.8 percent to 27,982 thousand and their value decreased by 0.3 percent to Rls 717 billion. The number of other transactions rose by 7.1 percent to 1.9 million compared to a rise of 69.1 percent in the preceding year. Their value decreased by 51.5 percent to Rls 17 billion compared to an increase of 25.2 percent in the preceding year. The number of Interbank transactions carried out by individuals rose by 1.3 percent to 266 thousand in 2009 and their value increased by 76.7 percent to Rls 58,281 billion. The number of inter-bank gross transactions through SARIE also went up by 22.3 percent to 77 thousand whereas their value decreased by 46.4 percent to Rls 42 billion (Tables 4.13A and 4.13B and Chart 4.13).



Table 4.13 A: NUMBER OF SARIE TRANSACTIONS

(Thousand transaction)

Period	Customer Payments			Inter-banks Payments			Others (3)	Total (1+2+3)
	Bulk	Single	Total (1)	Bulk	Single	Total (2)		
2005	16,799	1,147	17,946	33	164	197	285	18,428
2006	18,517	1,495	20,011	53	196	248	527	20,787
2007	21,767	1,722	23,488	61	245	306	1,039	24,833
2008	27,221	2,332	29,553	63	263	326	1,757	31,636
2009	27,982	2,622	30,604	77	266	343	1,882	32,829
2010*	6,718	698	7,416	19	58	77	404	7,898

* During the 1st quarter.

Table 4.13 B: VALUE OF SARIE TRANSACTIONS

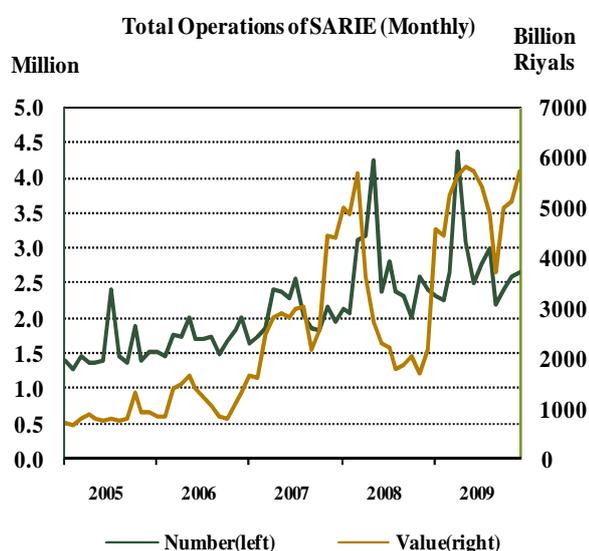
(Billion riyals)

Period	Customer Payments			Inter-banks Payments			Others** (3)	Total (1+2+3)
	Bulk	Single	Total (1)	Bulk	Single	Total (2)		
2005	380	1,012	1,391	117	8,630	8,747	8	10,146
2006	441	1,204	1,646	108	12,077	12,185	10	13,840
2007	550	1,321	1,871	73	31,730	31,803	29	33,703
2008	719	2,092	2,812	79	32,979	33,058	36	35,906
2009	717	2,176	2,893	42	58,281	58,323	17	61,234
2010*	199	510	709	12	16,622	16,634	69	17,412

* During the 1st quarter.

** Including direct debit transactions and SAMA's claims on banks.

Chart 4.13: SARIE Transactions



– SADAD Payment System (SADAD)

SADAD is one of SAMA's systems which entered into operation in October 2004; it is a central system for presenting and paying bills and other payments electronically. Its main objective is to facilitate and accelerate payment of bills and other user payments through all banking channels in the Kingdom (bank branches, ATMs, Telephone Banking and the internet). The number of billers connected to SADAD stood at 80 at the end of 2009. The number of banks linked to the System reached 13 for the same period. Total number of transactions executed during 2009 stood at 67.7 million with a total value of Rls 43.7 billion.

– Digital System for customers' account numbers "IBAN"

At the beginning of 2006, Saudi Arabian Monetary Agency began to work on the organization



of account numbers of bank customers in accordance with the internationally recognized organization standards as contained in the document of the International Organization for Standardization (ISO 13616 IBAN). One of the key achievements of the organization of digital customer accounts "IBAN" is the international standardization for encoding and the length of the digits of bank account number, which increases the efficiency of banks in the conduct of international incoming and outgoing remittances.

The project has been completed successfully, and its use has been binding to all banks in the Kingdom and their customers, starting from the first of September 2009. All public and private sectors are also committed to use it on their financial systems related to the accounts of customers (such as payroll and periodic dues).

The Institute of Banking (IOB)

SAMA's Institute of Banking (IOB) has continued its march in offering cognitive solutions to the financial services sector, including banks, insurance and investment companies.

The year of 2009 was marked by the continued entry of new financial institutions into the market and the expansion in the activities of existing financial institutions. Hence, the need arose for qualifying new graduates to work in these institutions in addition to promoting the qualifications of their employees to confront challenges.

The year of 2009 witnessed remarkable growth in the numbers of participants in the qualification programs for new graduates, contributing to fulfilling part of the financial sector's needs. The IOB played an important role in training the employees of new financial institutions to understand the strategies and

goals of these institutions and to inculcate their respective culture in their minds. Moreover, the Institute offered several educational programs represented in diploma programs as well as standard tests, which constitute part of educational criteria to obtain professional certificates. In general, 2009 witnessed a quantum leap in the services provided by the Institute of Banking in terms of broadening the base of the services of the Institute, and including new segments of beneficiaries, both at the level of individuals or institutions. The year 2009 also witnessed signing a number of agreements by IOB with government and private institutions to implement educational and training programs .

In line with the evolution in the nature of the banking business and the change of its requirements, a Women's Training Center was opened in the beginning of 2008 as the need arose to provide training services to of female workers in the banks to provide them with needed knowledge and skills in the areas of banking, leadership, management, financial systems and professional certificates.

The IOB continued its own efforts through organizing programs which included open courses, qualification programs, courses that are part of diploma programs, English language courses, symposia, standard tests and international tests. In 2009, the IOB offered a total of 1,013 activities from which 15,218 participants benefited, the bulk of the participants was accounted for by open courses with 6,639 participants; 5,024 joined standard tests of Tadawul, investment principles and accidents surveyor programs, 398 joined preparatory and developmental programs (qualification programs), 1,813 joined diploma programs of courses and workshops. Details of these activities are given below and also in Table 4.14.

Table 4.14: The IOB's Activities during 2009

Program	No. of Courses	No. of Participants
Open courses	527	6,639
Prep and development programs (qualification programs)	21	398
Diploma programs (including workshops)	18	1,813
Standard tests	353	5,024
English Language programs	89	1,030
Saudi Economists Training Programs	1	8
Conferences	1	306
Research works	3	---
Total	1,013	15,218



– Preparatory and Developmental Programs (qualification programs)

The preparatory program aims at preparing new staff of university graduates to work as bank branch managers, while the comprehensive qualification program aims at attracting university graduates and educating them according to the requirements of a bank. A credit program in the English language is also offered to introduce them to various aspects of corporate banking with regard to credit and corporate finance to university graduates. In this context, the IOB also provided a range of developmental programs, including investment, management training, basic intermediate program, managers of the future and Shariah-compliant banking finance programs.

– Professional Diploma Programs

Professional diploma programs include Diploma Program of Personal Financial Planning, which is designed to contain six courses and a workshop ending in a final exam covering all courses. The program aims at qualifying Saudi cadres professionally to give sound financial advice based on scientific bases to middle-income clients to help them to plan for their financial future in a fully considered manner followed up by a personal financial planner.

The professional diploma programs also include Diploma Program on Portfolio Management. This program contains four advanced courses in the area of investment for customers with high wealth. It also contains a workshop ending with final comprehensive exam covering all courses. A graduate from this program gets a certificate in the management of wealth called “Accredited Wealth Manager”.

The third professional diploma program is the Program on Insurance Basics Diploma. The demand is expected to increase for this diploma in the foreseeable future in light of the increased number of licensed insurance companies to work in this area which would be in need of qualified staff to serve their clients. The new standard tests and preparatory introduction courses for these tests, which will be approved by the authority supervising the insurance market, will lead to a significant increase in the number of specialized courses and programs designed to qualify cadres to work as insurance brokers, advisors, surveyors and loss adjusters.

– Specialized Diplomas

During 2009, the IOB organized courses on Financial and Banking Business Diploma, Marketing and Sale Diploma, and Insurance Diploma, in continuation of the process that the Institute started in

2003, providing evening diploma programs to properly qualify Saudi high school graduates for working in financial and banking sectors.

– Standard Tests

The IOB continued to support supervisory authorities’ desire through holding standard tests. The demand of applicants for the Test on Tadawul and basic exam for investment continued to increase in 2009.

– The Banker Program for University Graduates and Diploma Holders

The Banker Program is sponsored by SAMA and domestic banks. The program aims at qualifying Saudi youth to work in the banking sector, meeting the need of banks for qualified and efficient cadre and enhancing the growth of the national economy by providing necessary cadres of high caliber.

It is noteworthy that the banker program is provided with no fees as participating banks have guaranteed to pay the program fees which amount to Rls 18 million a year.

– Saudi Economists Training Program

During 2009, the IOB continued to work with the Department of Economic Research and Statistics in SAMA for attracting an outstanding group of qualified Saudi youth for on-job training through enrolling them in the Saudi Economists Training Program. This program is a prerequisite for a scholarship program for studying abroad to obtain master's and doctorate degrees in economics and working with SAMA thereafter.

– English Language Courses

The English Language Studies Unit continued to introduce various types of open and closed courses during 2009. It organized 89 courses which were attended by 1,030 participants.

– Conferences, Symposia and Applied Research

During 2009, the IOB organized three symposia entitled “Import Credit Insurance and Finance”, the annual symposium on “Compliance and Money Laundering Combating”, and “Risk Management in Variable Environment”.

Banking Developments in the First Quarter of 2010

According to the commercial banks’ consolidated balance sheet for the first quarter of 2010, total assets went up by 0.5 percent (Rls 7.2 billion) to Rls 1,377.4 billion as compared to a higher increase of 1.7 percent (Rls 21.7 billion) during the corresponding period of the preceding year (Table 4.1).



Total bank deposits went down by 2.1 percent (Rls 19.9 billion) to Rls 920.7 billion during the first quarter of 2010 compared to an increase of 4.3 percent (Rls 36.6 billion) during the first quarter of 2009. The ratio of total deposits to total assets was 66.8 percent at the end of the first quarter of 2010 as compared to 66.7 percent at the same time of the preceding year (Table 4.2).

A breakdown of deposits by type indicates a rise in demand deposits by 4.4 percent (Rls 19.0 billion) as compared to an increase of 10.0 percent (Rls 34.4 billion) during the first quarter of 2009. Time and savings deposits declined by 3.0 percent (Rls 9.7 billion) as compared to a decrease of 3.1 percent (Rls 11.2 billion) during the first quarter of the preceding year. Other quasi-monetary deposits also went down by 15.9 percent (Rls 29.2 billion) as compared to a rise of 9.8 percent (Rls 13.4 billion) during the first quarter of 2009.

A breakdown of deposits by sectors shows that private sector deposits decreased by 0.2 percent (Rls 1.7 billion) as compared to a growth of 0.7 percent (Rls 4.5 billion) during the corresponding period of the preceding year. Public sector deposits declined by 8.3 percent (Rls 18.1 billion) as compared to a rise of 18 percent (Rls 32.1 billion) during the first quarter of 2009.

A distribution of deposits by currency indicates that the foreign currency deposits went down substantially by 18.5 percent (Rls 29.8 billion) as compared to a rise of 12.2 percent (Rls 13.7 billion) during the same period of the preceding year. Domestic currency deposits rose by 1.3 percent (Rls 9.9 billion) as compared to a growth of 3.1 percent (Rls 23 billion) during the first quarter of 2009.

As for banks' credit and investment activity, total bank claims on the private and public sectors increased during the first quarter of 2010 by 4.6 percent (Rls 42 billion) to Rls 959.9 billion as compared to a decline of 3.6 percent (Rls 35.5 billion) during the corresponding quarter of the preceding year. Consequently, total bank claims on the two sectors at the end of first quarter 2010 constituted 104.3 percent of total deposits as compared to 106.7 percent during the first quarter of 2009. Sector-wise developments indicate that total bank claims on the public sector (loans to public sector enterprises and investment in government securities) increased by 16.7 percent (Rls 30.4 billion) as compared to a decline of 12.0 percent (Rls 29 billion) in the same period of the preceding year. Thus, total bank claims on the public sector during the first quarter of 2010 represented 23.1 percent of total deposits as compared to 24.1 percent during the first quarter of 2009. Total bank claims on the private

sector also went up by 1.6 percent (Rls 11.5 billion) as compared to a decline of 0.9 percent (Rls 6.4 billion) during the same period of the preceding year. Therefore, they constituted 81 percent of total deposits during the first quarter of 2009 as compared to 82.5 percent during the first quarter of 2009 (Table 4.3).

A review of bank credit classified by maturity shows that short-term credit (less than one year) rose by 0.4 percent (Rls 1.9 billion) as compared to a rise of 0.9 percent (Rls 4.3 billion) during the same period of the preceding year. Medium-term credit (from one to three years) went up by 0.7 percent (Rls 0.8 billion) as compared to a decrease of 6.5 percent (Rls 6.8 billion) during the same period of the preceding year. Long-term credit (for more than three years) also went up by 4.3 percent (Rls 7.3 billion) as compared to a decline of 1.9 percent (Rls 3.1 billion) during the same period of the preceding year.

Total foreign assets of commercial banks declined in the first quarter of 2010 by 1.9 percent (Rls 3.9 billion) to Rls 207 billion as compared to a rise of 5.0 percent (Rls 7.8 billion) in the first quarter of 2009. Total foreign liabilities increased by 5.8 percent (Rls 5.8 billion) to Rls 105.4 billion as compared to a decrease of 23.8 percent (Rls 26.8 billion) in the first quarter of 2009. Thus, net foreign assets of commercial banks went down by 8.7 percent (Rls 9.7 billion) to Rls 101.5 billion as compared to a rise of 83.3 percent (Rls 34.6 billion) in the first quarter of 2009 (Table 4.6).

As for reserves, total cash in vault and deposits with SAMA went down by 17.8 percent (Rls 28.5 billion) to Rls 131.6 billion as compared to a rise of 41.9 percent (Rls 40.7 billion) in the first quarter of 2009. The ratio of total bank reserves to total bank deposits stood at 14.3 percent at the end of first quarter 2010 as compared to 15.6 percent during the first quarter of 2009. The decline was accounted for by deposits with SAMA, which went down by Rls 29 billion. In contrast, cash in vault went up by Rls 0.4 billion (Table 4.7).

During the first quarter of 2010, banks boosted their capital and reserves by Rls 19.1 billion or 11.7 percent to Rls 182.8 billion as compared to a rise of Rls 35.3 billion or 26.8 percent during the same period of the preceding year. The capital adequacy ratio (Basel Standard) was 16.5 percent during the first quarter of 2010 compared to 15.9 percent at the end of the same period of the preceding year (Table 4.8). Banks also realized profits of Rls 6.9 billion in the first quarter of 2010 compared to Rls 8.2 billion in the corresponding period of the preceding year.



The number of banks' branches operating in the Kingdom stood at 1,540 at the end of the first quarter of 2010 as compared to 1,430 at the end of the same period of the preceding year. The rise was accounted for by the Riyadh Region (8 branches), Makkah Region (7 branches) the Eastern Region (4 branches), in addition to 1 branch in each of Al-Qassim, and Tabuk (Table 4.10).

In the area of banking technology, the number of ATMs went up by 266 to a total of 10,216 in the first quarter of 2010 as compared to a rise of 265 in the same period of the preceding year. The number of ATMs' cards went down by 2,232.3 thousand to 11.5 million as compared to a rise of 70.9 thousand in the first quarter of the preceding year. Cash withdrawals through ATMs amounted to Rls 111.9 billion during the first quarter of 2010 as compared to Rls 95.5 billion during the same period of the preceding year. The cash withdrawals made through banks' network stood at Rls 59.5 billion while cash withdrawals made through

SPAN amounted to Rls 52.4 billion. Total withdrawal transactions went down by 12.9 million to 226.0 million as compared to a rise of 21.7 million in the first quarter of 2009 (Table 4.11).

The number of POS terminals went down by 534 to a total of 82.1 thousand in the first quarter of 2010 as compared to a rise of 1,940 in the same period of the preceding year. The value of sales made through POS terminals amounted to Rls 16.1 billion as compared to Rls 13.2 billion in the same quarter of the preceding year (Table 4.12).

The value of transactions carried out through SARIE System amounted to Rls 17,412 billion in the first quarter of 2010 as compared to Rls 14,232 billion in the same quarter of 2009. The number of transactions amounted to 7,898 thousand as compared to 7,234 thousand in the same period of the preceding year (Table 4.13A and Table 4.13B)■



SAMA continued to enhance its supervisory role and control over banks and insurance companies during 1430H (2009) and the first quarter of 2010. It issued directives and control measures and conducted supervisory visits and examinations to improve the performance of these institutions, mitigate their risks, and enhance their solvency. The following is a review of the most important measures taken in 2009:

First: Regulatory and Legislative Developments during 2009:

SAMA's regulatory efforts represent one of the pillars of its supervisory oversight over the banking sector. To this end, the following supervisory instructions and circulars were issued during the year.

- a. Circular No. BCS/99 dated 29/1/1430H (26/1/2009) regarding Basel Consultative Draft on amendments of Basel II Revisions and Guidance Related to Capital for Trading Book.
- b. Circular No. BCS/94 dated 28/1/1430H (25/1/2009) regarding Basel Committee Guidance: Principles for Sound Stress Testing Practices and Supervision.
- c. Circular No. 277/M A SH dated 25/3/1430H (22/3/2009) regarding compliance by banks not to impose charges or commissions (regardless of their names) on accounts of government employee salaries and student allowances.
- d. Circular No. 207/M A SH dated 5/3/1430H (2/3/2009) regarding the confidentiality of financial data.
- e. Circular No. BCS/422 dated 25/4/1430H (21/4/2009) concerning "SAMA's approval of opening special purpose entities supervised by banks".
- f. Circular No. 842/BCS/43936 dated 5/9/1430H (26/8/2009) concerning continued practice of granting financial compensations to banks' senior directors.
- g. Circular No. 854/BCS/44392 dated 9/9/1430H (30/8/2009) regarding the paper issued by the Basel Committee in May 2009, requesting the follow-up of remittances by implementing Financial Action Task Force's (FATF's) recommendations.
- h. Circular No. 44978/M A SH/863 dated 12/9/1430H (2/9/2009) requiring banks to ensure that the necessary requirements for opening or updating accounts for money-changers, and verifying the validity of their licenses are met.
- i. Circular No 1046/MASH dated 23/11/1430H (11/11/2009) concerning the amendment of the form of the provisional Bid Bond and its validity extension request form.
- j. Circular No. 59547/M A SH dated 27/12/1430H (14/12/2009), based on Royal Decree No. M/49

dated 18/9/1430H concerning allowing any licensed bank in the Kingdom to establish a company by one person to be fully owned by the bank.

- k. Circular No. 1054/BCS dated 26/11/1430H (14/11/2009) including a report on Special Purpose Institutions.
- l. Circular No. 58209/M A SH dated 19/12/1430H (6/12/2009) concerning Commercial Credit Reports.
- m. Circular No. 58210/M A SH dated 19/12/1430H (6/12/2009) concerning registration system of flash checks in SIMAH.
- n. Circular No. 560/BCS dated 9/1/1431H (26/12/2009) concerning Basel Committee Guidance: Principles for Sound Stress Testing Practices and Supervision – May 2009.
- o. Circular No. 561/BCS dated 9/1/1431H (26/12/2009) including Basel Committee Papers of Relevance to Saudi banks.
- p. Circulars No. 559/BCS dated 9/1/1431H (26/12/2009) and No. 849/BCS dated 11/1/1431H (28/12/2009) concerning Basel Committee Papers on Basel II Framework.
- q. Circular dated 5/11/1430H (24/10/2009) concerning commitment to accept and cash the new issue of checks in Saudi riyal.

Second: Risk Based Supervision and Review Visits

During 2009, SAMA continued to reinforce its Risk Based Supervisory Approach and Methodology first introduced in 2005. For this purpose, a Risk Based Supervision Guidance Manual was prepared with detailed procedures. Currently, this manual is being revised and enhanced so as to include elements that are related to the Internal Capital Adequacy Assessment Plan (ICAAP). The ICAAP procedures were completed at the end of 2008 to enable banks to submit their own ICAAP documents. The ICAAP document includes an analysis of all risks related to (Pillar 1) and (Pillar 2).

The Risk Based Supervisory Framework has been designed in line with the concept that all supervisory work, whether off-site or on-site, should be directed towards the preparation of a single Risk Profile of a bank documenting their assessments related to credit, market, operational risks; and other risks related to (Pillar 2- capital adequacy standard), including strategic, liquidity, interest rate, concentration, and reputation risks, etc. Included under the category of risk mitigators are such elements as the effectiveness of the board, the audit committee, senior management, financial analysis, operational management, risk management, internal audit and compliance functions. The assessment of risk and risk mitigators leads to the assessment of net risk position of the bank. Further factors taken into account include the



capital strength of the bank and its earnings to be subject to a Composite Risk Rating which, in turn, boosts the supervisory process and contributes to comprehensive planning of both off-site and on-site supervisory work.

During 2009, SAMA continued its program of supervisory visits to all banks and financial leasing companies operating in the Kingdom. Such visits are made periodically to all domestic banks and branches of foreign banks in the Kingdom as well as their head offices and the regulatory and supervisory authorities in their home countries. The visits encompass formal bilateral meetings between the supervisory team and the chairman of the board, chairman of the audit committee and the senior management of the domestic banks and the parent banks of foreign bank branches.

Basic aspects of these bilateral meetings include discussions on the bank's strategies, operations, risk profile, method of risk management, the bank's internal control techniques, etc. These bilateral meetings enable the supervisory staff of SAMA to update their assessments of the Risk Profile of banks.

The supervisory team pays visits to the head offices of foreign banks, operated in the Kingdom and to the regulatory and supervisory authorities in their home countries. Their visits facilitate the regulatory and supervisory relation between the domestic and foreign authorities. They also enhance SAMA's supervisory team's understanding of the supervisory functions practiced by these head offices to ensure better governance and risk management. The supervisory team includes members related to both the on-site and off-site supervision to ensure an integral supervisory work.

Third: Progress of Implementation of Basel II

In June 2004, the Basel Committee on Banking Supervision issued a new international banking standard entitled: "International Convergence on Capital Measurement and Capital Standard". This standard, commonly known as Basel II, sets a new minimum capital advancing ratio calculated on the basis of risk consideration. It revised the 1988 Capital Accord, by introducing more risk-sensitive capital requirements for various risks, including credit, market and operational risks, as well as other risks i.e. liquidity, interest rate and reputational risks, etc. It also introduced the concepts of capital adequacy, target and buffer capital and capital requirements under stress conditions.

In Saudi Arabia, the 1988 Capital Accord was introduced by SAMA through a Supervisory Guidance

in 1992. The implementation of this international standard permitted SAMA to supervise Saudi banks' capital adequacy against this global yardstick and allowed comparisons with international banks. Throughout the period 1995-2009, Saudi banks maintained a high level of capital adequacy averaging 19.25 percent, against the minimum required level of 8 percent. In 2009, the ratio declined to 16.5 percent following the introduction of Basel II.

As a member of the Basel Committee's International Liaison Group, SAMA was an active member, contributing to the development of the Basel II Framework. This had also permitted the Agency to be fully involved in the consultation process relating to development and to ensure that Saudi banks fully participated in this process. Since June 2009, SAMA has become a member of the Basel Committee for Banking Supervision (BCBS) from which have stemmed a number of committees, sub-committees, working groups and work streams that are continuously involved in developing or refining global banking and supervision standards. SAMA is actively participating in various working groups and committees that are focusing on refining and enhancing Basel II as well as other international standards.

The Basel II framework has 3 components i.e. Pillar 1, Pillar 2, and Pillar 3. In this regard, Pillar 1 addresses credit, market and operational risks. Pillar 2 deals with the Supervisory Review Process and requires banks to identify, measure and monitor all other risks such as additional Pillar 1 risks, liquidity, macro-economic, interest rate, reputational risks, etc. It also includes the Internal Capital Adequacy Assessment Plan (ICAAP) process which requires a bank to establish its target capital levels and identify capital buffers on an ongoing future basis. Pillar 3 deals with transparency and market discipline and covers minimum disclosures with regard to capital, financial statements, annual reports and the website of the bank.

SAMA required all Saudi banks to implement Basel II framework on 1st January 2008. The main reason for applying Basel II to the Saudi banking system was not due to any concerns about capital adequacy, but rather to promote and strengthen risk management systems and processes and to ensure greater transparency for enhancing market discipline. SAMA expects Saudi banks to maintain their leading position among international financial institutions that are fully applying Basel II.

Following the announcement of Basle II standard in June 2004, SAMA took several steps and measures



to ensure an early implementation of Basel II in Saudi Arabia on 1 January, 2008, as explained in SAMA's previous annual report. SAMA continued to take necessary steps to reinforce the effectiveness of Basel II standard by issuing a number of Basel Committee Documents related to Basle II in 2009. These included Risk Management Framework, Guidelines for Computing Capital for Incremental Risk in Trading Book, Analysis of Trading Book, Strengthening the Resilience of the Banking Sector, International Framework for Liquidity Risk Measurement, Principles for Sound Stress Testing Practices and Supervision, Practices and Issues in Economic Capital Framework, etc.

For the implementation of Pillar 1, and to ensure a complete transition from the 1988 Capital Accord, SAMA issued a number of guidance documents including Prudential Returns, and SAMA also provided specific guidance in areas of national discretion to help banks in selecting the options available under Basle II. SAMA also conducted Parallel runs for a 6-month period (July-December 2007).

On first January, 2008, all licensed Saudi banks made the full transition to Basel II, and, accordingly, Pillar 1 was fully implemented with regard to credit, market and operational risks. Consequently, from March 2008 onwards, all banks have been submitting detailed Prudential Returns covering credit risk, market risk and operational risk capital requirements and risk weighted assets, on a quarterly basis, using the Standardized Approach. Banks have also chosen the Standardized Approach for market risk and the Basic Indicator and Standardized Approach for operational risk. Also, most banks have developed plans to move forward to more sophisticated approaches i.e. the Foundation and Advanced Internal Ratings Based Approach by 2012. SAMA has received detailed plans including timelines from the banks for this transition.

Saudi banks under the guidance of SAMA have created a National Data Pooling (NDP) arrangement under the auspices of SIMAH (The Saudi Credit Information Bureau). The project commenced in 2004 and banks started to submit their own financial and credit related information relating to their exposures in their various wholesale portfolios. In this respect, data analysis and validation have commenced, and the first set of reports on the Probability of Default (PD's) are expected to be issued soon. Once fully operational, banks will benefit from the data provided by the NDP for benchmarking and validating their internal credit risk estimates such as Probability of Default (PD) and Loss Given Default (LGD).

SAMA issued specific guidance on Pillar 2 risks and the Internal Capital Adequacy Assessment Plan (ICAAP). The Pillar 2 component of Basel II involves the verification and monitoring of capital adequacy of banks in relation to their risk taking activities. It also encourages the strengthening of risk management processes and systems and to adopt more proactive planning practices of capital and management. The full transition to Pillar 2 was completed by the end of 2008 through the implementation of the ICAAP process, and banks began submitting an ICAAP document annually. The ICAAP is a significant document from the perspective of both management and the regulator; it brings together in one place the capital requirements for strategies, business plans, acquisitions, dividend policy, and all additional Pillar 1 and Pillar 2 risks. It also establishes a framework for economic, regulatory and accounting capital purposes and helps identify planned sources of capital to meet the bank's needs. It also includes an assessment whether the bank holds sufficient capital or there is a need for additional capital buffers for risks that are not adequately covered. Banks have conducted extensive work on various Pillar 2 risks, by identifying and quantifying these and in assigning risk capital. These risks include liquidity, interest rate, reputational, macro-economic and concentration risks. SAMA supervised ICAAP Pilot Runs and held bilateral discussions during 2008 to finalize implementation of the ICAAP process, which was fully implemented in 2009.

The banks delivered their first formal ICAAPs on 28 February, 2009 covering a period of two years (January, 2009 to 31 December, 2010). SAMA has made significant progress in the implementation of Pillar 2 in Saudi Arabia, including the ICAAP process on a timely basis. This is a remarkable achievement in view of the complexity of Pillar 2 (Supervisory Review Process).

To proceed forward, SAMA will use a bank's annual ICAAP as a main tool for its Supervisory Review Visits under its Risk Based Supervisory Approach. Given the comprehensive coverage of risks provided in the ICAAP, it will enable SAMA to maintain an updated Risk Profile for each bank.

An essential feature of Basle II is Pillar 3, which is designed to promote market discipline and transparency for achieving security and soundness of the banking system. SAMA implemented Pillar 3 through its Guidance Document circulated to banks in May 2007. It requires banks to fully disclose qualitative and quantitative information concerning capital and risks. This disclosure is achieved through banks'



quarterly, biannual, and annual financial statements, annual reports and websites.

Within the context of the implementation of Basel II, SAMA's focus over the past few years has been to encourage Saudi banks to use Stress Testing as a supplementary tool in their Risk Management practices. In this regard, SAMA issued its first draft guidance concerning Basle II in May 2005, where banks were required to perform the stress testing by determining the unfavorable effects of various economic scenarios on their credit exposures and overall Capital Adequacy. SAMA's second guidance document concerning Basel II, issued in June 2006, further elaborated and offered additional guidance on stress testing requirements under Pillar 1 and Pillar 2 as well as for internal risk management purposes with regard to limit structure, market risk, capital planning, etc. SAMA's two guidance documents concerning ICAAP formulation offered further directions on stress testing of capital requirements under Pillar 2 related to market risk, liquidity risk, interest rate risk and macroeconomic and business risks, etc. In January 2009, SAMA also issued the Basel Committee's proposed stress testing standards to the banks to further strengthen their systems. SAMA's Basel II team closely monitored specific testing practices in its ICAAP review process and required banks to provide sufficient capital buffers under stress conditions.

For branches of foreign banks in Saudi Arabia, SAMA is carrying out consultations with their parent banks and their home supervisory authorities. The objective is to be fully aware of the Basel II implementation plans of the parent banks and to establish contact points for exchange of relevant information. In this regard, SAMA evaluates the Home Supervisory Authorities Approaches for the implementation of Basel II in their jurisdiction, the relevant guidance provided and the options and national discretion adopted. SAMA is also consulting with the host authorities for Saudi banks' branches in other countries. Furthermore, as a host authority, SAMA is a member of two supervisory bodies of major International Banking Groups which also serve to further facilitate the implementation of Basel II of Foreign Banks' branches in Saudi Arabia through sharing and assessment of relevant information and data concerning capital and risk.

Fourth: Liquidity, Profitability and Financial Solvency of Banks

The banking sector achieved good results during 2009 although its net profits dropped by Rls 3.1 billion

to Rls 26.8 billion from Rls 29.9 billion in 2008. Total assets of the banking sector rose by 5.2 percent to Rls 1,370 billion in 2009 compared to Rls 1,302 billion in the preceding year. Loans and credit facilities remained unchanged at Rls 734.2 billion. Customer deposits grew by Rls 94.4 billion to Rls 940.5 billion in 2009, from Rls 846.1 billion in the preceding year.

Liquidity ratio stood at 36.5 percent in 2009 against 33.8 percent in the preceding year, while the capital adequacy ratio (Basel II Standard) was 16.5 percent compared with 16.0 percent in 2008. The ratio of credit to the public and private sectors to total deposits stood at 78.3 percent at the end of 2009 compared to 88.0 percent at the end of 2008.

Fifth: Financial Derivative Market Activity

Financial derivatives transactions in the Kingdom declined by Rls 137.8 billion or 16.9 percent to Rls 678.0 billion at the end of 2009 compared to Rls 815.8 billion at the end of the preceding year. Derivatives were mostly accounted for by interest rates and foreign exchange contracts, and they constituted 61.1 percent of the (Off-balance-sheet) contra accounts during 2009 against 65.3 percent in the preceding year.

Sixth: Participation in Regional and International Meetings

SAMA's specialists participated in a number of regional and international meetings organized by various committees. These committees were:

- GCC Supervisory and Control Committee whose most important role is to reinforce harmony and convergence of the supervisory and regulatory systems in the GCC States.
- Arab Banking Oversight Committee which aims at exchanging expertise in the area of supervision and control among Arab countries.
- Basel Committees such as the International Liaison Group, which aim to discuss international standards and best practices in the area of supervision and control, in addition to participating in the process of developing Basel II standard.
- Task forces from the Islamic Financial Services Board (IFSB), which aims to develop framework standards in banking products compliant with Islamic Shari'ah.

Seventh: Progress of Domestic Banking Industry

During 2009, no licenses were issued for new foreign banks. However, 56 branches of domestic banks were licensed and 75 branches came into operation throughout the Kingdom during 1430H.



Eight: Review of Inspection of Banks

A. On-site Examination Programmes

In pursuance of its key functions of supervision and control over domestic banks, branches of foreign banks operating in the Kingdom and money-changing firms, SAMA performs on-site examination as one of its methods for ensuring the soundness and effectiveness of the banking system in carrying out banking business. It conducts and implements Full-Scope On-Site Examination programmes (which cover all operations and products) and specialized (specific) examination (which is limited to some activities and operations such as examination of treasury and loan portfolio etc.). The programmes are performed in accordance with the best internationally applied practices in the area of supervision and control and as prescribed by the “Core Principles for Effective Banking Supervision”. The specialized inspection aims at assessing the performance of a bank, its board of directors and management organ in general, in addition to verifying the extent of the bank’s compliance with the regulations and instructions issued by SAMA and the efficiency of its internal control systems and risk management.

SAMA conducted a comprehensive examination of all banks operating in the Kingdom in cooperation with international audit firms. It also required banks to submit quarterly reports on their achievements concerning the handling of remarks and the achievement to be made during next periods. In addition, it followed up such reports and held meetings with banks’ representatives to discuss the details of these reports. All remarks shown in the final reports were fully addressed. SAMA also completed preparation of plans and schemes concerning the process of examining foreign banks’ branches operating in the Kingdom. The examination process will cover many issues, including the extent of the effectiveness of banks’ corporate governance system, internal control system; assessment of loans and investment portfolios, effectiveness of compliance procedures, terrorism financing combating programmes and “Know Your Customer” principle.

B. Specialized Examination Programmes

SAMA conducted specialized examination of some banking activities and operations, including examination of financial leasing products and personal loans offered by some banks operating in the Kingdom. The aim of such examination process was to ensure banks’ compliance with regulations and instructions issued by SAMA.

C. Regulatory Developments in Financial Leasing

Financial leasing is one of the credit transactions and, thus, it is controlled and supervised

by SAMA under Ministerial Resolution No. 1/1566 dated 21/7/1420H (30/10/1999) providing for setting a law for the activity of, and licensing requirements for financial leasing companies. SAMA has also been entrusted with setting up instructions to help it in performing its control and supervisory functions over financial leasing, including issuing a special manual on Anti-money Laundering and combating Terrorism Financing Instructions for financial leasing companies was circulated to these companies on 6/2/1430H (1/2/2009), considering banks’ leasing products and pursuing the financial positions of financial leasing companies by receiving quarterly reports on their financial statements. In this regard, SAMA analyses such statements and contacts these companies to discuss with them contents of the statements, if necessary, and to resolve the problems faced while dealing with other entities and practicing their activity. In addition, it performs supervisory visits to these companies and discusses with them the findings of such visits.

D. Developments in Combating Money Laundering and Terrorism Financing

1. SAMA’s Achievements in the Area of Combating Money-Laundering and Terrorism Financing:

SAMA has taken several supervisory and control actions related to combating money laundering and terrorism financing, including:

- Following up actions made by banks and money-changing firms regarding the updating of the Rules Governing Anti-money Laundering and Combating Terrorism Financing and the Rules for Opening Bank Accounts and General Rules for their operation to fit domestic and international requirements and cope with developments in modern banking.
- Coordinating with the Financial Intelligence Unit of the Ministry of Interior and with the Commission for Investigation and Public Prosecution in particular, and the organs concerned with the issues of money laundering to enhance joint work and iron out difficulties and obstacles faced.
- SAMA also continued to Participate in the Permanent Banking Committee, which is composed of representatives of all domestic banks who meet periodically to discuss financial crimes and money-laundering issues.
- Supervising the domestic banks’ work programme on continual updating of data of all customers (natural and legal) through verification of the validity of their recognized IDs.
- Following up the results of the comprehensive process of examining all banks operating in the



Kingdom. The process included programmes aimed at ensuring that banks comply with the instructions and requirements related to combating money laundering and terrorism financing and the rules for opening bank accounts and their operation guidelines and submitting separate reports thereof.

- Domestic banks continued to carry out a self-assessment process to ensure their full compliance with the FATF's Recommendations (40+9) and identify weaknesses to take necessary and rapid actions for addressing them.
- SAMA continued to monitor banks and money-changing firms to ensure their compliance with the instructions of notifying the Financial Investigation Unit of the Ministry of Interior of suspected transactions involving money-laundering and terrorism financing, and analyzing outcomes of the data related to notification and taking necessary actions thereupon.
- Following up rules and regulations issued in the area of anti-money laundering and combating terrorism financing.
- Following up procedures and actions made by licensed money changing shops (class A) to ensure their compliance with the instructions issued in the area of combating money-laundering and terrorism financing, explain the implications of these instructions (to owners and workers of these shops) and underline the importance of compliance with such instructions.
- Verifying that banks are carrying out SAMA's instructions regarding the establishment of special units to be concerned with combating money-laundering and terrorism financing, and appointment of compliance officers.

2. The Banking Awareness Campaign

The Banking Awareness Committee continued its works during 2009. It launched awareness messages urging bank customers to maintain the confidentiality of their banking data and warn them not to let slip such data so as not to fall victims of fraudulent withdrawals from their bank accounts. The awareness campaign was carried out via communications channels, including short messages (SMS), press, radio, television; ATMs, bank account statements, leaflets and posters at banks' branches and other communications channels.

3. Summary of the Efforts and Actions Taken for Combating Money Laundering and Terrorism Financing

SAMA continued its efforts to combat money laundering and terrorism financing via the concerned permanent committee and with joint efforts of all authorities represented on the committee. The following is a review of the most important measures taken:

- Signing and ratifying a number of international, regional and bilateral conventions related to combating money laundering and terrorism financing.
- Implementing the Forty Recommendations on combating money laundering and the Nine Recommendations on combating terrorism financing issued by the Financial Action Task Force (FATF).
- Continuing the meetings of the Permanent Committee on Combating Money-Laundering, which is composed of representatives of several government authorities and based at SAMA to deal with all topics related to money laundering. Its meetings were held on a monthly basis.
- Issuing several manuals and guidelines to the financial and commercial sectors for combating money-laundering.
- Implementing the rules and procedures of declaring cash amounts and precious metals on arrival at and departure from the Kingdom and setting the mechanism and manner by which to enforce the content of Article 14 of the Implementing Regulations of the Anti-money Laundering Law and making necessary revision thereon.
- The Kingdom hosted many domestic and international conferences, seminars and training courses relevant to combating money-laundering.
- Completing the requirements of the Joint Assessment Process (JAP) carried out for the Kingdom in the first quarter of 2009, by the Middle East and North Africa Financial Action Task Force (MENAFATF) in cooperation with the Financial Action Task Force (FATF) to regulate the procedures for combating money laundering and terrorism financing.
- The Kingdom participated in the membership of FATF for combating money laundering and terrorism financing through GCC General Secretariat membership and the permanent participation in the FATF's meetings.
- Saudi Arabia is committed to resolutions issued by the Security Council to combat terrorism and its financing, and reporting to the Anti-Terrorism Committee of the Security Council on the efforts and actions taken by the Kingdom in the execution of UN Security Council Resolutions No. (1267), No. (1373) and No. (1390) and relevant resolutions.

4. Training on Combating Money-Laundering and Economic Crimes

SAMA continued to train its staff on examining the methods and ways of carrying out money-laundering operations and the procedures necessary to combat such operations. SAMA also required banks



and money-changing firms to intensify training programs to familiarize their staff with the subject of money-laundering and terrorism financing. SAMA conducted, in cooperation with some government authorities, training programs for their staff on combating money laundering operations to acquaint the staff with the risks of money-laundering as part of the ongoing coordination between SAMA and other authorities concerned with combating money laundering in the Kingdom. It offered several training programs and courses to the judges and officials of the Ministry of Justice and the Grievance Bureau as well as investigators of the Commission for Investigation and Public Prosecution and relevant security organs' personnel. In addition, it participated in the courses offered by the Higher Institute of King Fahd Security College and Naif Arab University for Security Science. On the other hand, SAMA participates in the Permanent Committee on Combating Money-Laundering as well as in the sub-committees established in all regions of the Kingdom and whose concern is to consider and address Money-laundering issues.

5. Security Safety

SAMA conducted inspection tours which covered some regional departments, cash centers and a number of domestic banks' branches throughout the Kingdom to ensure their compliance with the security safety requirements. The Committee of Security and Safety Managers of the domestic banks held many meetings which focused on adopting the draft updates of the Security Safety Manual to include all updates and developments in banking business, and coordinating efforts amongst banks in the area of security, safety and exchange of experiences. SAMA recently issued a number of directives related to security and safety aspects at banks. Some of which were aimed at developing effective filming systems with appropriate time-bound film conversion to help facilitate security agencies. SAMA continued to seek to develop a mechanism aimed at introducing the latest internationally prescribed specifications and standards by commercial banks to reduce the risks of misuse or damage of ATMs by vandals or criminals who may commit criminal acts against banks. SAMA has issued many directives for following up and developing the technologies of using filming systems, and film keeping period, to be provided to security agencies when needed.

6. Saudization

SAMA continued to promote Saudization of the labour force at banks, its expansion and progress in terms of quantity and quality through studying the position of foreign employees working at banks through private staff

recruitment firms and addressing the complaints of bank employees in terms of job environment and continue raising the percentage of Saudization. It is noteworthy that the percentage of Saudi labour force working at the banking sector in 2009 stood at 86.04 percent.

7. Credit Cards

SAMA continued to coordinate with competent domestic and international authorities to promote credit cards transactions, and works to develop and monitor the credit card activity in the Kingdom through qualifying the staff working in this activity and applying the best practices applied globally, such as stipulating the acquisition of a specialized professional certificate in this field. Training courses and workshops were organized in the area of credit cards for the benefit of staff of security sectors, in cooperation with international payment companies, namely, Visa, MasterCard, and American Express.

8. Kafalah (Guarantee) Programme

Kafalah programme was established in 2006 on the initiative of the Saudi Industrial Development Fund with the aim of overcoming obstacles that hinder financing feasible small and medium size enterprises which are incapable of providing required guarantees to financiers. Kafalah (Guarantee) programme is conducted in cooperation with domestic banks. Under the programme, banks will provide finance up to Rls 1.5 million for eligible projects, and a guarantee amounting to 75 percent of the total loan value which is offered by the Saudi Industrial Development Fund. During 2009, 504 Kafalahs (Guarantees) with a total amount of Rls 181 million were approved. Banks provided finance up to Rls 464 million during 2009.

9. Banks' Audit Committees

Banks are being monitored by SAMA to ensure their compliance with controls and directives regulating the work of audit committees at each bank and their application of relevant rules and regulations. The compliance of banks with controls and directives is ensured through periodic on-site inspection visits and periodic coordination meetings.

10. Banking Information Technology

The following steps were taken for the protection and security of banking transactions:

- All domestic banks were inspected to ensure that control and security systems for phone-banking and internet services were in place.
- Complaints related to modern technologies and banking services through the Internet were considered.



- Controls for phone-banking security were developed.
- Proposals were made to banks, to help them avoid exposure to money-laundering and terrorism financing crimes and prevent their exploitation by perpetrators of such crimes.
- Some aspects of bank security measures for the systems related to electronic banking services were tested. Accordingly, banks were directed to upgrade and adopt some state-of-the art security protection means for ensuring further security to the accounts of banks' customers.

Ninth: Operations of Insurance Industry

1. Supervision and Control over the Insurance Sector (up to the First Quarter of 2010)

A- Circulars and Regulations Issued

- Regulations for Supervision and Inspection Costs.
- Anti-Money Laundering & Combating Terrorism Financing Rules for Insurance and Reinsurance Companies and Insurance Related Service Providers.
- Risk Management Regulations for Insurance and Reinsurance Companies and Insurance Related Service Providers.
- Anti-Fraud Regulations for Insurance Companies and Insurance Service Related Providers.
- Regulatory Regulations for Reinsurance Activities.
- Insurance Market Code of Conduct Regulations.
- Draft Unified Compulsory Motor Insurance Policy (revised).

B- Instructions and Data on Supervisory Activities

- Updating the list of insurance and reinsurance companies and service providers periodically and publishing them on SAMA website.
- Explanatory announcements by SAMA on the status of the existing and previously operating insurance companies.
- Issuing and Publishing the report on "Survey of the Insurance Market in the Kingdom for 2008" during the first quarter of 2009. The report on "Survey of the Insurance Market in the Kingdom for 2009" was also issued and published during the second quarter of 2010.

C- Cooperation with International Organizations

In the framework of efforts to enhance the supervision and control and application of international standards and practices, SAMA is a member of the International Association of Insurance Supervisors (IAIS), and it participates in all its main committees and sub-committees. In addition, SAMA is a member of the Arab Forum of Insurance Supervision and Control Authorities.

D- Other Developments

SAMA continued to work on the link project with insurance companies through an electronic system which enables SAMA to monitor the solvency of insurance companies, the volume of written premiums, the quality of assets and obligations and other financial and non-financial data.

The assessment process of most of the operating foreign companies' portfolios at the domestic market was completed so as to transfer them to licensed companies in the Kingdom. A number of such portfolios were actually transferred to licensed companies. The remaining portfolios are expected to be fully transferred into licensed companies during 2010.

SAMA continued to appoint qualified human cadres to work in its Insurance Control Department to properly conduct control over insurance companies. Therefore, SAMA continued to develop the skills of employees working in the field of insurance supervision by granting them scholarships to study outside the Kingdom to obtain adequate training in the areas of oversight and supervision of insurance activity. In-house training courses were held for the staff of the Insurance Control Department, and some of the staff were sent abroad to attend training courses, conferences and symposia.

2. Insurance Supervisory Visits

Supervision and control process over insurance companies includes off-site supervision and on-site examination to ensure the company's prudential procedures, and its sound and strong financial solvency, in addition to carrying out supervisory visits and meetings with the company's senior management. To this end, SAMA has continued to make supervisory visits to insurance companies that are expected to be granted licenses and those that have already been licensed to practice cooperative insurance in the Kingdom.

The primary objective of conducting supervisory visits to the cooperative insurance companies is to ensure that their by-laws are in compliance with the provisions of the Cooperative Insurance Companies Control Law, issued by Royal Decree No. M/32 dated 2/6/1424H (31/7/2003) and its Implementing Regulations. SAMA carried out supervisory visits as planned to make sure that insurance companies were at a high level of efficiency and statutory readiness, and that the lawful and technical requirements of insurance companies were in line with the work plans agreed upon earlier by SAMA as a prerequisite for granting the license to operate in the market.



The Supervisory Team made visits to (28) insurance and reinsurance companies and (19) insurance related providers during 2009 and the first quarter of 2010. The insurance Supervisory Team focused on all technical, regulatory and administrative aspects of the insurance companies. The overall strategy of each insurance company, its objectives and expansion plans were assessed to make sure that they were in conformity with the information provided to SAMA under the terms of the licensing application and the management structure of the insurance company; their departments' functions, the board of directors and committees are conducting their functions in accordance with the Insurance Law and its Implementing Regulations as well as in line with the objectives and plans of the company. It was also ascertained during the visits that a high level of communication, cooperation and coordination existed between the different departments of the company, and, in particular, the departments of internal audit, compliance department and the audit committee. The supervisory team at SAMA looked into the set work plans and assessed them technically by reviewing insurance operations, principles of pricing of products, assessment of products, investment processes and tools of the company as well as its future financial estimates and projections. In general, the team makes sure, during the supervisory visits, that there exists an effective internal control system containing instructions for internal control, risk management, compliance instructions and procedures for handling customer complaints. In light of SAMA's keenness to protect policyholders and deepen credibility in the insurance market, the team also ensures that insurance companies are dealing in a professional and fair manner with their clients and provide high quality services. SAMA continuously ensures the effectiveness of electronic systems of the insurance companies and the management of their human resources such as training and incentive systems, which are considered important indicators of the ability of the company to achieve maximum performance.

3. Saudization in the Insurance Sector

A. Resolutions and Instructions Issued Concerning Saudization:

Article 2 of the Implementing Regulations of the Cooperative Insurance Companies Control Law states that one of the objectives of the Law and Regulations is to develop the insurance sector in the Kingdom, including training and Saudization of posts.

Article 4 of the Implementing Regulations of the Cooperative Insurance Companies Control Law states that the work plan of insurance companies and insurance related providers must include the expected number of staff and the recruitment and qualification

plan of Saudis.

Article 50 of the Implementing Regulations of the Cooperative Insurance Companies Control Law emphasizes, in one of its paragraphs, that insurance companies and insurance related providers must provide SAMA, prior to forty-five days of the end of each financial year, with a list of the number and ratios of Saudi staff at the level of the company as a whole, at the level of each branch or department, and at the level of management engaged by Saudis. Article 79 of the Implementing Regulations of the Cooperative Insurance Companies Control Law states that "Saudization ratio at insurance companies and insurance related service providers must not be lower than 30 percent at the end of the first year, to be increased annually in accordance with the work plan submitted to SAMA".

B. Employment in the Insurance Sector:

The total number of working staff in insurance companies in the Kingdom of Saudi Arabia stood at 5,800 at the end of 2009 compared to 5,447 at the end of 2008. The Saudi staff constituted 47.5 percent of the total staff, occupying 26.3 percent of higher managerial positions.

4. Training:

Training programs have been designed and conducted in collaboration with SAMA's Institute of Banking. The programs include the main pillars for practicing insurance in a manner consistent with the Cooperative Insurance Companies Control Law and its Implementing Regulations.

Within the framework of SAMA's efforts to regulate the insurance sector and motivate companies and their employees to adhere to professionalism and practice insurance activity on a scientific and methodological basis pursuant to rules, regulations and instructions in force, SAMA has prescribed the Insurance Fundamentals Certificate Exam (IFCE) as a mandatory certificate that should be obtained by employees at insurance and insurance related companies. The IFCE covers the main principles of rules and regulations of insurance activity. It is applied over three years in accordance with a timetable which determines the period during which each category of employees must pass the exam.

5. SAMA Website:

There is a special link on insurance on SAMA's website www.sama.gov.sa showing all laws, regulations, circulars and studies on the insurance sector, as well as licensing application forms and solvency standards for founders and managers of insurance companies and insurance



related service providers. The Insurance Section at SAMA website can be accessed for the latest developments on licensed insurance companies as well as insurance related service providers, which are updated periodically.

6. Insurance Market Performance in 2009

A- Overview:

- In 2009, the insurance market witnessed a substantial growth rate of 33.8 percent, with gross written premiums reaching Rls 14.6 billion compared to a total of Rls 10.9 billion in 2008. The increase was due mainly to the growing awareness of the importance of insurance and the favorable economic conditions during the year, as well as the introduction of compulsory motor insurance and cooperative health insurance.
- General insurance gross written premiums, which represented 43.2 percent of the insurance market, increased by 14.4 percent to Rls 6.3 billion in 2009 compared to Rls 5.5 billion in 2008.
- Health insurance gross written premiums, which represented 50 percent of the insurance market, increased by 51.8 percent to Rls 7.3 billion in 2009 compared to Rls 4.8 billion in 2008.
- Increasing demand for general insurance and health insurance by 14.4 percent and 51.8 percent respectively led to insurance market growth. The significant growth in health insurance premiums was largely attributable to the application of the Compulsory Health Insurance Regulations issued by the Health Cooperative Insurance Council.
- Protection and savings insurance gross written premiums increased by 68.9 percent to Rls 1.0 billion in 2009, compared to Rls 0.59 billion in 2008.
- The insurance activity in the Kingdom is still strongly supported by dint of expanded compulsory insurance, especially for health insurance, which currently represents 50 percent of the gross insurance activity compared to 44 percent in 2008 (Table 5.1).

B- Insurance Market Penetration and Density:

- Insurance penetration is defined as gross written premiums as a percentage of Gross Domestic Product (GDP). The level of insurance penetration in Saudi Arabia was 1.06 percent in 2009 compared to 0.62 percent in 2008. Moreover, the penetration of protection and savings insurance was low in comparison with the general insurance and the health insurance in the Kingdom. The increase in insurance market penetration and density was attributable to the growing demand for all types of insurance and decline in the volume of GDP during 2009.

- Insurance density is defined as per capita expenditure on insurance (total written insurance premiums divided by the population). The per capita insurance density increased by 30.8 percent from Rls 440 in 2008 to Rls 576 in 2009.

C- Gross Written Premiums (GWP):

Health and Motor insurance constituted 71 percent of total GWP in 2009. Health insurance became the most demanded line of business, accounting for 50 percent of total GWP in 2009, compared to 44 percent in 2008. Motor insurance ranked second in terms of demand, constituting 21 percent of total GWP in 2009, while protection and savings, engineering and maritime insurance accounted for 6.9 percent, 5.5 percent and 3.6 percent respectively (Table 5.1).

D- Net Written Premiums (NWP):

It is defined as gross written premiums after deducting the share of reinsurance. Motor and health insurance accounted for 84 percent of total NWP in 2009. Energy insurance registered the highest growth rate of 463.9 percent in 2009 in terms of NWP (Table 5.1).

E- Retention Ratio

The retention ratio is a measure of the written risks retained by the insurance company as there is a direct relationship between the retention ratio and risks. It is calculated by dividing the NWP by GWP. The overall retention ratio of insurance companies in the Saudi market was 67.3 percent in 2009. This ratio was largely affected by the high retention ratio of motor and health insurance which accounted for around 71 percent of total GWP. In 2009, the retention ratios for motor and health insurance were 96 percent and 76 percent, respectively. The weighted average retention ratio of other insurance lines of business (excluding motor and health insurance) was 20.3 percent in 2009.

The lowest retention ratios of 1.7 percent and -0.6 percent respectively were recorded by energy insurance and aviation insurance respectively (Table 5.1).

F- Commissions Paid to Insurance Brokers and Agents:

The amount of commissions paid by insurance companies to brokers and agents totaled Rls 850 million in 2009 compared to Rls 770 million in 2008, rising by 10.4 percent. General insurance commissions accounted for 64.8 percent and 57.5 percent of total commissions paid in 2008 and 2009 respectively. Health insurance commissions witnessed the largest growth rate of 34.3 percent during 2009.



G- Gross Claims Paid by Line of Business:

Total claims paid by line of business increased by 38.9 percent from Rls 5.2 billion in 2008 to Rls 7.3 billion in 2009. Health and Motor insurance accounted for 82.9 percent and 77.6 percent of all gross claims paid in 2008 and 2009, respectively. These high percentages reflected the relatively high ratios of these lines of business of the total market premiums. In 2009, the highest growth rate in gross claims paid was recorded by energy insurance, rising by more than twenty one-fold to Rls 570 million compared to Rls 27 million in 2008.

7. Status of Insurance Companies in the Kingdom

Up to the end of the first quarter of 2010, the Council of Ministers approved 33 insurance and reinsurance companies, of which 27 were finally licensed to practice insurance and/or reinsurance. In addition, one insurance company was listed on the Saudi Stock Exchange but it had not obtained a final license yet to offer insurance services. The Council of Ministers also approved the establishment of five other insurance companies. Also, two more insurance companies were recommended by SAMA to be approved initially, and

their license procedures reached advanced stages (Tables 5.2, 5.3 and 5.4).

8. Council of Cooperative Health Insurance

At the end of 2009, the total number of expatriates covered by health insurance were 6.0 million. The number of companies authorized to sell cooperative health insurance policies stood at 25.

The firms that provided insurance to their employees totaled 300.8 thousand at the end of the 2009. Health care providers approved by the Council totaled 1,970 throughout the Kingdom.

Distribution of health care providers by type shows that dispensaries were at the first place, up to the end of the first quarter of 2010. Polyclinic centers came second, followed by pharmacies. Diagnostic centers came at the last place. Riyadh ranked at the top of the cities providing health care services in the Kingdom up to the end of the first quarter of 2010. Makkah was second, followed by the Eastern region and Northern Borders region (Table 5.5)■

Table 5-1 INSURANCE INDICATORS 2007-2009

Type of Insurance	2007				2008				2009			
	Gross Written Premiums (Million Riyals)	Share %	Net Written Premiums	Retention Ratio*	Gross Written Premiums (Million Riyals)	Share %	Net Written Premiums	Retention Ratio*	Gross Written Premiums (Million Riyals)	Share %	Net Written Premiums	Retention Ratio*
Accidents, Liability and Others	577.3	6.7	219.2	38.0	531.3	4.9	217.3	40.9	543.7	3.7	244.3	44.9
Motor	2440.2	28.4	2297.3	94.1	2542.1	23.3	2458.7	96.7	3055.4	20.9	2944.1	96.4
Property / Fire	742.2	8.6	84.1	11.3	798.4	7.3	95.4	11.9	904.9	6.2	105.1	11.6
Marine	531.6	6.2	169.8	31.9	619.6	5.7	201.5	32.5	525.0	3.6	183.2	34.9
Aviation	114.5	1.3	3.6	3.1	138.5	1.3	5.5	4.0	174.1	1.2	1.1	0.6
Energy	305.3	3.6	2.4	0.8	208.2	1.9	0.9	0.8	301.7	2.1	5.2	1.7
Engineering	479.7	5.6	97.6	20.3	682.1	6.2	122.2	17.9	810.3	5.5	125.3	15.5
Total General Insurance	5190.8	60.5	2873.9	55.4	5520.1	50.6	3101.6	56.2	6315.3	43.2	3608.4	57.1
Total Health Insurance	3065.0	35.7	2403.1	78.4	4805.2	44.0	3750.9	78.1	7292.0	49.9	5556.9	76.2
Total Protection and Saving Insurance	327.0	3.8	266.8	--	593.7	5.4	468.2	--	1002.8	6.9	908.0	--
Total	8582.8	100.0	5543.8	63.9	10918.9	100.0	7320.7	66.4	14610.1	100.0	10073.3	67.3

(--) Not Available.

* : Retention Ratios for Protection and Savings Insurance are not Included in The Overall Retention Ratio.





**Table 5-2: LICENSED INSURANCE AND REINSURANCE COMPANIES
UP TO THE FIRST QUARTER OF 2010**

Company Name	Capital (Million Riyals)	Approved On
National Company for Cooperative Insurance (NCCI)	500	12/2/2004
The Mediterranean & Gulf Cooperative Insurance & Reinsurance (MedGulf)	800	9/11/2007
Malath Cooperative Insurance & Reinsurance Company	300	9/11/2007
Arabian Shield Cooperative Insurance	200	9/11/2007
Saudi IAIC for Cooperative Insurance (SALAMA)	100	9/11/2007
SABB Takaful	100	9/11/2007
Saudi Arabian Cooperative Insurance Company (SAICO)	100	9/11/2007
Al Ahli Takaful	100	9/11/2007
Gulf Union Cooperative Insurance Company	220	9/11/2007
Sanad for Cooperative Insurance and Reinsurance (SANAD)	200	3/8/2008
Assurance Saudi Fransi (Allians)	100	3/8/2008
Trade Union Cooperative Insurance Company	250	3/31/2008
Al Sagr Company for Cooperative Insurance	200	3/31/2008
Saudi Indian Company for Cooperative Insurance	100	6/10/2008
Arabia Insurance Cooperative Company	200	6/18/2008
Saudi United Cooperative Insurance company (Wala'a)	200	7/2/2008
Saudi Re For Cooperative Reinsurance company (Saudi Re)	1000	7/21/2008
Bupe Arabia for Cooperative Insurance	400	8/10/2008
United Cooperative Assurance (UCA)	200	12/30/2008
Al-Ahlia for Cooperative Insurance	100	3/9/2009
Allied Cooperative Insurance Group (ACIG)	100	5/10/2009
Al-Rajhi Company for Cooperative Insurance	200	11/17/2009
Ace Arabia Cooperative Insurance Company	100	12/8/2009
AXA Cooperative Insurance Company	200	1/26/2010
Al-Alamiya Co-operative Insurance Company	200	2/13/2010
Gulf General Insurance Company	200	3/6/2010
Wiqaya Takaful Insurance & Reinsurance Company	200	3/24/2010

**Table 5-3: INSURANCE COMPANIES LISTED ON THE SAUDI STOCK EXCHANGE
BUT UNLICENSED UP TO THE FIRST QUARTER OF 2010**

Company Name	Capital (Million Riyals)	Listed On
Buruj Cooperative Insurance Company	130	2/15/2010



Table 5-4: INSURANCE AND REINSURANCE COMPANIES APPROVED BY THE COUNCIL OF MINISTERS UP TO THE FIRST QUARTER OF 2010

Company Name	Capital (Million Riyals)	Approved By The Royal Decree On
Soliderity Saudi Takaful Company	555	3/16/2009
Tokio Marine Cooperative Insurance Company	200	4/28/2009
Amana Cooperative Insurance Company	320	6/3/2009
AL Wataniya Cooperative Insurance Company	100	10/10/2009
American International Group and Arab National Bank	175	3/31/2010

Table 5-5: AUTHORIZED HEALTH CARE PROVIDERS AT THE END OF FIRST QUARTER OF 2010

Region/Type of Institutions	Hospital	Dispen- saries	Pharm- acies	Polyclinic Centres	One Physi- cian Clinic	One day Operation Center	Optici- ans	Medical Labor- atories	Diagno- stic Centres	Physical Therapy Centres	Total
Riyadh	30	232	86	182	8	5	176	5	3	5	732
Eastern Region	28	87	68	64	5	2	51	1	1	1	308
Makkah	45	121	78	157	25	5	61	6	1	2	501
Hail	3	11	5	4	0	0	4	0	0	0	27
Al-Gassim	6	22	10	9	0	0	15	0	0	0	62
Northern Borders Region	1	9	5	2	0	0	0	0	0	0	17
Jazan	3	12	4	7	0	0	3	0	0	0	29
Asir	11	40	15	23	0	0	10	0	0	0	99
Al-Jawf	2	10	4	4	0	0	0	0	0	0	20
Najran	3	14	3	9	0	0	5	0	0	0	34
Tabuk	4	15	2	4	1	0	7	0	0	0	33
Al-Baha	2	10	2	1	0	0	5	0	0	1	21
Al-Madinah	12	14	11	19	1	1	29	0	0	0	87
Total	150	597	293	485	40	13	366	12	5	9	1970



The Capital Market Authority (CMA) has continued its efforts to develop the Saudi Capital Market. A significant development in this regard has been the accession of the Saudi Stock Exchange Company (Tadawul) to the World Federation of Exchanges (WFE) at its annual meeting held on Tuesday the 6th of October 2009 in Vancouver; after meeting all standards and measures of membership by Tadawul.

In pursuance of its role of providing new financial products and services, Tadawul has developed a new electronic market for trading Sukuk and bonds in the Kingdom as of Saturday the 13th of June 2009. Sukuk and bonds worth Rls 28.0 billion were issued during 2009.

Side by side, the Capital Market Authority (CMA) continued preparing and issuing rules and implementing regulations necessary for regulating and developing the domestic capital market. On 8/1/1430 H (5/1/ 2009) CMA amended Paragraph (H) of Article 9 of the Corporate Governance Regulations and imposed the application of this amendment to be in force once the first report is issued by the board of directors of a company after the date of the amendment. CMA also imposed the application of Paragraph (C) of Article 12 and Paragraph (H) of Article 14 as from 2009.

Six brokerage firms joined the Saudi Stock Exchange as active members of Tadawul to provide financial intermediary services during 2009; thereby, raising the number of active financial intermediary

firms to 35. Advisory offices licensed amounted to 73, bringing the number of licensed brokerage firms and advisory offices to 108 at the end of 2009.

The most prominent indicators of the Saudi capital market witnessed an increase in 2009. The Saudi share index rose by 1,318.8 or 27.5 percent to 6,121.8 in 2009. Total assets of investment funds went up by Rls 14.7 billion or 19.7 percent to Rls 89.5 billion over the year.

Commercial banks' investments in government securities decreased during 2009 by Rls 55.7 billion or 26.5 percent to Rls 154.2 billion. Bank credit fell by Rls 7.9 billion or 1.1 percent to Rls 736.9 billion. Actual loans disbursed by government specialized credit institutions amounted to Rls 24.9 billion during the first three quarters of 2009, denoting a rise of 24.2 percent (Rls 4.9 billion) compared to the same period of the preceding year. Important indicators of the Saudi Capital Market are given in Table (6.1).

Saudi Stock Market in 2009

The general share price index closed at 6,121.8 at the end of 2009 compared to 4,803.0 at the end of 2008, increasing by 27.5 percent. Moreover, on October 24, 2009, the index registered the highest closing point of the year at 6,568.5. The market capitalization of issued shares increased by 29.3 percent to Rls 1,195.0 billion by the end of 2009 compared to Rls 924.5 billion by the end of the preceding year.

The number of shares traded during 2009 went down by 3.5 percent to 56.7 billion from 58.7 billion in

**Table 6.1: IMPORTANT INDICATORS OF THE SAUDI CAPITAL MARKET
(End of Period)**

	2008	2009	Annual % Change
General Share Price Index (1985=1000)	4,803.0	6,121.8	27.5
Assets of Investment Funds (Billion Riyals)	74.8	89.5	19.7
Commercial Banks' Investments in Government Securities (Billion Riyals)	209.9	154.2	-26.5
Total of Bank Credit (Billion Riyals)	744.8	736.9	-1.1
Loans Disbursed by Specialized Credit Institutions (Billion Riyals)*	20.1	24.9	24.2

* During the first three quarters of each year.

Source: Specialized Credit Institutions and the Annual Report on the Performance of the Saudi Capital Market (Tadawul), 2009.



the preceding year (not adjusted to account for corporate actions)¹. The total value of shares traded declined by 35.6 percent to Rls 1,264.0 billion from Rls 1,962.9 billion in the preceding year. The number of transactions fell by 30.1 percent to 36.5 million during 2009 from 52.1 million in the preceding year (Table 6.2 and Chart 6.1).

The average daily value of traded shares amounted to Rls 5.06 billion in 2009 compared to Rls 7.82 billion in the preceding year, dropping by 35.3 percent. Moreover, the average daily number of traded shares amounted to 226.7 million compared to 234.0 million during the preceding year, decreasing by 3.1 percent (not adjusted for corporate actions). The daily average number of transactions declined by 29.8 percent to 145.8 thousand compared to 207.7 thousand in the preceding year.

The value of shares sold and bought through the Internet in 2009 amounted to Rls 1.59 trillion compared to Rls 2.18 trillion in the previous year, decreasing by 26.9 percent (Rls 0.59 trillion). The value of shares sold and bought through the Internet accounted for 63.0 percent of total shares sold and bought during 2009 compared to 55.5 percent in the preceding year. The number of shares sold and bought through the Internet during 2009 amounted to 70.4 billion compared to 67.7

billion in the preceding year, increasing by 3.9 percent (2.7 billion). The number of shares sold and bought through the Internet in 2009 accounted for 62.1 percent of total number of shares sold and bought against 57.7 percent in the preceding year. The number of transactions executed through the Internet during 2009 was 51.4 million against 67.6 million in the previous year, dropping by 23.9 percent (16.1 million). The number of transactions executed through the Internet represented 70.6 percent of the total number of transactions executed in 2009 against 64.8 percent in the preceding year (Table 6.3).

At the end of 2009, the number of traders registered in Tadawul system stood at 3,997.6 thousand against 3,954.1 thousand at the end of the previous year, increasing by 1.1 percent (43.4 thousand). The number of traders who subscribed to on-line trading declined to 106.1 thousand in 2009 compared to 190.8 thousand at the end of 2008, declining by 44.4 percent (Table 6.4).

An analysis of the activity of the domestic share market by sectors during 2009 indicates that the petrochemical industries sector came first in terms of the number of shares traded which amounted to 10.9 billion, representing 19.3 percent of the total number of shares traded. The banks and financial services sector

Table 6.2: SAUDI SHARE MARKET INDICATORS

Year	No. of Shares Traded*		Value of Shares Traded		Market Capitalization of Issued Shares		No. of Executed Transactions		Share price Annual % Change	
	(Million)	Annual % Change	(Billion Rls)	Annual % Change	(Billion Rls)	Annual % Change	(Thousand)	Annual % Change	Share price Index	Annual % Change
2005	61,406.7	19.3	4,138.7	133.3	2,438.2	112.3	46,608.0	249.9	16,712.6	103.7
2006	68,515.3	11.6	5,261.9	27.1	1,225.9	-49.7	96,095.9	106.2	7,933.3	-52.5
2007	57,829.0	-15.6	2,557.7	-51.4	1,946.4	58.8	65,665.5	-31.7	11,038.7	39.1
2008	58,726.0	1.6	1,962.9	-23.3	924.5	-52.5	52,135.9	-20.6	4,803.0	-56.5
2009	56,685.0	-3.5	1,264.0	-35.6	1,195.5	29.3	36,458.3	-30.1	6,121.8	27.5
2010										
Q1	8,523.0	-48.7	190.0	-37.6	1,344.9	52.1	5,348.5	-46.7	6,801.0	44.6

* Revised data to exclude the effect of the split of the nominal value of all listed companies' shares to be Rls 10 per share instead of Rls 50 in April 2006.

Source: Saudi Capital Market (Tadawul).

⁽¹⁾Data on the number of (actually) traded shares differ from data published by the Saudi Exchange Market "Tadawul". This is because "Tadawul" continuously revises the number of traded shares based on corporate actions, such as granting bonus shares or changing the capital. Any action made by a company would affect the number of traded shares on the market as a whole and all time series.



**Chart 6.1: Saudi Stock Market Indices
(Daily Basis)**

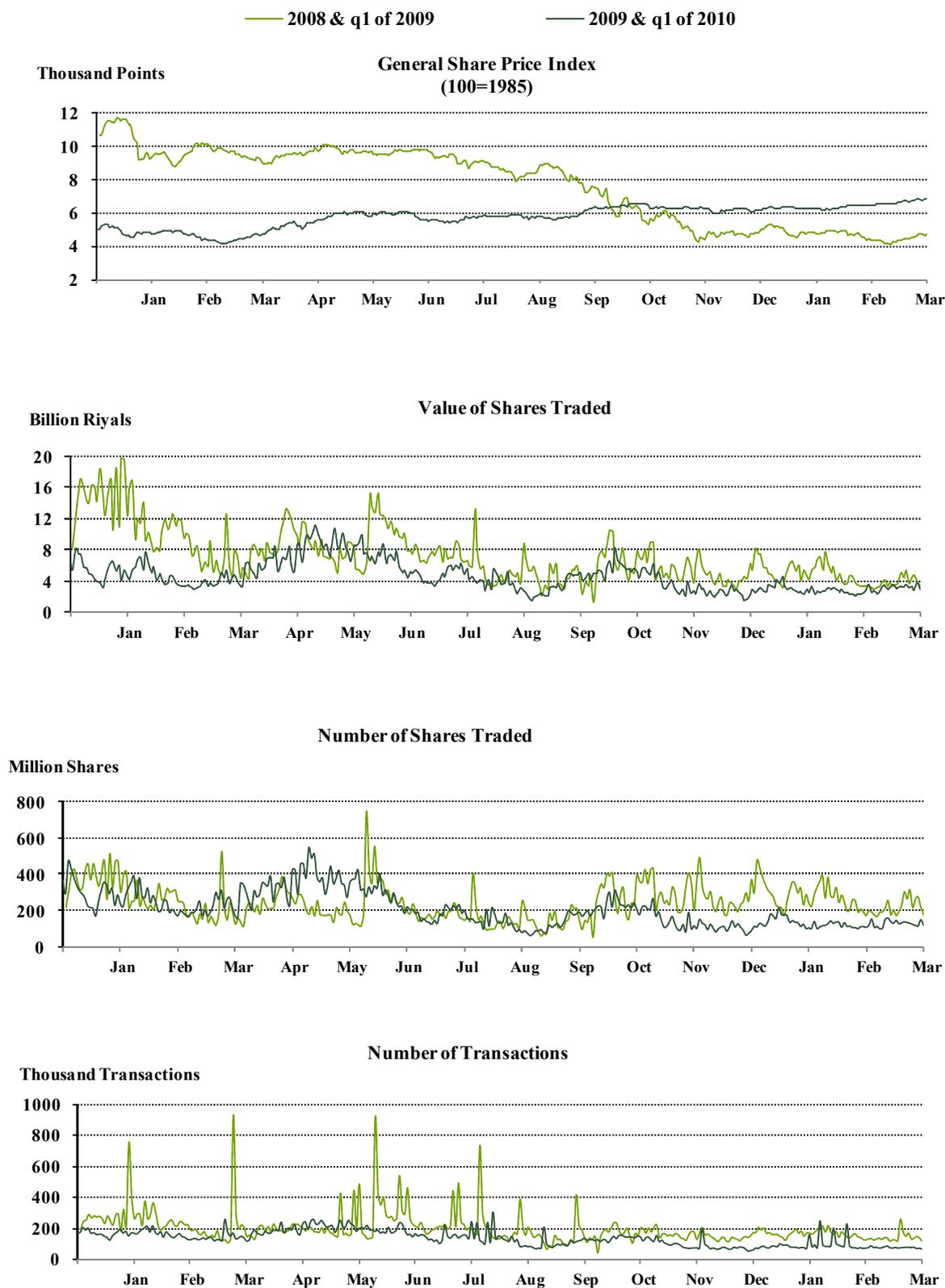




Table 6.3: SHARES PURCHASED AND SOLD VIA THE INTERNET

		2008	2009	Annual % Change
Value of Shares Purchased & Sold (Billion Riyals)	Via the Internet	2,177.6	1,591.7	-26.9
	Total*	3,925.9	2,528.0	-35.6
	Percentage	55.5	63.0	13.5
Number of Shares Purchased and Sold (Million shares) **	Via the Internet	67,747.8	70,421.4	3.9
	Total*	117,452.0	113,370.0	-3.5
	Percentage	57.7	62.1	7.7
Number of Executed Transactions (Million)	Via the Internet	67.6	51.4	-23.9
	Total*	104.3	72.9	-30.1
	Percentage	64.8	70.6	8.9

* Total represents shares sold and purchased via all channels of the market (trading terminals, Internet, Phone Banking and ATMs).

** Data were not revised to account for corporate actions.

Source: Capital Market Authority (CMA).

Table 6.4: NUMBER OF CUSTOMERS REGISTERED IN TADAWUL AND PARTICIPATING IN ON-LINE TRADING VIA THE INTERNET

(End of period)

Year	No. of customers registered in Tadawul	Annual % Change	No. of customers Participating in on-line trading	Annual % Change
2006	3,577,618	39.0	543,046	121.2
2007	3,669,538	2.6	407,041	-25.0
2008	3,954,132	7.8	190,764	-53.1
2009	3,997,556	1.1	106,117	-44.4
2010				
1st. Quarter	4,009,694	1.1	90,615	-42.4

Source: Capital Market Authority (CMA).

came second with 8.9 billion shares, representing 15.7 percent of the total number of shares traded. Then came the insurance sector with 5.4 billion shares, constituting 9.6 percent of the total number of traded shares. The real estate sector ranked fourth with 5.0 billion shares (8.9 percent of the total). The telecommunication and information technology sector ranked fifth with 4.7 billion (8.4 percent of the total). The cement sector came last with 259.5 million (0.5 percent of the total).

In terms of the value of shares traded, the petrochemical industries sector ranked first with Rls 299.9 billion, representing 23.7 percent of total value of shares traded. The insurance sector ranked second with Rls 201.1 billion (15.9 percent of the total). The banks and financial services sector came third with Rls 149.4 billion (11.8 percent of the total). The industrial investment sector ranked fourth with Rls 99.9 billion (7.9 percent of the total). In the fifth position came the agriculture and food industries sector with Rls 94.2 billion (7.5 percent of the

total). The energy and utilities sector came last with Rls 8.2 billion (0.7 percent of the total).

As regards the number of executed transactions, the insurance sector ranked first with 8.6 million, constituting 23.5 percent of the total number of executed transactions, followed by the petrochemical industries sector with 5.9 million (16.3 percent of the total). The agriculture and food industries sector came third with 3.5 million (9.5 percent of the total). The industrial investment sector ranked fourth with 3.0 million (8.1 percent of the total), followed by the building and construction sector with 2.8 million (7.7 percent of the total). The last position was occupied by the energy and utilities sector with 197.2 thousand, accounting for 0.5 percent of total number of executed transactions.

Classification of the market capitalization of issued shares at the end of 2009 according to different



sectors indicates that the petrochemical industries sector ranked first with Rls 407.2 billion (34.1 percent of the total market capitalization of issued shares) The banks and financial services sector came second with Rls 331.3 billion (27.7 percent of the total), followed by the telecommunication and information technology sector with Rls 134.4 billion (11.2 percent of the total). The energy and utilities sector came fourth with Rls 48.6 billion (4.1 percent of the total). The real estate development sector ranked fifth with Rls 47.2 billion (4.0 percent of the total). The last position was occupied by the hotel and tourism sector with Rls 2.5 billion, accounting for 0.2 percent of the total market capitalization (Table 6.5).

As regards the most active three joint-stock companies in 2009, SABIC ranked first in terms of the number of executed transactions that amounted to 1.64 million, followed by Alinma Bank with 1.39 million, then Ma'aden with 0.89 million. With respect to the number of shares traded, Alinma Bank ranked first with 7.63 billion, followed by Emmar with 3.19 billion and then the Saudi Mobile Telecommunications Company (ZAIN KSA) with around 3.00 billion. As regards the value of shares traded, SABIC ranked first with Rls 143.2 billion, followed by Alinma Bank with Rls 95.8 billion. Then Ma'aden with Rls 38.7 billion (Table 6.6).

New Initial Public Offerings (IPOs) in 2009

During 2009, eleven new companies made public offerings on the market with a total capital of Rls 7.8 billion and 779.0 million shares. About 338.7 million shares were offered for public subscription with a total value of Rls 3.9 billion. The total value of shares subscribed for stood at Rls 57.7 billion, representing 14.9 times over-subscription in 2009 (Table 6.7).

The number of subscribers to the companies offered in 2009 decreased by 77.9 percent to 12.90 million. Alternative subscription channels such as Phone Banking, ATMs, and the Internet have contributed to minimizing errors, reducing the subscription period, and decreasing the reliance on printed subscription applications. The number of subscribers via phone banking was 3.07 million, representing 23.8 percent of total subscribers. The number of subscribers via ATMs amounted to 6.14 million (47.6 percent of the total), those via the Internet stood at 2.65 million (20.5 percent of the total), and subscribers via bank branches totaled 1.04 million, accounting for 8.1 percent of total subscribers (Table 6.8).

Regulatory Developments during 2009

- On Saturday 17/10/2009, Hail Agriculture Development Co. shares were delisted from the

Saudi Stock Exchange (Tadawul) after the acquisition by Almarai Co. On the same date Almarai Co. increased its paid up capital by issuing 6 million new shares for Hail Co. shareholders (1 share for every 5 shares), raising its total number of issued shares to 115 million.

- On 25/10/2009, the Capital Market Authority decided the re trading of the shares of Anaam International Holding Group Co. by the continuous electronic trading system in accordance with the Capital Market Law and its implementing regulations, effective Wednesday 28/10/2009.
- Global Investment House – Saudia joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services, effective 27/01/2009.
- Wasatah Capital joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services, effective 07/02/2009.
- BMG Financial Group joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services, effective 17/02/2009.
- Arbah Capital joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services, effective 22/03/2009.
- Morgan Stanley Saudi Arabia joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services, effective 07/04/2009.
- Alnefaie Investment Group joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services, effective 25/07/2009.

Thus, the number of brokerage firms operating on the Saudi Stock Exchange (Tadawul) reached 35 at the end of 2009.

New companies added to the Tadawul Index during 2009

- Etihad Atheeb Telecommunication Company was included in Tadawul all share Index (TASI) at the closing price on Wednesday 01/07/2009.
- The following companies have been included in Tadawul Indices at the closing prices on Wednesday 30/09/2009:
 1. Saudi Steel Pipe Company.
 2. National Petrochemical Company.
 3. Weqaya Takaful Insurance and Reinsurance Company.
 4. Al-Rajhi Company for Cooperative Insurance.
 5. ACE Arabia Cooperative Insurance Company.
 6. AXA Cooperative Insurance Company.



Table 6.5: SAUDI SHARE MARKET ACTIVITY BY SECTORS DURING 2009

Sector	No. of Traded Shares		Value of Traded Shares		No. of Executed Transactions		Market Capitalization	
	(Million Shares)	Ratio to Total (%)	(Billion Riyals)	Ratio to Total (%)	(Thousand)	Ratio to Total (%)	(Billion Riyals)	Ratio to Total (%)
Banks & Financial Services	8,897.0	15.7	149.4	11.8	2,390.6	6.6	331.3	27.7
Petrochemical Industries	10,949.1	19.3	299.9	23.7	5,934.4	16.3	407.2	34.1
Cement	259.5	0.5	12.5	1.0	348.6	1.0	42.5	3.6
Retail	2,154.4	3.8	55.3	4.4	2,225.2	6.1	13.9	1.2
Energy & Utilities	680.1	1.2	8.2	0.7	197.2	0.5	48.6	4.1
Agriculture & Food Industries	3,761.1	6.6	94.2	7.5	3,468.6	9.5	43.6	3.6
Telecommunication & Information Technology	4,736.0	8.4	74.9	5.9	1,852.4	5.1	134.4	11.2
Insurance	5,424.2	9.6	201.1	15.9	8,584.5	23.5	23.8	2.0
Multi-Investment	4,286.4	7.6	56.6	4.5	2,129.8	5.8	34.7	2.9
Industrial Investment	4,597.4	8.1	99.9	7.9	2,963.0	8.1	31.7	2.7
Building & Construction	2,936.2	5.2	86.3	6.8	2,796.2	7.7	22.4	1.9
Real Estate Development	5,034.7	8.9	66.1	5.2	1,656.0	4.5	47.2	4.0
Transport	1,930.2	3.4	30.3	2.4	900.7	2.5	8.1	0.7
Media and Publishing	454.8	0.8	11.4	0.9	381.9	1.0	3.6	0.3
Hotel & Tourism	584.5	1.0	18.0	1.4	629.2	1.7	2.5	0.2
Total	56,685.6	100.0	1,264.0	100.0	36,458.3	100.0	1,195.5	100.0

Source: The Annual Report on the performance of the Saudi Capital Market (Tadawul), 2009.

Table 6.6: THREE MOST ACTIVE JOINT-STOCK COMPANIES DURING 2009

No. of Executed Transactions	(Company)	SABIC	Alinma	MA'ADEN
	(Million)	1.64	1.39	0.89
No. of Shares Traded	(Company)	Alinma	EMAARE.C.	ZAIN KSA
	(Billion)	7.63	3.19	3.00
Value of Shares Traded	(Company)	SABIC	Alinma	MA'ADEN
	(Billion Riyals)	143.2	95.8	38.7

Source: The Annual Report on the performance of the Saudi Capital Market (Tadawul), 2009.

- Mouwasat Medical Services Company was included in Tadawul all share Index (TASI) at the closing price on Wednesday 30/12/2009.

The Efforts of Capital Market Authority (CMA) for Educating Investors during 2009

The Capital Market Authority (CMA) publishes all news and resolutions issued by its Board on its website to ensure that information reaches all investors at the same time. During 2009 the CMA published more than 225 information materials to explain and interpret the news and resolutions issued by the CMA Board. These materials

tackled main issues such as the international high level standards applied in the Saudi Financial Market, and the procedures adopted to observe and control market violations. The CMA receives enquiries and complaints from media specialists and citizens and replies to them through phone, fax or e-mail.

Within the framework of the Investor Awareness Program, the CMA issued an awareness booklet entitled "Law-Violating Behaviors.....Be Aware and Cautious", and another one entitled "Warning Announcement". CMA has also distributed more than a million copy of



Table 6.7: INITIAL PUBLIC OFFERINGS BY NEW COMPANIES ON THE SAUDI SHARE MARKET DURING 2009

Company	Sector	Date of IPO	Capital Value (Million)	Total Issued Shares (Million)	No. of shares offered for public subscription (Million)	Floating Price 31/12/2009	Closing price on 31/12/2009	Value of Offering (Million)	No. of subscribers (Million)	Total value of shares subscribed for (Million)	No. of over-subscription (Times)
1 Eihad Atheeb Telecommunication Co.	Telecommunication & Information Technology	24-Jan-09	1,000.0	100.0	30.0	10.0	16.15	300.0	1.4	1,062.0	3.5
2 ACE Arabia Cooperative Insurance Co.	Insurance	18-Apr-09	100.0	10.0	4.0	10.0	55.00	40.0	0.9	454.0	11.4
3 AXA Cooperative Insurance Co.	Insurance	18-Apr-09	200.0	20.0	8.0	10.0	30.70	80.0	0.8	456.8	5.7
4 Al-Rajhi Company for Cooperative Insurance Weqaya for Takaful	Insurance	18-Apr-09	200.0	20.0	6.0	10.0	64.50	60.0	0.9	538.8	9.0
5 Insurance and Reinsurance Co.	Insurance	18-Apr-09	200.0	20.0	8.0	10.0	49.70	80.0	0.5	264.0	3.3
6 Saudi Steel Pipe Co.	Building & Construction	27-Jun-09	510.0	51.0	16.0	25.0	34.10	400.0	1.3	1,260.0	3.2
7 National Petrochemical Co.	Petrochemical Industries	18-Jul-09	4,800.0	480.0	240.0	10.0	15.55	2,400.0	2.3	50,760.0	21.2
8 Mouwasat Medical Services Co.	Retail	15-Jul-09	250.0	25.0	7.5	44.0	61.25	330.0	1.4	1,554.3	4.7
9 Al Alamiya for Cooperative Insurance Co.	Insurance	03-Oct-09	200.0	20.0	6.0	10.0	35.00	60.0	0.9	449.4	7.5
10 Buruj Cooperative Insurance Co.	Insurance	03-Oct-09	130.0	13.0	5.2	10.0	unlisted	52.0	1.1	60.3	1.2
11 Gulf General Cooperative Insurance Co.	Insurance	03-Oct-09	200.0	20.0	8.0	10.0	unlisted	80.0	1.5	813.6	10.2
Total		—	7,790.0	779.0	338.7	—	—	3,882.0	12.9	57,673.2	—

Source: CMA and the Annual Report on the performance of the Saudi Capital Market (Tadawul), 2009.



Table 6.8: NUMBER OF SUBSCRIBERS BY CHANNELS OF SUBSCRIPTION FOR IPOs
(Million subscribers)

Channels of Subscription	2008		2009		Annual % Change
	Number	Percent	Number	Percent	
Phone Banking	12.1	20.8	3.1	23.8	-74.7
ATM	11.0	18.8	6.1	47.6	-44.0
Internet	6.7	11.5	2.7	20.5	-60.5
Branches	28.6	49.0	1.0	8.1	-96.4
Total	58.4	100.0	12.9	100.0	-77.9

Source: CMA.

investment awareness booklets. In addition, it published a summary for its awareness booklets concerning complaints and investment guides for pensioners and the youth in most of the newspapers, and pension, social insurance and Tadawul magazines aiming to reach the segments of society concerned with this material.

The CMA launched four training courses, for the media men, on writing financial reports and financial and economic analysis. Moreover, CMA published “the Smart Investor” magazine aiming at spreading and facilitating saving and investing concepts for coming generations. It has also launched three advertising campaigns, namely:

- “Warning of Fund Investment” Campaign.
- “Fellowship Grant” Campaign.
- “Introduction to Investor Awareness Publications” Campaign.

CMA has held 23 events for raising investor awareness in 19 different cities. About 71 thousand visitors attended these events, and 477 thousand books and booklets were distributed there. During 2009 CMA initiated preparation of a field survey to know about investor visions on CMA and its role in raising investor awareness. Through analyzing the views and suggestions of investors on the Saudi Capital Market, CMA will work on designing the necessary plans for improving its exerted efforts in raising investor awareness.

Saudi Share Market Activity during the First Quarter of 2010

The general share price index recorded an increase during the first quarter of 2010 compared to the first quarter of the preceding year, closing at 6,801.0 compared to 4,703.8 at the end of the same quarter of the preceding year, denoting a rise of 44.6 percent. Since the beginning of the year up to the end of the first quarter, the general share price index has gained 679.3 points (11.1 percent). In the first quarter

of 2010, the index recorded its highest closing point of 6,815.0 on 30/3/2010. The market capitalization of issued shares increased by 52.1 percent to Rls 1,344.9 billion by the end of the first quarter of 2010 compared to Rls 884.2 billion at the end of the first quarter of the preceding year. The total value of traded shares dropped to Rls 190.0 billion, or by 37.6 percent, from the level of the same period of the preceding year. The number of traded shares went down by 48.7 percent to 8,523.0 million compared to 16,598.7 million during the same period of the preceding year. The number of transactions executed decreased to 5.3 million, or by 46.7 percent, during the year.

During the first quarter of 2010, the value of purchased and sold shares via the Internet stood at Rls 212.3 billion compared to Rls 387.8 billion during the first quarter of the preceding year, decreasing by 45.3 percent (Rls 175.5 billion). The value of purchased and sold shares via the Internet represented 55.9 percent of the total value of shares purchased and sold during the first quarter of 2010 against 63.6 percent during the first quarter of the preceding year. The number of both purchased and sold shares via the Internet was 9.5 billion during the first quarter of 2010 against 21.2 billion during the first quarter of the previous year, decreasing by 55.2 percent (11.7 billion shares). The number of shares purchased and sold via the Internet represented 55.8 percent of the total value of shares purchased and sold during the first quarter of 2010 against 64.0 percent during the first quarter of the preceding year. The number of transactions executed via the Internet amounted to 7.0 million during the first quarter of 2010 against 14.4 million during the first quarter of the preceding year, declining by 51.6 percent (7.4 million). The number of transactions executed via the Internet represented 65.1 percent of total transactions executed during the first quarter of 2010 against 71.7 percent during the first quarter of the preceding year (Table 6.9).



Table 6.9: TRANSACTIONS OF PURCHASED AND SOLD SHARES VIA THE INTERNET

		1st Quarter of 2009	1st Quarter of 2010	Annual % Change
Value of Purchased and Sold Shares (Billion riyals)	Via the Internet	387.8	212.3	-45.3
	Total*	609.4	380.1	-37.6
	Percent	63.6	55.9	-12.2
Number of Purchased and Sold Shares (Million shares)	Via the Internet	21,243.8	9,514.7	-55.2
	Total*	33,198.0	17,046.0	-48.7
	Percent	64.0	55.8	-12.8
Number of Executed Transactions (Thousand)	Via the Internet	14,394.8	6,960.2	-51.6
	Total*	20,070.3	10,696.9	-46.7
	Percent	71.7	65.1	-9.3

* Total represents shares sold and purchased via all channels of the market (trading terminals, Internet, Phone Banking and ATMs).
Source: Capital Market Authority (CMA).

At the end of the first quarter of 2010, the number of subscribers registered in “Tadawul” system stood at 4,009.7 thousand against 3,964.2 thousand at the end of the first quarter of the preceding year, increasing by 1.1 percent (45.5 thousand). The number of subscribers registered in the share trading service via the Internet declined to 90.6 thousand at the end of the first quarter of 2010 compared to 157.2 thousand at the end of the first quarter of the previous year, falling by 42.4 percent (Table 6.4).

A review of the developments of the domestic share market by sectors during the first quarter of 2010 shows that the banks and financial services sector was the most active sector in terms of the number of shares traded which reached 2,152.6 million, accounting for 25.3 percent of the total number of shares traded. The sector of petrochemical industries came second with 1,612.5 million, representing 18.9 percent of the total. The multi-investment company sector ranked third with 1,242.2 million, accounting for 14.6 percent of the total. The insurance sector came fourth with 690.4 million, representing 8.1 percent of the total. The fifth position was occupied by the real estate development sector with 638.8 million (7.5 percent). The last position was occupied by the media and publishing sector with 19.3 million (0.2 percent).

As regards the value of shares traded by sectors during the first quarter of 2010, the petrochemical

industries sector ranked first with RIs 47.7 billion, accounting for 25.1 percent of the total value of shares traded. The banks and financial services sector came second with RIs 36.2 billion, representing 19.0 percent of the total. The insurance sector was third with RIs 26.0 billion, accounting for 13.7 percent of the total. The agriculture and food industries sector held the fourth position with RIs 12.5 billion, representing 6.6 percent of the total, followed by the industrial investment sector with RIs 12.3 billion (6.4 percent). The last position was occupied by the media and publishing sector with RIs 0.4 billion (0.2 percent).

In terms of the number of transactions executed by sectors in the domestic stock market during the first quarter of 2010, the insurance sector came first with 1,495.5 thousand (28.0 percent of the total number of executed transactions), followed by the petrochemical industries sector with 716.7 thousand (13.4 percent of the total). The industrial investment sector held the third position with 569.3 thousand (10.6 percent of the total). The agriculture and food industries sector ranked fourth with 501.7 thousand (9.4 percent of the total), followed by the banks and financial services sector with 490.4 thousand (9.2 percent). The last position was occupied by the media and publishing sector with 23.1 thousand (0.4 percent of the total).

As regards the market capitalization of issued shares at the end of the first quarter of 2010, the



petrochemical industries sector ranked first with R1s 469.2 billion (34.9 percent of the total market capitalization of issued shares), followed by the banks and financial services sector with R1s 378.0 billion (28.1 percent of the total). The telecommunication and information technology sector came third with R1s 145.6 billion (10.8 percent), followed by the energy and utilities sector with R1s 54.0 billion (4.0 percent) and the agriculture and food industries sector with R1s 51.1 billion (3.8 percent). The last position was occupied by the hotels and tourism sector with R1s 2.5 billion (0.2 percent of the total) (Table 6.10).

New IPOs during the First Quarter of 2010

During the first quarter of 2010, five new companies were floated for public subscription with a capital of R1s 1.5 billion and 155 million shares. About 55 million shares were floated for public subscription. The total value of floated shares was R1s 1,036 million, representing 35.7 percent of the total capital of the floated companies (Table 6-11).

Regulatory Developments during the first Quarter of 2010

- On 2/2/2010, Herfy Food Services Company was listed with a capital of R1s 270 million divided into 27 million shares.
- On 8/2/2010, Gulf General Cooperative Insurance Company was listed with a capital of R1s 200 million divided into 20 million shares.
- On 15/2/2010, Buruj Cooperative Insurance Company was listed with a capital of R1s 130 million divided into 13 million shares.
- On 22/2/2010, Alsorayai Group was listed with a capital of R1s 300 million divided into 30 million shares.
- On 28/3/2010, “Falcom Saudi Equity ETF” which allows foreigners non-resident in the Kingdom to trade units of the fund index, was listed and traded.
- On 13/2/2010, Alinma Investment joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services.
- Muscat Securities House joined the Saudi Stock Exchange (Tadawul) as an active member to provide financial brokerage services on 24/2/2010.

Thus, the number of brokerage firms operating on the Saudi Stock Exchange (Tadawul) reached 37.

Sukuk and Bond market During 2009

The Saudi Stock Exchange (Tadawul) launched a new electronic market for trading in Sukuks and bonds starting Saturday 13/06/2009. The new market provides many services such as, listing of Sukuk and bonds, order and transaction execution, clearing and

settlement, and prices information direct dissemination. The trading of Sukuks and bonds on the new market takes place through licensed brokerage firms and by using the same investment portfolio for trading stocks.

The Sukuk and Bond Market has continued to create new investment channels by facilitating trading in these investment tools, which makes it possible for dealers of Saudi Capital Market to diversify their investments. Sukuk and Bond Market provides latest information about listed issues of Sukuks and bonds for trading and their prices over Tadawul website and accredited information providers to enhance transparency and increase the number of beneficiaries of these tools. The price change of Sukuk and bonds is open (no maximum or minimum limit), and the tick size unit is 0.001 percent of bond or Sukuk value. Sukuks and bonds are traded from Saturday to Wednesday from 11.30 AM to 3.00 PM.

Total amount of issued Sukuks and bonds since the foundation of the Market until the end of 2009 stood at R1s 28.0 billion. These Sukuks and bonds were five; three of them were issued by SABIC with a nominal issue value of R1s 16.0 billion, and the rest were issued by the Saudi Electricity Company with a nominal issue value of R1s 12.0 billion. In 2009, the volume of traded Sukuk and bond amounted to R1s 27.4 million, whereas the nominal value of these Sukuk and bonds was R1s 27.7 million, signifying a market loss of R1s 286.5 thousand or 1.0 percent of total nominal value of traded Sukuk and bonds (Table 6.12).

Comparison between the Arab Share Markets and the Saudi Share Market in 2009

The performance of indicators of the Arab share markets participating in the Arab Monetary Fund Data Base (AMFDB) recorded a mixed trend during 2009. Tunis Stock Exchange Index recorded the largest increase of 117.7 percent as compared to the preceding year. Bahrain Stock Exchange Index recorded the largest decline of 19.2 percent. The composite Arab Monetary Fund Index (AMFI) showed improvement during 2009, which reflected the relative recovery of the Arab Stock Exchange from the global financial crisis, as it recorded an increase of 18.1 percent to 196.3 in 2009 against 166.2 at the end of the previous year.

Total market capitalization of all Arab stock exchanges increased by 17.4 percent to \$903.4 billion by the end of 2009 compared to \$769.6 billion at the end of the previous year. The market capitalization of the Muscat Securities Market recorded the largest increase of 56.0 percent. Followed by the Tunis Stock Exchange, increasing by 46.5 percent. Then came the



Table 6.10: SAUDI SHARE MARKET ACTIVITY BY SECTORS DURING THE FIRST QUARTER OF 2010

Sector	No. of Traded Shares		Value of Traded Shares		No. of Executed Transactions		Market Capitalization	
	(Million Shares)	Ratio to Total (%)	(Billion Riyals)	Ratio to Total (%)	(Thous and)	Ratio to Total (%)	(Billion Riyals)	Ratio to Total (%)
Banks & Financial Services	2152.6	25.3	36.2	19.0	490.4	9.2	378.0	28.1
Petrochemical Industries	1612.5	18.9	47.7	25.1	716.7	13.4	469.2	34.9
Cement	65.8	0.8	3.5	1.8	73.2	1.4	45.2	3.4
Retail	147.7	1.7	4.9	2.6	197.3	3.7	14.9	1.1
Energy & Utilities	140.6	1.6	1.7	0.9	26.6	0.5	54.0	4.0
Agriculture & Food Industries	313.2	3.7	12.5	6.6	501.7	9.4	51.1	3.8
Telecommunication & Information Technology	443.4	5.2	9.9	5.2	214.5	4.0	145.6	10.8
Insurance	690.4	8.1	26.0	13.7	1495.5	28.0	24.2	1.8
Multi-Investment	1242.2	14.6	11.9	6.3	355.5	6.6	39.9	3.0
Industrial Investment	496.1	5.8	12.3	6.4	569.3	10.6	35.2	2.6
Building & Construction	330.7	3.9	9.8	5.2	319.4	6.0	23.6	1.8
Real Estate Development	638.8	7.5	9.0	4.7	232.4	4.3	49.1	3.6
Transport	188.3	2.2	2.8	1.5	79.3	1.5	9.0	0.7
Media and Publishing	19.3	0.2	0.4	0.2	23.1	0.4	3.4	0.3
Hotel & Tourism	41.5	0.5	1.3	0.7	53.3	1.0	2.5	0.2
Total	8523.1	100.0	190.0	100.0	5348.5	100.0	1344.9	100.0

Source: First Quarter Report on the performance of the Saudi Capital Market (Tadawul), 2010.

Table 6.11: IPOs BY NEW COMPANIES FOR SUBSCRIPTION ON THE SAUDI SHARE MARKET DURING THE FIRST QUARTER OF 2010

Company	Date of IPO	Company's Capital (Million Rls)	Total shares (Million)	Shares offered for public subscription (Million)	Ratio of subscription in Company's shares	Share Market Capitalization	Value of offering (Million Rls)
1 Herfy Food Services Co.	11-Jan-10	270	27	8	30	51	413
2 Al Sorayai Trading and Industrial Group Co.	01-Feb-10	300	30	9	30	27	243
3 Solidarity Saudi Takaful Co.	22-Mar-10	555	56	22	40	10	222
4 Amana Cooperative Insurance Co.	22-Mar-10	320	32	13	40	10	128
5 Wataniya Insurance Co.	22-Mar-10	100	10	3	30	10	30
Total		1,545	155	55			1,036

Source: First Quarter Report on the performance of the Saudi Capital Market (Tadawul), 2010.



Table 6.12: TRADABLE SUKUK AND BONDS IN TADAWUL DURING 2009

Sukuk / Bonds	Issue Size (Million Rls)	Par Value (Thousand Rls)	Maturity Date	Coupon (Annual Return) (%)	Transactions	Value Traded (Thousand Rls)	Nominal Value Traded (Thousand Rls)
SABIC 1	3,000	50	15-Jul-26	SIBOR + 0.40%	10	4474.1	4550
SABIC 2	8,000	10	15-Jul-27	SIBOR + 0.38%	8	1503.0	1510
SABIC 3	5,000	10	15-May-28	SIBOR + 0.48%	3	1606.8	1650
Saudi Electricity 1	5,000	500	15-Jul-27	SIBOR + 0.45%	28	15798.4	16000
Saudi Electricity 2	7,000	100	06-Jul-29	SIBOR + 1.60%	6	4041.3	4000
Total	28,000	—	—	—	55	27423.5	27710

Source: The Annual Report on the performance of the Saudi Capital Market (Tadawul), 2009.

Beirut and Kuwait Stock Exchanges by 33.7 percent, and the Saudi Stock Market by 29.3 percent.

The number of companies listed in the Arab Share Markets decreased to 1,495 in 2009 from 1,542 in the preceding year. This was due to the delisting of some of the companies from the Cairo and Alexandria Stock Exchange, and the marked decrease in the number of new companies in 2009 compared to the preceding years.

As regards the value of shares traded on the Arab Sock Exchange, it decreased by 34.5 percent to \$653.5 billion at the end of 2009 as compared to the end of 2008. Whereas, the number of shares traded in these markets increased by 19.6 percent to 364.4 billion at the end of 2009 against 304.6 billion in the preceding year (Table 6.13).

A comparison of selected Arab share market indicators in 2009 shows that the Saudi share market recorded the highest indicators among all Arab share markets. Market capitalization of the Saudi share market stood at \$318.8 billion, compared to an average of \$64.5 billion for the Arab countries composing AMFI. Market capitalization of the Saudi share market represented 35.3 percent of total market capitalization of Arab securities markets at the end of 2009. During 2009, the value of shares traded on the Saudi share market amounted to \$337.1 billion, constituting 51.6 percent of total value of shares traded on the markets of Arab countries participating in the Arab securities markets' data base.

The number of companies whose shares were traded on the Saudi share market reached 135 at the end of 2009, with an average market capitalization of \$2,361.5 million per company, compared to an average of 100 companies and an average market capitalization of \$690.0 million per company in the Arab countries participating in the Arab securities markets' data base.

Among the indicators that show the activity of the Saudi share market as compared to the Arab share markets participating in the Arab securities markets' data base during 2009 was its turnover rate of traded shares, which stood at 105.7 percent against an average of 54.3 percent for Arab share markets (Table 6.14 and Chart 6.2).

Developments of Investment Funds during 2009

The number of investment funds managed by investment companies in Saudi Arabia fell by 6.9 percent to 244 in 2009, but their total assets increased by 19.7 percent (Rls 14.7 billion) from Rls 74.8 billion at the end of 2008 to Rls 89.5 billion at the end of 2009.

Domestic assets of investment funds increased from Rls 61.3 billion at the end of 2008 to Rls 74.1 billion at the end of 2009, increasing by 21.0 percent. The share of investment in domestic assets stood at 82.8 percent of the total funds' assets at the end of 2009, compared to 81.9 percent at the end of the preceding year. The foreign assets of investment funds also increased by 13.7 percent to Rls 15.4 billion at the end of 2009, constituting around 17.2 percent of the total assets of the funds, compared to 18.1 percent at



Table 6.13: ANNUAL CHANGE IN SOME ARAB SHARE MARKET INDICATORS (2009)
(In percent)

Market	No. of Shares Traded	Value of Shares Traded	Share Market Capitalization	Share Price Index
Saudi Arabia	-3.5	-35.6	29.3	27.5
Kuwait	31.5	-22.4	33.7	-10.0
Egypt	65.5	-7.7	6.0	-10.8
Morocco	28.0	15.3	12.8	-4.2
Bahrain	-49.2	-77.3	-18.5	-19.2
Jordan	10.7	-52.4	-11.0	-8.2
Oman	45.1	-32.0	56.0	17.0
Tunisia	9.7	-19.5	46.5	117.7
Lebanon	-2.8	-39.3	33.7	36.3
Abu Dhabi	-26.7	-70.3	16.6	14.8
Algeria	-30.2	-40.1	-1.1	--
Dubai	44.7	-43.2	-7.9	10.2
Sudan	-52.1	85.3	-20.3	-13.1
Qatar	-11.4	-47.5	14.8	1.1
Palestine	-33.9	-59.5	11.9	11.6

-- Not available.

Source: Arab Monetary Fund, Quarterly Bulletin of the Arab Capital Market Database, fourth quarter 2009.

the end of 2008. At the end of 2009, the number of subscribers stood at 356.3 thousand, decreasing by 5.0 percent from the preceding year (Table 6.15 and Chart 6.3).

A review of the classification of the funds' investments inside and outside the Kingdom at the end of 2009 indicates that total investments in global share markets increased by 2.7 percent to Rls 10.0 billion. Global shares represented 34.2 percent of total investments of the funds in share markets against 36.4 percent at the end of the preceding year. Investment in domestic shares also increased by 13.0 percent to Rls 19.3 billion. Domestic shares accounted for 65.8 percent of total fund investments in shares against 63.6 percent at the end of the preceding year. Investment in domestic and global share markets accounted for 32.7 percent of total assets of investment funds at the end of 2009 against 35.8 percent at the end of 2008.

Funds' investments in international securities went down by 42.0 percent to Rls 324.0 million at the end of 2009, while investments in domestic securities increased by 21.1 percent from Rls 1,618.0 million at the end of 2008 to Rls 1,960.0 million at the end of 2009. Investments in domestic and foreign securities accounted for 2.6 percent of the funds' total investment at the end of 2009 compared to 2.9 percent at the end of the preceding year. Investments in domestic and

international money market instruments represented 59.7 percent of the funds' total investments at the end of 2009 against 54.2 percent at the end of the preceding year. Investment in domestic money markets rose from Rls 38.3 billion at the end of 2008 to Rls 49.4 billion at the end of 2009, increasing by 29.0 percent. Investment in domestic money markets accounted for 92.3 percent of total investments in domestic and international money markets at the end of 2009 against 94.4 percent at the end of the preceding year. Investments in international money markets increased by 82.0 percent from Rls 2.3 billion at the end of 2008 to Rls 4.1 billion at the end of 2009. These investments represented 7.7 percent of total investments in domestic and international money markets against 5.6 percent at the end of the preceding year. Investments in other domestic assets decreased by 45.6 percent to Rls 1.2 billion at the end of 2009, accounting for 54.5 percent of total investments in other domestic and international assets compared to 68.3 percent at the end of the previous year. In addition, investments in other foreign assets went down by 2.1 percent to Rls 1.0 billion, accounting for 45.5 percent of total investments in other domestic and international assets, compared to 31.7 percent at the end of the preceding year. Investment in real estate assets increased by 8.5 percent at the end of 2009 to Rls 2.3 billion, representing 2.6 percent of the funds' total assets against 2.9 percent at the end of the preceding year (Table 6.16).



Table 6.14: IMPORTANT INDICATORS OF ARAB SHARE MARKETS DURING 2009

	Annual change of share price Index %	Market capitalization (Million Dollars)	Value of shares traded (Million Dollars)	No. of listed companies	Average company size (Million Dollars)	GDP at current prices (Million Dollars)*	Market depth (%)**	Turnover Ratio (%) ***
Saudi Arabia	27.5	318,802.7	337,069.9	135	2,361.5	369.5	86.3	105.7
Kuwait	-10.0	93,824.0	103,772.0	205	457.7	127.7	73.5	110.6
Egypt	-10.8	91,092.0	81,173.0	306	297.7	189.2	48.1	89.1
Morocco	-4.2	74,186.0	16,226.0	73	1,016.2	92.7	80.0	21.9
Bahrain	-19.2	16,263.0	473	49	331.9	21.6	75.2	2.9
Jordan	-8.2	31,889.0	13,641.0	272	117.2	21.1	150.8	42.8
Oman	17.0	23,616.0	5,905.0	120	196.8	53.1	44.5	25.0
Tunisia	117.7	9,237.0	1,360.0	52	177.6	37.7	24.5	14.7
Lebanon	36.3	12,843.0	1,038.0	11	1,167.5	32.2	39.9	8.1
Abu Dhabi	14.8	80,201.0	18,766.0	67	1,197.0	224.9	35.7	23.4
Algeria	--	91	187.5	2	45.5	162.1	0.1	206.1
Dubai	10.2	58,095.0	47,239.0	67	867.1	224.9	25.8	81.3
Sudan	-13.1	3,033.0	1,006.0	53	57.2	54.9	5.5	33.2
Qatar	1.1	87,930.0	25,317.0	44	1,998.4	82.4	106.8	28.8
Palestine	11.6	2,377.0	500	39	60.9	--	--	21.0
Average	12.2	64,527.8	50,207.7	100	690.0	121.0	56.9	54.3

* Economist Intelligence Unit estimates (February 2010) except Saudi Arabia.

** Ratio of market capitalization to GDP.

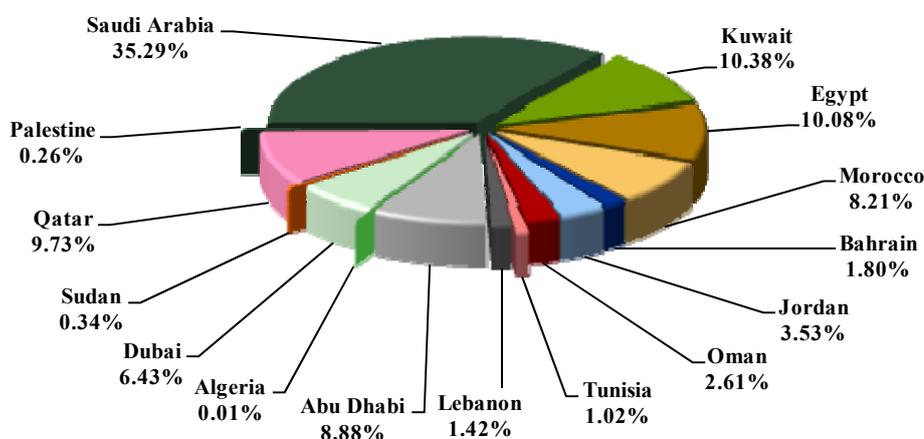
*** Value of traded shares during the period to market capitalization of shares at the end of period.

-- Not available.

Source: Arab Monetary Fund, Quarterly Bulletin of the Arab Capital Market Database, Fourth Quarter 2009.



Chart 6.2: Percent Shares of Arab Capital Markets in the Composition of the Arab Monetary Fund's Index at the End of 2009 by Market Capitalization



An analysis of the classification of investment companies by assets, number of funds and subscribers shows that the National Commercial Bank Capital Co. took the lead in terms of assets of its investment funds, which stood at Rls 28.6 billion, representing 32.0 percent of the total assets of investment funds, followed by the Riyadh Capital Co. with assets of Rls 15.1 billion (16.9 percent of the total). The Samba Capital & Investment Management Co. (Sambacapital) came third with assets of Rls 13.1 billion (14.6 percent of the total).

As for the number of investment funds, the Riyadh Capital Co. came first with 31 funds all of which were open-ended. The Saudi Hollandi Capital Co. came in the second place with 29 funds of which 3 were close-ended. The National Commercial Bank Capital Co. came third with 26 funds all of which were open-ended except one.

As for the number of subscribers, the Riyadh Capital Co. came first with 81.6 thousand subscribers, followed by HSBC Saudi Arabia Limited with 61.7 thousand. In the third position came the National Commercial Bank Capital Co. with 55.3 thousand (Table 6.17).

Developments of Investment Funds during the First Quarter of 2010

At the end of the first quarter of 2010, the number of investment funds declined by 1.2 percent to 241 compared with the fourth quarter of 2009, and the number of subscribers fell by 1.9 percent to 349.5 thousand from the fourth quarter of the preceding year. Total assets of the investment funds rose by 4.0 percent

(Rls 3.6 billion) to Rls 93.1 billion due to an increase of 4.5 percent (Rls 3.3 billion) in the funds' investments in domestic assets. However, the funds' investments in foreign assets increased by 1.6 percent (Rls 0.2 billion). The share of investment in domestic assets accounted for 83.2 percent of total assets of the investment funds at the end of the first quarter of 2010, compared to 83.6 percent at the end of the first quarter of 2009. The share of investment in foreign currencies of total assets of the investment funds went up to 16.8 percent as compared to 16.4 percent at the end of the first quarter of the previous year.

A review of the classification of the funds' investments inside and outside the Kingdom at the end of the first quarter of 2010 indicates that investments in the domestic share market rose by 14.6 percent (Rls 2.8 billion) to Rls 22.1 billion compared to the fourth quarter of 2009. Investments in foreign share markets also went up by 1.8 percent (Rls 0.2 billion) to Rls 10.2 billion. Investments in domestic and global share markets represented 34.7 percent of the funds' total investment at the end of the first quarter of 2010. The funds' investments in domestic securities at the end of the first quarter of 2010 stood at Rls 6.1 billion, increasing by 210.2 percent from the end of the fourth quarter of the preceding year, and investments in foreign securities increased by 26.5 percent to Rls 410.0 million. The investments in domestic and foreign securities accounted for 7.0 percent of the funds' total investment at the end of the first quarter of 2010. Investments in domestic money market instruments fell by 6.6 percent to Rls 46.1 billion, and investments in foreign money market instruments increased by 1.0 percent to Rls 4.1 billion. Investments in domestic and



**Table 6.15: IMPORTANT INDICATORS OF INVESTMENT FUNDS
MANAGED BY DOMESTIC INVESTMENT COMPANIES**

Year	No. of operating funds	Domestic assets investment		Foreign assets investment		Funds' total assets		No. of subscribers (Thousand)	Annual % Change	
		Annual % Change	(Billion RIs)	Annual % Change	(Billion RIs)	Annual % Change	(Billion RIs)			
2005	199	5.9	115.7	160.0	21.3	34.8	137.0	568.3	127.2	186.4
2006	214	7.5	61.3	-47.0	22.8	6.9	84.1	500.0	-38.6	-12.0
2007	252	17.8	79.9	30.2	25.2	10.7	105.1	426.1	25.0	-14.8
2008	262	4.0	61.3	-23.3	13.6	-46.2	74.8	375.0	-28.8	-12.0
2009	244	-6.9	74.1	21.0	15.4	13.7	89.5	356.3	19.7	-5.0
2010										
First Quarter	241	-4.7	77.5	20.1	15.7	23.3	93.1	349.5	20.6	-5.8

Source: Capital Market Authority (CMA).



Chart 6.3: Assets of Investment Funds at Domestic Investment Companies

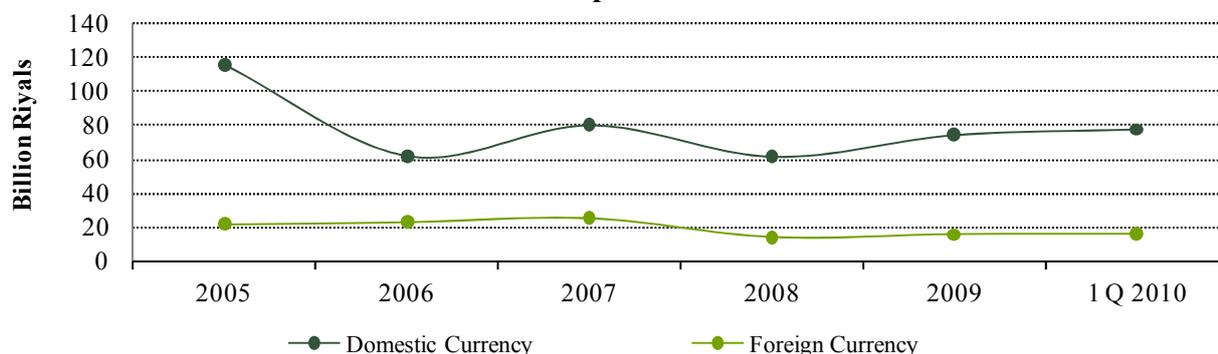


Table 6.16: ASSETS OF INVESTMENT FUNDS MANAGED BY DOMESTIC INVESTMENT COMPANIES DISTRIBUTED BY TYPE OF INVESTMENT

(Million Rls)

End of Period	Domestic Shares	Foreign Shares	Domestic Bonds	Foreign Bonds	Domestic money market instruments	Foreign money market instruments	Other domestic assets	Other foreign assets	Real Estate Investments	Total Assets
2005	89,444	14,667	20	79	6,501	1,607	19,696	4,960	---	136,974
2006	31,960	15,583	1,683	168	23,951	3,512	3,749	3,501	---	84,108
2007	45,206	16,809	531	264	29,362	3,518	4,611	4,799	---	105,099
2008	17,058	9,749	1,618	559	38,289	2,252	2,145	995	2,149	74,814
2009	19,281	10,009	1,960	324	49,402	4,099	1,167	974	2,332	89,548
2010										
Q1	22,104	10,191	6,080	410	46,141	4,139	1,119	913	2,035	93,132

Source: Capital Market Authority (CMA).

foreign money market instruments at the end of the first quarter of 2010 represented 54.0 percent of the funds' total investments. Investments in other domestic assets declined by 4.1 percent (Rls 48.0 million) to Rls 1.1 billion at the end of the first quarter of 2010, and investments in other foreign assets went down by 6.3 percent to Rls 0.9 billion. Investments in other domestic and foreign assets accounted for 2.2 percent of the funds' total assets at the end of the first quarter of 2010. Investments in real estate assets at the end of the first quarter of 2010 declined by 12.7 percent (Rls 0.3 billion) to Rls 2.0 billion compared to the end of the fourth quarter of 2009. Investments in real estate assets represented 2.2 percent of the funds' total assets at the end of the first quarter of 2010 (Table 6.16).

Government Securities during 2009

In 2009, SAMA continued to pursue its monetary policy geared to the objective of realizing

financial and price stability, supporting domestic economic activity and coping with national and international economic developments. Due to continued decline of inflation rate to 5.1 percent compared to 9.9 percent in the preceding year, SAMA adopted some procedures that aim to meet domestic demand for credit in order to insure that banks continue to play their financing role to support the process of development in the Kingdom.

In 2009, SAMA lowered the Repo Rate from its previous level of 2.5 percent to 2.0 percent and lowered the Reverse Repo Rate several times to reach 0.25 percent at the end of 2009 comparing to 1.5 percent in the preceding year. SAMA did not conduct any foreign exchange swaps with domestic banks as there was sufficient dollar liquidity in the banking system. The daily average net value of Repo transactions stood at Rls 1,427 million during 2009, while the daily average



**Table 6.17: CLASSIFICATION OF INVESTMENT COMPANIES
BY ASSETS, NUMBER OF FUNDS AND SUBSCRIBERS IN 2009**

Investment Company	No. of Funds			Assets of Funds (Million Rls)			No. of Subscribers
	Close-ended	Open-ended	Total	Domestic assets investment	Foreign assets investment	Total	
Rana Investment Co.	0	1	1	3.4	0.0	3.4	9
HSBC Saudi Arabia Limited	1	21	22	8,875.6	817.1	9,692.7	61,736
Sambacapital	0	25	25	12,035.7	1,043.8	13,079.5	48,151
AlJazira Capital Co.	0	5	5	223.2	303.6	526.8	1,434
Bakheet Investment Group	0	2	2	199.5	0.0	199.5	726
FALCOM Financial Services	0	6	6	415.7	13.5	429.2	570
Saudi Hollandi Capital Co.	3	26	29	1,880.3	404.6	2,284.9	4,929
Riyad Capital Co.	0	31	31	9,826.3	5,275.5	15,101.8	81,636
Audi Saudi Arabia Co.	0	3	3	116.1	87.5	203.6	33
SAIB Asset Management Co.	1	10	11	1,520.3	623.8	2,144.1	1,397
AlBilad Investment Co.	0	5	5	973.4	49.2	1,022.6	41,826
ANB Invest Co.	0	18	18	2,501.8	141.1	2,642.9	10,901
NCB Capital Co.	1	25	26	25,216.8	3,415.2	28,632.0	55,261
CAAM Saudi Fransi LLC	1	11	12	3,943.2	1,523.5	5,466.7	24,087
Al Rajhi Financial Services Co.	1	14	15	5,213.4	880.4	6,093.8	22,020
Jadwa Investment Co.	0	14	14	316.2	774.3	1,090.5	215
KSB Capital Group	1	4	5	480.3	0.0	480.3	1,034
Al Tawfeek Financial Group	0	3	3	63.7	3.7	67.4	169
EFG-Hermes KSA	0	1	1	95.7	0.0	95.7	15
Morgan Stanley Saudi Arabia Co.	0	1	1	52.9	0.0	52.9	4
Global Investment House KSA	0	2	2	12.8	0.0	12.8	23
The Investor Co. For Securities	0	2	2	24.2	57.0	81.2	4
Rasmala Investments Saudi Arabia Co.	0	2	2	58.0	0.0	58.0	13
AlAwwal For Financial Services Co.	0	2	2	76.2	0.0	76.2	81
Watan Investment &	0	1	1	9.8	0.0	9.8	57
Total	9	235	244	74,134.7	15,413.6	89,548.2	356,331

Source: Capital Market Authority (CMA).

net value of Reverse Repo transactions for the same period amounted to Rls 84.5 billion, which means abundance of daily liquidity in the banking system.

During 2009, commercial banks' investments in government securities declined by 26.5 percent (Rls 55.7 billion) to Rls 154.2 billion compared to the preceding year. Commercial banks' investments in treasury bills decreased by 34.2 percent (Rls 40.7 billion) to Rls 78.5 billion. However, commercial banks' investment in government bonds went down by 16.5 percent (Rls 15.0

billion) to Rls 75.7 billion or 49.1 percent of the total investment of commercial banks in government securities (Table 6.18 and Chart 6.4).

Developments in the First Quarter of 2010

During the first quarter of 2010, SAMA continued to pursue its monetary policy geared to the objective of realizing financial and price stability, supporting domestic economic activity and keeping up with national and international economic developments. SAMA decided during the first quarter of 2010 to keep

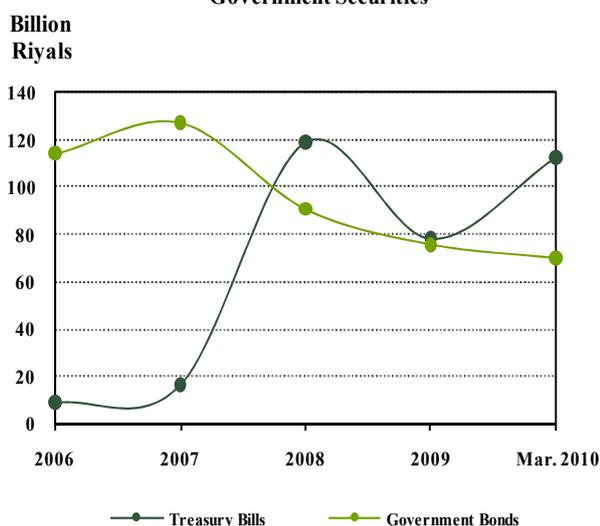


**Table 6.18: COMMERCIAL BANKS' INVESTMENTS
IN GOVERNMENT SECURITIES**

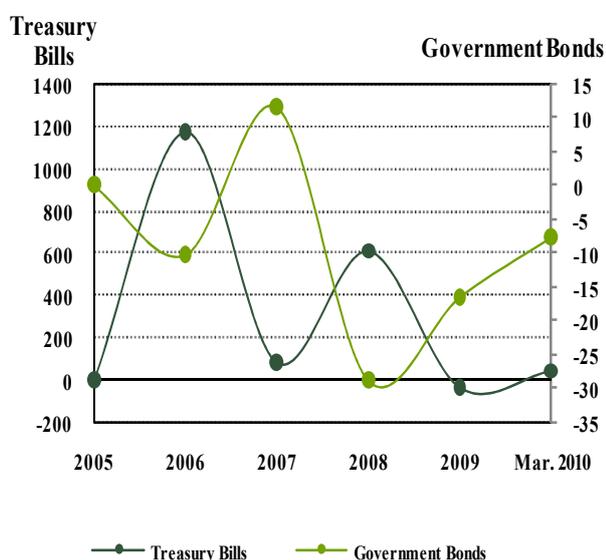
(Billion Rls)

	2006		2007		2008		2009		First Quarter 2010	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
		(%)		(%)		(%)		(%)		
Treasury Bills	9.1	1,177.5	16.7	83.4	119.2	611.9	78.5	-34.2	112.9	43.8
Government Bonds	114.1	-10.2	127.4	11.7	90.7	-28.8	75.7	-16.5	69.9	-7.6
Total	123.3	-3.6	144.2	17.0	209.9	45.6	154.2	-26.5	182.8	18.5

**Chart 6.4: Commercial Banks' Investments in
Government Securities**



**Change in Commercial Banks' Investments in
Government Securities**



the Repo Rate at its previous level (December 2009) of 2.0 percent and the Reverse Repo Rate at 0.25 percent at the end of the first quarter of 2010. The daily average value of Repo transactions stood at Rls 2.3 billion during the first quarter of 2010, while the daily average value of Reverse Repo transactions amounted to Rls 94.9 billion during the same period. SAMA did not carry out any foreign exchange swaps during the first quarter of 2010.

Compared to their level at the end of 2009, total banks' investments in government securities at the end of the first quarter of 2010 went up by 18.5 percent (Rls 28.6 billion) to Rls 182.8 billion compared to a fall of 13.4 percent (Rls 28.2 billion) in the corresponding period of the preceding year. Banks' investments in government bonds declined by 7.6 percent (Rls 5.8 billion) to Rls 69.9 billion whereas their investments in treasury bills rose by 43.8 percent (Rls 34.4 billion) to Rls 112.9 billion at the end of the first quarter of 2010.

Bank Credit Classified by Maturity During 2009

Total loans provided by domestic banks amounted to Rls 736.9 billion at the end of 2009, falling by 1.1 percent as compared to Rls 744.8 billion at the end of the preceding year. Short-term loans decreased by 5.7 percent in 2009 to Rls 449.6 billion, representing 61.0 percent of total granted loans compared to a rise of 37.1 percent to Rls 476.6 billion, accounting for 64.0 percent of total loans in the preceding year.

Medium-term loans rose by 12.0 percent during 2009 to Rls 117.2 billion or 15.9 percent of total loans, compared to a rise of 25.7 percent at the end of the preceding year to Rls 104.6 billion, representing 14.0 percent of total extended loans.



Long-term loans increased by 4.0 percent to Rls 170.1 billion or 23.1 percent of total loans during 2009, against a fall of 0.3 percent at the end of the preceding year, representing 22.0 percent of total loans (Table 6.19 and Chart 6.5).

Developments in the First Quarter of 2010

At the end of the first quarter of 2010, the volume of bank credit increased by 1.4 percent to Rls 746.9 billion compared to the end of the fourth quarter of 2009. Short-term loans increased by 0.4 percent (Rls 1.9 billion) to Rls 451.5 billion, representing 60.5 percent of total bank loans. Medium-term loans increased by 0.7 percent (Rls 0.8 billion) to Rls 117.9 billion, constituting 15.8 percent of total bank loans. Long-term loans also increased by 4.3 percent (Rls 7.3 billion) to Rls 177.4 billion, representing 23.8 percent of total bank loans at the end of the first quarter of 2010 (Table 6.19).

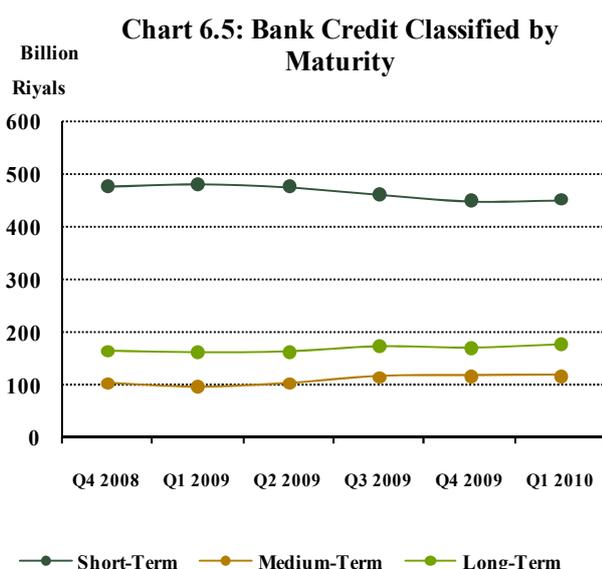


Table 6.19: CLASSIFICATION OF BANK CREDIT BY MATURITY

(Billion Riyals)

	4th. Quarter 2008	1st. Quarter 2009	2nd. Quarter 2009	3rd. Quarter 2009	4th. Quarter 2009	1st. Quarter 2010
Short-term loans (Less than one year)	476.6	480.9	475.2	461.8	449.6	451.5
Medium-term loans (1-3 years)	104.6	97.9	104.0	115.7	117.2	117.9
Long-term loans (More than 3 years)	163.6	160.5	162.3	172.9	170.1	177.4
Total	744.8	739.2	741.5	750.4	736.9	746.9

Specialized Credit Institutions

Specialized credit institutions continued to provide loans, contributing to the achievement of the development objectives in the Kingdom. Total loans disbursed by specialized credit institutions since their inception up to the third quarter of 2009 reached Rls 361.2 billion. Total assets of these institutions stood at Rls 341.0 billion at the end of the third quarter of 2009, rising by 2.4 percent (Rls 7.8 billion) compared to the corresponding quarter of the previous year. Total actual disbursements of loans during the first three quarters of 2009 amounted to Rls 24.9 billion, rising by 24.2 percent compared to the same period of the preceding year. Total repayments amounted to Rls 7.1 billion, decreasing by 24.1 percent from the same period of the preceding year. At the end of the third quarter of 2009, outstanding loans amounted to Rls 173.5 billion, rising by 18.6 percent from the third quarter of the preceding year (Table 6.20 and Chart 6.6).

Saudi Industrial Development Fund (SIDF)

The actual loans disbursed by the SIDF amounted to Rls 4.7 billion during 2009, decreasing by 7.9 percent over the preceding year. Loan repayments stood at Rls 1.5 billion, decreasing by 11.3 percent from the preceding year.

The volume of loans disbursed by the SIDF since its inception up to the end of 2009 has increased to Rls 52.9 billion. At the end of 2009, total outstanding loans stood at Rls 20.9 billion, rising by 21.6 percent over the preceding year.

Real Estate Development Fund (REDF)

Total loans disbursed by the REDF since its inception up to the end of 2009 amounted to Rls 146.9 billion. Total outstanding loans stood at Rls 76.8 billion at the end of 2009, increasing by 1.8 percent over the preceding year.



Table 6.20: ACTIVITY OF SPECIALIZED CREDIT INSTITUTIONS

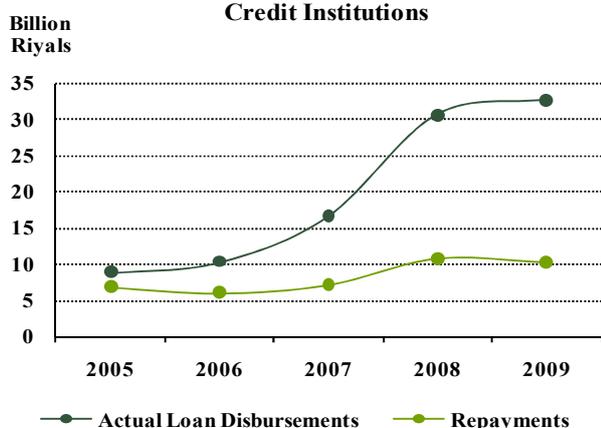
(Million Riyals)

	Loans Disbursed			Repayments			Outstanding Loans*		
	2008	2009	% Change	2008	2009	% Change	2008	2009	% Change
	Saudi Industrial Development Fund	5,056.5	4,658.9	-7.9	1,741.2	1,544.8	-11.3	17,172.3	20,889.5
Real Estate Development Fund	4,988.0	5,278.9	5.8	2,954.4	3,854.6	30.5	75,394.3	76,788.1	1.8
Agricultural Development Fund	616.0	603.0	-2.1	529.2	644.5	21.8	9,518.4	9,477.1	-0.4
Public Investment Fund	10,749.9	15,501.9	44.2	4,601.0	2,071.7	-55.0	28,715.6	42,145.9	46.8
Saudi Credit & Saving Bank	9,189.5	6,626.0	-27.9	877.9	2,078.0	136.7	9,864.0	14,175.5	43.7
Total	30,599.8	32,668.7	6.8	10,703.7	10,193.5	-4.8	155,164.6	177,976.1	14.7

*Including electricity loans of Rls 14.5 billion which are managed by Public Investment Fund.

Source: Specialized Credit Institutions

Chart 6.6: Actual Disbursements and Repayments of Loans of Specialized Credit Institutions



During 2009, the REDF provided loans to the tune of Rls 5.3 billion, which was 5.8 percent more than those in the same period of the preceding year. These loans were disbursed for financing construction of owner-occupied housing units. Loan repayments stood at Rls 3.9 billion in 2009, more by 30.5 percent than those in the same period of 2008.

Agriculture Development Fund (ADF)

Total loans disbursed by the ADF (former Saudi Arabian Agricultural Bank) decreased by 2.1 percent to Rls 603.0 million during 2009 compared to Rls 616.0 million at the end of the preceding year. Loan repayments also went up by 21.8 percent to Rls 644.5

million at the end of 2009. Total outstanding loans amounted to Rls 9.5 billion at the end of 2009, decreasing by 0.4 percent from the preceding year. Total loans disbursed by the ADF since its inception up to the end of 2009 reached Rls 41.7 billion.

Public Investment Fund (PIF)

Since its inception up to the end of 2009, the PIF has provided loans to the tune of Rls 101.3 billion. Repayments amounted to Rls 59.2 billion during the same period. Total outstanding loans at the end of 2009 stood at Rls 42.1 billion, rising by 46.8 percent over the preceding year.

Total actual disbursed loans rose by 35.6 percent during 2009 over the preceding year to Rls 14.6 billion. Repayments of loans amounted to Rls 1.1 billion during the year, falling by 75.1 percent compared to the preceding year. The PIF's total contributions to domestic, Arab and bilateral companies amounted to Rls 2.9 billion during 2009. Thus, the total contributions of the PIF since its inception up to the end of 2009 amounted to Rls 62.2 billion, increasing by 4.8 percent over the end of the preceding year.

Saudi Credit & Saving Bank (SCSB)

Since its foundation up to the end the third quarter of 2009, the total loans provided by the SCSB reached Rls 25.1 billion. At the end of the third quarter of 2009, the amount of outstanding loans was Rls 13.7 billion, rising by 142.3 percent over the same quarter of



the preceding year.

During the first three quarters of 2009, SCSB provided loans to the tune of RIs 5.3 billion, increasing by 17.5 percent over the same period of the preceding year. Loans repayments during the first three quarters of 2009 amounted to RIs 1.3 billion, rising by 79.3 percent over the same period of the previous year.

Domestic Soft Loan Program

The government introduced, through the Ministry of Finance, a direct domestic soft loan program to assist the private sector in establishing development economic projects. Under the program, which began its activity in 1391/1392H (1971), loans are granted for establishing hotels, tourist resorts, hospitals, medical treatment centers, dispensaries, press projects, and private educational and training projects.

The number of loans offered for such activities since the inception of this program up to the end of fiscal year 1430/1431H (2009) reached 529 with a total value of RIs 7,087 million. Actual loans disbursed amounted to RIs 6,187 million, rising by 5.2 percent over the preceding year. Actual repayments totaled RIs 4,149 million at the end of 2009, increasing by 3.8 percent over the end of the preceding year. Thus, total outstanding loans amounted to RIs 2,038 million, rising by 8.1 percent over the end of the preceding year. During 1430/1431H (2009), sixteen loans were approved, including three loans of RIs 84 million for health projects and thirteen loans of RIs 396 million for private educational and training projects. Thus, total actual loans disbursed during the year stood at RIs 305 million (Table 6.21)■

Table 6.21: IMPLEMENTATION OF DOMESTIC LOANS PROGRAM

Type of Loan	2008		2009		Annual % Change
	Number of Loans	Value (Million Riyals)	Number	Value (Million Riyals)	
Hotels and Tourism Resorts	103	2358	103	2358	0.0
Health Projects	118	2195	121	2279	3.8
Press and Miscellaneous Projects	45	197	45	197	0.0
Private Educational and Training Projects	46	862	59	1258	45.9
Other Program and Projects*	201	995	201	995	0.0
Total	312	5612	328	6092	8.6
	<u>Up to the End of 2008</u>		<u>Up to the End of 2009</u>		
Total Loans Disbursed	5882		6187		5.2
Total Repayments	3996		4149		3.8
Outstanding Loans	1886		2038		8.1

* These are Programs and Projects transferred to the Agricultural Development Fund. They include agricultural projects, automated bakeries, financing of contractors, cooling warehouses, and dates factories.

Source: Ministry of Finance.



The Saudi economy witnessed a decline in inflationary pressures during 2009 in the wake of the global economic and financial crisis that led to a decline in global demand and to a fall in primary commodity prices, including food prices in global markets. Indices issued by the International Monetary Fund show that the prices of primary commodities dropped by 31.0 percent in 2009 as compared to the previous year.

The Kingdom continued to pursue an expansionary fiscal policy and financed many infrastructure projects. Government spending recorded a rise of 14.7 percent in 2009 as compared to 2008, with actual government spending reaching Rls 596.4 billion in 2009 against Rls 520 billion in 2008. However, the continued rise in government spending, which is the most important factor affecting demand in Saudi Arabia did not considerably negate the declining effect of the above-mentioned factors. The general price level largely remained unaffected.

As a result of the above-mentioned developments, the average general cost of living index recorded a rise of 5.1 percent to 122.4 during 2009. The non-oil GDP deflator increased by 2.4 percent to 121.7 during the year (Table 7.1). During the first quarter of 2010, the cost of living index averaged 126.1, recording a rise of 4.5 percent over that for the same quarter of the preceding year.

The General Cost of Living Index During 2009

The general cost of living index (for all cities) recorded an increase of 5.1 percent to 122.4 during

2009 against a rise of 9.9 percent in the preceding year (Table 7.2) and (Charts 7.1 and 7.2). The rise in the cost of living index was attributable to an increase in the prices of most items of major expenditure groups. Prices of "Renovation, Rent, Fuel and Water" (housing group and its supplements) increased by 14.2 percent during 2009 against a rise of 17.5 percent in the preceding year, recording the highest increase in major expenditure groups. "House Furnishing" rose by 8.4 percent in 2009 compared to a rise of 7.6 percent in the preceding year. "Other goods and services" increased by 4.3 percent against a rise of 10.6 percent in the preceding year. "Food and Beverages" went up by 2.0 percent compared to a rise of 14.1 percent in the preceding year. "Education and Entertainment" increased by 1.3 percent against a rise of 2.1 percent in the preceding year. "Transport and Communication" also rose by 1.0 percent against 0.2 percent in the preceding year, "Medical Care" prices went up by 0.7 percent against 0.5 percent in the preceding year, and "Fabrics, Apparel and Shoes" increased by 0.5 percent against 0.3 percent in the preceding year.

Effect of Major Expenditure Groups on the General Cost of Living Index during 2009

The general cost of living index (for all cities) recorded an increase of 5.1 percent in 2009 over its level in the preceding year, exceeding the 2004-2008 average (Table 7.3 and Chart 7.3). All major expenditure groups contributed to this increase by varied percentages. "Renovation, Rent, Fuel and Water" (housing and its supplements, contributed to the rise in the index by 2.6 points or 52.8 percent. "House

Table 7.1: ANNUAL GROWTH RATES OF SELECTED INDICATORS

(percent)

	2006	2007	2008	2009
Non-oil GDP deflator (1999=100)	3.7	1.6	3.0	2.4*
Cost of Living Index (All cities) (1999=100)	2.2	4.1	9.9	5.1
Non-oil GDP (at 1999 constant prices)	5.1	4.7	4.4	3.0*
Government Expenditure	13.5	18.5	11.5	14.7
Money Supply (M3)	19.3	19.6	17.6	10.7

* Preliminary data.

Source: Central Department of Statistics and Information. Ministry of Economy and Planning.



Table 7.2 : CHANGES IN COST OF LIVING INDEX AND NON-OIL GDP
(1999=100)

Year	% Change in Cost	
	of Living Index (all cities)	% Change in Non-oil GDP
2005	0.7	5.2
2006	2.2	5.1
2007	4.1	4.7
2008	9.9	4.3*
2009	5.1	3.0*
Five-years average	4.4	5.0

* Preliminary data.

Source: Central Department of Statistics and Information.
Ministry of Economy and Planning.

"Furnishing" contributed by 0.9 point or 19.2 percent. "Goods and Other Services" contributed by 0.6 point or 11.5 percent. "Food and Beverages" contributed by 0.5 point or 10.5 percent. "Transport and Telecommunications" contributed by 0.2 point or 3.3 percent. "Education and Entertainment" contributed by 0.1 point or 1.7 percent. "Fabrics, Apparel and Shoes" contributed by 0.9 percent. "Medical Care" contributed by 0.3 percent (Table 7.4 and Chart 7.4).

Price changes in Consumer Basket Groups and Sub-Groups during 2009

The basket of items, covered by the cost of living index, consists of eight major groups having forty seven sub-groups. Table 7.5 shows indexes of major and sub-expenditure groups, annual and quarterly percentage change therein. The following is a review of the most prominent changes in the sub-groups which, in turn, had an effect on the major groups.

First: Food and Beverages Group

The food and beverages group consists of seventeen subgroups and its index recorded a rise of 2.0 percent during 2009 compared to the preceding year. The other food stuff subgroup registered the highest increase of 5.5 percent, followed by nuts, peanuts and seeds subgroup that rose by 4.9 percent and the sugar products subgroup by 4.8 percent. The fourth position was occupied by both meat and poultry subgroup and legumes and tubers subgroup, with a rise of 4.0 percent, followed by the preserved and canned vegetables group which increased by 3.6 percent. In the contrast, the egg group recorded the highest decrease of 9.4 percent, followed by the fresh vegetables group by 1.7 percent and milk and dairy products group by 1.3 percent.

Second: Fabrics, Apparel and Shoes Group

The fabrics, apparel and shoes group consists of six subgroups and its index recorded a rise of 0.5 percent during 2009 compared to the preceding year. Most of its subgroups increased, except women's apparel and ready-made clothes subgroups which declined by 2.9 percent and 0.1 percent respectively. The men's fabrics and clothes group registered the highest rise of 3.1 percent during 2009.

Third: Renovation, Rent, Fuel and Water Group

The renovation, rent, fuel and water (housing and its supplements) group consists of four subgroups and its index recorded a rise of 14.2 percent during 2009 compared to the preceding year. The rise was driven by an increase of 16.9 percent in the rent subgroup. The home repairs subgroup increased by 1.8 percent, the water supply subgroup went up by 0.7 percent, and the fuel and energy subgroup (excluding

Chart 7.1: Monthly Movements of the Cost of Living Index
(100=1999)

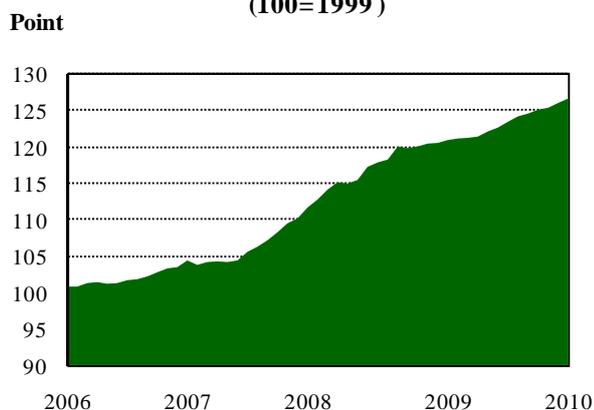
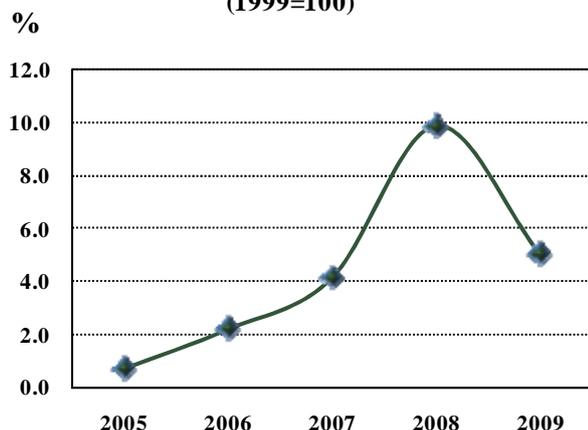


Chart 7.2: Annual Change in Cost of Living Index
(1999=100)



**Table 7.3: ALL-CITIES COST OF LIVING INDEX
(1999=100)**

Year	The General Index	Food and Beverages	Fabrics Apparel & Shoes	Renovation Rent, Fuel And Water	House Furnishing	Medical Care	Transport & Telecommunication	Education & Entertainment	Other Goods And Services
2000	98.9	97.7	100.0	94.6	98.8	101.6	100.8	99.8	99.5
2001	97.8	96.9	99.9	91.6	97.3	101.7	98.5	99.9	98.4
2002	98.0	98.1	92.3	100.0	96.8	100.8	96.4	99.3	100.8
2003	98.6	100.6	91.8	100.0	96.2	101.0	94.8	98.7	103.2
2004	98.9	103.4	89.6	100.3	94.5	101.4	94.2	98.1	103.9
2005	99.6	106.5	88.3	100.0	94.9	101.4	91.8	98.4	106.4
2006	101.8	112.2	87.7	101.0	95.2	102.7	88.9	98.7	114.6
2007	106.0	120.1	85.6	109.2	96.4	107.0	88.1	98.9	120.7
2008	116.5	137.0	85.9	128.3	103.8	112.4	88.3	101.0	133.6
2009	122.4	139.7	86.3	146.4	112.6	113.2	89.2	102.3	139.3
2010									
1st Quarter of 2010	126.1	144.4	86.2	154.9	115.7	113.1	89.6	103.2	143.5
Annual % change (2009)	5.1	2.0	0.5	14.2	8.4	0.7	1.0	1.3	4.3
Annual % change (q1 of 2010)	4.5	3.7	-0.3	10.7	3.4	0.1	-0.1	1.1	5.5
Weights %	100.0	26.0	8.0	18.0	11.0	2.0	16.0	6.0	13.0
Average indices of the Period (2004-2008)	104.6	115.8	87.4	107.7	97.0	105.0	90.2	99.0	115.8
Average annual % change (2004-2008)	3.5	6.4	-1.3	5.3	1.6	2.2	-1.4	0.5	5.3

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.





Chart 7.3: A Comparison between the Cost of Living Index for 2009 and the Average of the Index for the Period (2004-2008)

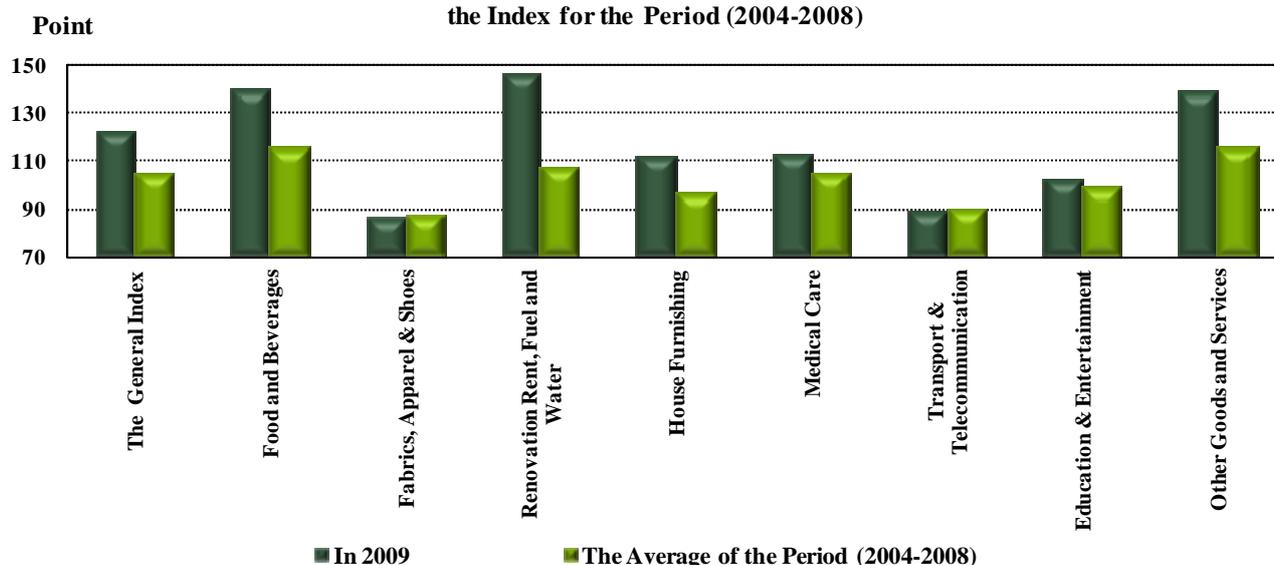


Table 7.4 : CONTRIBUTION OF THE MAJOR GROUPS TO THE COST OF LIVING INDEX (1999 = 100)

General Groups	Weights (%)	Average of Index				Annual % change		Contribution to the General Index *		The Percentage Effect on the General Index**	
		2008	2009	Q1 2009	Q1 2010	2009	Q1 2010	2009	Q1 2010	2009	Q1 2010
Food and Beverages	26.0	137.0	139.7	139.2	144.4	2.0	3.7	0.5	1.0	10.5	23.6
Fabrics, Apparel & Shoes	8.0	85.9	86.3	86.5	86.2	0.5	-0.3	0.0	0.0	0.9	0.6
Renovation, Rent, Fuel and Water	18.0	128.3	146.4	139.9	154.9	14.2	10.7	2.6	1.9	52.8	47.2
House Furnishing	11.0	103.8	112.6	111.8	115.7	8.4	3.4	0.9	0.4	19.2	9.2
Medical Care	2.0	112.4	113.2	113.0	113.1	0.7	0.1	0.0	0.0	0.3	0.0
Transport & Telecommunication	16.0	88.3	89.2	89.7	89.6	1.0	-0.1	0.2	0.0	3.3	0.3
Education & Entertainment	6.0	101.0	102.3	102.2	103.2	1.3	1.1	0.1	0.1	1.7	1.5
Other Goods and Services	13.0	133.6	139.3	136.0	143.5	4.3	5.5	0.6	0.7	11.5	17.6
The General Index	100.0	116.5	122.4	120.7	126.1	5.1	4.5	5.1	4.5	100.0	100.0

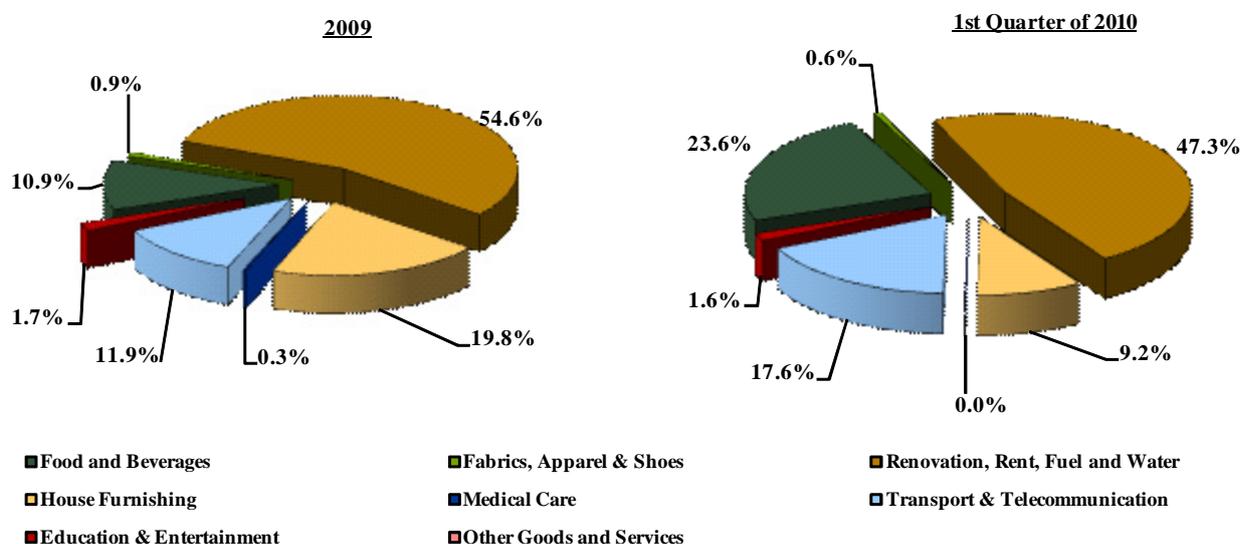
* Contribution to the General Index = Annual % Change for each Group * Weight /100

** The Percentage Effect on the General Index = Contribution of each Group to the General Index / Total Effect on the General Index * 100

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



Chart 7.4: The Contribution of the Major Groups to the Cost of Living Index



gasoline which is an item under transport subgroup) increased by 0.2 percent during 2009.

Fourth: House Furnishing Group

The house furnishing group consists of seven subgroups and its index recorded a rise of 8.4 percent during 2009 compared to the preceding year. The subgroup of home services (e.g. payments for house workers and private drivers) registered the highest increase of 27.2 percent, followed by the furniture subgroup with a rise of 4.7 percent during 2009.

Fifth: Medical Care Group

The medical care group consists of three subgroups and its index recorded an increase of 0.7 percent during 2009 compared to the preceding year. The subgroup of other medical expenses rose by 1.2 percent. The subgroups of medical care expenses and medicines went up by 0.6 percent each.

Sixth: Transport and Telecommunications Group

The transport and telecommunications group consists of four subgroups and its index recorded an increase of 1.0 percent during 2009 compared to the preceding year. The subgroup of public transport fees increased by 7.2 percent. The subgroup of private transport means rose by 1.6 percent, and the subgroup of telecommunications and related costs went up by 0.1 percent. In contrast, the subgroup of transportation and communication went down by 3.1 percent.

Seventh: Education and Entertainment Group

The education and entertainment group consists of three subgroups and its index recorded a rise of 1.3 percent during 2009 compared to the preceding year. The entertainment expenses subgroup (e.g. electronic game devices and club membership fees) increased by 2.5 percent, and the education expenses subgroup increased by 1.4 percent during the year, while the entertainment devices subgroup declined by 0.9 percent from its level in the preceding year.

Eighth: Other Goods and Services Group

The other goods and services group consists of three subgroups and its index recorded an increase of 4.3 percent during 2009 compared to the preceding year. The subgroup of personal goods (e.g. cameras, watches, glasses and suitcases) rose by 5.6 percent. The subgroup of other expenses and services increased by 4.7 percent and the subgroup of personal hygiene and personal care items rose by 1.7 percent during 2009 over their levels in the preceding year.

Cost of Living during the First Quarter of 2010

The general cost of living index rose by 4.5 percent to 126.1 points during the first quarter of 2010 compared to the same quarter of the preceding year. Detailed figures of the major expenditure groups indicate that the cost of Renovation, Rent, Fuel and Water Group (housing and its related items) went up by



**Table 7.5 : AVERAGE COST OF LIVING INDEX BY GROUPS AND SUBGROUPS
(1999=100)**

Index	2007	2008	2009	First Quarter		% Change	
				2009	2010	Annual	Quarterly
General Index	106.0	116.5	122.4	120.7	126.1	5.1	4.5
Food - stuffs	120.1	137.0	139.7	139.2	144.4	2.0	3.7
Cereals and cereal products	106.0	128.1	130.6	135.2	126.4	2.0	-6.5
Meat and Poultry	119.5	131.3	136.5	134.2	146.8	4.0	9.4
Fish and crustaceans	159.3	186.9	192.9	192.9	206.5	3.2	7.1
Milk and dairy products	100.8	126.1	124.5	126.3	124.0	-1.3	-1.8
Eggs	125.9	156.0	141.4	153.9	147.8	-9.4	-4.0
Cooking oil and fats	105.3	133.9	134.1	140.2	128.6	0.1	-8.3
Fresh vegetables	160.6	183.1	179.9	179.2	177.7	-1.7	-0.8
Preserved and canned vegetables	111.1	120.8	125.2	125.6	125.1	3.6	-0.4
Legumes and tubers	193.2	211.9	220.3	209.3	211.8	4.0	1.2
Fresh fruits	150.0	179.6	182.6	178.6	183.9	1.7	3.0
Preserved and canned fruits	104.1	106.6	107.1	107.0	107.2	0.5	0.2
Nuts, peanuts, seeds	104.3	113.3	118.9	118.2	119.3	4.9	0.9
Sugars and sugar preparations	112.5	118.8	124.5	122.3	137.1	4.8	12.1
Beverages	99.7	107.5	110.7	109.0	126.6	3.0	16.1
Foodstuffs, other	111.7	122.9	129.6	129.0	131.3	5.5	1.8
Tobacco	104.1	109.2	111.5	109.1	123.6	2.1	13.3
Out-of-home meals	104.4	113.0	115.7	115.2	119.7	2.4	3.9
Fabrics, Clothing and Shoes	85.6	85.9	86.3	86.5	86.2	0.5	-0.3
Men's fabrics	87.0	88.4	91.1	91.3	90.6	3.1	-0.8
Women's fabrics	92.2	92.5	89.8	90.2	88.5	-2.9	-1.9
Men's apparel	87.5	87.9	88.9	89.1	89.2	1.1	0.1
Women's apparel	76.9	76.7	76.6	77.1	76.0	-0.1	-1.4
Tailoring	119.1	123.1	124.2	124.1	124.5	0.9	0.3
Shoes	84.9	83.9	84.7	83.9	85.1	1.0	1.4
House and Related Items	109.2	128.3	146.4	139.9	154.9	14.2	10.7
Home repairs	102.8	111.5	113.5	114.6	112.6	1.8	-1.7
Rents	110.9	134.1	156.7	148.3	167.3	16.9	12.8
Water supply expenditure	105.5	108.9	109.7	109.7	109.7	0.7	0.0
Fuel and Power	101.3	102.2	102.4	102.7	102.4	0.2	-0.3
House Furniture	96.4	103.8	112.6	111.8	115.7	8.4	3.5
Furniture and carpet	88.3	92.4	92.7	93.6	92.6	0.3	-1.1
Home furnishings	91.9	105.3	110.3	108.4	111.7	4.7	3.0
Small home appliances	93.2	97.9	100.9	100.7	100.8	3.1	0.1
Athenhouse & tabletuais	92.8	95.2	96.5	96.4	97.0	1.4	0.6
Household small items	94.4	97.7	101.8	103.1	102.0	4.2	-1.1
Home services	118.4	135.5	172.3	167.0	187.6	27.2	12.3
Basic home appliances	96.7	102.6	105.7	105.0	105.6	3.0	0.6
Medical Care	107.0	112.4	113.2	113.0	113.1	0.7	0.1
Medical care expenses	114.0	122.8	123.5	123.6	123.3	0.6	-0.2
Other medical expenses	101.7	107.1	108.4	108.3	108.6	1.2	0.3
Medicines	101.2	102.0	102.6	102.2	102.5	0.6	0.3
Transport and Telecommunications	88.1	88.3	89.2	89.7	89.6	1.0	-0.1
Private transport means	85.7	83.5	80.9	82.1	79.6	-3.1	-3.0
Operation of private transport means	91.0	95.3	96.8	97.2	97.1	1.6	-0.1
Public transport fees	126.6	119.6	128.2	127.6	134.4	7.2	5.3
Telecommunications and related costs	72.6	71.8	71.9	72.0	71.7	0.1	-0.4
Education and Entertainment	98.9	101.0	102.3	102.2	103.2	1.3	1.0
Entertainment expenses	89.5	91.2	93.5	93.9	92.8	2.5	-1.2
Education expenses	105.0	107.9	109.4	109.0	110.6	1.4	1.5
Entertainment devices	62.8	58.6	58.1	58.5	57.4	-0.9	-1.9
Other Goods and Services	120.7	133.5	139.3	136.0	143.5	4.3	5.5
Personal hygiene and care items	98.8	104.7	106.5	107.0	106.7	1.7	-0.3
Personal goods	170.7	203.5	214.8	202.4	246.6	5.6	21.8
Other expenses and services	110.2	118.4	124.0	122.6	119.4	4.7	-2.6

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



10.7 percent. The cost of Other Goods and Services Group increased by 5.5 percent. The cost of Food and Beverages Group rose by 3.7 percent. The cost of House Furnishing Group went up by 3.5 percent and that of Education and Entertainment Group rose by 1.0 percent. The cost of Medical Care Group went up by 0.1 percent. The cost of Cloth and Apparels Group dropped by 0.3 percent, and that of Transport and Telecommunication Group by 0.1 percent (Table 7.3).

Effect of Major Expenditure Groups on Cost of Living During the First Quarter of 2010

The general cost of living index rose by 4.5 percent during the first quarter of 2010 compared to the same quarter of the preceding year. Most major expenditure groups contributed to the increase of 4.5 percent in the cost of living index in the first quarter of 2010 by varied degrees. Renovation, Rent, Fuel and Water Group contributed to the rise in the index by 1.9 points or 47.2 percent. Food and Beverages Group contributed by 1.0 point or 23.6 percent. Other Goods and Services Group contributed by 0.7 point or 17.6 percent. House Furnishing Group contributed by 0.4 point or 9.2 percent. Education and Entertainment Group contributed by 0.1 point or 1.5 percent. Apparel and Shoes Group contributed by 0.6 point. Transport and Telecommunications Group contributed by 0.3 point. Medical Care Group had no effect on the index (Table 7.4 and Chart 7.4).

Cost of Living Index by Cities During 2009

The cost of living index for all cities of the Kingdom rose by 5.1 percent in 2009. Jeddah and Dammam registered the highest increase of 6.4 percent each over their level in the preceding year. Riyadh occupied the second position with an increase of 5.6 percent, followed by Ta'if with a rise of 5.2 percent. In the fourth position came Jazan with a rise of 4.6 percent, followed by Sakaka with an increase of 4.4 percent. Al-Hufuf ranked sixth with a rise of 3.7 percent, followed by Al-Madinah with an increase of 3.6 percent. Makkah, Abha and Ha'il ranked eighth with an increase of 3.4 percent each, followed by Buraydah with a rise of 3.2 percent. Al-Bahah came next with an increase of 2.8 percent, followed by Ar'ar with 2.6 percent. The last two positions were occupied by Najran and Tabuk with increases of 2.5 percent and 2.1 percent respectively (Table 7.6 and Chart 7.5).

City-wise Cost of Living Index during the First Quarter of 2010

The rise of 4.5 percent in the general cost of living index in the first quarter of 2010 compared to the same quarter in the preceding year was accounted for by all the Kingdom's cities, except Tabuk, which

recorded a decline of 0.2 percent. Jeddah recorded the highest increase with the cost of living index rising by 6.4 percent during the first quarter of 2010 compared to the same period of the preceding year. Riyadh came second with a rise of 5.7 percent, followed by Al-Dammam with an increase of 5.6 percent. Buraydh ranked fourth with a rise of 5.0 percent, followed by Ha'il with an increase of 3.6 percent. Next came Al-Bahah with a rise of 3.2 percent, followed by Al-Madinah and Sakaka with an increase of 3.1 percent each. In the eighth position came Makkah and Jazan with a rise of 2.7 percent, followed by Najran with an increase of 2.6 percent. Ta'if came in the tenth position, with a rise of 1.9 percent. Abha and 'Ar'ar registered a rise of 1.6 and 0.5 percent respectively. Al-Hufuf recorded the lowest increase of 0.1 percent (Table 7.6 and Chart 7.5).

Wholesale Price Index

The wholesale price index measures average changes in the prices of goods and services sold in the major wholesale markets in the Kingdom. It represents a sample containing 160 items distributed to ten main divisions of Standard International Trade Classification codes, excluding some items related to weapons. The general wholesale price index stood at 140.3 points during 2009 against 144.7 in the preceding year, registering a decline of 4.4 points or 3.0 percent compared to 9.0 percent in the preceding year. This decline was attributable to decreases in most major groups constituting the index. The group of chemical fuels and related items recorded the largest decrease of 20.5 percent during 2009, followed by raw materials (except fuel) by 6.1 percent. The group of manufactured goods classified by material came next, dropping by 5.4 percent. Machinery and transport equipment group ranked fourth by 0.6 percent. On the other hand, other commodities group recorded the highest rise, increasing by 13.7 percent followed by beverages and tobacco group by 2.8 percent, vegetable oils and fats group by 2.3 percent and the group of miscellaneous manufactured articles by 2.0 percent. In the fifth position came food and live animals group which rose by 0.9 percent. Mineral fuels and related products group had no effect on the wholesale price index (Table 7.7).

Developments in World Prices and their Impacts

The Saudi economy is an open economy as reflected by the size of its exports and imports. The volume of Saudi commodity exports were estimated at RIs 721.1 billion during 2009, while commodity imports were estimated at RIs 358.4 billion. Exports and imports recorded annual decreases of 38.7 percent and 17.0 percent respectively.



Table 7.6 : AVERAGE COST OF LIVING INDEX BY CITY
(1999=100)

General Index	2007	2008	2009	First Quarter		Inflation Rate	
				2009	2010	Annual	Quarterly
All Cities Index	106.0	116.5	122.4	120.7	126.1	5.1	4.5
Riyadh	106.8	119.0	125.7	123.5	130.6	5.6	5.7
Makkah	105.3	113.4	117.2	116.0	119.1	3.4	2.7
Jeddah	105.3	114.7	122.1	119.5	127.1	6.4	6.4
Ta'if	108.3	119.4	125.6	124.1	126.5	5.2	1.9
Al-Madinah	102.7	110.0	114.0	112.8	116.3	3.6	3.1
Buraydah	107.1	119.4	123.2	121.6	127.7	3.2	5.0
Al-Dammam	108.2	119.6	127.2	125.3	132.3	6.4	5.6
Al-Hufuf	105.5	117.2	121.6	122.0	122.1	3.7	0.1
Abha	103.3	112.8	116.6	116.0	117.8	3.4	1.6
Tabuk	106.1	115.1	117.5	117.9	117.7	2.1	-0.2
Ha'il	107.2	120.7	124.7	123.7	128.2	3.4	3.6
Jazan	105.0	115.0	120.3	119.5	122.7	4.6	2.7
Najran	107.9	118.7	121.7	120.8	124.0	2.5	2.6
Al-Bahah	108.0	117.7	121.0	120.5	124.3	2.8	3.2
Sakaka	99.6	106.9	111.6	110.6	114.0	4.4	3.1
'Ar'ar	98.4	105.7	108.4	108.9	109.4	2.6	0.5

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Chart 7.5: Inflation Rate By City
(1999=100)

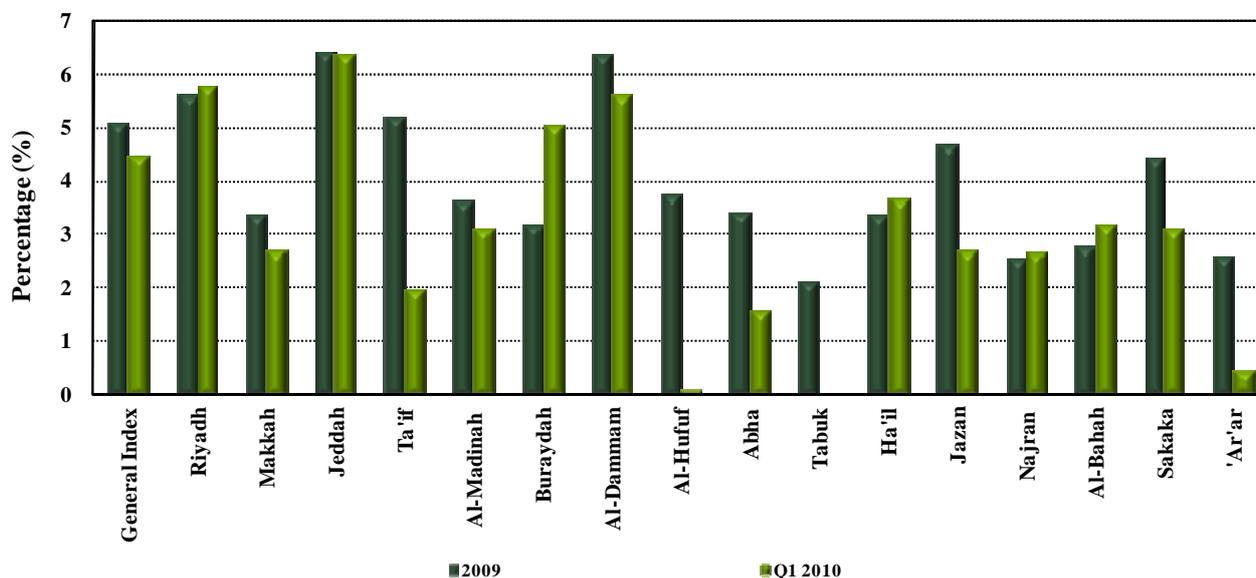




Table 7.7 : AVERAGE WHOLESALE PRICE INDEX (WPI)
(1988=100)

	Weights %	2007	2008	2009	% change	
					2008	2009
General Index	100.0	132.8	144.7	140.3	9.0	-3.0
Food & Live Animals	31.9	147.1	160.5	162.0	9.1	0.9
Beverages & Tobacco	1.2	129.7	131.6	135.3	1.4	2.8
Crude Materials (except fuel)	0.3	193.7	193.6	181.7	0.0	-6.1
Mineral Fuels & Related Products	10.1	184.8	184.8	184.8	0.0	0.0
Vegetable Oils & Fats	0.4	118.4	133.2	136.3	12.5	2.3
Chemicals & Related Products	9.8	156.5	178.3	141.7	13.9	-20.5
Manufactured Goods	26.2	126.3	142.0	134.3	12.5	-5.4
Machinery & Transport Equipment	13.4	119.4	126.8	126.0	6.2	-0.6
Msc. Manufactured Articles	6.4	106.5	120.6	123.0	13.2	2.0
Other Commodities	0.3	145.7	172.6	196.3	18.5	13.7

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Prices in Saudi Arabia are largely linked with those of trading partners. Therefore, changes in the prices of goods imported from trading partners are likely to have their impact on the domestic cost of living index (Table 7.8). Table 7.9 indicates the consumer prices of the Kingdom's major trading partners during 2009. The average consumer prices rose during 2009 by 10.9 percent in India, by 2.8 percent in South Korea, by 2.2 percent in the UK, by 1.8 percent in Australia, by 0.8 percent in Italy, and by 0.1 percent in both of France and Germany. On

the other hand, it went down by 1.4 percent in Japan, by 0.7 percent in China, and by 0.3 percent in USA.

In the GCC countries, the consumer prices increased in 2009 by 4.7 percent in Kuwait, by 3.5 percent in the Sultanate of Oman, by 2.8 percent in the Kingdom of Bahrain, and by 1.0 percent in the UAE, while they dropped by 4.9 percent in Qatar (Table 7.10). The inflation rate in Saudi Arabia (calculated from the cost of living index) was 5.1 percent in 2009■

Table 7.8: SELECTED INDICES
(2005=100)⁽¹⁾

	2006	2007	2008	2009	% Change	
					2008	2009
Consumer price indices in industrial countries	102.3	104.7	108.2	110.7	3.3	2.3
Export unit values of industrial countries	103.3	111.8	121.8	110.7	38.6	-9.1
Riyal's nominal effective exchange rate ⁽²⁾	90.3	86.6	92.6	95.8	7.0	3.4
Riyal's real effective exchange rate ⁽³⁾	80.8	80.0	97.7	105.7	22.1	8.1

(1) Excluding export unit values to the Kingdom (from trading partners) 1995=100.

(2) Represents the ratio of the period average of riyal exchange rate in relation to a geometric average of exchange rates of the Kingdom's major trading partners.

(3) Represents nominal effective exchange rate after adjustment in accordance with changes.

Source: International Financial Statistics (IFS), May 2010.



Table 7.9 : ANNUAL PERCENT CHANGES IN CONSUMER PRICES IN THE MAJOR TRADING PARTNERS*

Country	2005	2006	2007	2008	2009
U.S.A.	3.4	3.2	2.9	3.8	-0.3
Japan	-0.3	0.3	0.0	1.4	-1.4
U.K.	2.0	2.3	2.3	3.6	2.2
Germany	1.9	1.8	2.3	2.8	0.1
France	1.9	1.9	1.6	3.2	0.1
Italy	2.2	2.2	2.0	3.5	0.8
China	1.8	1.5	4.8	5.9	-0.7
Australia	2.7	3.5	2.3	4.4	1.8
South Korea	2.8	2.2	2.5	4.7	2.8
India	4.2	6.2	6.4	8.3	10.9

* Excluding Arab countries of the Gulf Cooperation Council (GCC).

Source: World Economic Outlook (WEO), IMF, April 2010.

Table 7.10 : ANNUAL PERCENT CHANGES IN CONSUMER PRICES IN GCC COUNTRIES

Country	2005	2006	2007	2008	2009
U.A.E.	6.2	9.3	11.7	11.5	1.0
The Kingdom of Bahrain	2.6	2.0	3.4	3.5	2.8
Qatar	8.8	11.8	13.8	15.0	-4.9
Kuwait	4.1	3.1	5.5	10.5	4.7
Sultanate of Oman	1.9	3.4	5.9	12.6	3.5

Source: World Economic Outlook (WEO), IMF, April 2010.



The State budget for fiscal year 1431/1432H (2010) focuses on human development through spending on projects related to education, scientific research, health, social sectors, municipal services, water and sewages, roads and electronic trading. The budget highlights the strength and soundness of the Saudi economy and the continued advancement and the contribution of the private sector in the development process.

The report of the International Monetary Fund, 2009, indicates that the kingdom has been able to overcome the adverse effects of the global financial crisis due to its strong economic fundamentals and because it worked for enhancing its macroeconomic position and strengthening the financial sector through adopting an expansionary fiscal policy to achieve its economic goals. It has implemented structural reforms to boost growth with the leadership of the private sector. Members of the Fund's Board commended the actions taken by the Kingdom to enhance bank liquidity and achieve stability in inter-bank transactions and the move made by the government at the public finance level to reduce the impact of global economic recession, in line with the G20 resolutions to face the global financial crisis.

Despite the difficult circumstances experienced by the global economy, the Standard & Poor's rating agency has maintained the Kingdom's rating of AA-. The report has emphasized the strength of the government's financial position because of its strong balance of payments, successful reform and expenditure plans. This has enhanced the economic position of the Kingdom as an attractive environment for investment and made it easier for Saudi companies to obtain financing at lower cost.

According to the World Bank's report "Doing Business in 2010", the Kingdom ranked 13 among 183 countries whose laws and regulations governing their investment climate were assessed advancing the Kingdom's position from 16 in 2009.

In keeping with its continued efforts to restructure the economy, the government has been enacting laws from time to time. Some new laws, regulations, rules and procedures that were approved include: the Law of the Agricultural Development Fund, the Law of Combating Crimes of Human Trafficking, and the Law of Automobile and Bicycles Clubs, the National Center for Alternative and Complementary Medicine Law, the Formation of the National Commission for Drug Control; the Formation of the National Commission for Clean Development

Mechanism, the National Committee for the Care of Psychiatric Patients and their Families and the National Plan for Responding to Radiological and Nuclear Emergencies, granting tax incentives to investors, in some areas of the Kingdom regulatory rules for the establishment of non-profit training units in the field of technological and vocational training, the rules and arrangements on how Saudi staff and workers are to be treated in the sectors targeted for privatization, and the work mechanism for the Real Estate Joint Sharing Committee.

The Budget for Fiscal Year 1431/1432H (2010)

The state budget for fiscal year 1431/32H (2010) was announced on Monday 4th Muharam 1431H (corresponding to 22/12/2009) along with a statement issue by the Ministry of Finance reviewing the main features of the national economy and the government's fiscal program for the year 2010.

The budget estimates total revenue at Rls 470 billion against Rls 410 billion in the preceding year, rising by 14.6 percent. It estimates expenditures at Rls 540 billion for 2010 compared to Rls 475 billion for the previous year, recording an increase of 13.7 percent. The deficit is projected at Rls 70 billion for 2010, compared to a deficit of Rls 65 billion projected for the previous fiscal year (Table 8.1).

Table 8.1: BUDGET ESTIMATES FOR FISCAL YEARS 2009 AND 2010

(Billion Riyals)

	1430/31 (2009)	1431/32 (2010)	% change
Total revenue	410	470	14.6
Total expenditure	475	540	13.7
Deficit / Surplus	-65	-70	7.7

Source: Ministry of Finance.

The budget envisages new programs and projects and additional phases for some projects that have already been approved for the Kingdom's regions with a total cost of more than Rls 260 billion compared to Rls 225 billion in the previous budget of fiscal year 2009, rising by 15.6 percent over the budget of 2009, which was the highest historically. Budgetary appropriations for fiscal year 2010 are more than three fold those for 1425/26H (2005), the first year of the Eighth Development Plan.

The appropriations for general education, higher education and manpower training amount to Rls 137.4 billion, which represent more than 25 percent of the approved expenditure for fiscal year 2010, increasing



by 12.7 percent over the appropriations for the fiscal year 1430/31 (2009) (Table 8.2). As for general education, work will continue on execution of King Abdullah Bin Abdul Aziz Project for Education Development (Tatweer) with a cost of Rls 9 billion by the “Education Development Holding Co.”, which is totally owned by the Public Investment Fund. For the purpose of providing appropriate environment for education and increasing the absorptive capacity of schools, universities and specialized colleges, the budget includes appropriations for the establishment of 1,200 new schools for males and females all over the Kingdom in addition to 3,112 schools under construction currently; not to mention over 770 schools which have already been completed during the year, apart from renovating and providing safety means for 2,000 school buildings; adding classrooms to existing schools; furnishing schools and providing them with educational aids and computer labs; and constructing administrative buildings for the general education sector.

With respect to higher education, the budget includes appropriations for the new four universities (Al Dammam, Al-Kharaj, Shaqra and Al-Majm’aa’) of more than Rls 3 billion, as well as completing the establishment of medical cities and university hospitals in a number of universities with a total cost of Rls 28.7 billion. Work has started to execute the University of Princess Noura bint Abdulrahman and King Saud University for Health Sciences and its subsidiaries.

The construction of housing for the universities’ members of the teaching staff is currently underway at a cost of Rls 6.5 billion . The Custodian of the Two Holy Mosques’s Program for Scholarships will continue. It also includes 2000 scholarships for preparing technological trainers who graduated from Technical and Vocational Training Corporation, as well as other scholarship programs. Total amount spent on the programs stood at Rls 9 billion during 1430/31 H (2009).

To increase the capacity of the colleges, affiliated institutes and centers of the Technological and Vocational Training Corporation, allocations have been made for establishing new colleges and institutes and for operating a number of vocational training institutes and higher institutes for female students.

Regarding health services and social development, Rls 46.6 billion has been appropriated for this sector, rising by 15.3 percent over the preceding year’s appropriations. The budget includes new health projects to complete building and equipping primary health care centers in all regions of the Kingdom, and projects to establish 8 new hospitals, replace and

upgrade the infrastructure of 19 hospitals, in addition to the completion of furnishing and equipping a number of health facilities. Currently, 92 new hospitals are under construction throughout the Kingdom with a capacity of 17,150 beds.

In the area of social services, the budget envisages new projects for the establishment of sport clubs and cities, social care and social observation houses, rehabilitation centers, buildings for the labour bureaus in addition to supporting the capabilities of the Ministry of Labour and the Ministry of Social Affairs to accomplish the social development goals. In addition, allocations have been made for supporting programs for addressing poverty and the National Charity Fund with the aim of shortening time frame needed for ending poverty and its ongoing monitoring, in accordance with the Royal directives. Further annual appropriations have been earmarked for orphans and people with special needs, apart from appropriations for social security. Such appropriations totaled Rls 18 billion during fiscal year 1430/31 (2009) .

The appropriations for municipal services, including the Ministry of Municipal and Rural Affairs, municipalities and rural communities, amounted to Rls 18.7 billion, rising by 13.6 percent over budgetary appropriations in fiscal year 1430/31 (2009). More than Rls 2.9 billion would be financed through direct revenues of municipalities and rural communities.

The budget includes new municipal projects and additions to some existing municipal projects. The projects include constructing new road intersections, underpasses and flyovers for some roads and streets inside the cities; improving and modernizing existing roads and streets in order to remove traffic bottlenecks, in addition to completing street asphaltting and lighting projects, rainwater drainage systems, disposal of waste, filling up swamps and developing and improving seacoasts, administrative buildings and parks.

Allocations made for the transport and communication sector stood at Rls 16.4 billion, increasing by 12.3 percent over budgetary appropriations for the fiscal year 1430/31 (2009). The budget includes new projects and additions to previously approved projects such as roads, ports, railways, air ports and postal services. The cost for executing such projects is estimated at Rls 31 billion. In the area of ports, the budget includes developing the infrastructure for some ports and establishing piers in the port of Ras Az-Zour. The budget also envisages projects for executing new highways and single and two-way roads totaling 6,400 kms with a total estimated



cost of Rls 10.8 billion. These include the coastal (Jeddah– Jazan- “third phase”) highway, (Tabuk-Al-Madinah highway-“first phase”), dual road (‘Afif-Dulm), dual road of (Hai’l-Rafha-“Phase I”), the circular road in Jeddah “phase III”, supplements and repairs to existing roads, preparing studies and designs for other new roads totaling 3,263 km, in addition to about 35,000 km currently being implemented (highways, single and dual roads), including (Ta’if-Baha-Abha), (Shaqiq-Jazan), (Alkharj-Harath-Batha), (Ha’il-Al-Madinah direct road), and completing the road leading to the Empty Quarter outlet with Sultanate of Oman and the second circular road in Makkah.

Appropriations made for water, industry, agriculture, infrastructure and other economic sectors amounted to Rls 46 billion, increasing by 30 percent over appropriations of fiscal year 1430/31 (2009). The new budget envisages new projects and addition to previously approved projects for provision of drinking water, enhancement of water resources, provision of sewage services, construction of dams, well drilling, detection and solving water leakage problems, replacement of water and sewage networks, water rationalization, establishment of two water desalination plants in Ras-Az-Zour and Yanbu, development, modernization and expansion of existing desalination plants, establishment of new flour mills and silos and expansion of existing ones, and covering the main irrigation canals in Al-Ahsa.

For the purpose of increasing domestic investments and attracting foreign investments in Al-Jubayl and Yanbu’ Industrial Cities, the budget includes new projects, with a total cost of more than Rls 4.7 billion for preparing the infrastructure of petrochemical industries in Al-Jubayl and Yanbu’, establishing educational and residential facilities, roads

and other services. The budget also includes projects for the preparation of the infrastructure for mining industries in Ras Az-Zour, and the establishment of the road linking the industrial city of Jubayl to the Mining city in Ras Az-Zour. The cost of these projects exceeded Rls 1.5 billion.

Specialized Development Funds and Government Financing Programs

The government specialized funds and banks will continue to extend loans in the agricultural and industrial areas, to contribute to the creation of additional job opportunities and the acceleration of the development pace.

Loans disbursed by the Real Estate Development Fund, the Saudi Industrial Development Fund, the Saudi Bank for Credit and Savings, the Agricultural Development Fund, the Public Investment Fund and the government lending programs since their inception up to the end of 1430/1431H (2009) have amounted to more than Rls 388.4 billion. The amount of Rls 48.3 billion is expected to be disbursed to beneficiaries of these loans during 1431/1432H (2010).

In pursuance of its increasing attention to the support of private education and health services, the government extended loans to these sectors which amounted to Rls 7.2 billion at the end of fiscal year 1430/31 (2009).

With regard to the Saudi Export Financing Program, which is implemented by the Saudi Development Fund, the total allocated amount for the national export program stood at Rls 15 billion and the amount of financing and insurance transactions of exports of national goods and services since the inception of the program up to the end of 2009 exceeded Rls 13.6 billion.

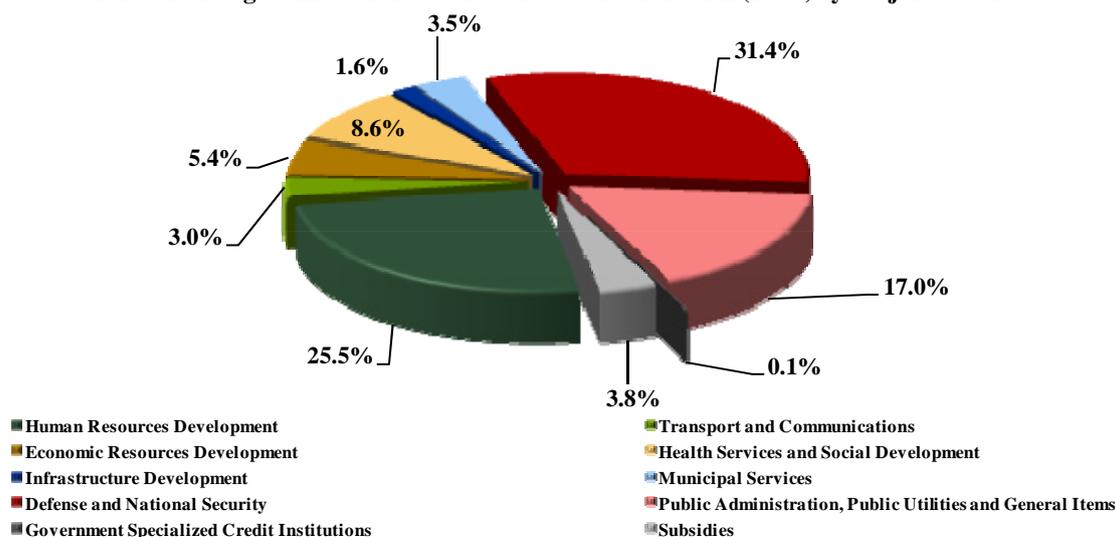
Table 8.2: ALLOCATIONS OF THE STATE BUDGET FOR FISCAL YEARS 2009 AND 2010
(by Major Sectors)

	1430/1431 (2009)		1431/1432 (2010)	
	Amount (Million Rls)	% Share	Amount (Million Rls)	% Share
Human Resources Development	121,942	25.7	137,440	25.5
Transport and Communications	14,642	3.1	16,442	3.0
Economic Resources Development	21,692	4.6	29,288	5.4
Health Services and Social Development	40,426	8.5	46,600	8.6
Infrastructure Development	7,762	1.6	8,438	1.6
Municipal Services	16,509	3.5	18,748	3.5
Defense and National Security	154,752	32.6	169,667	31.4
Public Administration, Public Utilities and General Items	79,148	16.7	92,017	17.0
Government Specialized Credit Institutions	524	0.1	596	0.1
Subsidies	17,602	3.7	20,764	3.8
Total	475,000	100.0	540,000	100.0

Source: Ministry of Finance



Chart 8.1: Budget Allocations for Fiscal Year 1431/1432H (2010) by Major Sectors



Other sectors:

- Spending on developing the judiciary systems continued, using the amounts appropriated in the budget of fiscal year 1428/1429H (2008) (Rls 7 billion), based on the Royal Directives.
- The implementation of the “National Plan for Sciences and Technologies” continued, with a cost of more than Rls 8.3 billion. Its execution will achieve a significant leap in supporting scientific research and technological development, transfer and Saudization of technology.
- Spending continued on the National Plan for Telecommunication and Information Technology, which represents one of the most significant components of the “National E-Government Project” launched in 1427/28H (2007) at a cost of Rls 3 billion. The “Comprehensive Service Policy for Telecommunications” was issued and a fund for this service was established with the aim of accelerating the process of providing telecommunication services in all regions. The number of government authorities that have already started the application of e-Government stood at 68. The number of e-services currently available through the National Port of Electronic Transactions and web sites of government authorities amounted to 270 as an online service provided by 66 government organs. With regard to the system of "SADAD", the number of entities that were linked to the system during fiscal year 1430/1431H (2009) was 29, bringing the number of entities linked to 79, of which 39 were government authorities.

Budgets of Public Institutions

Budgetary appropriations for public institutions increased at varied rates for fiscal year 1431/32H (2010) as compared to the preceding year. Saudi Ports Authority accounted for the highest appropriation increase of 169.2

percent, followed by the Communications and Information Technology Commission and Saline Water Conversion Corporation 75.9 percent and 75.3 percent respectively, the General Grain Silos and Flour Mills Organization 12.9 percent, General Authority of Civil Aviation 45.9 percent, the Saudi Geological Survey Authority 43.9 percent, Jazan University 39 percent, Tabuk University 37.1 percent, , King Saud University 35.3 percent, Najran University 34.7 percent, the Institute of Public Administration 31.9 percent, King Khaled University 29.8 percent, the Saudi Food and Drug Authority 27.9 percent, Public Housing Authority 26 percent, Islamic University 21.9 percent, King Abdulaziz University 20.2 percent, Al-Baha University 18.9 percent, the Technical and Vocational Training Corporation 18.2 percent, Northern Borders University 17.5 percent, the Saudi Railways Organization 15.6 percent, Saudi Arabian General Investment Authority 15.5 percent, Ta'if University 15.1 percent, Imam Muhammed Ibn Saud University 14.8 percent, Human Rights Authority 14.2 percent, Ha'il University 13.4 percent, Taibah University 13.1 percent, King Abdulaziz City for Science & Technology 12.5 percent, King Fahd University for Petroleum and Minerals 12.7 percent, the Saudi Geological Survey Authority 11 percent, Umm Al-Qura University and Al Jouf University 10.7 percent each, King Faisal Specialist Hospital & Research Centre 9.7 percent, Military Industries Organization 9.3 percent, the Saudi Post Organization 8.6 percent, the Royal Commission for Al-Jubyal and Yanbu 7.8 percent, the Saudi Red Crescent Authority 6.4 percent. The lowest appropriation increase was recorded by the Saudi Arabian Airlines, 0.6 percent. The following allocations were made for the first time: Rls 1,773 million for Al-Dammam University, Rls 478.7 million for Shaqra University, Rls 465.4 million for Al-Kharj University, and Rls 301 million for Al-Majma'ah University.



Table 8.3: BUDGET APPROPRIATIONS FOR PUBLIC INSTITUTIONS FOR FISCAL YEARS 2007-2010

(Million Riyals)

	1427/28 (2007)	1428/29 (2008)	1430/31 (2009)	1431/32 (2010)	Change (%)
Saudi Ports Authority	683.4	827.0	1,067.3	1,496.0	40.2
Saudi Arabian Airlines	15,632.0	17,400.0	19,503.0	19,622.0	0.6
Grain Silos and Flour Mills Organization	681.8	914.6	935.4	1,056.3	12.9
Saline Water Conversion Corporation	3,926.5	5,053.2	7,645.5	13,406.0	75.3
Saudi Railways Organization	795.4	823.6	1,147.1	1,326.1	15.6
Royal Commission for Al-Jubayl and Yanbu'	4,579.1	5,583.6	6,717.6	7,238.3	7.8
Saudi Standards, Metrology and Quality Organization	141.3	155.8	161.6	151.0	-6.6
Saudi Arabian General Investment Authority	142.1	103.6	136.3	157.4	15.5
King Saud University	3,188.9	3,698.2	5,423.8	7,338.6	35.3
King Abdulaziz University	1,894.7	2,467.7	2,906.6	3,493.8	20.2
King Fahd University for Petroleum and Minerals	784.9	822.0	921.1	1,038.5	12.7
Imam Muhammed Ibn Saud University	1,629.3	1,866.0	2,192.7	2,516.6	14.8
Islamic University	407.1	431.1	493.9	602.2	21.9
King Faisal University	1,273.9	2,165.0	2,741.1	1,534.9	-44.0
Umm Al-Qura University	998.5	1,493.0	1,693.5	1,873.9	10.7
King Khalid University	763.3	1,398.8	1,974.5	2,562.9	29.8
Taibah University	404.1	890.1	1,150.6	1,301.7	13.1
Qassim University	709.5	1,096.1	1,296.9	1,390.7	7.2
Taif University	366.5	775.0	935.5	1,076.9	15.1
Jazan University	219.5	541.3	720.7	1,001.8	39.0
Al Jouf University	189.8	459.4	694.5	768.9	10.7
University of Ha'il	155.5	480.8	588.1	666.8	13.4
University of Tabuk	103.7	364.2	500.3	685.9	37.1
Al-Baha University	101.1	323.7	445.9	530.2	18.9
Najran University	113.1	320.0	398.6	537.0	34.7
Princess Nora bint Abdulrahman University	1,122.6	1,357.8	1,425.6	895.7	-37.2
Northern Borders University	--	316.0	444.3	522.2	17.5
University of Damman*	--	--	--	1,773.0	--
AL-Kharj University*	--	--	--	465.4	--
AL-Majma'ah University*	--	--	--	301.0	--
Shagra University*	--	--	--	478.7	--
Technical and Vocational Training Corporation	3,412.5	3,433.6	3,735.0	4,415.8	18.2
King Abdulaziz City for Science & Technology (KACST)	704.8	857.7	1,115.4	1,254.6	12.5
Institute of Public Administration	268.5	288.3	339.6	448.0	31.9
King Faisal Specialist Hospital & Research Centre	2,690.5	3,364.0	3,879.2	4,255.8	9.7
Saudi Red Crescent Authority	586.5	630.4	1,399.4	1,489.4	6.4
Military Industries Organization	924.6	1,036.3	1,206.1	1,318.8	9.3
Saudi Geological Survey Authority	148.3	146.4	164.7	182.8	11.0
General Commission for Tourism & Antiquities	222.5	347.0	384.9	413.7	7.5
Communications and Information Technology Commission (C.I.T.C)	280.0	300.0	396.0	696.6	75.9
Saudi Food and Drug Authority (SFDA)	129.0	220.0	393.5	503.2	27.9
Saudi Post Organization	1,469.8	1,516.1	1,796.3	1,950.0	8.6
General Authority of Civil Aviation (GACA)	3,062.6	4,763.7	5,149.9	7,514.4	45.9
General Housing Authority	--	69.0	74.1	93.4	26.0
Human Rights Commission	--	52.1	55.7	63.6	14.2
General Survey Authority	--	--	175.9	253.2	43.9

* New institutions with appropriations for 2010.

(--) Means that no appropriations were made for these institutions during the year.

Source: Press release issued by the Ministry of Finance.



However, the appropriations for King Faisal University dropped by 44 percent, for Princess Noura Bint Abdulrahman University by 37.2 percent, and for the Saudi Specifications, Metrology and Quality Organization by 6.6 percent as compared with the preceding year (Table 8.3).

Actual Revenues and Expenditures for Fiscal Year 2009

Preliminary data on actual revenue and expenditure for fiscal year 1430/1431H (2009) denoted a decline of 53.7 percent in revenue from Rls 1,101 billion in 2008 to Rls 509.8 billion in 2009. This was attributable to the decline in oil revenue by 55.8 percent and other revenues by 35.9 percent during 2009 against a rise in oil revenues by 74.9 percent and other revenues by 45.9 percent in 2008 (Table 8.4).

Total actual expenditure in 2009 stood at Rls 596.4 billion, recording an increase of 14.7 percent over the preceding year due to approval of new development projects related to health, education, water, sewage, roads, e-transactions services and scientific research through the Sciences and Technology Plan and infrastructure projects, which included new development projects all over the Kingdom's regions. Actual capital expenditure grew by 37.0 percent during 2009 against a rise of 10.0 percent in the preceding year. Actual current expenditure rose by 7.1 percent during 2009 against 12.0 percent in the preceding year (Table 8.4).

The budget for fiscal year 1430/31 (2009) recorded a real deficit of Rls 86.6 billion against a surplus of Rls 581 billion in the preceding year (Table 8.5).

In comparison with the state budget projections, actual revenues during fiscal year 2009 rose by Rls 99.8 billion or 24.3 percent over the projected revenues of Rls 410 billion in the state budget for the same year. This can be attributed to a rise in actual oil revenues to Rls 434.4 billion, increasing by 35.7 percent or Rls 114.4 billion over the state budget estimates for fiscal year 2009. Other revenues, however, dropped by 16.2 percent from the budget projections.

Actual expenditure rose by Rls 121.4 billion or 25.6 percent in 2009 compared to estimated expenditure appropriations of Rls 410 billion in the state budget of the same year as a result of an increase in execution of a number of projects awarded during 2009 (Table 8.5, Chart 8.2). This includes payments for the implementation of projects of the Two Holy Mosques, holy sites, military and security projects and others. It also includes the amounts incurred as a result of the amendment of some regulations as the teaching staff members and health regulations, confirming some categories of staff, modifying the levels of teachers, increasing university admissions and scholarships, social security benefits, and subsidies for barley, fodder, milk and rice. The number of contracts awarded and reviewed by the Ministry of Finance was 2,350 with a total cost of Rls 145.4 billion, compared to Rls 120 billion in the preceding fiscal year 2008, rising by 21 percent. The projects include those financed by surpluses of the last three fiscal years.

Actual Oil and Non-oil Revenues

Actual oil revenues recorded a decline of 55.8 percent to Rls 434.4 billion in 2009, against a rise of 74.9 percent in 2008. The share of oil revenues stood at 85.2 percent of total revenues in 2009 compared to 89.3 percent in the preceding year (Table 8.6).

Table 8.4: ACTUAL REVENUE AND EXPENDITURE FOR FISCAL YEARS 2007, 2008 AND 2009

	1427/1428 (2007)		1428/1429 (2008)		1430/1431 (2009)	
	Amount	% Change	Amount	% Change	Amount	% Change
Total revenues	642,800	13.9	1,100,993	71.3	509,805	-53.7
Oil revenues	562,186	11.4	983,369	74.9	434,420	-55.8
Other Revenues	80,614	34.8	117,624	45.9	75,385	-35.9
Total Expenditures	466,248	34.6	520,069	11.5	596,434	14.7
Capital expenditures	119,049	91.1	131,230	10.2	179,840	37.0
Current expenditures	347,199	22.2	388,839	12.0	416,594	7.1
Surplus/deficit	176,552	-19.0	580,924	229.0	-86,629	-114.9

Source: Ministry of Finance.



Table 8.5: STATE BUDGET ACTUALS AND PROJECTIONS

(Million Riyals)

	1427/28 (2007)		1428/29 (2008)		1430/31 (2009)	
	Actuals	Projections	Actuals	Projections	Actuals	Projections
Total revenues	642,800	400,000	1,100,993	450,000	509,805	410,000
Oil revenues	562,186	330,000	983,369	370,000	434,420	320,000
Non-oil revenues	80,614	70,000	117,624	80,000	75,385	90,000
Total expenditures	466,248	380,000	520,069	410,000	596,434	475,000
Surplus (Deficit)	176,552	20,000	580,924	40,000	-86,629	-65,000

Source: Ministry of Finance.

Chart 8.2: Budget Estimates and Actuals for 1430/1431H (2009)

Billion Riyals

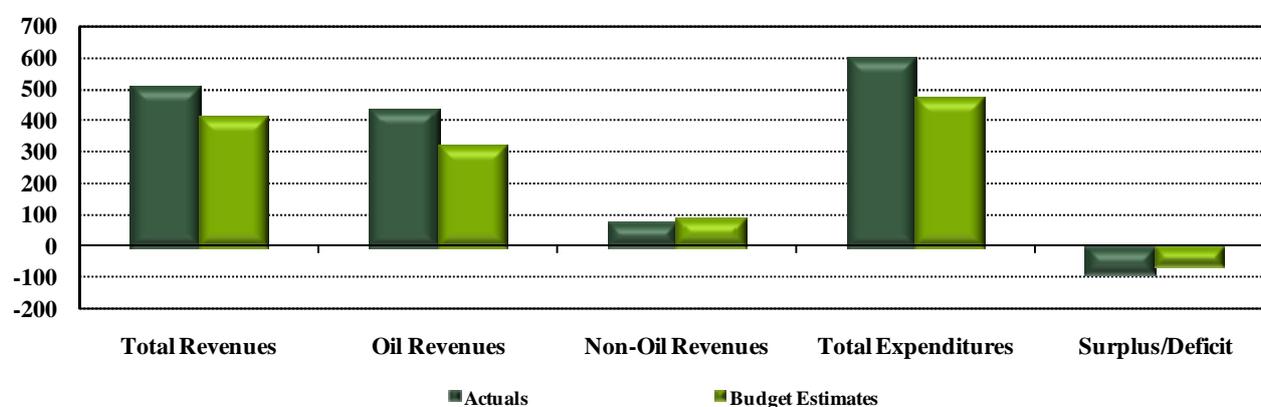


Table 8.6: ACTUAL OIL AND NON-OIL REVENUES

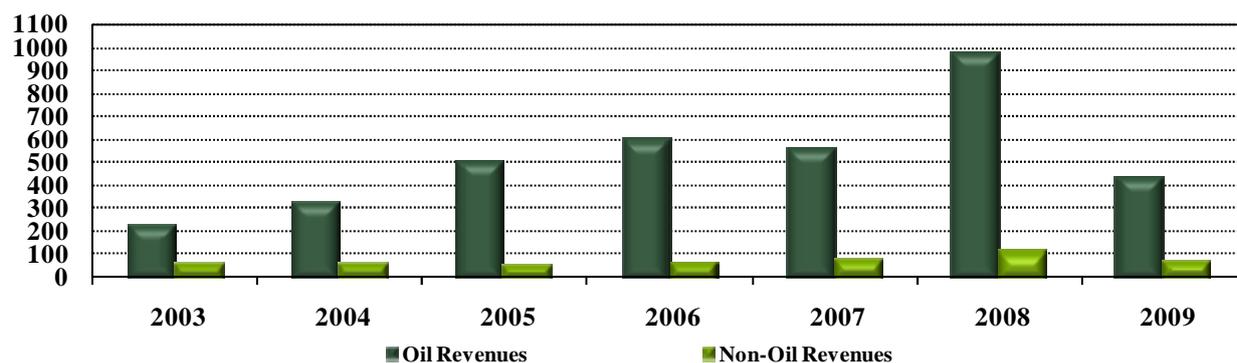
(Million Riyals)

Year	Oil Revenues		Non-oil Revenues		Total Revenues
	Amount	% Share	Amount	% Share	
2005	504,540	89.4	59,795	10.6	564,335
2006	604,470	89.7	69,212	10.3	673,682
2007	562,186	87.5	80,614	12.5	642,800
2008	983,369	89.3	117,624	10.7	1,100,993
2009	434,420	85.2	75,385	14.8	509,805

Source: Ministry of Finance

Chart 8.3: Trends of Actual Oil and Non-Oil Revenues

Billion Riyals





Other revenues registered a decline of 35.9 percent to Rls 75.4 billion in 2009 as compared to a rise of 45.9 percent in the previous year. Their share was 14.8 percent of total revenues during 2009 against 10.7 percent in the preceding year (Table 8.6 and Chart 8.3).

Actual Current and Capital Expenditure

Actual current expenditure registered an increase of 7.1 percent to Rls 416.6 billion in 2009 as

compared to an increase of 12.0 percent in the preceding year. The share of current expenditure in total expenditure amounted to 69.8 percent in 2009 against 74.8 percent in the preceding year. Actual capital expenditure also recorded a rise of 37.0 percent to Rls 179.8 billion in 2009 against an increase of 10.2 percent in the preceding year. The share of capital expenditure rose to 30.2 percent of total expenditure in 2009 from 25.2 percent in the preceding year (Table 8.7 and Chart 8.4).

Table 8.7: ACTUAL CURRENT AND CAPITAL EXPENDITURES

(Million Riyals)

Year	Current Expenditure		Capital Expenditure		Total Expenditure
	Amount	% Share	Amount	% Share	
2005	284,173	82.0	62,301	18.0	346,474
2006	322,411	82.0	70,911	18.0	393,322
2007	347,199	74.5	119,049	25.5	466,248
2008	388,839	74.8	131,230	25.2	520,069
2009	416,594	69.8	179,840	30.2	596,434

Source: Ministry of Finance.

Chart 8.4: Developments of Actual Current and Capital Expenditures

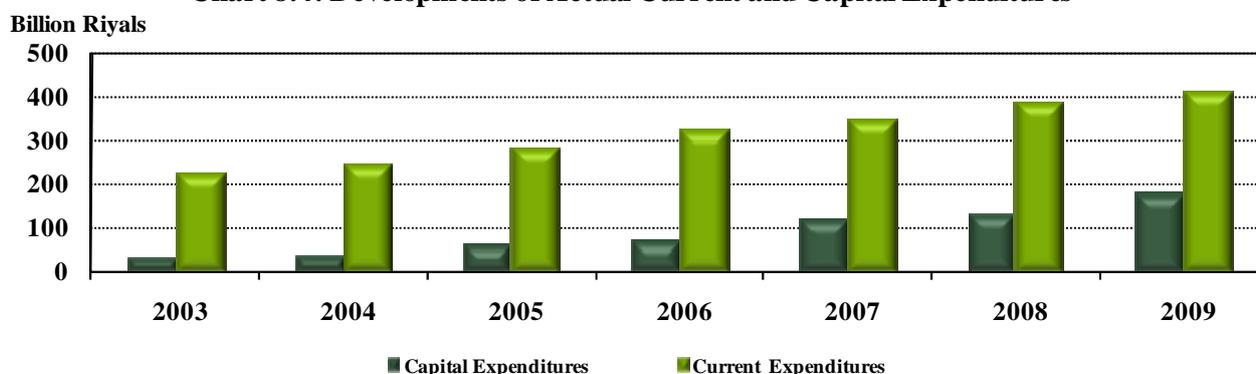


Table 8.8: RATIO OF ACTUAL BUDGET SURPLUS/DEFICIT TO GDP

(Million Riyals)

Year	Gross Domestic Product * (at current prices)	Budget surplus/Deficit	% Ratio of Surplus/Deficit to GDP
2006	1335581	280360	20.99
2007	1442572	176552	12.24
2008	1786143	580924	32.52
2009**	1409124	-86629	-6.15

* Including import fees

** Preliminary estimates.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning, and Ministry of Finance.



Ratio of Actual Budget Deficit to GDP

Preliminary figures for 2009 indicate that the actual deficit of Rls 86.6 billion in the state budget for 2009 represented 6.2 percent of GDP as compared to a surplus of Rls 580.9 billion or 32.6 percent of GDP in the preceding year (Table 8.8).

Public Debt

The outstanding public debt recorded a decline of 4.2 percent to Rls 225,108 million at the end of fiscal year 1430/1431H (2009) compared to a decline of 11.9 percent in the previous year, representing 16.3 percent of GDP for fiscal year 2009 as compared to 13.3 percent in the previous year. The total amount borrowed during 2009 was Rls 217 million against Rls 298 million in the previous year. The total amount paid out stood at Rls 10,143 million compared to Rls 32,026 million in the previous year (Table 8.9).

Appropriations of Budget Surplus Program

The Kingdom has allocated a part of the budget surplus realized in the preceding fiscal years for the

establishment of a great number of development projects throughout the Kingdom's. Their appropriations amounted to Rls 71 billion, covering construction of 5,954 projects.

The education sector in the Kingdom (including technological education and vocational training) accounted for the highest share of Rls 23 billion of the total appropriations of this program (for establishing 2,197 projects), followed by water and sewage sector Rls 14.7 billion (for 338 projects), road sector Rls 11.7 billion (for 240 projects), municipal services Rls 9.2 billion (for 1,524 projects), health sector Rls 5.9 billion (for 1,499 projects), the Royal Commission for Jubayl and Yanbu Rls 5.95 billion (for 25 projects), water desalination Rls 1.9 billion (for 22 projects), Ports Rls 1.3 billion (for 10 projects), industry sector Rls 1.2 billion (for 15 projects), and social affairs Rls 0.6 billion (for 14 projects) of the total appropriations of this program (Table 8.10)■

Table 8.9: PUBLIC DEBT

(Million Riyals)

Fiscal Year	Amount		Outstanding Public Debt at year end	% Change	GDP at current prices	(%) Ratios of public debt to GDP
	Borrowed	Repaid				
2005	41,445	194,406	459,647	-25	1,182,514	38.9
2006	35,997	131,022	364,622	-21	1,335,581	27.3
2007	11,180	109,040	266,762	-27	1,442,572	18.5
2008	298	32,026	235,034	-12	1,786,143	13.2
2009	217	10,143	225,108	-4	1,409,124*	16.0

* Preliminary estimates.

Source: Ministry of Finance and Central Department of Statistics and Information, Ministry of Economy and Planning.

Table 8.10: APPROPRIATIONS OF BUDGET SURPLUS PROGRAM FOR THE KINGDOM'S REGIONS IN 2009

(No. = number of projects)
(Cost in Million Riyals)

Region	Education																			
	General and Higher**		Technological and Vocational		Health		Water and Sewage		Water Desalination		Roads		Municipal Services		Industry		Others		Total	
	No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost
Riyadh	348	5,637	17	3,941	301	1,045	29	1,091	2	40	14	1,119	293	1,659	3	599	12	315	1,026	13,008
Makkah	329	1,387	1	20	206	718	35	732	7	231	20	1,432	159	1,320	3	294	4	311	778	7,024
Al-Madinah	152	764	0	0	113	392	54	1,172	0	0	16	981	99	725	1	115	13	1,004	456	5,541
Al-Qassim	155	762	0	0	107	371	16	902	5	767	21	728	120	526	0	0	1	40	433	4,508
Eastern Region	180	1,474	2	434	155	540	30	845	2	31	11	459	115	975	2	0	12	2,468	521	7,503
'Asir	200	753	0	0	210	729	26	997	4	32	11	726	205	1,107	0	0	0	0	666	4,891
Tabouk	78	401	0	0	47	163	9	567	0	0	12	832	66	309	1	0	2	56	222	2,742
H'ail	121	798	2	243	72	250	19	1,266	0	0	15	1,238	95	393	0	0	0	0	325	4,071
Northern Region	78	801	3	520	33	115	20	856	0	0	22	608	62	354	1	0	1	30	218	2,842
Jazan	215	1,274	3	487	101	352	31	1,760	0	0	32	1,059	122	457	2	162	1	29	511	5,620
Najran	101	388	0	0	44	153	18	756	0	0	19	748	61	501	0	0	0	0	245	26,662
Al-Bahah	66	615	1	345	67	232	20	1,147	1	43	23	806	55	195	1	0	0	0	235	3,477
Al-Jawf	128	680	1	143	43	150	20	850	0	0	24	966	68	401	0	0	0	0	287	3,254
Others*	8	690	8	690	0	690	11	1,784	1	418	0	0	4	125	1	30	3	48	31	3,902
Total	2,159	16,423	38	6,823	1,499	5,900	338	14,725	22	1,949	240	11,700	1,524	9,047	15	1,200	49	4,300	5,954	71,044
% Share	36.3	23.1	0.6	9.6	25.2	8.3	5.7	20.7	0.4	2.7	4.0	16.5	25.6	12.7	0.3	1.7	0.8	6.1	100	100

The statement shows projects financed by the state budget's surpluses up to the end of fiscal year 1430/31 (2009) as distributed to the Kingdom's different regions. These surpluses are related to the years: 1424/25 (2004), 1425/26 (2005) and 1426/27 (2006).

* Others include projects at the Kingdom's level, including studies, designs and supervision project.

** Including the Ministry of Education's data for the first half of fiscal year (2009).

Source: Ministry of Economy and Planning.





Gross Domestic Product (GDP) 2009

Preliminary figures show that the GDP, at current prices, (excluding import duties) went down by Rls 375 billion or 21.2 percent to Rls 1,396.2 billion during 2009, against a growth of 23.8 percent in the preceding year. This was mainly attributable to the decline in the oil sector by 37.9 percent during 2009 compared to a growth of 37.1 percent in the preceding year. The non-oil sector grew by 5.1 percent compared to a growth of 7.5 percent in the preceding year. Also, the private sector grew by 3.6 percent against a growth rate of 8.7 percent in the preceding year while the government sector grew by 7.7 percent against 5.4 percent in 2008.

GDP at constant prices of 1999 (excluding import duties), however, rose by 0.6 percent to Rls 831.4 billion during 2009 compared to a growth of 4.2 percent in the preceding year. This was ascribed to an increase in the non-oil sector by 3.8 percent compared to 4.3 percent during the preceding year. The private sector grew by 3.5 percent during 2009 against 4.6 percent in the preceding year. The government sector grew by 4.4 percent as compared to 3.7 percent in the preceding year. The oil sector's growth went down by 6.7 percent against a growth of 4.2 percent in the preceding year (Table 9.1).

The contribution of the private sector to total GDP, at 1999 constant prices, was equal to 48.5 percent during 2009 against 47.2 percent in the preceding year, while the government sector contributed 23.4 percent against 22.5 percent in the preceding year. The oil sector accounted for 28.1 percent in 2009 against 30.3 percent in the preceding year.

Preliminary figures indicate that the non-oil GDP implicit deflator rose by 1.3 percent in 2009 against an increase of 3.1 percent in the preceding year (Table 9.1).

A breakdown of the non-oil GDP (at constant prices of 1999) by major economic activities indicates that all economic activities recorded growth in their performance with varied rates during 2009. The transport, storage and telecommunications activity recorded the highest growth rate of 6.9 percent against a growth rate of 12.2 percent in the preceding year. In contrast, the "agriculture, forestry and fishing activity" registered the lowest growth rate of 0.6 percent against a growth of 0.7 percent in the preceding year. The "public utilities activity" (electricity, gas and water) registered a growth of 6.8 percent against 6.7 percent in the preceding year. The "wholesale and retail trade, restaurants and hotels

Table 9.1: GROSS DOMESTIC PRODUCT BY SECTOR

(Million Riyals)

	2006	2007	2008*		2009**	
			Value	Annual Change %	Value	Annual Change %
At Current Prices:						
GDP	1,324,556	1,430,771	1,771,203	23.8	1,396,227	-21.2
1. Oil sector	720,664	788,823	1,081,226	37.1	671,131	-37.9
2. Non-oil sector	603,892	641,948	689,977	7.5	725,096	5.1
i) Private sector	373,991	404,963	440,263	8.7	456,237	3.6
ii) Government sector	229,901	236,984	249,715	5.4	268,859	7.7
3. Import Duty.	11,025	11,801	14,940	26.6	12,897	-13.7
Total GDP Including Import Duty	1,335,581	1,442,572	1,786,143	23.8	1,409,124	-21.1
At Constant Prices (1999=100):						
GDP	777,249	792,813	826,478	4.2	831,356	0.6
1. Oil sector	249,281	240,224	250,227	4.2	233,462	-6.7
2. Non-oil sector	527,968	552,589	576,250	4.3	597,894	3.8
i) Private sector	353,696	373,075	390,081	4.6	403,592	3.5
ii) Government sector	174,272	179,513	186,169	3.7	194,302	4.4
3. Import Duty.	9,100	9,398	9,655	2.7	9,828	1.8
Total GDP Including Import Duty	786,349	802,211	836,133	4.2	841,184	0.6
Implicit Deflator (1999 = 100):						
GDP	170.4	180.5	214.3	18.8	167.9	-21.6
1. Oil sector	289.1	328.4	432.1	31.6	287.5	-33.5
2. Non-oil sector	114.4	116.2	119.7	3.1	121.3	1.3

* Revised. ** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



activity", and the "manufacturing activity" (including oil refining) grew by 2.5 percent and 2.3 percent, respectively as compared to 6.5 percent and 6.0 percent, respectively in the preceding year. The "construction and building activity" grew by 4.7 percent against a growth of 1.5 percent in the preceding year. The "finance, insurance, real estate and business services activity" grew by 3.7 percent against 2.4 percent in the preceding year (Table 9.2).

Contribution of the Private Sector to GDP

The contribution of the private sector to GDP, at current prices, (excluding import duties) was about 32.7 percent during 2009 against 24.9 percent in the preceding year. In addition, its growth rate (at current prices) was about 3.6 percent during 2009 against 8.7 percent in the preceding year (Table 9.3 and Chart 9.1).

Contribution of the Government Sector to GDP

During 2009, the contribution of the government sector to GDP, at current prices, was 19.3 percent against 14.1 percent in the preceding year, recording a growth rate of 7.7 percent against a growth rate of 5.4 percent in the preceding year (Table 9.4 and Chart 9.1).

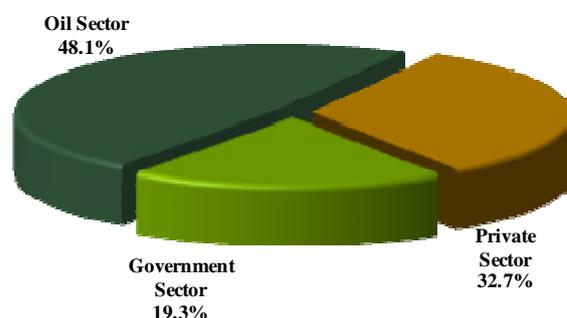
Contribution of the Oil Sector to GDP

The contribution of the oil sector to GDP, at current prices, was 48.1 percent during 2009 against 61.0 percent in the preceding year. The oil sector, at current prices, registered a decline of 37.9 percent during 2009 against a growth of 37.1 percent in the preceding year (Table 9.5 and Chart 9.1).

Contribution of the Services Activity to GDP

The contribution of the services activity, at current prices, (including wholesale and retail trade, restaurants,

Chart 9.1: Contribution of Economic Sectors to GDP in 2009 (At current prices)



hotels, transportation, storage, telecommunication, finance and insurance services, real estates, business services, collective, social and personal services and producers of government services) to GDP was 37.9 percent during 2009 against 27.9 percent in the preceding year. This activity's growth rate was 6.9 percent during 2009 against 7.0 percent in 2008 (Table 9.6 and Chart 9.2).

Contribution of the Industrial Activity to GDP

The contribution of the industrial activity (including oil refining), at current prices, to GDP amounted to 10.5 percent during 2009 against 8.3 percent in the preceding year, recording a decline in growth rate, at current prices, by 0.8 percent against a rise of 8.3 percent in the preceding year (Table 9.7 and Chart 9.2).

Contribution of the Agricultural Activity to GDP

The contribution of the agricultural activity, at current prices, to GDP amounted to 3.0 percent during

Table 9.2: NON-OIL GDP BY MAJOR ECONOMIC ACTIVITIES
(At 1999 constant prices)

			2008*		2009**	
	2006	2007	Value	Annual Change %	Value	Annual Change %
1. Agriculture, forestry and fishing	38,748	39,466	39,731	0.7	39,986	0.6
2. Manufacturing (including oil refining)	92,382	97,677	103,509	6.0	105,867	2.3
3. Public utilities (electricity, gas and water)	12,629	13,142	14,018	6.7	14,976	6.8
4. Construction and building	54,559	56,799	57,629	1.5	60,341	4.7
5. Wholesale and retail trade, restaurants and hotels	62,989	66,893	71,212	6.5	72,992	2.5
6. Transport, storage and communications	45,160	49,766	55,822	12.2	59,682	6.9
7. Finance, insurance, real estate and business services	98,539	102,320	104,781	2.4	108,691	3.7

*Revised. ** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



Table 9.3: CONTRIBUTION OF THE PRIVATE SECTOR TO GDP

(At current prices)

<u>Year</u>	<u>Total GDP*</u> (Million RIs)	<u>Private sector</u> (Million RIs)	<u>% Share</u>	<u>% Change</u>
2005	1,172,399	346,487	29.6	7.8
2006	1,324,556	373,991	28.2	7.9
2007	1,430,771	404,963	28.3	8.3
2008**	1,771,203	440,263	24.9	8.7
2009***	1,396,227	456,237	32.7	3.6

* Excluding imports duties.

Revised. * Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

**Table 9.4: CONTRIBUTION OF THE GOVERNMENT
SECTOR TO GDP**

(At current prices)

<u>Year</u>	<u>Total GDP*</u> (Million RIs)	<u>Government sector</u> (Million RIs)	<u>% Share</u>	<u>% Change</u>
2005	1,172,399	207,621	17.7	12.5
2006	1,324,556	229,901	17.4	10.7
2007	1,430,771	236,984	16.6	3.1
2008**	1,771,203	249,715	14.1	5.4
2009***	1,396,227	268,859	19.3	7.7

* Excluding imports duties.

Revised. * Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Table 9.5 : CONTRIBUTION OF OIL SECTOR TO GDP

(At current prices)

<u>Year</u>	<u>Total GDP*</u> (Million RIs)	<u>Oil Sector</u> (Million RIs)	<u>% Share</u>	<u>% Change</u>
2005	1,172,399	618,291	52.7	45.8
2006	1,324,556	720,664	54.4	16.6
2007	1,430,771	788,823	55.1	9.5
2008**	1,771,203	1,081,226	61.0	37.1
2009***	1,396,227	671,131	48.1	-37.9

* Excluding imports duties.

Revised. * Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning



Table 9.6: CONTRIBUTION OF SERVICES ACTIVITY TO GDP
(At current prices)

Year	Total GDP* (Million RIs)	Services Activity (Million RIs)	% Share	% Change
2005	1,172,399	403,177	34.4	9.9
2006	1,324,556	439,622	33.2	9.0
2007	1,430,771	462,299	32.3	5.2
2008**	1,771,203	494,657	27.9	7.0
2009***	1,396,227	528,840	37.9	6.9

Services Activity includes: Wholesale and retail trade, restaurants and hotels; transport, telecommunications and storage; finance, insurance, real estate and business services; community, social and personal services; and providers of government services.

* Excluding imports duties. **Revised. *** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

2009 compared to 2.3 percent recorded in the preceding year, with a growth rate of 0.7 percent during 2009 against 2.4 percent in the preceding year (Table 9.7 and Chart 9.2).

Contribution of Other Major Activities to GDP

The contribution of mining and quarrying activity (including crude oil, natural gas and other mining and quarrying activities) to GDP (at current prices) amounted to 44.0 percent during 2009 against 57.9 percent in the preceding year. The mining and quarrying activity recorded a decline of 40.1 percent against a growth of 39.9 percent in the preceding year.

The contribution of the construction and building activity to GDP, at current prices, stood at 5.1

percent during 2009 against 3.8 percent in 2008, growing by 4.4 percent against 4.7 percent in the preceding year.

The contribution of electricity, gas and water activity to GDP (at current prices) was 1.0 percent during 2009 compared to 0.7 percent in the preceding year. It recorded a growth rate of 4.8 percent against 5.4 percent in the preceding year (Table 9.8 and Chart 9.2).

Per Capita Income

Preliminary figures indicate that the annual per capita income in the Kingdom fell down by 22.9 percent to RIs 55,535 in 2009 against an increase of 21.0 percent in the preceding year (Table 9.9).

Table 9.7: CONTRIBUTION OF INDUSTRIAL AND AGRICULTURAL ACTIVITIES TO GDP
(At current prices)

Year	GDP ⁽¹⁾ (Million RIs)	Agricultural Activity ⁽²⁾		Industrial Activity ⁽³⁾			
		(Million RIs)	% Share in Total GDP	% change	(Million RIs)	% Share in Total GDP	% change
2005	1,172,399	38,280	3.3	2.9	110,706	9.4	15.5
2006	1,324,556	39,373	3.0	2.9	123,912	9.4	11.9
2007	1,430,771	40,154	2.8	2.0	136,509	9.5	10.2
2008(4)	1,771,203	41,136	2.3	2.4	147,873	8.3	8.3
2009(5)	1,396,227	41,419	3.0	0.7	146,673	10.5	-0.8

⁽¹⁾ Excluding imports duties.

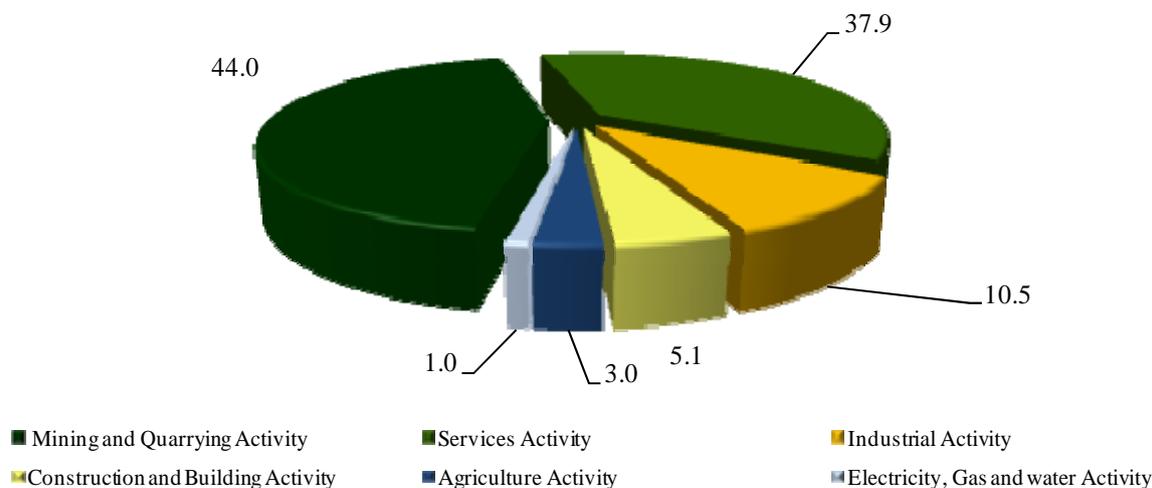
⁽²⁾ Including agriculture, forestry and fishing.

⁽³⁾ Including oil refining. ⁽⁴⁾ Revised. ⁽⁵⁾ Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning



Chart 9.2: Contribution of Economic Activities to GDP in 2009
(At current prices)



* Including imputed banking services, and excluding import duties.

Table 9.8: CONTRIBUTION OF SOME ECONOMIC ACTIVITIES TO GDP
(At current prices)

Year	Total GDP* (Million RIs)	Mining and Quarrying			Construction and Building			Electricity, Gas and Water		
		Value (Million RIs)	Share %	Change %	Value (Million RIs)	Share %	Change %	Value (Million RIs)	Share %	Change %
2005	1,172,399	571,008	48.7	48.5	54,946	4.7	7.4	11,020	0.9	5.9
2006	1,324,556	668,421	50.5	17.1	59,139	4.5	7.6	11,664	0.9	5.8
2007	1,430,771	732,654	51.2	9.6	65,017	4.5	9.9	12,419	0.9	6.5
2008**	1,771,203	1,025,169	57.9	39.9	68,099	3.8	4.7	13,095	0.7	5.4
2009***	1,396,227	613,690	44.0	-40.1	71,092	5.1	4.4	13,722	1.0	4.8

* Excluding import duties.

** Revised.

*** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Table 9.9: PER CAPITA INCOME

	2005	2006	2007	2008*	% Change	2009**	% Change
Gross Domestic Product (Million Riyals)	1,182,514	1,335,581	1,442,572	1,786,143	23.8	1,409,124	-21.1
Population (Million)	23.11	23.68	24.24	24.81	2.4	25.37	2.3
Per capita Share in GDP (Riyals)	51,169	56,401	59,512	71,993	21.0	55,535	-22.9

*Revised.

** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



Expenditure on GDP

Expenditure on GDP (at current prices) declined by 21.1 percent to Rls 1,409.1 billion (including import duties) during 2009 from Rls 1,786.1 billion in the preceding year. This drop was attributed to a decline in net exports of goods and services by 71.7 percent to Rls 155 billion in 2009 from Rls 548.1 billion in the previous year and a decline in gross fixed capital formation by 7.0 percent to Rls 368.3 billion from Rls 396 billion in 2008. The final consumption of the government sector recorded a growth rate of 1.0 percent to Rls 348.5 billion in 2009 from Rls 345.1 billion in the previous year.

Final consumption of the private sector rose by 8.1 percent from Rls 497 billion in 2008 to Rls

537.4 billion in 2009. Its share in expenditure on GDP rose to 38.1 percent from 27.8 percent in the preceding year.

The share of Gross fixed capital formation stood at 26.1 percent of total expenditure on GDP against 22.2 percent in the previous year.

Total gross final consumption (government and private) went up from Rls 842.0 billion in 2008 to Rls 885.9 billion in 2009, growing by 5.2 percent compared to 13.3 percent in 2008. The share of final consumption in expenditure on GDP was 62.9 percent during 2009 against 47.1 percent in the preceding year (Table 9.10 and Chart 9.3)■

**Chart 9.3: Gross Domestic Expenditure
(At current price)**

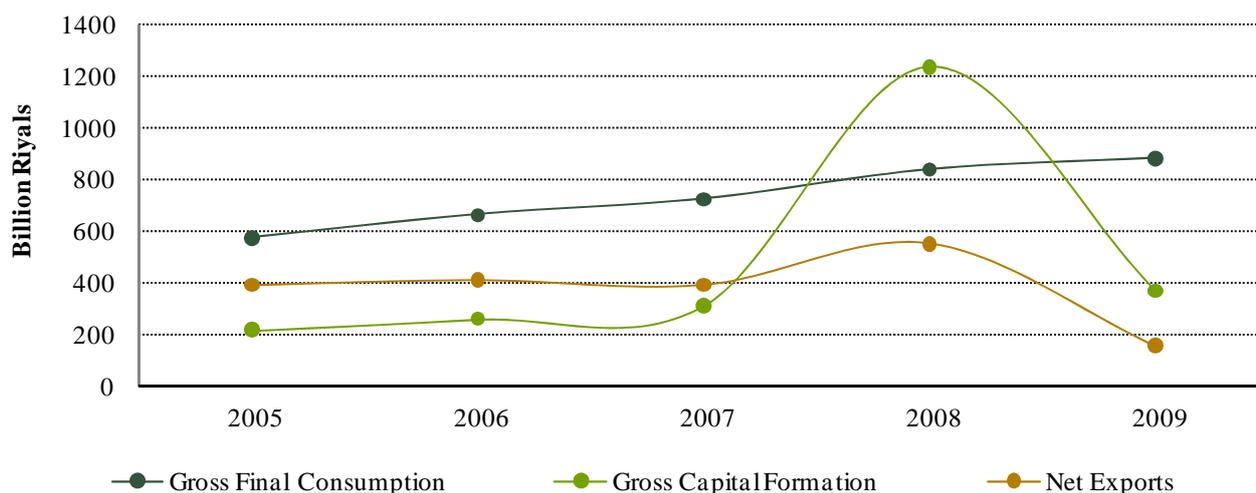


Table 9.10: GROSS DOMESTIC EXPENDITURE AT PURCHASERS' VALUE
(At current prices)

(Million Riyals)

	2006			2007			2008 ⁽¹⁾			2009 ⁽²⁾		
	Amount	Share %	Change %	Amount	Share %	Change %	Amount	Share %	Change %	Amount	Share %	Change %
Gross Final Consumption	665,995	49.9	15.7	743,319	51.5	11.6	842,049	47.1	13.3	885,883	62.9	5.2
Government	311,082	23.3	18.4	322,086	22.3	3.5	345,098	19.3	7.1	348,469	24.7	1.0
Private	354,913	26.6	13.4	421,233	29.2	18.7	496,951	27.8	18.0	537,414	38.1	8.1
Gross Fixed capital formation(3)	250,102	18.7	16	309,366	21.4	23.7	395,961	22.2	28.0	368,274	26.1	-7.0
Net exports of goods and services(4)	419,484	31.4	7.2	389,887	27.0	-7.1	548,133	30.7	40.6	154,967	11.0	-71.7
Total Gross Domestic Expenditure	1,335,581	100.0	12.9	1,442,572	100.0	8.0	1,786,143	100.0	23.8	1,409,124	100.0	-21.1

⁽¹⁾ Revised.⁽²⁾ Preliminary data.⁽³⁾ Includes change in inventories.⁽⁴⁾ Net exports of goods and services = Total exports of goods and services minus total imports of goods and services.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.





Oil is the Kingdom's most important export item that affects its balance of payments. Any change in oil prices and production significantly affects the current account of the Kingdom's balance of payments. According to the Central Department of Statistics and Information (CDSI)'s preliminary estimates, oil exports accounted for 85 percent of total Saudi exports of goods in 2009.

Oil prices decreased notably during 2009. They reached their lowest level when the price of Arabian Light crude oil hit an average of \$37.2 per barrel during March. Afterwards, it started to increase gradually until it reached its peak in November, averaging \$73.5 per barrel. The average price of the Arabian Light crude oil for 2009 worked out lower at \$59.5 per barrel as compared to \$94.77 for the preceding year. The Kingdom's production of crude oil for 2009 was also lower at 8.1 million b/d against 9.2 million b/d in 2008.

The fall in the prices and quantities of oil produced clearly affected the Kingdom's oil exports which fell by 42.0 percent during 2009 as compared to the preceding year. Preliminary data indicate that receipts from oil exports of the Kingdom amounted to Rls 611.5 billion during 2009 against Rls 1.1 trillion during the preceding year.

Foreign Trade

According to preliminary figures of foreign trade for 2009, the value of the Kingdom's merchandise trade declined to Rls 1.1 trillion from Rls 1.6 trillion in the preceding year because of a fall in the value of both exports and imports. Reflecting the openness of the

economy, the ratio of merchandise trade to the Kingdom's GDP stood at 78.0 percent in 2009 compared to 90.2 percent in the preceding year.

Exports

According to preliminary figures, total value of the Kingdom's merchandise exports stood at Rls 721.1 billion in 2009 compared to Rls 1.2 trillion in 2008, denoting a fall of 38.7 percent (Table 10.1). Oil exports constituted 85 percent of the Kingdom's total exports.

Oil Exports

The Kingdom's oil exports fell by 42 percent to Rls 611.5 billion in 2009 compared to Rls 1.1 trillion in the preceding year (Table 10.1). The fall was attributable to a decrease in the average price of Arabian Light crude by 37.4 percent from \$95.0 a barrel in 2008 to \$59.5 a barrel in 2009, and the fall in the Kingdom's production of crude oil by 1.2 percent.

Preliminary data on oil exports by type indicate that crude oil exports decreased by 42.5 percent from Rls 926.6 billion in 2008 to Rls 533.2 billion in 2009. Exports of refined products also fell by 38.5 percent from Rls 127.2 billion to Rls 78.3 billion. Chart 10.1 shows the trends of the Kingdom's exports of crude and refined oil during the period 2001-2009. They recorded their lowest level in 2001 whereas their highest level was recorded in 2008.

Non-oil Exports

According to CDSI's preliminary estimates, the Kingdom's non-oil exports registered a decrease of 9.9 percent to Rls 109.6 billion in 2009 (Table 10.1). The

Table 10.1: SAUDI MERCHANDISE EXPORTS

(Million Riyals)

	2006	2007	2008*	2009**	Annual Change%
Oil Exports	705,811	769,935	1,053,860	611,490	-42.0
Crude oil	607,509	668,564	926,613	533,177	-42.5
Refined products	98,302	101,371	127,247	78,313	-38.5
Non-oil Exports	85,528	104,468	121,622	109,619	-9.9
Petrochemicals	45,936	53,847	62,464	52,967	-15.2
Construction materials	7,908	10,778	12,679	8,738	-31.1
Agricultural, animal and food products	5,228	7,442	8,875	10,159	14.5
Other goods***	26,456	32,401	37,604	42,820	13.9
Total	791,339	874,403	1,175,482	721,109	-38.7

* Revised figures. ** Preliminary data.

*** Including re-exports.

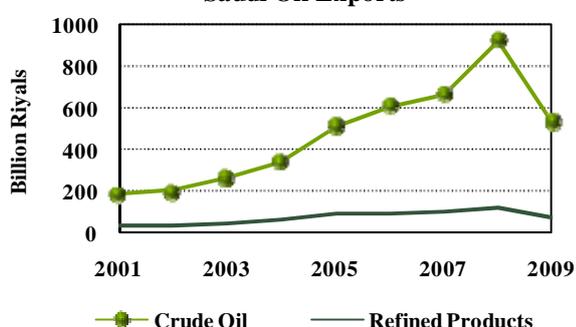
Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



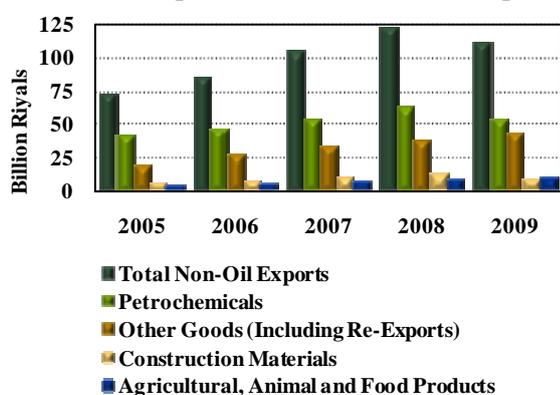
decrease was due mainly to a fall in the value of exports of construction materials, petrochemicals and other goods by 31.1 percent, 15.2 percent and 13.9 percent Rls 8.7 billion, Rls 53.0 billion and Rls 42.8 billion respectively. Exports of agriculture, animal and food products rose by 14.5 percent to Rls 10.2 billion in 2009 from Rls 8.9 billion in the preceding year. Chart 10.1 shows the components and development of non-oil exports during the period 2005-2009. Non-oil exports reached their highest level in 2008, rising by 70.5 percent as compared with 2005.

Chart 10.1

Saudi Oil Exports



Components of Saudi Non-Oil Exports



Efforts to Promote Non-oil Exports

The Kingdom continues its efforts to diversify the economic base and reduce reliance on oil exports. To this end, the Kingdom has taken a number of restructuring and institutional measures including creation of a number of entities that aim at expanding Saudi non-oil exports, as detailed below:

I. Saudi Exports Program

The Saudi Exports Program of the Saudi Fund for Development (SFD) was established in 1420H (1999) to provide finance and credit facilities necessary for the development of the national non-oil exports to diversify the sources of the national income. The program became a member of the International Union of Credit and Investment Insurers (Bern Union) in October 2003 after enjoying an observer status for 3 years since 2000. In June 2003, the Saudi Exports Program started to execute insurance credit for non-oil exports. It aims at helping exporters to overcome difficulties in receiving export proceeds due to commercial reasons stemming from an importer's failure to pay his due amounts or because of political reasons related to the importer's country hindering him from payment. The export finance insurance policy is a comprehensive policy for all Saudi exports, covering up to 90 percent of default risks resulting from commercial or political reasons.

Under the program, a range of various export finance and credit insurance operations valued at Rls 3.2 billion were executed during 2009, falling by 26.1 percent from the preceding year (Table 10.2). A breakdown of its export finance and credit guarantee transactions indicates that Rls 2.3 billion went to insuring non-oil exports and Rls 964.9 million to guaranteeing Saudi non-oil exports. Transactions of financing and insuring exports of chemical and plastic products amounted to Rls 2.5 billion, with Rls 2.1 billion for guaranteeing and Rls 451.0 million for

Table 10.2: FINANCE AND GUARANTEE OF SAUDI EXPORTS

(Million Riyals)

Goods and Products	2007		2008		2009	
	Finance	Guarantee	Finance	Guarantee	Finance	Guarantee
Manufactured metal products, machines and equipment	3.15	5.66	231.25	1.90	311.38	22.80
Chemical and plastic products	110.47	936.55	483.75	3,222.12	451.00	2,102.40
Capital projects	40.88	15.73	0.00	23.19	37.50	0.00
Credit lines	277.50	0.00	123.75	0.00	145.00	0.00
Other	0.00	178.05	0.00	278.24	20.00	136.78
Total	432.00	1,135.99	838.75	3,525.45	964.88	2,261.98

Source: Saudi Fund for Development.



financing transactions. Transactions of financing and insuring exports of manufactured metal products, machinery, and equipment amounted to Rls 334.2 million, with Rls 311.4 million for financing and Rls 22.8 million for guaranteeing. As for capital projects, financing transactions of such projects amounted to Rls 37.5 million during 2009. The program provided credit lines of Rls 145.8 million during 2009. Transactions of financing and insuring exports of other products amounted to Rls 156.8 million, about Rls 136.8 million of which was for guaranteeing while Rls 20 million was for financing.

II. Saudi Export Development Center (SEDC)

In accordance with the recommendation of the Second Annual Conference of Saudi Businessmen, the Saudi Export Development Center (SEDC) was established on 28th Safar, 1406H (11th November, 1985) under the aegis of the Council of Saudi Chambers of Commerce and Industry. It is financially supported by the Chambers of Commerce and Industry in Riyadh, Jeddah and the Eastern Region. The Center is a non-profit service body which aims at boosting non-oil Saudi exports. The main reason behind establishing SEDC is to promote and develop the exports of non-oil products and services. The Center's jurisdiction covers the following functions:

1. Making proposals that help the government draw up the general policy for export in the Kingdom, participating in the preparation of studies on export incentives and systems, and cooperating with service organs engaged in exports to provide proper services to exporters.
2. Conducting necessary research and analyses to estimate export potentials in the Kingdom, preparing studies on actual conditions of external markets and their absorption capacity and commodities competitive to Saudi products, and acquainting exporters therewith.
3. Setting proper marketing plans to achieve competition in international markets of goods and services where the Kingdom has comparative advantages, and contributing to improving and developing the designs of national products to fit the needs of targeted markets, in addition to the ways of packaging and display that suit the tastes in those markets.
4. Setting export plans for exporting institutions, companies and factories upon their request, providing domestic exporters with consultative services in the field of external trade, and preparing and executing training programs in a number of export-related areas for exporters.
5. Identifying the problems, difficulties and obstacles of exports both internally and externally, and

working in cooperation with national and international, governments and private institutions on solving them.

6. Publishing periodicals, books, and bulletins on the subjects related to exports, and carrying out advertisement and promotion activities for Saudi products, for example:
 - a) Forming trade delegations to external markets, and offering necessary facilities and arrangements for businessmen during trade discussions and negotiations.
 - b) Organizing and holding internal and external exhibitions to promote national products and services; taking part in international exhibitions and encouraging exporters to participate therein.
 - c) Advertising in domestic and foreign newspapers, magazines, periodicals and bulletins.
 - d) Organizing invitations for importers' missions and commercial attachés at different embassies in the Kingdom to visit production and marketing sites.
 - e) Organizing marketing and export symposia and conferences internally and externally.
7. Participating in joint committees between the Kingdom and some Arab, Islamic and friendly countries to offer technical advice regarding lists of national exportable goods and products.

The SEDC offers many valuable services and benefits in the field of external trade to various classes of companies and factories affiliated to its membership which are the main supporters of Saudi companies and factories in their area of exports. These services include offering export consultative services, information, studies, and economic reports needed by Saudi exporting businessmen. They also include providing regulations on import and export in external markets, training and acquainting exporters with the sources of export finance and credit, and other activities in exchange for an annual fee. The factory affiliated to the Center's membership is given a certificate that entitles it to benefit from the Center's services according to its class.

III. Saudi Exports Development Authority

The Saudi Exports Development Authority was established under the Council of Ministers' Resolution No. (59) dated 15/2/1428H (5/3/2007) with the objective of developing Saudi non-oil exports. The Authority's board of directors is appointed under a resolution by the Council of Ministers. According to the Resolution, the Authority's sphere covers the following functions:



1. Participating in setting the State's policies of developing non-oil exports.
2. Preparing plans and programs for developing exports and increasing their competitive capacity.
3. Continuously developing policies and legislation that ensure achievement of the objectives of the programs and plans of exports development.
4. Improving the exportation environment by setting programs, providing incentives to exporters and protecting investments.
5. Closely cooperating with trade representatives abroad and with chambers of industry and commerce to identify the best ways of exporting products, creating new opportunities for exporters and improving the exportation environment.
6. Providing administrative, technical and consultative assistance and incentives for exporters to market exports and attract foreign investors.
7. Preparing studies on export opportunities and potential foreign markets.
8. Preparing plans and programs for promoting and developing products and services.
9. Qualifying Saudi cadres and spreading culture of exportation necessary for international marketing and exporting, in cooperation with domestic and international training organs in exchange for fees charged by the Authority on private companies and institutions.
10. Organizing symposia and conferences, preparing internal and external commercial exhibitions, participating in international and regional commercial exhibitions to apprise of Saudi exports and increase their competitive capacity.
11. Assisting domestic companies to enter into joint investments with foreign companies, and linking investment with export.

Imports

Preliminary data show that the Kingdom's imports of goods (CIF) in 2009 decreased by 17 percent to Rls 358.4 billion against Rls 431.8 billion in the preceding year. (Table 10.3).

According to detailed data on the value of the Kingdom's imports in 2009 (Chart 10.2), imports of machinery, electric appliances and equipment (Rls 103 billion) occupied the first position with a relative share of 28.8 percent and a fall of 12.1 percent from the preceding year. Imports of transport equipment (Rls 62.3 billion) ranked second, constituting 17.4 percent of total imports, falling by 19.8 percent from the preceding year. Imports of foodstuffs occupied the third position (Rls 53.3 billion) with a relative share of 14.9 percent and a fall of 14.3 percent. Imports of chemical and metal products (Rls 48 billion) ranked fourth, with a relative share of 13.4 percent and a fall of 9.5 percent from the preceding year. Imports of ordinary metals and their products (Rls 39.5 billion) came in the fifth position, with a relative share of 11 percent and an decrease of 40.1 percent. In the sixth position were imports of other goods (Rls 33.5 billion) with a relative share of 9.4 percent and a rise of 0.7 percent. Imports of textile and clothing (Rls 12.7 billion) came in the seventh position with a relative share of 3.5 percent and a decrease of 8.8 percent. Imports of wood and jewelry (Rls 5.9 billion) held the last position, accounting for 1.7 percent of total imports and decreasing by 28.8 percent from the preceding year.

Imports by Origin

The Kingdom's imports by origin are divided into four groups. The first group includes the top

Table 10.3: THE KINGDOM'S IMPORTS (CIF) BY MAIN COMPONENTS

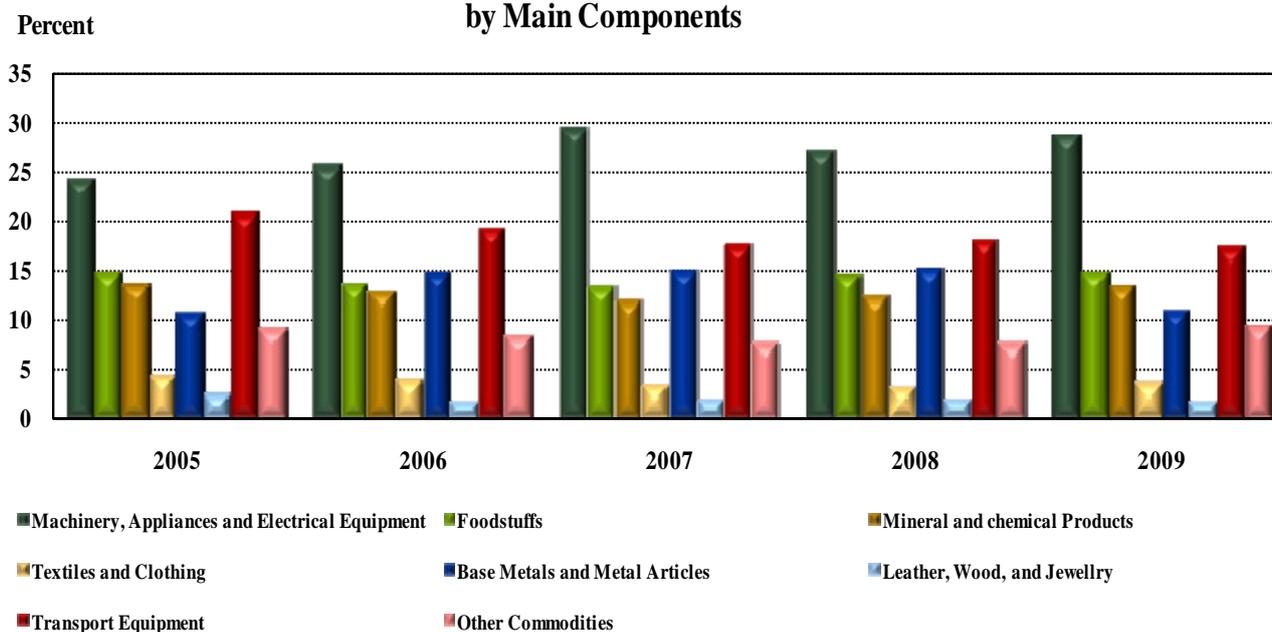
	Million Riyals			% Share			Annual % Change
	2007	2008*	2009**	2007	2008	2009	2009
Machines, appliances and equipment	99,740	117,318	103,093	29.5	27.2	28.8	-12.1
Foodstuffs	44,815	62,199	53,280	13.3	14.4	14.9	-14.3
Chemical and metal products	39,975	53,039	48,024	11.8	12.3	13.4	-9.5
Textiles and clothing	11,640	13,875	12,656	3.4	3.2	3.5	-8.8
Metals and their products	50,829	66,012	39,538	15.0	15.3	11.0	-40.1
Wood and jewelry	6,019	8,355	5,946	1.8	1.9	1.7	-28.8
Transport equipment	59,440	77,620	62,287	17.6	18.0	17.4	-19.8
Other goods	25,630	33,335	33,554	7.6	7.7	9.4	0.7
Total	338,088	431,753	358,378	100.0	100.0	100.0	-17.0

* Revised figures. ** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



**Chart 10.2: Share of Saudi Imports (CIF)
by Main Components**



sixteen exporting countries to the Kingdom other than GCC and Arab countries; the second group comprises the GCC countries; the third group includes Arab countries excluding GCC countries; and the fourth group covers the rest of the world (Table 10.4).

Data on the Kingdom's imports by origin show that imports from the largest sixteen exporting countries to the Kingdom decreased by 16.4 percent to Rls 262.9 billion during 2009 compared to the preceding year. Their relative share in the Kingdom's total imports went up to 73.4 percent from 72.8 percent in the preceding year. Imports from the USA (Rls 51 billion) came first with a relative share of 14.2 percent of the Kingdom's total imports, decreasing by 13.7 percent from the preceding year. Imports from China came second (Rls 40.6 billion) with a relative share of 11.3 percent, decreasing by 14.6 percent. Imports from Germany ranked third (Rls 28.7 billion) with a relative share of 8.0 percent, decreasing by 10.6 percent. Imports from Japan came in the fourth position (Rls 27.1 billion) with a relative share of 7.6 percent, decreasing by 23.0 percent from the preceding year. Imports from South Korea ranked fifth (Rls 15.9 billion) with a relative share of 4.4 percent, falling by 17.1 percent from the preceding year, followed by imports from France (Rls 14.3 billion) with a relative share of 4 percent, decreasing by 5.9 percent from the preceding year. Imports from Italy came seventh (Rls 13.2 billion) with a relative share of 3.7 percent, falling by 23.4 percent, followed by imports from India (Rls 13.1 billion) with a relative share of 3.7 percent,

decreasing by 27.2 percent from the preceding year. Imports from the United Kingdom ranked ninth (Rls 12.8 billion) with a relative share of 3.6 percent, falling by 15.7 percent, followed by imports from Brazil (Rls 8.9 billion) with a relative share of 2.5 percent and a fall of 17.4 percent from the preceding year. The positions from eleven to sixteen were occupied by Thailand, Turkey, Switzerland, Australia, Sweden, and Canada, with relative shares of 2.2 percent, 1.8 percent, 1.8 percent, 1.7 percent, 1.5 percent and 1.4 percent respectively of the Kingdom's total imports.

Imports from the GCC countries rose by 3.7 percent to Rls 48.9 billion during 2009, and accounted for 13.6 percent of the Kingdom's total imports. Imports from other Arab countries group decreased by 8.5 percent to Rls 12.3 billion, accounting for 3.4 percent of the Kingdom's total imports. The Kingdom's imports from the rest of the world fell by 39.5 percent to Rls 34.3 billion in 2009. Chart 10.3 shows the Kingdom's imports by origin in 2009 compared to 2000. Its imports from China rose by 805.3 percent (Rls 4,485 million) during 2009 as compared to 2000.

Private Sector's Exports Financed through Commercial Banks

Private sector's exports financed through commercial banks (settled letters of credit) decreased by 20.3 percent to Rls 33.3 billion during 2009 as compared to Rls 41.8 billion in 2008. The share of private sector's exports in total non-oil exports, financed through commercial banks, went down to 30.4



Table 10.4: KINGDOM'S IMPORTS BY ORIGIN

	Million Riyals			Share %			Annual Change
	2007	2008*	2009**	2007	2008*	2009**	2009
USA	45,852	59,107	50,999	13.6	13.7	14.2	-13.7
China	32,664	47,541	40,601	9.7	11.0	11.3	-14.6
Germany	30,021	32,047	28,660	8.9	7.4	8.0	-10.6
Japan	29,563	35,251	27,142	8.7	8.2	7.6	-23.0
South Korea	15,162	19,218	15,931	4.5	4.5	4.4	-17.1
France	11,499	15,244	14,346	3.4	3.5	4.0	-5.9
Italy	15,381	17,288	13,250	4.5	4.0	3.7	-23.4
India	11,529	18,012	13,095	3.4	4.2	3.7	-27.3
UK	13,170	15,225	12,842	3.9	3.5	3.6	-15.7
Brazil	6,564	10,851	8,964	1.9	2.5	2.5	-17.4
Thailand	5,582	7,832	7,764	1.7	1.8	2.2	-0.9
Turkey	4,699	7,181	6,314	1.4	1.7	1.8	-12.1
Switzerland	5,318	7,740	6,283	1.6	1.8	1.8	-18.8
Australia	7,296	9,274	6,256	2.2	2.1	1.7	-32.5
Sweden	4,768	5,854	5,261	1.4	1.4	1.5	-10.1
Canada	4,568	6,796	5,169	1.4	1.6	1.4	-23.9
Sixteen countries total	243,636	314,461	262,877	72.1	72.8	73.4	-16.4
GCC countries***	39,257	47,172	48,895	11.6	10.9	13.6	3.7
Other Arab countries	10,363	13,425	12,285	3.1	3.1	3.4	-8.5
Rest of the world	44,728	56,695	34,321	13.2	13.1	9.6	-39.5
Total imports (CIF)	338,088	431,753	358,378	100.0	100.0	100.0	-17.0
Imports (fob)	305,576	377,411	306,115				

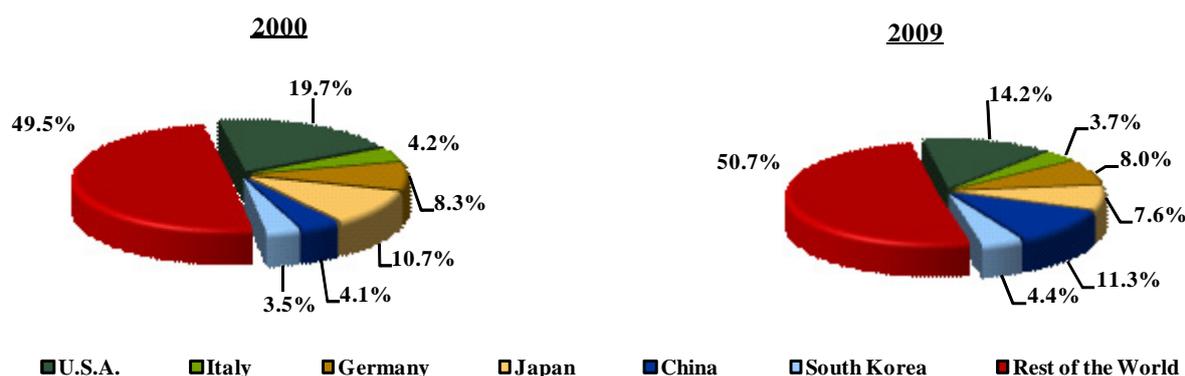
* Revised figures.

** Preliminary data.

*** Including re-exports.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Chart 10.3: Saudi Imports by Origin





percent during 2009 from 34.3 percent in 2008 (Table 10.5). In spite of their rise, the ratio of the private sector's exports to total oil exports is still low. The decline in that percentage may be attributable to the fact that a substantial portion of non-oil exports was settled through other banking payment methods used between exporters in the Kingdom and importers in other countries, such as the Saudi Export Program, Export Finance Program of the Islamic Development Bank (IDB) and Arab Trade Finance Program of the Arab Monetary Fund (AMF), and direct transfers to exporters' accounts inside or outside the Kingdom.

Detailed data of 2009 show that exports of other industrial products stood at Rls 27.4 billion, falling by 19.1 percent compared to 2008, occupying the first position with a relative share of 82.4 percent in total exports financed through commercial banks. Chemical and plastic products exports came next (Rls 4.8 billion), declining by 35.3 percent from their level in the preceding year, and constituting 14.5 percent of total exports. Exports of agricultural and animal products held the last position (Rls 1,043 million), increasing by 136.9 percent over the preceding year and accounting for 3.1 percent of total exports (Table 10-5 and Chart 10.4).

During the first quarter of 2010, private sector's exports financed through commercial banks registered an increase of 0.5 percent to Rls 8.1 billion compared to Rls 8.0 billion in the first quarter of 2009 (Table 10.5).

Data for the first quarter of 2010 on private sector's exports ,by type ,financed through commercial banks indicate that exports of agricultural and animal products amounted to Rls 326 million, increasing by 28.4 percent compared to the first quarter of 2009, with their relative share in the total increasing from 3.2 percent in the first quarter of 2009 to 4.1 percent in the first quarter of 2010. Exports of chemical and plastic products came next (Rls 1.7 billion), with a rise of 43.8 percent and a relative share of 20.9 percent as compared to the preceding year. Exports of other products (Rls 6.0 billion), decreasing by 8.3 percent with a relative share of 75.0 percent of the total.

Private Sector's Imports Financed through Commercial Banks

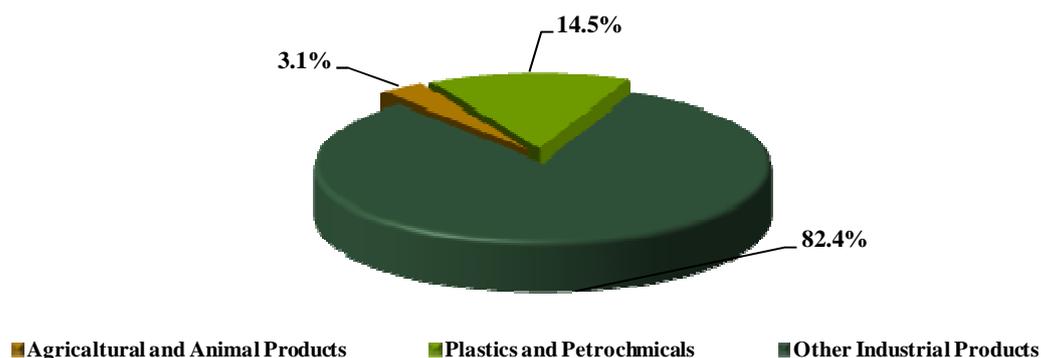
Data on the private sector's imports financed through commercial banks (including letters of credit settled and bills received for collection through commercial banks) in 2009 show a fall of 23.9 percent to Rls 161.7 billion compared to Rls 212.4 billion in the

Table 10.5: PRIVATE SECTOR EXPORTS FINANCED THROUGH COMMERCIAL BANKS*

	Million Riyals					% Share					
			First Quarter					First Quarter		% Change	
	2007	2008	2009	2009	2010	2008	2009	2009	2010	Annual	Quarterly
Agriculture and animal products	302	440	1043	254	326	1.1	3.1	3.2	4.1	136.9	28.4
Chemical and plastic products	6691	7454	4821	1170	1683	17.9	14.5	14.6	20.9	-35.3	43.8
Other industrial products	23794	33859	27406	6582	6037	81.1	82.4	82.2	75.0	-19.1	-8.3
Total	30786	41753	33270	8006	8046	100.0	100.0	100.0	100.0	-20.3	0.5
The ratio of the total to non-oil exports	29.5	34.3	30.4								

* Represent settled letters of credit.

Chart 10.4: Private Sector Exports Financed Through Commercial Banks 2009





preceding year. Their relative share in the Kingdom's total imports in 2009 stood at 45.1 percent against 49.2 percent in the preceding year (Table 10.6).

The decrease in imports financed through commercial banks during 2009 was accounted for by falls of 33.9 percent to Rls 18.4 billion in imports of foodstuffs, 27.3 percent to Rls 84.2 billion in imports of other goods, 38.0 percent to Rls 11.8 billion in imports of construction materials, 1.1 percent to Rls 4.6 billion in textiles and clothing, 22.6 percent to Rls 4.5 billion in imports of appliances, 10.4 percent to Rls 23.0 billion in imports of motor vehicles and 11.7 percent to Rls 15.3 billion in imports of machinery.

As for the relative shares, imports of other goods occupied the first position, accounting for 52.1 percent of total imports financed through commercial banks. Motor vehicle imports came in the second position with a relative share of 14.2 percent. Foodstuffs imports held the third position with a relative share of 11.4 percent. In the fourth position were imports of machinery with a relative share of 9.5 percent, followed by imports of

construction materials, appliances and textiles and clothing, accounting for 7.3 percent, 2.8 percent and 2.8 percent respectively (Chart 10.5).

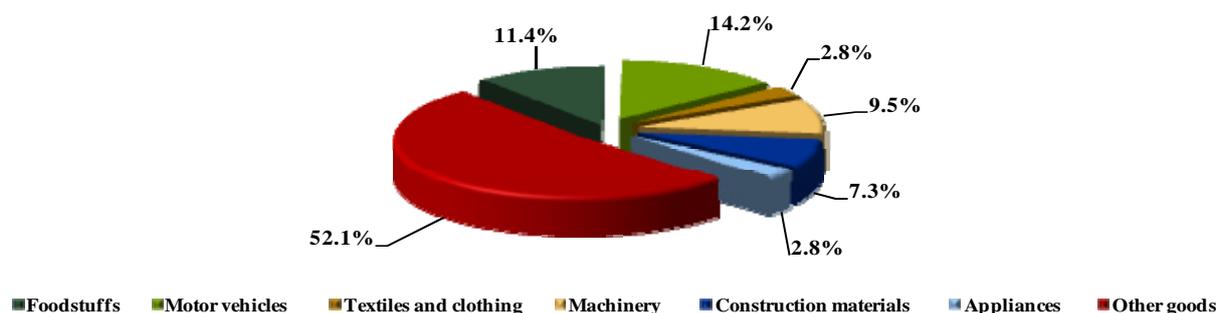
In the first quarter of 2010, private sector's imports financed through commercial banks recorded a rise of 10.1 percent to Rls 43.7 billion compared to Rls 39.7 billion in the corresponding quarter of 2009. The increase was accounted for by increases in imports of foodstuffs by 42.1 percent to Rls 5.1 billion compared to Rls 3.6 billion in the corresponding quarter of the preceding year, imports of construction materials by 24.5 percent to Rls 3.3 billion compared to Rls 2.6 billion in the corresponding quarter of the preceding year, imports of appliances by 28.3 percent to Rls 1.5 billion compared to Rls 1.1 billion in the same period of the preceding year; imports of other goods by 3.3 percent to Rls 21.1 billion compared to Rls 20.5 billion in the corresponding quarter of the preceding year. Moreover, imports of machinery increased by 28.1 percent to Rls 5.0 billion compared to Rls 3.9 billion in the corresponding quarter of the preceding year, imports of motor vehicle by 0.8 percent to Rls 6.9

Table 10.6: PRIVATE SECTOR IMPORTS FINANCED THROUGH COMMERCIAL BANKS*

	Million Riyals					% Share					
	2007	2008	2009	First Quarter		First Quarter				% Change	
				2009	2010	2008	2009	2009	2010	Annual	Quarterly
Foodstuffs	18,109	27,761	18,363	3,571	5,076	13.1	11.4	9.0	11.6	-33.9	42.1
Motor vehicles	25,609	25,711	23,034	6,880	6,938	12.1	14.2	17.3	15.9	-10.4	0.8
Textiles and clothing	4,626	4,649	4,597	1,139	842	2.2	2.8	2.9	1.9	-1.1	-26.0
Machinery	12,255	13,687	15,284	3,885	4,978	6.4	9.5	9.8	11.4	11.7	28.1
Construction materials	14,661	19,012	11,787	2,636	3,281	8.9	7.3	6.6	7.5	-38.0	24.5
Appliances	4,553	5,777	4,472	1,142	1,464	2.7	2.8	2.9	3.3	-22.6	28.3
Other goods	88,705	115,850	84,183	20,456	21,140	54.5	52.1	51.5	48.4	-27.3	3.3
Total	168,518	212,447	161,720	39,709	43,719	100.0	100.0	100.0	100.0	-23.9	10.1
Ratio of total to imports (CIF)	49.8	49.2	45.1								

* Including letters of credit settled and bills received for collection through commercial banks.

Chart 10.5: Private Sector Imports Financed Through Commercial Banks 2009





billion compared to Rls 6.8 billion in the corresponding quarter of the preceding year. Imports of textiles and clothing, however, declined by 26.0 percent to Rls 842 million.

With respect to the relative shares of the various items in private sector's total imports financed through commercial banks in the first quarter of 2010, imports of other goods came first, accounting for 48.4 percent of the total. Imports of motor vehicles occupied the second position with a relative share of 15.9 percent. Foodstuffs imports came in the third position with 11.6 percent. In the fourth position were imports of machinery, accounting for 11.4 percent. Imports of construction materials came fifth with 7.5 percent. In the last position came imports of appliances and textiles and clothing with relative shares of 3.3 percent and 1.9 percent respectively of the total.

The Volume of Exports Handled at the Kingdom's Seaports

According to data issued by the Saudi Ports Authority, the volume of exports handled at the Kingdom's seaports (excluding crude oil exports) increased by 0.1 percent to 91.5 million tons during 2009 compared to 91.4 million tons in the preceding year (Table 10.7).

Exports of chemical products increased by 8.6 percent to 21.1 million tons in 2009 compared to 19.4 million tons in 2008. Exports of other goods rose by 6.8 percent to 3.0 million tons compared to 2.8 million tons in the previous year. However, exports of refined oil products and gas went down by 3 percent to 54.9 million tons compared to 56.6 million tons in the preceding year. Exports of construction materials and steel also fell by 0.7 percent to 12.4 million tons compared to 12.5 million tons in the preceding year.

As for their relative shares, exports of refined oil products and gas occupied the first position in 2009 with a relative share of 60 percent compared to 61.9 percent in the preceding year. Exports of chemical products came in the second position, with a relative share of 23 percent, followed by exports of construction materials and steel with a relative share of 13.6 percent. Exports of other goods held the last position, with a relative share of 3.3 percent (Chart 10.6).

The Volume of Imports Handled at the Kingdom's Seaports

The volume of imports handled at the Kingdom's seaports in 2009 fell by 13.3 percent to 51.8 million tons compared to 59.8 million tons in the preceding year

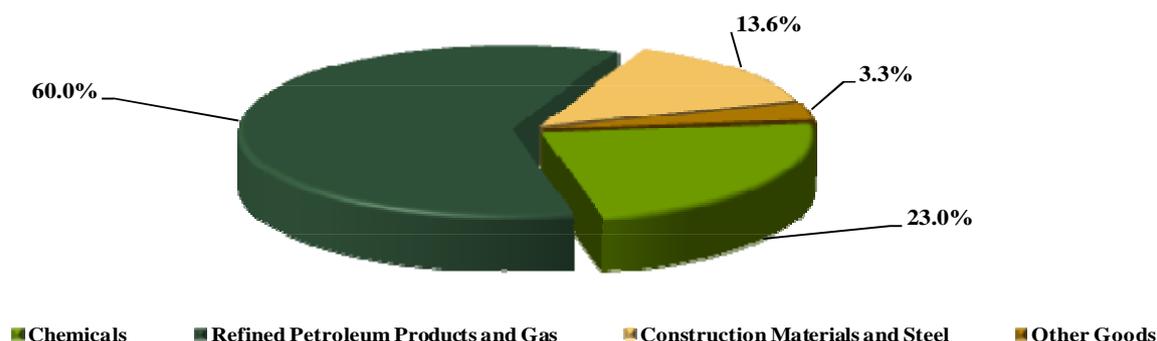
Table 10.7: VOLUME OF EXPORTS HANDELED AT THE KINGDOM'S SEAPORTS*

	Thousand Tons					% Share		Annual % Change
	2005	2006	2007	2008	2009	2008	2009	
Chemical products	17075	18234	18747	19414	21075	21.2	23.0	8.6
Refined oil products and gas	64536	59689	55806	56606	54921	61.9	60.0	-3.0
Construction materials and steel	9345	10004	11655	12524	12432	13.7	13.6	-0.7
Other goods	2547	2801	2793	2850	3043	3.1	3.3	6.8
Total	93503	90728	89001	91394	91471	100.0	100.0	0.1

* Excluding crude oil exports

Source: Saudi Ports Authority.

Chart 10.6: Saudi Exports Via Seaports in 2009





(Table 10.8). This decrease was due to a fall in imports of other goods by 16.3 percent to 15.7 million tons compared to 18.8 million tons in the preceding year. Imports of foodstuffs also went down by 0.6 percent to 18.3 million tons in 2009 compared to 18.5 million tons in the preceding year. Imports of construction materials and steel decreased by 23.4 percent to 15.8 million tons against 20.6 million tons in the preceding year, and imports of equipment by 19.9 percent to 0.9 million tons compared to 1.1 million tons in the preceding year. In contrast, imports of industrial materials increased by 28.6 percent to 1.1 million tons against 0.9 million tons in the preceding year.

As for their relative shares, imports of foodstuffs occupied the first position with a relative share of 35.4

percent. Imports of construction materials and steel occupied the second position, with a relative share of 30.4 percent of the total imports. Imports of other goods ranked third, with a relative share of 30.4 percent. Imports of industrial products and equipment occupied the last two positions with relative shares of 2.1 percent and 1.7 percent of total imports respectively (Chart 10.7).

The number of imported motor vehicles handled at the Kingdom's seaports in 2009 stood at 565 thousand, recording a decrease of 17 percent, compared to 681 thousand in the preceding year. The Kingdom's imports of livestock during 2009 amounted to 4.2 million heads compared to 3.7 million in the preceding year, increasing by 11.9 percent.

Table 10.8: VOLUME OF IMPORTS HANDELED AT THE KINGDOM'S SEAPORTS

	Thousand Tons					% Share		Annual % Change
	2005	2006	2007	2008	2009	2008	2009	
Foodstuffs	15141	15017	15990	18463	18347	30.9	35.4	-0.6
Construction materials and steel ⁽¹⁾	15706	15876	18043	20597	15775	34.4	30.4	-23.4
Equipment	633	808	1042	1071	858	1.8	1.7	-19.9
Industrial materials	925	694	885	858	1103	1.4	2.1	28.6
Other goods ⁽²⁾	11113	11777	13109	18821	15747	31.5	30.4	-16.3
Total	43518	44172	49069	59810	51830	100.0	100.0	-13.3
	Thousands							
No. of livestock ⁽³⁾	2878	3519	4397	3745	4190			11.9
No. of motor vehicles ⁽⁴⁾	521	514	579	681	565			-17.0

(1) Including steel and any other solid materials
(2) Including heavy equipment imported through industrial seaports
(3) Livestock by tons is included in foodstuffs
(4) Motor vehicles by tons are included in other materials

Source: Saudi Ports Authority.





Non-oil Trade with GCC Countries

The Kingdom's net non-oil trade with GCC countries recorded a deficit of Rls 7.2 billion in 2009 against a deficit of Rls 10.1 billion in 2008 (Table 10.9). The Kingdom's imports from GCC countries rose by 3.7 percent to Rls 48.9 billion in 2009 from Rls 47.2 billion in the preceding year. They represented 13.6 percent of the Kingdom's total imports. The Kingdom's exports to GCC countries rose by 12.7 percent to Rls 41.7 billion, representing 36.4 percent of the Kingdom's total non-oil exports.

Detailed data indicate that the Kingdom of Bahrain recorded the largest trade surplus of Rls 12.3 billion in its trade with the Kingdom during 2009, followed by the UAE with a trade surplus of Rls 3.5 billion, and Oman with a trade surplus of Rls 205 million. However, the Kingdom registered a trade surplus of Rls 5.9 billion with Qatar and a surplus of Rls 2.9 billion with Kuwait during 2009.

Data on the Kingdom's non-oil imports from GCC countries during 2009 show that the UAE continued to occupy the first position as the largest exporter to the Kingdom, with its exports amounting to Rls 25 billion. Imports from the UAE accounted for 51 percent of the Kingdom's total non-oil imports from the GCC countries. The Kingdom of Bahrain held the second position (Rls 17.9 billion), representing 36.6 percent of the total, followed by the Sultanate of Oman (Rls 2.4 billion) with a share of 4.8 percent of the total and Kuwait (Rls 1.9 billion) with a share of 3.9 percent of the total. Qatar came last (Rls 1.8 billion), accounting for 3.7 percent.

As regards the Kingdom's non-oil exports to the GCC countries during 2009, the UAE remained in the

first position. Its imports from the Kingdom amounted to Rls 21.5 billion or about 51.5 percent of the Kingdom's total non-oil exports to GCC countries. Qatar occupied the second position (Rls 7.7 billion) or 18.5 percent of the total, followed by the Kingdom of Bahrain (Rls 5.7 billion) or 13.4 percent and Kuwait (Rls 4.8 billion) or 11.4 percent. The Sultanate of Oman was last (Rls 2.2 billion), or 5.2 percent of the total.

The Kingdom's Non-oil Trade with Prominent Trading Arab Partner Countries

The data on the Kingdom's non-oil trade with Arab countries (excluding GCC countries) indicate that the Kingdom recorded a trade surplus of Rls 10.7 billion during 2009 against a surplus of Rls 10.1 billion in 2008 (Table 10.10). The Kingdom's imports from Arab countries recorded a decrease of 8.5 percent to Rls 12.3 billion in 2009 against Rls 13.4 billion in the preceding year, representing 3.4 percent of the Kingdom's total imports. In contrast, the Kingdom's exports to Arab countries went down by 1.8 percent to Rls 23.0 billion, representing 20.2 percent of the Kingdom's total non-oil exports.

Detailed data on the Kingdom's trade with prominent trading partners of non-GCC Arab countries show that all countries (excluding Egypt) recorded deficits in their trade with the Kingdom. The Kingdom's trade with Jordan recorded a surplus of Rls 2.6 billion in 2009, followed by a surplus of Rls 2.6 billion in its trade with Iraq. Moreover, the surplus of Kingdom's balance of trade with Yemen was Rls 1.6 billion and that with Sudan was Rls 1.5 billion. The Kingdom's trade with Morocco and Syria also registered surpluses of Rls 1.0 billion and Rls 704 million respectively. In contrast, the Kingdom's trade

Table 10.9: SAUDINON-OIL TRADE WITH GCC COUNTRIES*

(Million Riyals)

Country	2007			2008**			2009***		
	Imports From	Exports To	The Difference	Imports From	Exports To	The Difference	Imports From	Exports To	The Difference
UAE	19,249	16,808	-2,441	23,304	17,377	-5,927	24,966	21,446	-3,520
Bahrain	15,403	4,510	-10,893	18,683	5,577	-13,106	17,913	5,655	-12,258
Kuwait	1,402	5,681	4,279	1,791	5,583	3,792	1,854	4,760	2,906
Qatar	1,536	5,421	3,885	1,256	5,993	4,737	1,796	7,714	5,918
Oman	1,667	1,715	48	2,138	2,516	378	2,366	2,161	-205
Total	39,257	34,135	-5,122	47,172	37,046	-10,126	48,895	41,736	-7,159

* Including re-exports.

** Revised figures

*** Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



Table 10.10: THE KINGDOM'S NON-OIL TRADE WITH PROMINENT TRADING PARTNERS OF ARAB COUNTRIES (EXCLUDING GCC COUNTRIES)

(Million Riyals)

Country	2007			2008*			2009**		
	Imports From	Exports To	The Difference	Imports From	Exports To	The Difference	Imports From	Exports To	The Difference
Egypt	4,163	4,308	145	5,612	5,554	-58	5,365	4,689	-676
Jordan	1,463	3,261	1798	1,895	4,937	3,042	2,004	4,624	2620
Syria	1,866	2,208	342	1,963	2,244	281	1,651	2,355	704
Yemen	513	1,997	1484	681	2,268	1,587	738	2,349	1611
Sudan	448	2,243	1795	547	2,265	1,718	615	2,104	1489
Iraq	1	1,449	1448	1	1,854	1,853	0	2,604	2604
Morocco	357	1,019	662	815	1,194	379	174	1,178	1004
Rest of Arab countries	1,552	2,359	807	1,911	3,238	1,327	1,738	3,122	1384
Total	10,363	18,844	8,481	13,425	23,554	10,129	12,285	23,025	10,740

* Revised figures.

** Preliminary data including re-exports.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

with Egypt registered a deficit of Rls 676 million in 2009.

With regard to the Kingdom's non-oil imports from its prominent non-GCC Arab trading partners during 2009, Egypt held the first position with exports of Rls 5.4 billion to the Kingdom, denoting a fall of 4.4 percent from the preceding year. Imports from Egypt accounted for 43.7 percent of the Kingdom's total non-oil imports from non-GCC Arab countries. Jordan came next with Rls 2 billion, representing 16.3 percent of the total imports from this group, followed by Syria with Rls 1.7 billion representing 13.4 percent of the total. Yemen was in the fourth position (Rls 738 million) representing 6 percent of the total. Sudan (Rls 615 million) and Morocco (Rls 174 million) occupied the fifth and sixth positions respectively. Iraq came seventh with no imports.

As for the Kingdom's non-oil exports to these countries during 2009, Egypt occupied the first position as the Kingdom's exports to it amounted to Rls 4.7 billion or about 20.4 percent of the Kingdom's total exports to non-GCC Arab countries. Jordan held the second position with Rls 4.6 billion or 20.1 percent of the total, followed by Iraq in the third position with Rls 2.6 billion or 11.3 percent,

Syria and Yemen with Rls 2.4 billion and Rls 2.3 billion or 10.2 percent each, occupying the fourth and fifth positions respectively. The Kingdom's exports to Sudan and Morocco were Rls 2.1 billion and Rls 1.2 billion, occupying the sixth and seventh positions respectively.

Balance of Payments

I. Current Account

The current account of the Kingdom's balance of payments for 2009 recorded a surplus of Rls 85.4 billion compared with a surplus of Rls 496.2 billion in the preceding year, declining by 82.8 percent. This decline was due to decreases in the merchandise surplus of goods and services by 71.7 percent to Rls 155.0 billion and in net income from outside the Kingdom by 6 percent to Rls 32.3 billion and the rise in the deficit in net current transfers to outside the Kingdom by 18.1 percent to Rls 101.9 billion (Table 10.11). Chart 10.8 depicts the development of the current account balance's major items during the period 2006-2009. It shows that the highest surplus in the current account was recorded in 2008, while the lowest surplus was registered in 2009. As for the items of the current account, the goods and services and income items recorded the highest surplus during 2008 while current transfers item registered the highest deficit during 2009.



Table 10.11: BALANCE OF PAYMENTS

(Million Riyals)

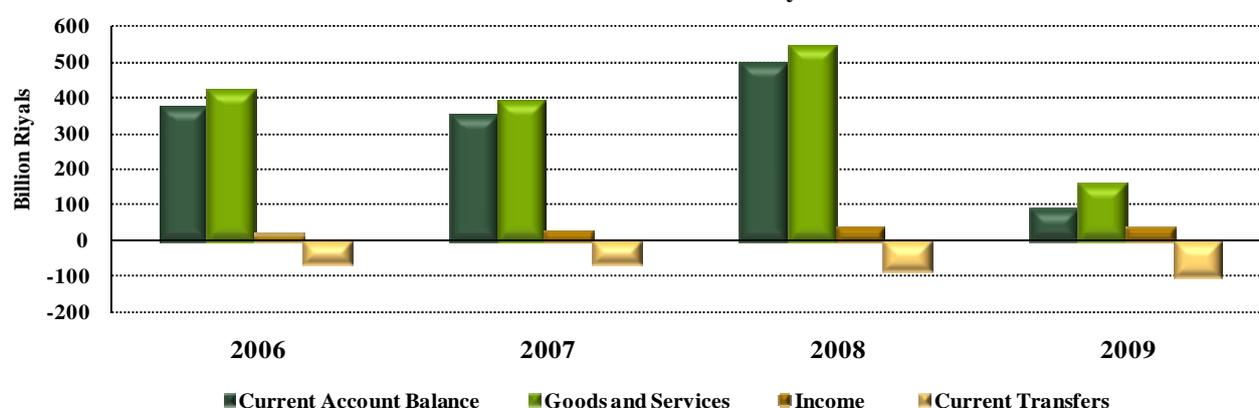
	2006	2007	2008*	2009**	Annual Change 2009
I: Current Account Balance	371,003	349,985	496,208	85,368	-82.8
A . Goods and Services	419,484	389,885	548,134	154,966	-71.7
1 . Goods	551,979	564,869	795,101	394,523	-50.4
2 . Services	-132,494	-174,984	-246,967	-239,557	-3.0
B . Income	14,362	23,970	34,368	32,298	-6.0
C . Current Transfers	-62,844	-63,870	-86,294	-101,896	18.1
II: Capital and Financial Account (NET)	-294,004	-291,446	-383,610	50,896	
1 . Direct Investment	68,744	91,700	134,843	31,317	
2 . Portfolio Investments	-44,748	-20,521	-6,114	-75,334	
3 . Other Investments	-52,073	-63,230	1,503	-27,171	
4 . Reserve Assets	-265,927	-299,395	-513,843	122,084	
4 . 1. Monetary Gold	0	0	-867	0	
4 . 2. Special Drawing Rights	-339	-305	-52	-38,224	
4 . 3. Reserve Position in the Fund	3,727	680	-2,448	-2,374	
4 . 4. Other Reserve Assets	-269,315	-299,770	-510,476	162,682	
4 . 4. 1. Currency and Deposits	-13,621	-134,878	-146,788	79,977	
4 . 4. 2. Securities	-255,694	-164,892	-363,688	82,705	
III: Errors and Omissions	-76,999	-58,540	-112,598	-136,265	

* : Revised.

** : Preliminary.

(-) = Payments in the current account items, and outflow in the capital and financial account items.

Chart 10.8: Balance of Payments



A. Goods and Services:

1. Goods

The surplus on merchandise account of the balance of payments went down by 50.4 percent to Rls 394.5 billion in 2009 from Rls 795.1 billion in the preceding year. This fall was mainly attributable to the decrease in total exports (including oil and other exports) by 38.7 percent to Rls 720.7 billion due to the fall in the international oil prices during 2009. The average price for the Arabian Light Crude stood at \$59.5 per barrel against \$ 95 p/b during the preceding year. Due to decelerated economic activity during 2009, imports (fob) decreased by 14.2 percent to Rls 324.0 billion from Rls 377.4 billion in the preceding year. Non-monetary gold exports went down by 9.9 percent

during 2009 and the imports of non-monetary gold dropped by 14.2 percent during the same year.

II. Services

The deficit in the services account decreased by 3.0 percent to Rls 239.6 billion in 2009 compared to a deficit of Rls 246.9 billion in the preceding year. The fall in the deficit of the services account was mainly attributable to the decreases in net payments of financial services, insurance payments, payments of transportation services and construction by 73.3 percent, 30.0 percent, 27.7 percent and 26.8 percent respectively. Net financial services payments amounted to Rls 1 billion during 2009 compared to Rls 4 billion during the preceding year. Net payments of insurance



services went down to Rls 4.4 billion against Rls 6.3 billion during the preceding year. Net payments of transportation services stood at Rls 36.0 billion in 2009 against Rls 49.8 billion in 2008. Construction payments decreased to Rls 12.3 billion from Rls 16.8 billion in the preceding year. On the other hand, deficit in net payments of travel services increased by 39.4 percent to Rls 48.2 billion during 2009, while government services payments increased by 9.1 percent to Rls 105 billion during 2009.

B. Income

The surplus of investment income decreased by 5.4 percent to Rls 34.4 billion during 2009 against Rls 36.4 billion during the preceding year. This was attributable to the fall in receipts of portfolio investment income by 0.7 percent to Rls 52.8 billion compared to Rls 53.1 billion in the preceding year. The deficit in direct investment income went up by 13.2 percent to Rls 27.4 billion as compared to Rls 24.2 billion during the preceding year.

C. Current Transfers

The deficit in the current transfers account rose by 18.1 percent to Rls 101.9 billion during 2009 against Rls 86.3 billion during the preceding year. Government and other sectors transfers went up by 5.4 percent and 19.2 percent respectively. The increase in other sectors transfers was attributable to the rise in remittances made by expatriate workers by 20.3 percent to Rls 94.5 billion. The value of remittances made by expatriate workers in the Kingdom to their home countries constitute one of the most important items of the current account in the Kingdom's balance of payments. Table 10.12 and Chart 10.9 show the development of the remittances of expatriate workers in the Kingdom since 2001.

Second: Capital and Financial Account

The direct investment item recorded a net inflow of Rls 31.3 billion during 2009 against Rls 134.9 billion in the preceding year due to the rise in direct

Table 10.12: REMITTANCES OF EXPATRIATE WORKERS IN THE KINGDOM

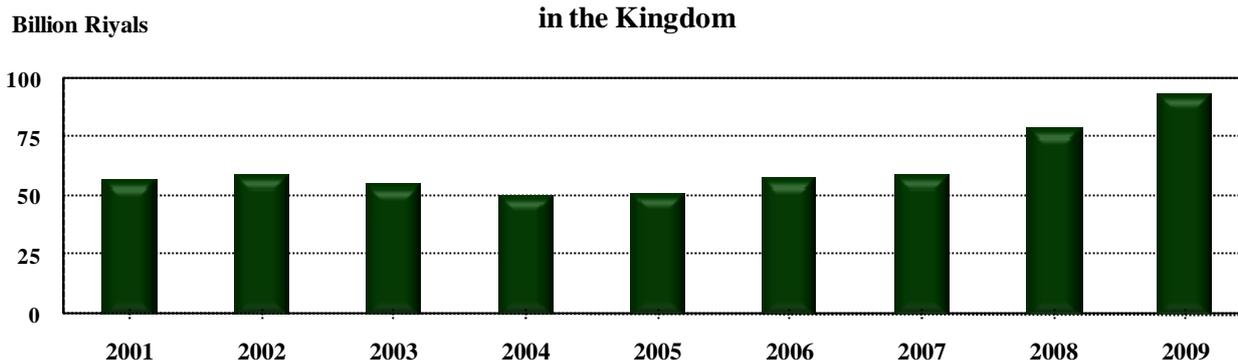
Year	Million Riyals	Annual Change %	Private Sector GDP* (Mn. Riyals)	Remittances Ratio to Private Sector GDP
2001	56699	-1.8	275118	20.6
2002	59451	4.9	285682	20.8
2003	55437	-6.8	298985	18.5
2004	50832	-8.3	321299	15.8
2005	51395	1.1	346487	14.8
2006	57295	11.5	373991	15.3
2007	59009	3.0	404963	14.6
2008	78546	33.1	440263	17.8
2009**	94453	20.3	456237	20.7

* At current prices.

** Preliminary figures.

Source: The Kingdom's balance of payments data, SAMA, and GDP data from the Central Department of Statistics and Information, Ministry of Economy and Planning.

Chart 10.9: Remittances of Expatriate Labour in the Kingdom





investment in the Kingdom by Rls 39.4 billion. Portfolio investments registered a net outflow of Rls 75.3 billion as compared to Rls 6.1 billion in the preceding year. Other investments recorded a net inflow of Rls 27.2 billion. Reserve assets recorded an inflow of Rls 122.1 billion in 2009 against an outflow of Rls 513.8 billion during the preceding year, as a result of the rise in the item of other reserve assets that registered an inflow of Rls 162.7 billion in 2009 against an outflow of Rls 510.3 billion in the preceding year.

Ratio of Current Account Surplus/Deficit to GDP

The Kingdom's current account recorded a surplus constituting 6.1 percent of GDP in 2009 against 27.8 percent in 2008 (Table 10.13). Chart 10.10, which shows the ratio of the current account surplus/deficit to GDP during the period 1990–2009, indicates that the ratio of the current account surplus to GDP reached its highest level of 28.5 percent in 2005 while the ratio was low at 6.1 percent in 2009.

Table 10.13: RATIO OF CURRENT ACCOUNT DEFICIT/SURPLUS TO GROSS DOMESTIC PRODUCT
(Million Riyals)

Year	Current Account	GDP*	Ratio (%)
2000	53,689	706,657	7.6
2001	35,075	686,296	5.1
2002	44,524	707,067	6.3
2003	87,228	804,648	10.8
2004	184,856	938,771	19.7
2005	337,463	1,182,514	28.5
2006	371,003	1,335,581	27.8
2007	349,985	1,442,572	24.3
2008	496,208	1,786,143	27.8
2009**	85,368	1,409,124	6.1

* At current prices, including import fees.

** Preliminary figures.

Source: GDP data from Central Department of Statistics and Information, Ministry of Economy and Planning and data of current account, SAMA.

Kingdom's Aid to Developing Countries

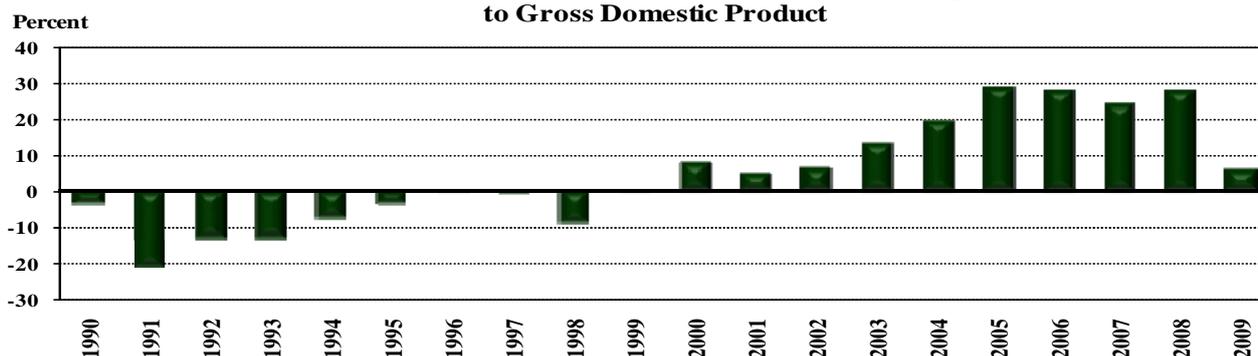
The Kingdom has been steadily extending foreign aid and soft loans to developing countries over the years. Total foreign aid and loans provided through bilateral channels and multilateral institutions during the period 1991-2009 stood at Rls 135.9 billion (Table 10.14). Total aid and loans amounted to Rls 117.6 billion or 86.5 percent of the total. Total contributions to associations and organizations stood at Rls 10.8 billion or 8.0 percent of the total. Total aid provided through multilateral grants amounted to Rls 7.4 billion or 5.5 percent of the total.

The Kingdom's foreign aid and loans provided through bilateral channels and multilateral institutions during 2009 stood at Rls 15.3 billion, decreasing by 27.9 percent from the preceding year. Aid and loans constituted the largest part of the total (Rls 11.7 billion or 76.3 percent), falling by 38.4 percent compared to 2008. The Kingdom's contributions to societies and organizations totaled Rls 2.8 billion (18.6 percent of the total), rising by 29.4 percent over the preceding year. The Kingdom's aid provided through multilateral grants totaled Rls 784 million (5.1 percent of the total) in 2009, declining by 18.1 percent from the preceding year.

Exchange Rate Developments

SAMA continued to maintain the official exchange rate of the Saudi Riyal with the US dollar at 3.75 Riyals per dollar during 2009. Maintenance of the official link between the Riyal and the US dollar and the exchange rate between the two currencies was both in keeping with the requirements of the Saudi economy and in accordance with the GCC's Supreme Council's Resolution to adopt the US dollar as a common anchor for their currencies and to fix and keep their exchange rates with it as from January 1st, 2003.

Chart 10.10: Ratio of Current Account Deficit/Surplus to Gross Domestic Product





**Table 10.14: THE KINGDOM'S FOREIGN AID
DURING THE PERIOD 1991-2009**

(Million Riyals)

Year	Loans and Aid	Contributions to		Total
		Associations and Organizations	Multilateral Aid	
1991	6,690	--	559	7,249
1992	2,865	195	544	3,604
1993	2,239	203	600	3,042
1994	1,650	98	604	2,352
1995	1,613	270	638	2,521
1996	1,688	293	611	2,592
1997	971	266	488	1,725
1998	2,858	266	484	3,608
1999	5,089	435	371	5,895
2000	8,651	371	371	9,393
2001	8,678	255	274	9,207
2002	9,566	206	255	10,027
2003	10,106	214	191	10,511
2004	6,767	203	162	7,132
2005	3,674	282	174	4,130
2006	7,766	262	168	8,196
2007	6,104	1,980	94	8,178
2008	18,964	2,195	77	21,236
2009	11,676	2,841	784	15,301
Total	117,615	10,835	7,449	135,899

-- Not available

Source: Ministry of Finance.

Both the nominal and real effective exchange rates of the Riyal went up during 2009. The nominal effective exchange rate (NEER) rose by 3.4 percent, from 92.65 points in 2008 to 95.79 points in 2009. The real effective exchange rate (REER) registered an increase of 8.15 percent from 97.71 points in 2008 to 105.67 points in 2009 (Table 10.15 and Chart 10.11).

Openness of the Saudi Economy

According to the standard of economic openness that measures foreign trade of goods and services as a ratio of GDP (Table 10.16), the Kingdom recorded an average economic openness of 74.0 percent during the period (1992-2009) compared to 24.8 percent for the United States. During the same period, the average economic openness was 22.9 percent in Japan, 40.6 percent in Australia, 45.8 percent in Turkey, 50.0 percent in France, 55.4 percent in Britain, 72.0 percent in Canada, 64.6 percent in Germany and 49.4 percent in Italy and 49.9 percent in China■

Table 10.15: INDICES OF NOMINAL AND REAL EFFECTIVE RIYAL EXCHANGERATES

(2000=100)

Year	NEER	REER
2004	91.21	84.43
2005	90.60	82.27
2006	90.31	80.79
2007	86.61	78.51
2008	92.65	97.71
2009	95.79	105.67

Source: IMF's International Financial Statistics.



Chart 10.11: Indices of Nominal and Real Effective Exchange Rates
Year 2000 = 100

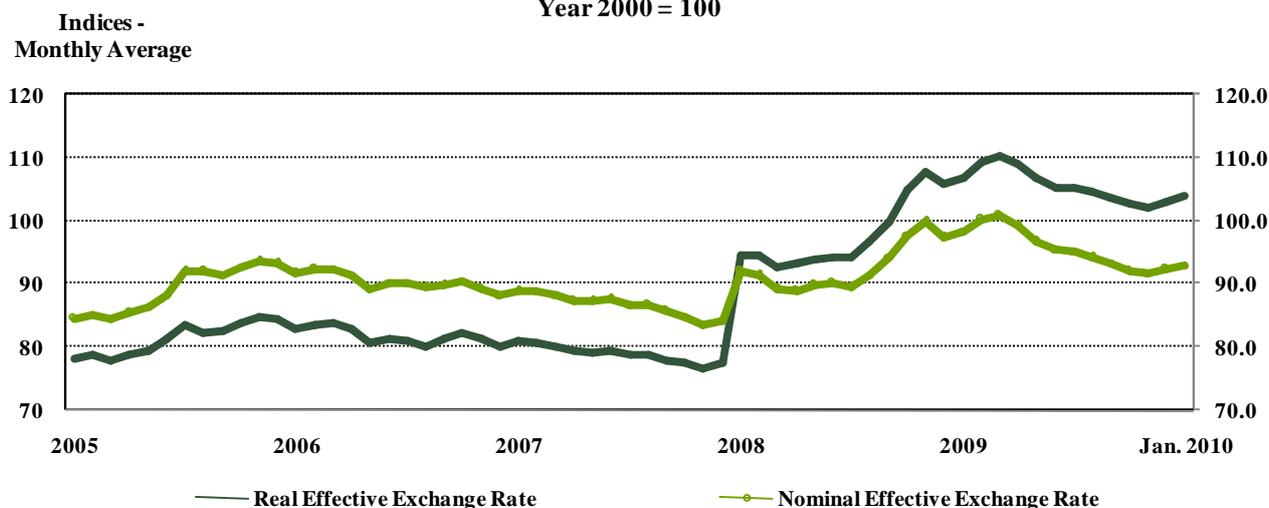


Table 10.16: DEGREE OF ECONOMIC OPENNES FOREIGN
TRADE AS A RATIO TO GDP

	USA	U.K.	Germany	France	Italy	Canada	Australia	Turkey	Saudi Arabia	Japan	China
1992	20.6	47.8	48.6	43.0	36.7	54.6	34.7	31.7	75.5	17.5	30.5
1993	20.7	51.4	44.6	41.1	39.5	60.4	36.4	33.0	68.2	16.0	28.9
1994	21.7	53.3	46.0	42.8	42.3	66.8	36.8	41.7	60.5	16.2	39.6
1995	23.2	56.6	47.4	44.4	47.7	71.5	39.0	44.2	65.4	16.9	37.3
1996	23.5	58.5	48.9	44.9	44.8	72.7	38.1	49.4	67.0	19.2	36.5
1997	24.2	56.7	53.7	48.5	46.6	77.0	39.8	55.0	65.6	20.6	37.7
1998	23.7	53.8	56.0	49.9	47.3	80.6	40.9	41.5	56.5	19.9	35.5
1999	24.2	53.7	57.9	50.2	47.1	81.9	39.7	38.7	58.1	19.0	38.0
2000	26.2	57.1	66.4	56.2	53.2	84.9	44.2	43.2	68.6	20.5	44.3
2001	24.0	56.5	67.6	55.1	52.8	81.3	43.8	50.8	64.0	20.5	43.1
2002	23.3	54.8	66.9	52.5	50.5	77.8	42.0	48.8	65.0	21.4	47.7
2003	23.5	53.3	67.3	50.1	48.6	71.6	38.3	47.0	70.2	22.4	56.9
2004	25.5	53.3	71.8	51.3	50.0	72.2	38.8	49.7	78.6	24.7	65.4
2005	26.9	56.3	76.8	53.0	52.0	71.8	40.6	47.2	88.7	27.3	69.2
2006	28.2	60.2	85.0	54.9	56.3	70.4	43.0	50.3	94.4	31.0	72.0
2007	29.2	56.2	86.8	55.0	58.3	67.8	42.0	48.9	84.0	33.5	70.3
2008	30.8	60.9	88.2	55.2	58.4	68.3	47.5	52.4	104.9	34.7	72.8
2009	27.7	57.3	83.4	52.1	56.7	64.2	44.4	50.9	96.5	31.1	71.9
Average	24.8	55.4	64.6	50.0	49.4	72.0	40.6	45.8	74.0	22.9	49.9

Source: IMF Bulletin, International Financial Statistics, May, 2010.



The global economic and financial crisis had its impact on the world oil market during 2009. According to the data of the International Energy Agency (IEA), the average world demand for oil declined by 1.4 percent to 85.0 million b/d while the average world supply decreased by 1.8 percent to 84.9 million b/d. Oil prices, therefore, declined, with the average price of the Arab Light coming down by 35.4 percent to \$61.18 a barrel, according to the Organization of Petroleum Exporting Countries (OPEC) data, from its average price of \$94.77 a barrel in 2008.

The Kingdom of Saudi Arabia continued its efforts, within the Organization of Petroleum Exporting Countries (OPEC), to maintain stability in the oil market for the benefit of both producers and consumers and for the enhancement of world economic growth. In 2009, OPEC countries reduced their average output by 6.4 percent to 33.4 million b/d with the aim of reinforcing market stability and supporting the oil price general level following the decline in the average global demand, especially by the OECD countries. Accordingly, the Kingdom's production of crude oil went down by 11.3 percent to 8.2 million b/d.

World Demand for Oil

According to the estimates of the International Energy Agency, the average world demand for oil went

down by 1.4 percent to 85.0 million b/d during 2009 from 86.2 million b/d in 2008 (Table 11.1) (Chart 11.1). This decline was due to a drop of 4.2 percent in the average demand of the OECD countries to 45.5 million b/d compared to 47.5 million b/d in 2008. Demand in the Pacific countries also went down by 3.8 percent to 7.7 million b/d, in Western Europe countries by 4.6 percent to 14.5 million b/d, and in North America countries by 4.1 percent to 23.3 million b/d.

Average demand in non-OECD countries rose by 2.1 percent from 38.7 million b/d in 2008 to 39.5 million b/d in 2009. This was due to a rise in demand in China by 7.6 percent to 8.5 million b/d, in the Middle East by 4.3 percent to 7.2 million b/d, in South American countries by 1.7 percent to 6.0 million b/d, in other Asian countries (excluding China, Japan and South Korea) by 6.4 percent to 10.0 million b/d. However, demand declined in African countries by 3.2 percent to 3.2 million b/d, in countries of former Soviet Union by 7.1 percent to 3.9 million b/d. and in Eastern Europe countries by 12.5 percent to 0.7 million b/d.

During the first quarter of 2010, the world average demand for oil went up by 2.3 percent to 86.3 million b/d compared to 84.4 million b/d in the first quarter of 2009.

Table 11.1: AVERAGE WORLD DEMAND FOR OIL*

(Million barrels per day)

	2007	2008	2009	2009				2010	Percent	
				First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	2008	2009
North America	25.5	24.3	23.3	23.5	22.9	23.2	23.6	23.4	-4.7	-4.1
Western Europe	15.3	15.2	14.5	14.9	14.2	14.5	14.4	14.3	-0.7	-4.6
Pacific countries**	8.3	8.0	7.7	8.1	7.3	7.3	8.0	8.1	-3.6	-3.8
OECD Countries	49.1	47.5	45.5	46.5	44.4	45.0	46.0	45.8	-3.3	-4.2
Non-OECD Countries										
Former USSR	4.1	4.2	3.9	3.9	3.8	4.0	4.0	4.2	2.4	-7.1
China	7.5	7.9	8.5	7.7	8.6	8.8	8.9	9.0	5.3	7.6
Eastern Europe Countries	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.0	-12.5
South American Countries	5.6	5.9	6.0	5.7	5.9	6.1	6.1	5.9	5.4	1.7
Other Asian Countries	9.3	9.4	10.0	10.0	10.1	9.8	10.1	10.3	1.1	6.4
Middle Eastern Countries	6.5	6.9	7.2	6.7	7.3	7.8	7.1	7.1	6.2	4.3
African Countries	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.3	0.0	3.2
Total Non-OECD	36.9	38.7	39.5	37.9	39.6	40.4	40.1	40.5	4.9	2.1
Total World Demand	86.0	86.2	85.0	84.4	84.0	85.4	86.1	86.3	0.2	-1.4

* Including primary stock, bunker and refining oil.

** Including Japan, Australia, New Zealand and South Korea.

Source: International Energy Agency Review, March 2010.



Chart 11.1: World Demand for Oil

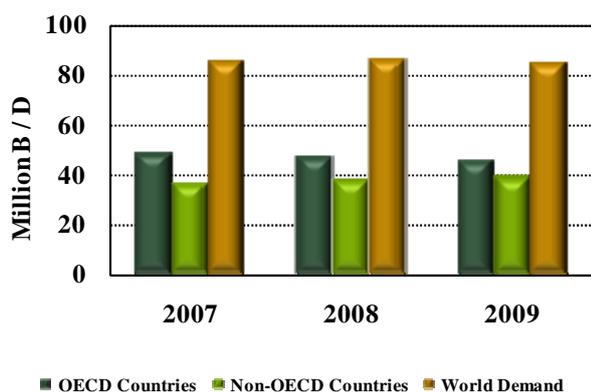
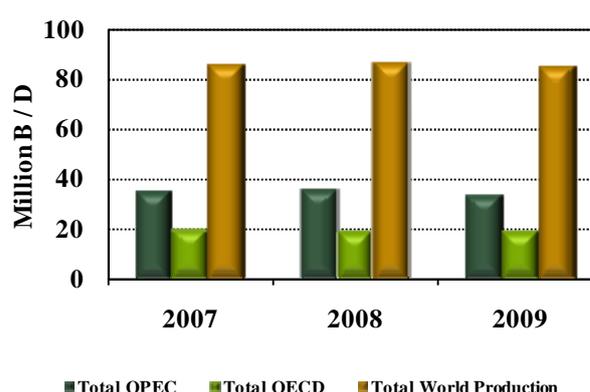


Chart 11.2: World Crude Oil Production



World Crude Oil Production

According to the estimates of the International Energy Agency, the world crude oil production during 2009 averaged 84.9 million b/d, falling by 1.8 percent compared to 86.4 million b/d in 2008 (Table 11.2). The fall was due to a decrease in the average production of OPEC, some non-OPEC and non-OECD countries.

The average output of OPEC countries fell by 6.4 percent to 33.4 million b/d in 2009, compared to 35.6 million b/d in 2008. OPEC's production in 2009 represented 39.3 percent of total world oil production compared to 42.7 percent in 2008. The average production of the OECD countries increased by 0.5 percent from 19.3 million b/d in 2008 to 19.4 million

b/d in 2009, constituting 22.9 percent of total world production (Chart 11.2).

Among the non-OPEC producers, the average production increased during 2009 in the former Soviet Union countries by 3.5 percent to 13.3 million b/d and in the United States of America by 7.3 percent to 8.1 million b/d. The production went down in Mexico by 6.0 percent to 3.0 million b/d, in UK by 5.8 percent to 1.5 million b/d, in Norway by 3.3 percent to 2.4 million b/d and in Canada by 0.9 percent to 3.2 million b/d. However, the production in China remained at the same level of 3.8 million b/d.

During the first quarter of 2010, the average world oil production increased by 2.2 percent to 86.5

Table 11.2: AVERAGE WORLD CRUDE OIL PRODUCTION*

(Million barrels per day)

	2007	2008	2009	2009				2010	Percent change	
				First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	2008	2009
OPEC**	35.4	35.6	33.4	33.4	33.5	33.5	33.8	34.2	0.6	-6.4
OECD	19.9	19.3	19.4	19.7	19.0	19.2	19.7	19.4	-2.6	0.5
Major non-OPEC producers										
Former Soviet Union Countries	12.8	12.8	13.3	12.9	13.1	13.4	13.5	13.6	0.4	3.5
USA	7.5	7.5	8.1	7.8	8.0	8.1	8.3	8.1	0.7	7.3
China	3.7	3.8	3.8	3.7	3.8	3.8	3.8	3.9	1.6	0.0
Canada	3.3	3.3	3.2	3.3	3.0	3.2	3.2	3.2	-2.1	-0.9
Mexico	3.5	3.2	3.0	3.0	3.0	2.9	3.0	3.0	-9.2	-6.0
UK	1.7	1.6	1.5	1.6	1.6	1.3	1.5	1.4	-6.0	-5.8
Norway	2.6	2.5	2.4	2.6	2.3	2.3	2.4	2.4	-3.9	-3.3
Total World Supply	85.6	86.4	84.9	84.6	84.4	84.9	85.9	86.5	1.0	-1.8

* Including condensates and natural gas liquids.

** Data of 2007 include Angola's production, and data of 2008 include the output of Ecuador.

Source: International Energy Agency Review, March 2010.



million b/d compared to 84.6 million b/d during the first quarter of 2009.

World Oil Prices

According to OPEC data, world spot prices of crude oil went down in 2009. The average price of Arab Light crude oil amounted to \$61.18 a barrel during 2009, falling by \$33.6 a barrel or 35.4 percent from its average price of \$94.77 a barrel in 2008 (Table 11.3). The average price of Dubai crude oil was \$61.65 a barrel in 2009, falling by 34.1 percent

compared to \$93.48 a barrel in 2008. The average price of North Sea Brent went down by 36.6 percent from \$97.01 a barrel during 2008 to \$61.5 a barrel in 2009. The average price of West Texas Intermediate oil fell by 38.1 percent from \$99.63 a barrel in 2008 to \$61.66 a barrel in 2009.

During the first quarter of 2010, the average price of Arab Light crude went up by 76.6 percent to \$75.75 a barrel compared to \$42.90 a barrel in the fourth quarter of 2009 (Chart 11.3).

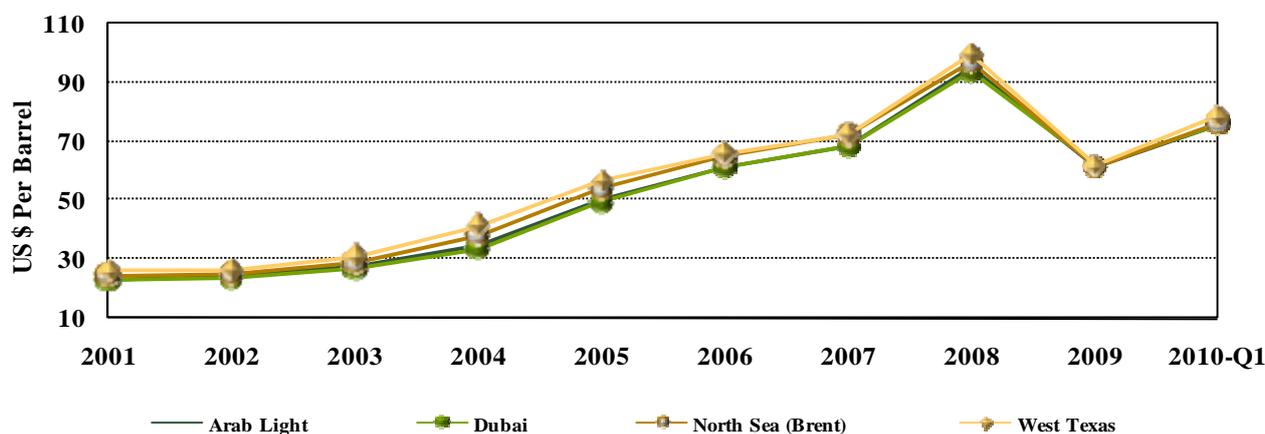
Table 11.3: SPOT PRICES OF SELECTED TYPES OF CRUDE OIL
(Period Average)

Year	Arab Light	Dubai	North Sea (Brent)	West Texas
1995	16.73	16.10	17.01	18.42
1996	19.91	18.58	20.70	22.20
1997	18.71	18.10	19.06	20.56
1998	12.20	12.15	12.71	14.36
1999	17.45	17.24	17.91	19.30
2000	26.81	26.25	28.44	30.37
2001	23.06	22.83	24.46	26.00
2002	24.32	23.83	25.03	26.13
2003	27.69	26.77	28.81	31.09
2004	34.53	33.66	38.23	41.44
2005	50.15	49.32	54.37	56.47
2006	61.05	61.51	65.14	66.00
2007	68.74	68.40	72.56	72.29
2008	94.77	93.48	97.01	99.63
2009	61.18	61.65	61.50	61.66
2010				
First quarter	75.75	75.88	76.33	78.71

(US dollars per barrel)

Source: OPEC.

Chart 11.3: Spot Oil Prices





Real Prices of Crude Oil

Real prices of crude oil (nominal price adjusted by consumer price index in industrial countries with base year 1970) witnessed a decline in 2009. The average real price of Arab Light fell by 36.4 percent to \$10.38 a barrel compared to \$16.31 a barrel during 2008. The average real price of North Sea Brent also went down by 37.5 percent to \$10.43 a barrel from \$16.69 a barrel in 2008 (Table 11.4).

The average real price of Arab Light in 2009 was equal to 83.7 percent of its price in 1980 whereas in 2008, it was 131.5 percent of its price in 1980. The real price of North Sea Brent in 2009 was 63.6 percent of its price in 1980. In 2008, it was 101.8 percent of its price in 1980.

Over the past five years (2005-2009), the real price of Arab Light hit its highest level in 2008, amounting to \$16.31 a barrel. It registered its lowest level of \$9.31 a barrel in 2005 (Chart 11.4).

Taxes on Oil in Industrial Countries

Taxes on oil in industrial countries decreased slightly in 2009. The decrease in taxes was accompanied by a relatively larger fall in the cost of oil per barrel, before calculating taxes, (including costs of crude oil, transport, insurance, refining and marketing). This led to a considerable increase in the ratio of tax to the final price in all industrial countries (Table 11.5).

In 2009, tax on oil in the US decreased to \$23.06 a barrel which constituted 22.7 percent of the final consumer price, being the lowest tax percentage in industrial countries. Tax in Canada stood at \$25.70 a barrel or 25.2 percent of the final consumer price. In Japan, tax on oil amounted to \$45.59 a barrel or 26.2 percent of final price. It was \$80.17 a barrel or 48.1 percent in France, \$74.08 a barrel or 54.1 percent in Germany and \$72.40 a barrel or 47.95 percent in Italy. The U.K. imposed the highest tax on oil which stood at \$115.77 a barrel or 55.61 percent of the final consumer price (Chart 11.5).

Table 11.4: NOMINAL AND REAL PRICES OF OIL

(Base Year 1970)

(US dollars per barrel)

Year	Nominal Prices		Real Prices*	
	Arab Light	North Sea Brent	Arab Light	North Sea Brent
2005	50.15	54.37	9.31	10.09
2006	61.05	65.14	11.10	11.84
2007	68.75	72.55	12.24	12.92
2008	95.16	97.37	16.31	16.69
2009	61.38	61.68	10.38	10.43

*Real prices have been calculated by using the Consumer Price Index (CPI) in industrial countries with base year 1970.

Sources: IMF's International Financial Statistics Review (IFS), and OPEC.

Chart 11.4: Real Oil Prices
Base year = 1970

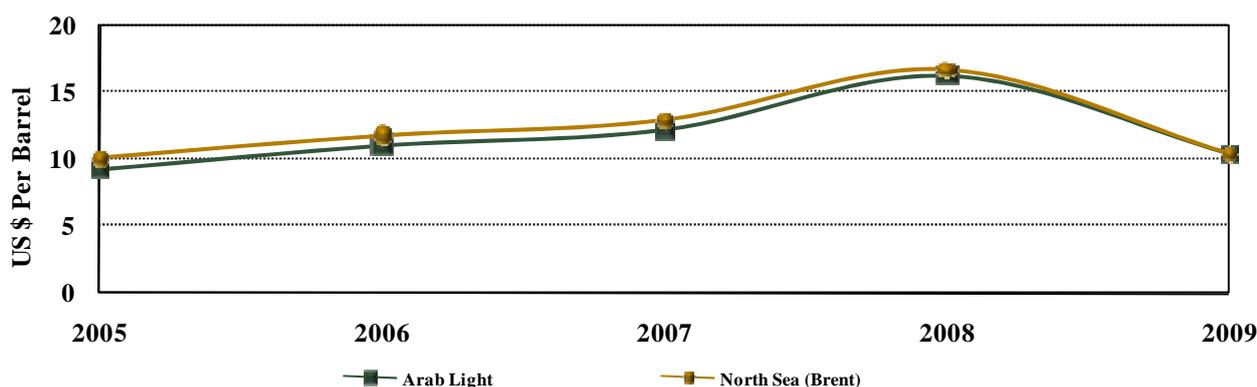


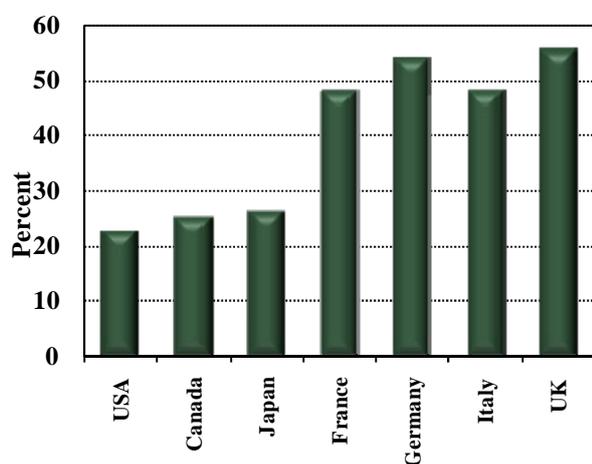


Table 11.5: TAXES ON OIL IN INDUSTRIAL COUNTRIES

State	1995	2000	2005	2006	2007	2008	2009
USA							
Amount of Tax (US dollar per barrel)	14.30	15.75	16.70	17.18	19.77	23.35	23.06
Ratio of Tax to final price	33.10	27.18	19.13	19.48	20.50	17.35	22.74
Canada							
Amount of Tax (US dollar per barrel)	22.20	22.28	21.64	21.71	24.73	27.44	25.70
Ratio of Tax to final price	38.47	32.34	22.36	22.34	23.09	19.29	25.21
Japan							
Amount of Tax (US dollar per barrel)	43.70	39.33	37.54	37.92	40.64	45.59	45.59
Ratio of Tax to final price	37.84	39.27	26.45	26.69	27.32	22.20	26.23
France							
Amount of Tax (US dollar per barrel)	80.10	64.55	69.74	70.30	73.57	83.83	80.17
Ratio of Tax to final price	70.51	58.58	48.11	48.43	47.22	40.26	48.10
Germany							
Amount of Tax (US dollar per barrel)	66.10	52.13	63.54	64.34	67.15	74.23	74.08
Ratio of Tax to final price	64.17	56.24	47.12	47.66	45.85	39.84	54.10
Italy							
Amount of Tax (US dollar per barrel)	71.40	59.33	66.49	66.75	69.88	75.24	72.40
Ratio of Tax to final price	69.25	58.90	48.91	48.82	46.97	38.64	47.95
UK							
Amount of Tax (US dollar per barrel)	64.60	94.08	101.24	102.21	106.04	118.10	115.77
Ratio of Tax to final price	59.21	61.53	54.70	55.16	53.68	46.11	55.61

Source: OPEC.

Chart 11.5: The Ratio of Tax to Final Oil Price for Consumer in Selected Industrialized Countries in 2009



Consumption of Energy

During the period 1980-2009, the shares of various energy sources in the world total energy consumption recorded notable changes. The shares of nuclear energy and natural gas rose considerably. The share of hydrogen energy recorded a smaller increase. The share of oil in the world total energy consumption, on the other hand, declined considerably and that of coal fell modestly. Nevertheless, oil is still the major source of world

energy, followed by coal, natural gas, hydrogen energy and nuclear energy.

The share of oil in the world total energy consumption went down from 37.9 percent in 1985 to 34.8 percent in 2009. The share in the OECD countries fell from 42.8 percent to 39.7 percent during the same period. The share also declined in U.S.A. from 40.2 percent to 38.6 percent, in Japan from 55.1 percent to 47.6 percent, and in Russia from 32.5 percent to 19.3 percent, while in China it increased from 13.8 percent in 1985 to 18.6 percent in 2009 (Table 11.6).

The share of natural gas in the world total energy consumption increased from 20.1 percent in 1985 to 23.8 percent in 2009. During the same period, the share in the OECD countries rose from 19.9 percent to 25.0 percent, in Japan from 9.9 percent to 17.0 percent, in Russia from 34.7 percent to 52.7 percent, in China from 1.8 percent to 3.7 percent, and in the U.S.A. from 24.7 percent in 1985 to 27.0 percent in 2009 (Table 11.6).

The share of coal in the world total energy consumption went up from 29.0 percent in 1980 to 29.4 percent in 2009. In Germany, the share declined from 29.6 percent to 24.5 percent, and in Russia it decreased



Table 11.6: SHARES OF OIL AND NATURAL GAS IN TOTAL ENERGY CONSUMPTION

	1985	1990	1995	2000	2004	2005	2006	2007	2008	2009
Share of oil in total global energy consumption										
World	37.9	39.9	39.8	38.9	36.9	36.3	35.8	35.5	35.0	34.8
OECD	42.8	43.3	43.0	41.1	41.0	41.0	40.7	40.3	39.6	39.7
USA	40.2	40.5	39.0	38.8	40.5	40.5	40.4	39.9	38.6	38.6
Japan	55.1	57.8	54.6	49.5	46.3	46.7	45.2	44.5	43.6	42.6
Russia	32.5	29.3	23.4	19.4	19.2	18.3	18.2	18.2	18.7	19.3
China	13.8	16.5	19.3	30.0	22.4	20.9	20.6	19.5	18.9	18.6
Share of natural gas in total global energy consumption										
World	20.1	22.5	23.2	24.2	23.6	23.6	23.7	23.9	24.0	23.8
OECD	19.9	20.0	21.9	22.7	23.0	23.1	23.2	23.9	24.5	25.0
USA	24.7	25.2	27.0	26.1	24.8	24.5	24.4	25.2	26.0	27.0
Japan	9.9	10.8	11.2	13.3	13.6	13.6	14.6	15.7	16.6	17.0
Russia	34.7	44.3	50.9	43.4	53.9	54.2	55.2	54.1	53.0	52.7
China	1.8	2.0	1.9	2.9	2.5	2.6	2.9	3.4	3.6	3.7

Source: B.P. Statistical Reviews of World Energy, British Petroleum Company, various volumes.

considerably from 29.3 percent to 16.1 percent. The share in China fell considerably from 77.9 percent to 70.6 percent, in the OECD countries decreased from 20.1 percent in 1980 to 19.9 percent in 2009. In contrast, the share in the U.S.A., it rose from 21.3 percent to 22.8 percent. In Japan, the share went up from 16.0 percent in 1980 to 23.5 percent in 2009 (Table 11.7).

The share of nuclear energy in the world total energy consumption went up sharply from 2.5 percent in 1980 to 5.5 percent in 2009. The share in the OECD countries rose from 3.9 percent to 9.7 percent, in the U.S.A. from 3.7 percent to 8.7 percent, in Japan from

5.6 percent to 13.4 percent, in Germany from 3.7 percent to 10.5 percent, and in Russia from 1.3 percent to 6.1 percent (Table 11.8).

The share of hydrogen energy in the world total energy consumption recorded a slight rise from 6.2 percent in 1980 to 6.6 percent in 2009. The share in the OECD countries went down from 7.0 percent to 5.7 percent, in the U.S.A. from 4.3 percent to 2.9 percent, in Japan from 5.8 percent to 3.6 percent, in Germany from 1.8 percent to 1.4 percent. However, in Russia, it increased from 4.0 percent to 5.8 percent, and in China from 2.9 percent to 6.4 percent (Table 11.9).

Table 11.7: SHARE OF COAL IN TOTAL ENERGY CONSUMPTION

Year	World	OECD	USA	Japan	Germany	Russia	China
1980	29.0	20.1	21.3	16.0	29.6	29.3	77.9
1985	30.7	22.5	24.6	19.9	29.7	26.3	80.3
1990	28.5	24.5	24.9	17.7	36.8	21.2	79.9
1995	27.0	21.7	23.9	17.5	27.1	19.1	76.4
2000	23.6	20.9	24.6	19.2	25.7	16.7	59.4
2004	27.2	21.0	24.1	23.2	25.8	15.9	68.7
2005	27.8	21.0	24.4	23.2	25.2	16.6	69.9
2006	28.4	21.1	24.4	22.9	25.1	16.0	70.2
2007	28.8	21.4	24.3	24.3	27.7	16.3	70.5
2008	29.0	21.0	24.5	25.3	25.8	17.3	70.0
2009	29.4	19.9	22.8	23.5	24.5	16.1	70.6

Source: B.P. Statistical Review of World Energy, British Petroleum Company, various volumes.



**Table 11.8: SHARE OF NUCLEAR ENERGY IN
TOTAL ENERGY CONSUMPTION**

Year	World	OECD	USA	Japan	Germany	Russia	China
1980	2.5	3.9	3.7	5.6	3.7	1.3	0.0
1985	4.5	7.4	5.8	9.2	10.7	2.6	0.0
1990	6.6	9.9	8.1	8.1	11.8	11.2	0.0
1995	7.4	11.0	8.8	15.1	11.9	4.1	0.4
2000	6.5	9.5	7.8	14.0	11.6	4.6	0.5
2004	6.1	9.6	8.0	12.4	11.4	4.9	0.8
2005	5.9	9.6	7.9	12.7	11.3	5.0	0.8
2006	5.8	9.7	8.1	13.2	11.5	5.0	0.7
2007	5.6	9.4	8.1	12.2	10.3	5.9	0.8
2008	5.5	9.4	8.3	11.2	10.9	5.8	0.8
2009	5.5	9.7	8.7	13.4	10.5	6.1	0.7

Source: B.P. Statistical Review of World Energy, British Petroleum Company, various volumes.

**Table 11.9: SHARE OF HYDROGEN ENERGY IN
TOTAL ENERGY CONSUMPTION**

Year	World	OECD	USA	Japan	Germany	Russia	China
1980	6.2	7.0	4.3	5.8	1.8	4.0	2.9
1985	6.7	7.4	4.6	6.0	1.5	3.9	4.1
1990	2.4	2.3	1.3	1.9	0.5	1.7	1.6
1995	2.7	2.4	1.2	1.5	0.6	2.4	1.9
2000	6.8	5.8	2.7	4.0	1.8	5.9	7.2
2004	6.3	5.4	2.6	4.4	1.9	6.1	5.6
2005	6.3	5.3	2.6	3.8	1.9	5.9	5.7
2006	6.3	5.4	2.8	4.1	1.9	5.6	5.6
2007	6.3	5.1	2.4	3.3	1.5	5.5	5.9
2008	6.5	5.5	2.5	3.3	1.5	5.2	6.6
2009	6.6	5.7	2.9	3.6	1.4	5.8	6.4

Source: B.P. Statistical Review of World Energy, British Petroleum Company, various volumes.

The Kingdom's Proven Reserves of Oil and Natural Gas

The Kingdom's proven reserves of oil remained at its previous level of 264.6 billion barrels at the end of 2009. However, the Kingdom's proven reserves of natural gas rose by 4.6 percent to 279.7 trillion standard cubic feet at the end of 2009 compared to 267.3 trillion standard cubic feet at the end of 2008.

Saudi Crude Oil Production

During 2009, Saudi crude oil production decreased by 11.3 percent to 2,987.3 million barrels from 3,366.3 million barrels in 2008 (Table 11.10). The Kingdom's average daily production was 8.2 million b/d in 2009.

Saudi Production and Consumption of Refined Products

The Kingdom's production of refined products decreased by 3.3 percent to 697.5 million barrels in

2009 compared to 721.4 million barrels in 2008 (Table 11.11).

Total domestic consumption of refined products, crude oil and natural gas rose by 3.7 percent to 1,151.3 million barrels in 2009 compared to 1,110.7 million barrels in 2008 (Table 11.12).

The increase in domestic consumption during 2009 was due to a rise in public consumption by 6.4 percent to 1,035.4 million barrels and a fall in the oil industry consumption by 16.0 percent to 115.9 million barrels. The shares of natural gas in total public consumption accounted for 36.8 percent, diesel 20.7 percent, gasoline 14.0 percent, fuel oil 7.3 percent and crude oil 15.4 percent. In the case of the oil industry consumption, natural gas accounted for 73.8 percent of the total consumption, fuel gas 10.4 percent and fuel oil 6.2 percent.



Table 11.10: SAUDI CRUDE OIL PRODUCTION

(Million barrels)

	2006	2007	2008	2009	% change	
					2008	2009
Total production	3360.9	3217.8	3366.3	2987.3	4.6	-11.3
Daily average	9.2	8.8	9.2	8.2		

Source: Ministry of Petroleum and Mineral Resources.

Table 11.11: THE KINGDOM'S OUTPUT OF REFINED PRODUCTS*

(Million barrels)

Product	2005	2006	2007	2008	2009	% change	
						2008	2009
Liquefied petroleum gas	12.74	14.73	11.52	11.30	12.69	-1.9	12.3
Premium gasoline	114.30	102.57	128.38	124.01	129.62	-3.4	4.5
Naphtha	84.57	83.85	60.26	76.60	65.36	27.1	-14.7
Jet fuel and kerosene	80.91	77.33	67.28	69.68	63.50	3.6	-8.9
Diesel	236.37	241.79	238.50	247.44	227.69	3.7	-8.0
Fuel oil	177.97	181.00	174.39	174.38	181.61	0.0	4.1
Asphalt	13.78	14.16	15.04	17.96	17.04	19.4	-5.2
Total	720.64	715.43	695.37	721.37	697.51	3.7	-3.3

* Including liquefied petroleum and natural gas.

Source: Ministry of Petroleum and Mineral Resources.

Table 11.12: DOMESTIC CONSUMPTION OF REFINED PRODUCTS, CRUDE OIL AND NATURAL GAS

(Million barrels)

Product	2005	2006	2007	2008	2009
A. Public Consumption					
Liquefied petroleum gas	12.19	11.86	12.46	13.01	13.21
Premium gasoline	108.79	115.30	126.71	136.70	145.12
Jet fuel and Kerosene	20.50	20.40	21.09	22.63	22.24
Diesel	164.51	178.97	191.85	208.12	214.80
Fuel oil	86.28	93.20	101.26	105.93	76.09
Crude oil	58.79	60.79	69.06	80.46	159.63
Asphalt	15.76	17.89	18.78	22.77	21.68
Lubricating oil	1.99	1.60	1.58	1.85	1.83
Natural gas	336.33	345.88	349.05	381.35	380.79
Sub-total	805.14	845.89	891.82	972.81	1035.38
B. Oil Industry Consumption					
Liquefied petroleum gas	1.04	1.27	2.45	2.57	2.64
Fuel oil	9.36	8.30	8.00	8.05	7.18
Diesel	4.11	4.97	2.45	3.35	6.01
Fuel gas	19.07	19.44	18.29	25.11	12.10
Crude oil	0.23	0.20	0.33	0.30	0.34
Natural gas	80.56	77.02	90.92	96.32	85.46
Others	4.42	-0.78	4.43	2.21	2.14
Sub-total	118.79	110.42	126.87	137.89	115.86
Grand Total	923.93	956.32	1018.68	1110.70	1151.25

Source: Ministry of Petroleum and Mineral Resources.



Saudi Crude Oil Exports

The Kingdom's crude oil exports went down during 2009 by 14.4 percent to 2,287.7 million barrels compared to 2,672.4 million barrels in 2008. The Kingdom's exports of refined products decreased by 4.7 percent to 368.1 million barrels compared to 386.3 million barrels in 2008 (Table 11.13).

The bulk of the Kingdom's exports of crude oil and refined products during 2009 went to Asia and the Far East region (Chart 11.6). The region received 64.8 percent of the Kingdom's total crude oil exports and 57.5 percent of its total exports of refined products. North America came next with 16.9 percent of the Kingdom's total exports of crude oil and 1.3 percent of its total exports of refined products, followed by Western Europe with 10.0 percent of the Kingdom's total exports of crude oil and 8.5 percent of its total exports of refined products, the Middle East with 4.6

percent and 19.5 percent of the Kingdom's total exports of crude oil and refined products respectively, and by African countries with 2.6 percent and 10.9 percent of crude oil and refined products respectively.

The Kingdom's Petrochemical Industry

Since its establishment, the Saudi Basic Industries Corporation (SABIC) recorded the highest growth in terms of production and sales during 2009. SABIC's production in 2009 rose by 3.7 percent to 58.5 million tons from 56.4 million tons in the previous year. The increase in production was due to introduction of new producing factories and a rise in the production capacities of some plants. Marketed products in 2009 increased by 5.9 percent to 46.3 million tons, compared to 43.7 million tons in the previous year. Sales revenues decreased by 31.8 percent to Rls 103 billion compared to Rls 151 billion in 2008. SABIC net profits stood at Rls 9 billion in

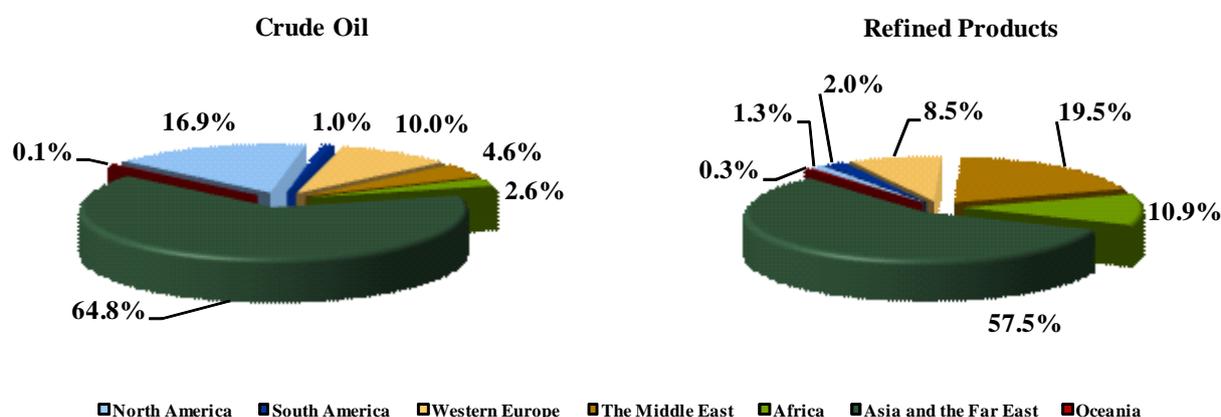
Table 11.13: THE KINGDOM'S EXPORTS OF CRUDE OIL AND REFINED PRODUCTS* (BY REGION)

Exports to	2007		2008		2009		% share in 2009	
	Crude oil	Refined Products						
North America	571.78	11.04	590.66	5.82	386.12	4.67	16.88	1.27
South America	22.34	9.36	23.03	8.97	23.01	7.48	1.01	2.03
Western Europe	306.04	36.28	310.97	38.90	228.45	31.32	9.99	8.51
The Middle East	113.06	61.04	110.23	56.66	104.25	71.77	4.56	19.50
Africa	71.76	45.31	74.70	49.42	60.33	40.03	2.64	10.88
Asia and the Far East	1,453.23	249.66	1,560.86	224.27	1,482.61	211.71	64.81	57.52
Oceania	2.95	2.97	1.97	2.23	2.89	1.08	0.13	0.29
Total	2,541.16	415.66	2,672.42	386.27	2,287.66	368.06	100.00	100.00

* Including liquefied petroleum gas and natural gas.

Source: Ministry of Petroleum and Mineral Resources.

Chart 11.6: The Kingdom's Exports of Crude Oil and Refined Products by Region in 2009





2009, decreasing by 59.1 percent compared to Rls 22 billion in 2008. The decline was ascribed to the sharp fall in demand for petrochemical products and minerals at the beginning of the fourth quarter of 2008 in the wake of the economic recession that hit major world economies. SABIC continued to diversify the financing channels for its projects in 2009 by entering into an agreement with the Public Investment Fund (PIF) for a special issue of Saudi Riyal bonds amounting to Rls 10 billion in multiple issues. SABIC issued its first Saudi Riyal bonds totaling Rls 2 billion, maturing in 2016. SABIC has continued its development projects within the framework of its strategic plan (SABIC 2020). It completed the third expansion project of SHARQ (50 percent owned by SABIC), Yansab Compound project in Yanbu (51 percent owned by SABIC), the eighth phase of Jubail Gas Plant Company, expected to start production during the first half of 2012, and the Saudi Kayan compound in Jubail (35 percent owned SABIC) which is expected to be completed by the end of 2010. Moreover, it is expected that the Steel project for long products in Jubail compound of Hadeed (50 percent owned by SABIC) will be completed during the second half of 2012.

Mineral Resources

The Agency of Petroleum and Mineral Resources is supervising and promoting mining activities in the Kingdom (Table 11.14) by encouraging investments in the mining sector, providing all possible services and consultations to support this activity, and issuing mining licenses and concessions according to the rules and regulations in force. The number of valid mining licenses amounted to 1,564 at the end of 2009, including 75 for prospecting; 119 for exploration; 72 for small-size mines; 13 for mining concessions for various metal ores such as gold, copper, zinc, phosphate, accompanied metals and gems, 53 licenses for quarrying and exploiting ores of cement industry and other raw materials, and 1,232 licenses for building material quarries. The Agency's revenues during fiscal year 1430/1431H (2009) stood at Rls 364 million.

A review of the activities and achievements of the Saudi Arabian Mining Company (Ma'aden), which owns five gold mines, (Mahd Al-Dhahab, Al-Sukhayebirat, Al-Hajjar, Balghah and Al-Amar), indicates that its output of gold increased by 7.0 percent to 156.2 thousand ounces during 2009 compared to

Table 11.14: MINERAL ORES EXTRACTED

(Thousand tons)

Types of exploited ores	2005	2006	2007	2008	2009*
Limestone	30,000	30,500	3,000	36,000	3,700
Mud	4,300	3,800	3,900	5,000	5,250
Salt	1,700	1,752	1,507	1,600	1,680
Silica sand	518	782	820	800	840
Crushers materials (pebbles)	190,000	217,000	234,000	248,000	260
Sand	28,000	34,000	26,000	22,000	23,100
Iron sands	443	584	642	581	600
Gypsum	2,000	2,200	2,100	2,300	2,415
Marble for industrial purposes	642	810	832	1,000	1,050
Marble masses	85	85	85	85	90
Granite masses	850	962	954	110	116
Limestone masses	462	308	308	242	254
Kaolin	2	4	44	---	---
Barite	15	23	30	---	---
Feldspar	42	42	73	55	58
Basalt	43	53	---	---	---
Boslan	372	400	784	810	850
Dolomite	500	550	465	465	480
Shiest	582	722	608	608	640
Berofilit	---	40	40	40	40

* Estimated

Source: Agency of Ministry of Petroleum and Mineral Resources.



total output of 146.0 thousand ounces in 2008. In contrast, its output of silver declined by 8.7 percent to 242.0 thousand ounces in 2009 compared to its total output of 265.0 thousand ounces in 2008. However, its

output of copper rose by 17.3 percent, from 1,465 tons in 2008 to 1,719 tons in 2009. Its output of zinc increased by 34.4 percent, from 3,663 tons in 2008 to 4,922 tons in 2009 (Table 11.15)■

**Table 11.15: THE SAUDI ARABIAN MINING COMPANY
(MA'ADEN'S) PRODUCTION**

Year	Gold (thousand ounces)	Silver (thousand ounces)	Copper (tons)	Zinc (tons)	Lead (tons)	Kaolin (tons)	Low Bauxite (tons)
2005	239.7	434.1	668	---	---	---	---
2006	166.6	411.2	730	983	---	---	---
2007	142.8	290.3	737	716	---	---	---
2008	146.0	265.0	1465	3663	347	22	494
2009	156.2	242.0	1719	4922	---	---	---

(--) Not Available.

Source: The Saudi Arabian Mining Company (Ma'aden).



Preliminary data on GDP (in real terms) by economic activity indicates continued growth of the commerce and industry sectors in 2009. The commerce sector grew by Rls 1,780 million, or 2.5 percent, to Rls 72,992 million in 2009 rose from Rls 71,212 million in the preceding year. Its share in total GDP in real terms stood at 8.7 percent. The manufacturing sector (excluding oil refining) grew by Rls 2,358 million or 2.3 percent, to Rls 105,867 million against Rls 103,509 million in the preceding year. Its share in total GDP was 12.6 percent in real terms.

In nominal terms, the commerce sector grew by Rls 3,998 million, or 4.9 percent, to Rls 85,261 million in 2009 from Rls 81,263 million in the preceding year. Its share in total GDP (at current prices) stood at 6.1 percent. The manufacturing sector (excluding oil refining) declined by Rls 1,200 million, or 0.8 percent, to Rls 146,673 million in 2009 against Rls 147,873 million in the preceding year. Its share in total GDP stood at 10.4 percent in 2009.

Commerce

The Ministry of Commerce and Industry issued commercial licenses for the establishment of

2,865 new companies in 2009 as compared to 2,980 in the preceding year. Total capital of these new companies amounted to Rls 32.9 billion, averaging Rls 11.5 million per company, while the total capital of the new companies in 2008 stood at Rls 86.6 billion. It could be noted that there was a decline in the number and total capital of the new companies by 3.9 percent and 62.0 percent respectively in 2009 as compared with the preceding year. A breakdown of these companies indicates that limited liability partnerships constituted the highest share of 54.6 percent of the total capital of the new companies in 2009, while joint-stock companies accounted for 45.3 percent (Table 12.1).

By the end of 2009, the total number of the existing companies licensed by the Ministry of Commerce and Industry rose to 15,387 with a total capital investment of Rls 782.0 billion. The total capital of joint-stock companies constituted 72.8 percent of the total capital of the existing companies, that of limited liability partnerships accounted for 25.6 percent, that of mixed liability partnerships 1.1 percent and that of joint-liability partnerships 0.5 percent (Table 12.1).

**Table 12.1: NUMBER OF EXISTING COMPANIES
IN THE KINGDOM AND THEIR CAPITAL BY TYPE**

(Capital in Million Riyals)

Type of company	2008		2009			Cumulative total up to 2009		
	Number	Capital	Number	Capital	% Share in Capital	Number	Capital	% Share in Capital
Joint-stock companies	96	66601.0	76	14902.3	45.3	575	569393.9	72.8
Limited liability partnerships	2738	19933.9	2685	17945.5	54.6	10437	200031.6	25.6
Saudi	2028	14990.6	2149	12420.6	37.8	6099	118464.2	15.1
Joint-venture	514	4561.3	360	2836.1	8.6	3320	69047.8	8.8
Non-Saudi	196	382.0	176	2688.8	8.2	1018	12519.6	1.6
Joint-liability partnerships	97	18.4	76	16.6	0.1	3126	3767.4	0.5
Saudi	96	18.3	76	16.5	0.1	3093	3739.5	0.5
Joint-venture	1	0.1	0	0.1	0.0	15	27.9	0.0
Non-Saudi	0	0.0	0	0.0	0.0	18	0.0	0.0
Mixed liability partnerships	49	11.8	28	6.3	0.0	1245	8816.8	1.1
Saudi	49	11.8	28	6.3	0.0	1235	8779.7	1.1
Joint-venture	0	0.0	0	0.0	0.0	8	21.9	0.0
Non-Saudi	0	0.0	0	0.0	0.0	2	15.2	0.0
Mixed liability partnerships by shares	0	0.0	0	0.0	0.0	4	2.9	0.0
Total	2980	86565.1	2865	32870.7	100.0	15387	782012.6	100.0

Source: Ministry of Commerce and Industry.



During 2009, the Ministry of Commerce and Industry issued commercial licenses for the establishment of 70,100 commercial individual proprietorship firms spread with varied percentages over the various regions of the Kingdom. Riyadh region accounted for the largest share (30.0 percent), followed by Makkah region (21.6 percent), and the Eastern region (18.3 percent). Thus, at the end of 2009, the total number of operating individual proprietorship firms licensed by the Ministry of Commerce and Industry rose to 801 thousand, of which 30.8 percent was in Riyadh region, 24.8 percent in Makkah region and 17.1 percent in the Eastern region (Table 12.2).

A breakdown of the commercial licenses issued to these business firms by economic activity indicates that the wholesale and retail trade activity accounted for 99.98 percent. The wholesale and retail trade accounted for 71.6 percent of the total number at the end of 2009, followed by construction and building sector 21.0 percent, and transportation, storage and cooling 5.6 percent.

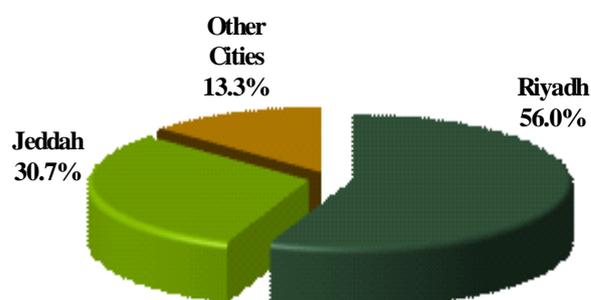
Installment Companies

According to data issued by the Ministry of Commerce and Industry at the end of 2008, the number of licensed installment companies stood at 300 with a total capital of Rls 18.1 billion. These companies were spread throughout the Kingdom. Riyadh accounted for the largest share of 168 companies with a total capital of Rls 13.8 billion, followed by Jeddah 92 companies

with a total capital of Rls 3.1 billion, Al-Dammam 8 companies with a total capital of Rls 0.8 billion, Al-Khubar and Makkah 7 companies each with a total capital of Rls 0.3 billion and Rls 0.03 billion respectively (Chart 12.1).

The activity of installment companies in the Kingdom is concentrated in financing the purchase of cars, machines and appliances designed for household usage. It also includes financing the purchase of real estate such as lands, residential apartments and villas, as well as services such as telecommunications services.

Chart 12.1: Installment Companies Distribution By Cities in 2008.



Source: Ministry of Commerce and Industry

Table 12.2: NUMBER OF INDIVIDUAL PROPRIETORSHIPS OPERATING IN THE KINGDOM BY REGION

Region	2007		2008		2009		Cumulative Total up to 2009	
	Number	% Share	Number	% Share	Number	% Share	Number	% Share
Riyadh	17,021	28.7	20,985	30.6	21,000	30.0	246,489	30.8
Al-Qassim	4,845	8.2	5,644	8.2	5,691	8.1	41,955	5.2
Eastern	13,466	22.7	13,923	20.3	12,845	18.3	137,318	17.1
Ha'il	2,106	3.5	1,887	2.8	2,316	3.3	23,021	2.9
Al-Jawf	779	1.3	983	1.4	1,145	1.6	14,175	1.8
Northern Borders	661	1.1	806	1.2	717	1.0	11,445	1.4
Tabuk	825	1.4	1,018	1.5	1,230	1.8	20,724	2.6
Makkah	11,557	19.5	14,277	20.8	15,116	21.6	198,546	24.8
Al-Madinah	2,828	4.8	4,238	6.2	4,460	6.4	44,149	5.5
Al-Baha	462	0.8	403	0.6	465	0.7	7,663	1.0
'Asir	2,356	4.0	1,989	2.9	2,389	3.4	30,870	3.9
Jazan	608	1.0	845	1.2	1,146	1.6	11,470	1.4
Najran	1,833	3.1	1,614	2.4	1,580	2.3	13,132	1.6
Total	59,347	100.0	68,612	100.0	70,100	100.0	800,957	100.0

Source: Ministry of Commerce and Industry.



Independent Professions

During 2009, the Ministry of Commerce and Industry issued licenses for setting up 317 professional service offices, most of which were concentrated in the fields of administrative consultations (92), educational consultations (58) and, translation (33), in addition to various other activities. Thus, the total number of offices licensed by the Ministry of Commerce and Industry to practice various activities rose to 7,979 by the end of 2009.

Commercial Agencies

The number of new commercial agencies registered by the Ministry of Commerce and Industry during 2009 was 451, representing various nationalities. U.S. agencies accounted for 70 commercial agencies, followed by Japanese agencies (32), and German and British agencies (30 each). This raised the total number of agencies registered in the Kingdom at the end of 2009 to 10,424. Distribution agencies (405) accounted for the largest share of 89.8 percent of the total number of new commercial agencies, followed by franchise agencies and commercial agencies (26) or 5.8 percent and (11) or 2.4 percent respectively, and service agencies (8) or 1.8 percent of the total number of registered agencies.

Board of Saudi Chambers of Commerce and Industry

The number of chambers of commerce and industry in the Kingdom stood at 25 in 2008 distributed among most of the Kingdom's cities. These chambers work in all economic, service, social and informational areas with a view to provide the best services to their members in particular, and to work for the public interest of the society in general.

In Riyadh, the Chamber of Commerce and Industry organized four fairs and participated in five domestic fairs during 2009. The preparation of the Riyadh International Fair Centre was completed. The Centre, established by the Chamber on an area of 189,000 square meters, includes exhibition halls, conference centre, meeting halls and a VIP hall. It also accommodates a venue for the National Product Centre, which will witness a quantum leap in terms of the show area. This show area now consists of 85 wings with an area of 5,300 square meters.

The Chamber of Commerce and Industry in Jeddah organized eight specialized forums during 2008. The most important of these forums was Jeddah Ninth Economic Forum, which succeeded in attracting an elite group of speakers from all over the world in addition to holding meetings, symposia and workshops.

The Chamber also hosted during 2008, 43 domestic and international fairs with an active participation of several major domestic and international companies.

The chambers of Commerce and Industry in other different cities of the Kingdom organized a number of activities and fairs at the level of the Kingdom's regions. In addition, many academic and consultative studies on different topics, especially in the economic and commercial fields, were prepared.

Industry

During 2009, the Ministry of Commerce and Industry issued licenses for setting up 311 new industrial units involving various industrial activities, with a total financing capital of Rls 8.4 billion. The units provide jobs for more than 17.8 thousand employees and workers. A breakdown of these units by industrial activity and total financing indicates that chemical materials and products industries (25 licenses) accounted for Rls 3.0 billion or 36.2 percent of total financing during the year, followed by other non-metal product industries (81 licenses), with a capital of Rls 1.9 billion, and metal basic industries (18 licenses with capital of Rls 1.8 billion). These three industrial activities constituted 78.9 percent of the total financing, and 39.9 percent of the total number of industrial licenses issued during 2009 (Table 12.3).

The number industrial units which started production during 2009 stood at 106 with a total financing of Rls 9.0 billion, employing 6 thousand employees and workers. As for financing, refined petroleum and nuclear fuel products industry ranked first (one industrial unit) with a total financing of Rls 6.0 billion, followed by furniture and other industries (6 units) with a total financing of Rls 976.0 billion, electric machines and appliances industry (5 units) with a total financing of Rls 830 million, and other non-metal product industry (25 units) with a total financing of Rls 503.8 million. These industrial activities together accounted for 92.0 percent of the total financing, and 34.9 percent of the total number of producing industrial units during the year.

At the end of 2009, the total cumulative number of existing industrial units in the Kingdom licensed by the Ministry of Commerce and Industry under the Regulation for Protection and Promotion of National Industries and Foreign Capital Investment Laws rose to 4,513 with a total capital investment of Rls 394.1 billion, providing employment for 503.5 thousand employees and workers. A breakdown of the units by type of industrial activity and capital indicates that 80 units were working in refined petroleum product industry, accounting for Rls 153.8 billion or 39.0



percent of total financing of the existing units in the Kingdom, followed by other non-metal products industry (749 units) Rls 52.7 billion or 13.4 percent, chemical materials and products industry (475 units) Rls 47.9 billion or 12.1 percent, food and beverages industry (720 units) Rls 39.2 billion or 9.9 percent, and metal basic industries (312 units) Rls 36.8 billion or 9.3 percent of total financing. The five industries (2,336 units) accounted for 51.8 percent of the total existing units in the Kingdom and 83.8 percent of their total financing (Table 12.3).

Of the total number of the existing units licensed by the Ministry of Commerce and Industry in the Kingdom up to the end of 2009, there were 2,811 units, with a total capital of Rls 444.0 billion, operating under the Foreign Capital Investment Law, providing employment for more than 241.8 thousand employees and workers, and accounting for 62.3 percent of the total units existing in the Kingdom and 112.6 percent of their total financing. A breakdown of these units by industrial activity and total financing indicates that refined petroleum product industry (76 units) ranked first with a total financing of Rls 197.4 billion, followed by chemical materials and products industry (347 units) with a total financing of Rls 154.1 billion, basic metal industry (265 units) Rls 39.6 billion, other non-metal products industry (324 units) Rls 16.9 billion, and food and beverages industry (285 units) Rls 9.5 billion. These five industries (225 units) constituted 46.1 percent of the total number of industrial units operating in the Kingdom under the Foreign Capital Investment Law, accounting for 94.0 percent of their total financing.

Petrochemicals Industry

According to the data of the Ministry of Commerce and Industry, the number of petrochemical products units operating in the Kingdom up to the end of 2009 stood at 162 with total capital investment of Rls 173.3 billion compared to 155 units and financing of Rls 167.3 billion at the end of 2008, recording an increase of 7 units or 4.5 percent and a rise of Rls 6.0 billion or 6.1 percent in financing over the preceding year.

Saudi Standards' Metrology and Quality Organization

The Saudi Standards' Metrology and Quality Organization has been contributing to supporting the Saudi industry through the study of industrial licenses issued by the Ministry of Commerce and Industry and the Saudi Arabian General Investment Authority (SAGIA). During 2009, the organization provided technical consultations to various entities, including 1,211 technical consultations to government authorities,

national plants and commercial enterprises. The Organization approved 2,059 new Saudi standard specifications in various sectors and updated and modified 316 specifications, bringing the total number of approved Saudi specifications since its inception to 16,723. During 2009, the Organization granted 14 licenses to new businesses to use the Quality Mark, raising the number of licensed businesses to 221 at the end of 2009, producing 70 commodities bearing the Quality Mark.

Saudi Industrial Development Fund (SIDF)

The Saudi Industrial Development Fund has been supporting the Saudi industry by providing loans for financing new industrial projects. The number of new projects funded during fiscal year 2009 by the Fund stood at 111, with total approved loans of Rls 5.2 billion. The Eastern region accounted for the largest share of loans approved by SIDF during 2009, receiving 36 loans with an amount of Rls 1,320 million, followed by Makkah region (23 loans with an amount Rls 1,258 million) and Riyadh region (41 loans equivalent to Rls 814 million). Activity-wise distribution of loans approved during 2009 indicates that the cement industry came first with a total value of Rls 784 million, followed by non-metallic construction materials with a total value of Rls 667 million. In the third position came basic iron and steel industry with a total value of Rls 644 million, followed by electric machines industry with a total value of Rls 545 million. Food and beverages industry ranked fifth receiving Rls 472 million, followed by manufactured metal products industry with a total value of Rls 424 million.

Cement Industry

Total production of the cement companies operating in the Kingdom stood at about 32 million tons during 2009, recording a rise of 7.8 percent over the preceding year. In terms of output, the Saudi Cement Company ranked first, accounting for 17.4 percent of the total production. Southern Region Cement Co. ranked second with 16.1 percent, followed by Yamamah Cement Company, Yanbu' Cement Co., and Al-Qassim Cement Co., which accounted for 15.6 percent, 13.3 percent and 12.3 percent respectively. The five companies contributed 74.7 percent of the Kingdom's total cement output. The other five companies, produced the rest of the production, with the Eastern Region Cement Co., and the Arabian Cement Co., accounting for 9.4 percent of production each; Tabuk Cement Co., the National Gypsum Co. and the Saudi White Cement Co., accounted for 4.1 percent, 1.8 percent, and 0.6

Table 12.3: NUMBER OF LICENSES AND INDUSTRIAL UNITS BY ACTIVITY

(financing in Million Riyals)

Industrial activity	Licenses issued during 2009			Factories Existed during 2009				Cumulative Total of Existing Factories up to the end of 2009			
	No. of units	No. of workers	Total financing	No. of units	No. of workers	Total financing	Ratio to total financing	No. of units	No. of workers	Total financing	Ratio to total financing
Food & beverages	29	1,453	471.2	18	1,069	161.4	1.8	720	95,894	39,205.8	9.9
Textiles products	4	107	11.0	0	0	0.0	0.0	87	14,829	4,367.9	1.1
Cloth products	10	500	32.9	1	33	2.9	0.0	75	8,199	733.0	0.2
Leather products	0	0	0.0	0	0	0.0	0.0	47	4,014	657.9	0.2
Wood industry and products	1	17	2.4	0	0	0.0	0.0	53	4,052	843.2	0.2
Paper industry and its products	8	259	20.7	4	336	85.4	0.9	152	17,277	7,006.4	1.8
Printing, press and copying of recorded multi-media	0	0	0.0	0	0	0.0	0.0	117	10,344	3,722.0	0.9
Refined petroleum and nuclear fuel products	1	25	100.0	1	300	6,000.0	66.4	80	24,539	153,814.3	39.0
Chemical materials and products	25	1,716	3,005.8	9	372	116.3	1.3	475	39,827	47,893.0	12.2
Rubber and plastic products	39	1,383	133.8	18	681	141.9	1.6	489	42,429	12,749.9	3.2
Other nonmetal products	81	6,138	1,853.2	25	1,239	503.8	5.6	749	76,688	52,683.7	13.4
Basic metal products	18	1,428	1,777.1	1	200	49.9	0.6	312	45,205	36,814.0	9.3
Construction metal products	44	2,262	201.0	12	595	37.4	0.4	313	28,499	8,294.0	2.1
Machines and Equipment industry	7	450	307.3	3	282	126.9	1.4	228	23,466	5,110.2	1.3
Office and accounting terminals as well as computer	0	0	0.0	0	0	0.0	0.0	5	2,704	660.2	0.2
Electric machines and terminals (unclassified elsewhere)	10	758	341.8	5	347	830.3	9.2	109	19,169	9,344.2	2.4
Radio, TV and telecommunication equipment and terminals	0	0	0.0	0	0	0.0	0.0	21	1,983	963.3	0.2
Medical terminals, optic tools and all types of watches	0	0	0.0	0	0	0.0	0.0	13	379	82.8	0.0
Engine and trailer motors	3	100	13.1	3	65	5.2	0.1	138	12,809	2,398.5	0.6
Other transportation equipment	1	50	15.9	0	0	0.0	0.0	15	1,473	294.2	0.1
Furniture and products unclassified elsewhere	29	1,124	113.2	6	490	976.0	10.8	312	29,567	6,449.1	1.6
Recycling	1	75	7.0	0	0	0.0	0.0	3	123	40.0	0.0
Total	311	17,845	8,407.4	106	6,009	9,037.4	100.0	4,513	503,469	394,127.6	100.0

Source: Ministry of Commerce and Industry.





percent respectively of the total production (Table 12.4 and Chart 12.2).

Cement sales in the domestic markets stood at 31.1 million tons, or 97.4 percent of domestic cement companies' total output of Rls 32.0 million during 2009. The remaining quantity of cement was exported.

Industrial Estates

The Saudi Authority for Industrial Estates and Technology Zones supervises a number of industrial estates throughout the Kingdom. The total number of industrial estates, which have been established on government lands, amounted to 14, accommodating 2,210 industrial units spread throughout all industrial estates. The Authority is currently developing six industrial estates for which industrial units have been designated. The Authority is in the process of planning further 6 estates, which will be established soon. The Authority's total developed industrial areas stood at 71 million square meters at the end of 2010.

Achievements of the Saudi Authority for Industrial Estates and Technology Zones

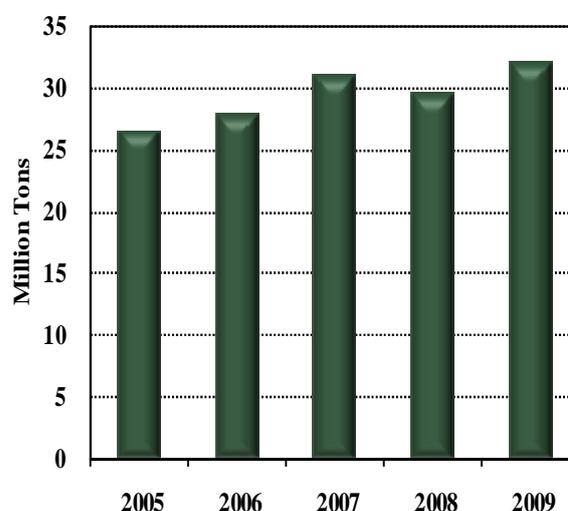
The Saudi Authority for Industrial Estates and Technology Zones made the following achievements during 2009:

- Winning the best Work Environment Award for 2009.
- Obtaining the ISO 9001 quality certificate for meeting international standards and specifications regarding laws and procedures and audited and implemented operations.
- Implementing the central cooling system project. The project's contract was signed on the build, operate and transfer the ownership to the public sector (BOT) basis, involving a capital investment of Rls 900 million. Its implementation is underway in the Second Industrial Estate in Jeddah.
- Executing water projects: The contract was signed during 2009 to provide potable water and recycle sewage water and water used in industry on BOT basis. The water projects cover industrial estates in Riyadh (2), Jeddah (1 and 2), Al-Dammam (1 and 2), Al-Qassim and AlAhsa.
- Executing residential compound projects: contracts were signed with investors to construct housing compounds for families and other compounds for labourers in the industrial estates on BOT basis.
- Launching the services of smart cities: An agreement was signed with Saudi Telecommunications Company (STC) in 2009 with an investment capital of Rls 350 million to provide smart cities services to industrial units at high communication speeds of 20 megabytes for each industrial unit.

- Signing an agreement with the Saudi credit and Saving Bank to provide industrial loans to the least developed industrial estates reaching 100 percent of the total project (a maximum of Rls 3 million).
- Signing an agreement with the Saudi Post Organization to develop its services at industrial estates.
- Signing an agreement with the Saudi Red Crescent Society to prepare several locations for ambulance medical teams and opening a number of ambulance centers and helicopter landing.
- Signing an agreement with the Saudi Credit Bureau (SIMAH) under which the Authority shall obtain from SIMAH information on new investors to ensure their credit worthiness. SIMAH shall also be provided with necessary data on industrial units. Such data would enable units obtain banking facilities.

Jubayl and Yanbu Royal Authority is supervising two major industrial cities. They are Jubayl Industrial City with an area of 15,342 hectares and Yanbu Industrial City with an area of 18,495 hectares. These two industrial cities accommodate 306 industrial units for basic, by-product, intermediate and light industries, with more than 138 thousand workers. During 2009, 35 industrial projects, with a cost of Rls 5.9 billion, were awarded. Furthermore, 36 projects, with an estimated cost of Rls 4.7 billion are still under study and design to be awarded in fiscal year 2010■

Chart 12.2: Cement Companies Production in the Kingdom



Source: Cement companies



Table 12.4: CEMENT PRODUCTION

Company	Production in Thousand Tons			Ratio to total output in 2009
	2007	2008	2009	
Yamamah Cement – Riyadh	4593.4	4222.6	4993.7	15.6
Saudi Cement – Hufuf	5289.8	5368.9	5575.0	17.4
Arabian Cement – Rabigh	2955.3	2744.0	2996.0	9.4
Yanbu' Cement – Yanbu'	4621.8	4336.3	3919.6	12.3
Al-Qassim Cement – Buraydah	3463.8	3220.9	4250.5	13.3
Southern Region Cement – Jazan	4613.5	4822.6	5158.1	16.1
Eastern Region Cement – Khafji	3453.5	2961.5	3007.0	9.4
Tabuk Cement – Tabuk	1361.0	1150.4	1300.5	4.1
Saudi White Cement – Riyadh	168.6	213.6	197.1	0.6
National Gypsum – Riyadh	537.6	615.2	578.4	1.8
Total	31058.3	29656.0	31975.9	100.0

Source: Cement companies.



Tourism is a multifaceted industry which overlaps with a large number of other sectors and spreads over a number of seasons throughout the year. Therefore, it contributes to the development of different economic activities and enhancement of the GDP growth. The tourism sector also contributes to providing many employment opportunities. Moreover, it contributes to boosting foreign currency reserves, reducing their outflow, and, thereby, improving the balance of payments position.

Since the Kingdom is the cradle of Islam and homeland of the two Holy Mosques, it occupies a special status in both the Arab and Muslim worlds. It has vast geographical area, diverse climate and natural resources, rich cultural and social heritage, an open economy, and advanced infrastructure, as well as the existence of an efficient system of tourism facilities which represents a key element for the development of the tourism sector. The government is keen to achieve optimal exploitation of available tourism resources. This would contribute to the diversification and growth of the national economic base, realize balanced regional development, enrich heritage and culture, and bind the citizens with their society.

According to the latest data, the international tourism sector recorded a decline during 2009 as the number of tourism trips in the world amounted to 880 million, denoting a fall of 4.3 percent from 919 million trips in 2008. The revenues from international tourism were \$852 billion in 2009, representing 1.5 percent of world GDP. Europe was the foremost destination for international tourists during 2009. It received about 460.0 million trips or 52.2 percent of total international tourism, followed by countries of Asia and the Pacific with 180.9 million trips or 20.6 percent of total international tourism. The two American continents came third with 140.0 million trips or 15.9 percent of total international tourism. Next came the Middle East with 52.9 million trips or 6.0 percent of the total, and last was Africa with 45.9 million trips or 5.2 percent of total international trips.

Tourism Resources and Facilities in the Kingdom

The Kingdom of Saudi Arabia has diverse natural and heritage resources, numerous tourist facilities and good infrastructure that can contribute to developing the tourism sector. It is expected that development of these areas will be the focal point of tourism development activities in the Kingdom. The General Commission for Tourism and Antiquities (GCTA)'s board of directors approved around 956

sites in 2008 as being feasible for tourism development to ban disposal therewith. The GCTA, in cooperation with other concerned government organs, has set appropriate mechanisms to protect and maintain such sites.

At the end of 2009, the major cities of the Kingdom had 153 museums, denoting an increase of 14.4 percent over the previous year. Of these 104 are personal, 21 antiquarian, 13 specialized, 8 scientific, 5 educational, and 2 military museums. There were also many permanent culture and art galleries which constitute a significant part of the Kingdom's integrated tourism system. In addition, there are 10 national parks and 15 habitats located in these cities.

According to the data of GCTA, the number of hotels of various classes operating in the Kingdom at the end of 2009 stood at 1,063 with 102.3 thousand rooms. Of these hotels, 97 were deluxe, 317 first class, 320 second class and 108 third class. The number of housing units licensed in the Kingdom stood at 4,341 at the end of 2009, with a capacity of about 98.2 thousand furnished housing units. These units were spread over various cities of the Kingdom. Makkah region accounted for the largest number of such units, representing 36.4 percent (35,806 units) of the total, followed by Al-Madinah 17.4 percent (17,101 units), Riyadh region 16.6 percent (16,295 units), the Eastern region 13.4 percent (13,182 units), and Asir region 7.6 percent (7,476 units).

Tourism Activity in the Kingdom

1. Tourism Trips

According to GCTA surveys, the number of domestic tourism trips (tourism by the Kingdom's citizens and residents) stood at 32.9 million in 2009 against 28.8 million in 2008, denoting a rise of 14.2 percent. Inbound tourism trips (tourism by residents of other countries) went down by 25.9 percent from 14.7 million in 2008 to 10.9 million in 2009. Domestic tourism trips constituted 75.1 percent of total internal tourism trips (including domestic and inbound tourism). Outbound tourism trips (tourism abroad by the Kingdom's citizens and residents) increased by 42.5 percent to 5.7 million in 2009 from 4.0 million in the previous year. Domestic tourism trips constituted 85.2 percent of total national tourism trips (including domestic and outbound tourism trips by the Kingdom's population) (Table 13.1 and Chart 13.1).

2. Domestic Tourism Destination

The past few years have witnessed a boom in domestic tourism due to an increase in the number of



Table 13.1: TOURISM ACTIVITY IN THE KINGDOM

	2007	2008	2009**	Annual % Change
Domestic Tourism				
Trips (Million)	28.6	28.8	32.9	14.2
Nights (Million)	188.0	199.0	205.0	3.0
Expenditure* (Billion Riyals)	31.8	37.6	35.3	-6.1
Inbound Tourism				
Trips (Million)	11.5	14.7	10.9	-25.9
Nights (Million)	152.0	209.0	145.0	-30.6
Expenditure* (Billion Riyals)	19.6	36.5	30.1	-17.5
Outbound Tourism				
Trips (Million)	4.1	4.0	5.7	42.5
Nights (Million)	45.4	42.2	52.9	25.4
Expenditure* (Billion Riyals)	18.3	19.7	25.3	28.4
Internal Tourism (Domestic + Inbound)				
Trips (Million)	40.1	43.5	43.8	0.7
Nights (Million)	341.0	408.0	350.0	-14.2
Expenditure* (Billion Riyals)	51.4	74.1	65.4	-11.7
National Tourism (Domestic + Outbound)				
Trips (Million)	32.7	32.8	38.6	17.7
Nights (Million)	234.0	241.2	257.9	6.9
Expenditure* (Billion Riyals)	50.1	57.3	60.6	5.8
Accommodation Occupancy				
Room Occupancy (%)	50.8	51.8	54.3	4.8
Furnished Apartment Units Occupancy (%)	50.0	54.5	52.0	-4.6
*Excluding international transportation expenditure. ** Provisional.				
Source: MAS Center, General Commission for Tourism & Antiquities.				

tourism festivals, improvement of tourism services, completion of additional highway projects and improvement in other services in general. During 2006-2009, the most attractive destination for domestic tourism trips was Makkah region, to which 13.7 million trips were made as large number of citizens and resident visitors came to perform Hajj and Umrah. Some of the Kingdom's population visited Jeddah city, due to its attraction for domestic tourists, especially in summer. The expansion of the Holy Mosque and the sacred places in Makkah have led to a rise in their accommodation capacity and, thus, the number of performers of Hajj and Umrah increased. Next came the Eastern region with 4.3 million trips, followed by Riyadh region with 4.1 million trips, most of which were made for visiting

friends and relatives, business and conferences as well as shopping and seeking medical treatment. Asir region, which is characterized by mild weather in summer and hence attracting many domestic and GCC tourists, came in the fourth position with 3.5 million trips. In the fifth position came Al-Madinah region with 2.8 million trips (Table 13.2).

3. Inbound Tourism Trips by Place of Departure

The number of trips coming from GCC countries were the largest among tourism trips to the Kingdom in 2009, accounting for 60.8 percent of total inbound trips, against 38.8 percent in 2008, followed by trips from the Middle East countries (excluding GCC countries) at 18.8 percent against 24.4 percent of total inbound trips to the Kingdom in



Chart 13.1: Tourism Activity in the Kingdom in 2009

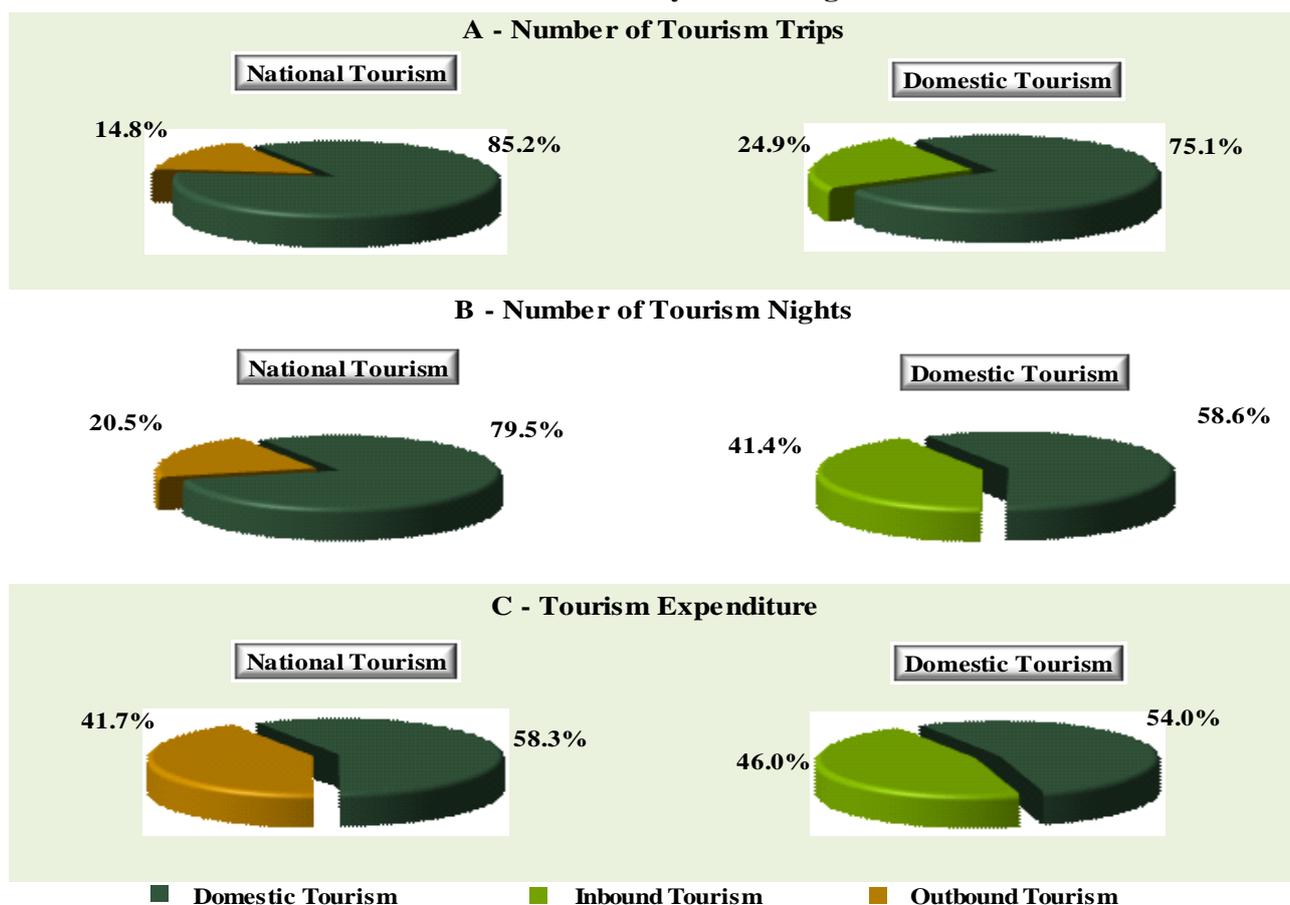


Table 13.2: NUMBER OF DOMESTIC TOURISM TRIPS BY MAIN DESTINATION
(Thousands Trips)

Main Destination (Region)	2006	2007	2008	2009	Annual % Change
Riyadh	3,892	3,372	3,538	4,141	12.6
Makkah	10,913	10,929	10,804	13,679	41.6
Al-Madinah	2,275	3,675	3,489	2,846	8.6
Al-Qassim	386	317	477	795	2.4
Eastern	3,604	3,288	3,803	4,278	13.0
Asir	2,342	3,249	2,543	3,511	10.7
Tabouk	723	660	929	784	2.4
Ha'il	592	408	603	945	2.9
Northern Borders	340	270	244	140	0.4
Jazan	705	626	797	562	1.7
Najran	202	84	140	248	0.8
Al-Bahah	730	1,505	1,243	852	2.6
Al-Jawf	376	166	164	128	0.4
Total	27,080	28,549	28,776	32,909	100.0

Source: MAS Center, General Commission for Tourism & Antiquities.



2008. South Asian countries accounted for 10.0 percent against 13.3 percent in 2008 (Table 13.3 and Chart 13.2).

4. Outbound Tourism Trips by Destination

Middle East countries (excluding GCC countries) had the largest share of 48.4 percent of total outbound tourism trips by main destination in 2009, compared to 44.1 percent in 2008. Next came the GCC countries with a share of 35.7 percent of the total in 2009 against 33.6 percent in 2008 (Table 13.4 and Chart 13.3).

5. Expenditure on Tourism

Expenditure on domestic tourism trips (excluding international transportation costs) went down by 6.1 percent to Rls 35.3 billion in 2009 from 37.6 billion in 2008 (Table 13.1 and Chart 13.1), constituting 54.0 percent of total expenditure on internal tourism and 58.3 percent of total expenditure on national tourism. This occurred despite an increase in domestic tourism trips in 2009. Expenditure on inbound tourism decreased by 17.5 percent to Rls 30.1 billion in 2009 from Rls 36.5 billion in the previous year.

In contrast, expenditure on outbound tourism trips (excluding international transportation costs) increased substantially by 28.4 percent to Rls 25.3 billion against Rls 19.7 billion in 2008 as indicated by GCTA statistics of 2009.

Tourism in the Kingdom Compared with Selected Arab Countries

The World Tourism Organization (UNWTO) data indicate a rise in the number of tourists to the Middle East countries by 18.2 percent to 55.1 million in 2008 compared to 46.6 million in the preceding year, representing 6.0 percent of total international tourists in the world in 2008 as compared to 5.2 percent during 2007. As a result, the Middle East region ranked fifth among the most attractive regions to tourists in the world in 2008. The number of tourists coming to the Middle East exceeded that to Africa (which accounted for 5.1 percent of total tourists of the world in 2008). Table 13.5 shows data on the number of tourists arriving in the Kingdom compared to those arriving in some other Middle East countries. Tourists arriving in the Kingdom accounted for 26.8 percent of total tourists arriving in the Middle East in 2008, increasing by 28.0 percent over the preceding year; thus, the Kingdom

**Table 13.3: INBOUND TOURISM TRIPS
BY TOURISTS' COUNTRIES**
(Thousand Trips)

From	2008		2009	
	Trips	Share (%)	Trips	Share (%)
GCC	5,731	38.8	6625	60.8
Middle East (excluding GCC countries)	3,603	24.4	2052	18.8
South Asia	1,967	13.3	1094	10.0
Europe	1,185	8.0	445	4.1
Africa	1,033	7.0	261	2.4
East Asia and the Pacific	941	6.4	362	3.3
North and South America	297	2.0	57	0.5
Total	14,757	100.0	10896	100.0

Source: MAS Center, General Commission for Tourism & Antiquities.

**Table 13.4: OUTBOUND TOURISM TRIPS
BY MAIN DESTINATION**
(Thousand Trips)

Destination	2008		2009	
	Trips	Share (%)	Trips	Share (%)
GCC	1,375	33.6	2033	35.7
Middle East (excluding GCC countries)	1,801	44.1	2759	48.4
South Asia	265	6.5	276	4.8
Europe	214	5.2	156	2.7
Africa	156	3.8	169	3.0
East Asia and the Pacific	222	5.4	294	5.2
North and South America	54	1.3	14	0.2
Total	4,087	100.0	5701	100.0

Source: MAS Center, General Commission for Tourism & Antiquities.



Chart 13.2: Inbound Trips by Country of Residence in 2009

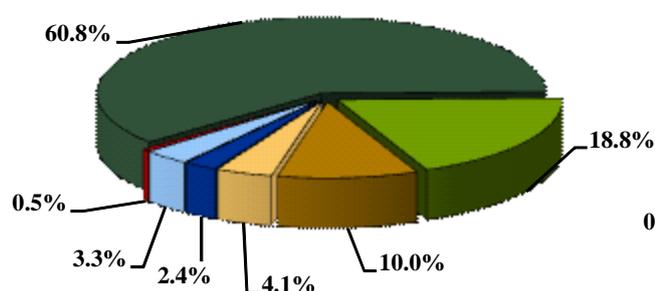


Chart 13.3: Outbound Trips by Destination in 2009

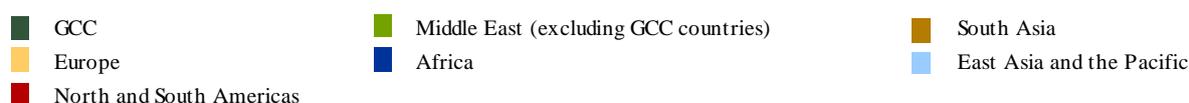
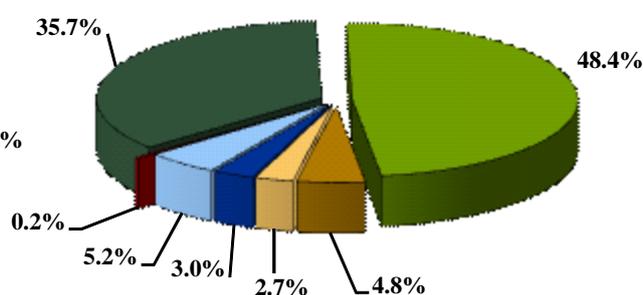


Table 13.5: INTERNATIONAL TOURISTS ARRIVING IN SELECTED ARAB COUNTRIES

Destination	No. of Tourists (Thousand)		% Change		% Share
	2007	2008	2007	2008	2008
Saudi Arabia	11,531	14,757	4.9	28.0	26.8
UAE	--	--	--	--	--
Egypt	10,610	12,296	22.7	15.9	22.3
Bahrain	4,935	--	--	--	--
Syria	4,158	5,430	3.3	30.6	9.9
Jordan	3,431	3,729	-3.3	8.7	6.8
Lebanon	1,017	1,333	-4.3	31.1	2.4
Middle East	46,646	55,123	16.4	18.2	100.0

-- Not available.

Source: UNWTO and General Commission for Tourism & Antiquities for data pertaining to Saudi Arabia.

occupied the first position among countries of the Middle East region, receiving 14.8 million tourists.

According to the GCTA estimates, the Kingdom's receipts from foreign tourists in 2008 went up by 85.9 percent compared to the previous year. Receipts amounted to \$9.7 billion in 2008, constituting 21.3 percent of total Middle East countries' receipts from international tourism (Table 13.6).

Economic Impact of Tourism Sector on the Kingdom

1- Contribution of Tourism Sector to GDP

General Commission for Tourism and Antiquities has developed a general policy for the

development of national tourism, and taken the responsibility of establishing detailed fundamentals for the betterment of tourism sites by region. According to the data from GCTA, tourism GDP increased by 6.9 percent to RIs 50.2 billion in 2009. The share of value-added by tourism sector to GDP increased from 2.6 percent in 2008 to 3.6 percent in 2009 (Table 13.7). A comparison of the estimates of expenditure on inbound and outbound tourism, prepared by GCTA in 2009, shows that the tourism sector contributed to an increase in economic activity in the Kingdom. According to the data of GCTA, the largest share of inbound tourism receipts (56.1 percent) was from expenditure by pilgrims and Umrah performers during 2009 (Table 13.8 and Chart 13.4).



Table 13.6: RECEIPTS FROM WORLD TOURISM TO SELECTED ARAB COUNTRIES

Destination	Receipts (Million Dollars)		% Change		% Share
	2007	2008	2007	2008	2008
Saudi Arabia	5,228	9,720	5.5	85.9	21.3
UAE	6,072	7,162	--	18.0	15.7
Egypt	9,303	10,985	22.6	18.1	24.0
Bahrain	1,105	1,116	5.4	1.0	2.4
Syria	3,199	--	--	--	--
Jordan	2,312	2,943	12.2	27.3	6.4
Lebanon	5,466	7,192	--	31.6	15.7
Middle East	34,983	45,720	14.5	30.7	100.0

-- Not available.

Source: UNWTO and General Commission for Tourism & Antiquities for data pertaining to Saudi Arabia.

**Table 13.7: VALUE ADDED BY TOURISM SECTOR
AND ITS CONTRIBUTION TO GDP (AT CURRENT PRICES)**

Year	Tourism GDP (Billion Riyals)	Kingdom's GDP (Billion Riyals)	Kingdom's Non-oil GDP (Billion Riyals)	Tourism Contribution to GDP (%)	Tourism Contribution to Non-oil GDP (%)
2007	45.4	1,442.6	641.9	3.2	7.1
2008	47.0*	1,786.1	690.0	2.6	6.8
2009	50.2*	1,409.1**	725.1**	6.9	6.9

* Estimates. ** Preliminary data.

Source: MAS Center, General Commission for Tourism & Antiquities, Central Department of Statistics and Information, Ministry of Economy and Planning.

2. Contribution of Tourism Sector to Labor Market in the Kingdom

The tourism sector plays an important role in creating job opportunities for a large number of job seekers. Globally, it employs 10 percent of total labor force, and provides miscellaneous job opportunities with excellent career prospects. According to GCTA estimates, the number of direct job opportunities supported by the tourism sector in 2009 stood at 493.2 thousand, increasing by 2.7 percent compared to 480.3 thousand in the previous year, distributed among tourism sub-sectors as shown in (Table 13.9).

The number of workers in the key tourism sectors (excluding unpaid jobs) represented 5.8 percent of total labor force in the Kingdom in 2008 which amounted to 7.1 million workers. Considering the ratio of the number of workers in the tourism sector to total labor force in the private sector only (6.2 million), tourism's contribution to employment will accordingly rise to 6.6 percent. It could also be noticed that most jobs in the tourism sector in the Kingdom are occupied by non-Saudis. National labor force represented only 25.7 percent of total labor force engaged in the tourism sector in 2009. The GCTA estimates indicate that the tourism sector has the capacity to provide an increasing



Table 13.8: EXPENDITURE ON TOURISM TRIPS BY MAIN PURPOSE

(Billion Riyals)

<u>Purpose</u>	<u>2007</u>	<u>2008</u>	<u>2009*</u>	<u>% Share 2009</u>
Domestic Tourism	31.8	37.6	35.3	100.0
Holidays and Leisure	8.1	19.2	20.5	58.1
Religious Purposes	14.2	5.7	4.6	13.2
Visiting Friends and Relatives	4.8	9.1	8.3	23.5
Others, e.g. Medical Treatment, Business, etc.	4.6	3.6	1.9	5.3
Outbound Tourism	18.3	19.7	25.3	100.0
Holidays and Leisure	14.3	15.6	19.8	78.4
Visiting Friends and Relatives	1.6	1.1	1.9	7.7
Others, e.g. Medical Treatment, Business, etc.	2.4	3.0	3.5	14.0
Inbound Tourism	19.6	36.5	30.1	100.0
Holidays and Leisure	0.4	2.4	2.8	9.1
Religious Purposes	14.3	17.7	16.9	56.1
Visiting Friends and Relatives	1.1	3.9	4.4	14.6
Others, e.g. Medical Treatment, Business, etc.	3.7	12.4	6.1	20.2

Source: MAS Center, General Commission for Tourism & Antiquities.

* Provisional.

Chart 13.4: Expenditure on Tourism Trips by Purpose as a Ratio to Total (2009)

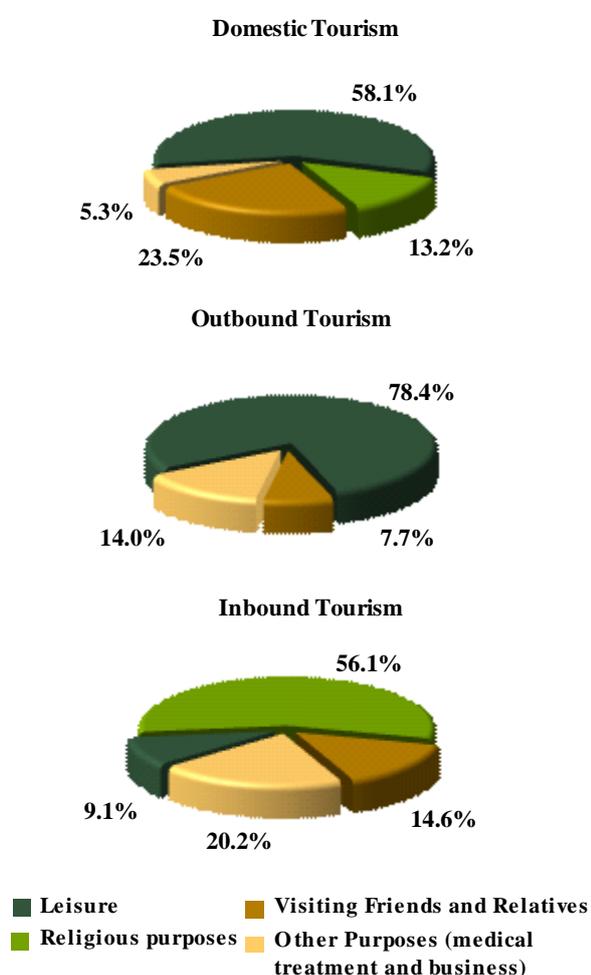


Table 13.9: DIRECT JOBS IN THE TOURISM SECTOR

<u>Sub-sector</u>	<u>2008</u>	<u>2009**</u>
Hotels and Resorts	46,362	47,596
Furnished Apartments	23,737	24,256
Restaurants and Cafés	231,987	237,982
Travel & Tourism Agencies	8,689	9,153
Traveller Transportation Services*	100,509	103,431
Entertainment Services	34,471	35,240
Unpaid Jobs	34,583	35,507
Total	480,338	493,165
Saudization (%)	24.4	25.7

* Including airlines, railways, public transport companies and car rental companies, excluding taxi drivers.

** Estimates.

Source: MAS Center, General Commission for Tourism & Antiquities.



number of direct job opportunities in the tourism sub-sectors as well as indirect job opportunities induced by the tourism activity in the other economic sectors interrelated with the tourism sector, apart from work opportunities that can be created in later periods as a result of economic spending cycles in all sectors related to tourism development. Table 13.10 shows the

distribution of these anticipated direct and indirect job opportunities. It is expected that the tourism sector will provide around 470 thousand direct jobs in 2010, 525 thousand in 2015 and 878 thousand in 2020.

**Table 13.10: EXPECTED JOBS IN
TOURISM SECTOR**
(Thousand Jobs)

	<u>2010</u>	<u>2015</u>	<u>2020</u>
Direct Jobs	470	525	878
Indirect Jobs	705	937	1,317
Total	1,175	1,462	2,195

Source: MAS Center, General Commission for Tourism & Antiquities.

3. Promoting Demand for Goods and Services

Detailed data on the distribution of domestic and inbound tourist expenditure to different tourism sub-sectors shown in (Tables 13.11 and 13.12) highlight the positive impact of tourism sector on consumption and investment in the Kingdom. Total expenditure by domestic tourists stood at Rls 35.4 billion in 2009 against Rls 37.6 billion in 2008. Expenditure on shopping constituted the largest share of Rls 10.7 billion, representing 30.3 percent of total expenditure in 2009, compared to Rls 11.7 billion or 31.1 percent in 2008. Expenditure on accommodation came second, amounting to Rls 8.2 billion or 23.3 percent of the total in 2009 against Rls 7.3 billion or 19.5 percent in 2008.

With respect to expenditure on inbound tourism trips to the Kingdom, expenditure on accommodation came first with Rls 10.4 billion or 44.1 percent of the total in 2009 compared to Rls 15.2 billion or 41.6 percent in 2008.

Table 13.11: DISTRIBUTION OF EXPENDITURE ON DOMESTIC TOURISM TRIPS

(Million Riyals)

<u>Type of Expenditure/ Purpose</u>	<u>Holidays</u>	<u>Visiting Friends and Relatives</u>	<u>Business</u>	<u>Religious Purposes</u>	<u>Other</u>	<u>Total</u>	<u>Ratio (%)</u>
2008							
Accommodation	4,466	674	654	1,331	199	7,324	19.5
Food	3,379	1,854	413	803	134	6,583	17.5
Domestic Transportation	1,909	1,572	577	631	137	4,825	12.8
Shopping	5,928	3,320	857	1,367	228	11,700	31.1
Entertainment	3,384	1,497	161	426	57	5,524	14.7
Other	161	164	75	1,139	94	1,634	4.3
Total	19,226	9,081	2,737	5,698	848	37,590	100.0
2009*							
Accommodation	5,393	1,001	310	1,337	205	8,246	23.3
Food	3,585	1,691	170	812	143	6,401	18.1
Domestic Transportation	1,613	1,470	182	434	190	3,889	11.0
Shopping	6,266	2,897	202	1,181	171	10,717	30.3
Entertainment	3,403	1,362	51	365	82	5,263	14.9
Other	71	56	1	548	166	842	2.4
Total	20,331	8,477	916	4,677	957	35,358	100.0

Source: MAS Center, General Commission for Tourism & Antiquities.

* Provisional.



Table 13.12: EXPENDITURE ON INBOUND TOURISM TRIPS

(Million Riyals)

Type of Expenditure/ Purpose	Holidays	Visiting Friends and Relatives	Business	Religious Purposes	Other	Total	Ratio (%)
2008							
Accommodation	629	716	4,847	8,644	326	15,162	41.6
Food	295	766	1,650	1,360	130	4,201	11.5
Transportation	239	470	2,063	3,557	322	6,651	18.2
Shopping	929	1,269	2,252	3,316	203	7,969	21.9
Entertainment	194	441	110	164	19	928	2.5
Other	92	242	404	686	116	1,540	4.2
Total Excluding International Travel Cost	2,378	3,904	11,325	17,727	1,117	36,451	100.0
2009*							
Accommodation	463	1,012	2,627	9,046	148	13,296	44.1
Food	349	468	654	820	61	2,352	7.8
Transportation	146	612	962	2,998	73	4,791	15.9
Shopping	1,376	1,657	962	3,126	119	7,240	24.0
Entertainment	228	337	120	237	8	930	3.1
Other	192	320	314	674	33	1,533	5.1
Total Excluding International Travel Cost	2,754	4,406	5,639	16,901	442	30,142	100.0

Source: MAS Center, General Commission for Tourism & Antiquities.

* Provisional.

Projected Growth of Tourism Sector

The UNWTO's data indicate a rise in the growth of world tourism compared to industry and commerce. The Organization expects the number of world tourists to rise to 1.0 billion by 2010, and to 1.6 billion by 2020.

Similarly, GCTA expects the number of tourism trips in the Kingdom to rise to 86.1 million

by 2020, of which 57.2 million to be domestic tourism trips and 28.9 million to be inbound trips mainly from the GCC and neighboring Arab countries (Table 13.13).

GCTA expects tourism expenditure in the Kingdom to grow to Rls 219.4 billion by 2020 (Table 13.14)■



Table 13.13: PROJECTED TOURISM TRIPS IN 2010 – 2020

(Million Trips)

	2010	2015	2020
Total Domestic Tourism Trips	30.0	40.0	57.2
Total Inbound Tourism Trips	15.9	21.0	28.9
GCC Countries	6.3	8.4	11.8
Neighboring Arab Countries	3.7	4.3	5.1
Other Countries	5.9	8.3	12.0
Total Internal Tourism (Domestic + Inbound)	45.9	61.0	86.1

Source: MAS Center, General Commission for Tourism & Antiquities.

**Table 13.14: PROJECTED EXPENDITURE
ON TOURISM IN 2010 – 2020**

(Billion Riyals)

	2010	2015	2020
Domestic Tourism Trips	41	65.4	112.6
Inbound Tourism Trips	40.9	64.1	106.8
Total Expenditure	81.9	129.5	219.4

Source: MAS Center, General Commission for Tourism & Antiquities.



Being two basic elements for economic and social development, the Kingdom exerts substantial efforts to ensure provision of water and development of electricity facility. Moreover, it seeks to ensure their continuous provision in keeping with the demand on the Kingdom also endeavors to rationalize their consumption. The daily per capita water consumption in Saudi Arabia amounts to 248.7 liters. The Kingdom ranks the third largest consumer of water after the United States and Canada. This high consumption has triggered increasing pressure on water resources. Hence, the government has taken steps to address the problem and support national programs aimed at developing water resources and rationalizing their consumption. To this end, the Ministry of Water and Electricity has been launching a campaign for rationalization of water consumption.

With regard to electricity, the Ministry of Water and Electricity has focused its efforts on preparation and execution of integrated plans to supply all regions of the Kingdom with electricity in order to cope with increased demand for electric energy as a result of the growing needs of the residential, agricultural, industrial, and commercial sectors throughout the Kingdom.

Water Desalination

In 1430/1431H (2009), the Kingdom’s production of desalinated water declined by 7.4 percent to 1,022.2 million cubic meters compared to 1,103.4 million cubic meters in the preceding year. The decrease in production was ascribed to a decline in production by the desalination plants located on the Western seashore (Table 14.1).

Among the most important projects executed by the Saline Water Conversion Corporation (SWCC) are the following:

- Al-Wajh project with a capacity of 9,000 cubic meters per day,

- Rabigh project with 18,000 cubic meters per day,
- Al-Layth project with 9,000 cubic meters per day,
- Al-Qunfudah project with 9,000 cubic meters per day,
- Umluj project with 9,000 cubic meters per day, and
- Farasan project with 9,000 cubic meters per day.

As for the pipelines projects currently executed by SWCC, there are two projects for water conveying systems (extending over 349 kilometers) for Al-Shuaibah plant (phase III), supplying (Makkah, Jeddah, and Ta’if), with 96 percent of the project achieved;

- a project for the supply and installation of pipelines for the transfer of desalinated water to the new small plants in (Al-Wajh, Rabigh, Al-Layth, Al-Qunfudah, and Farasan) and the project has been initially taken-over;
- a project for implementation of water transport systems of Al-Shuqayq (phase II – 45 percent completed);
- a project for water transfer system of the Eastern Region (phase II – 70 percent completed),
- a project of Jeddah desalination plant by reverse osmosis (phase III) with a capacity of 240 thousand cubic meters per day and a 36-month execution period (6.5 percent completed).
- The new housing compounds project on the Western seashore (5.0 percent completed),
- a project for desulphurization of Jeddah desalination plant boilers (Phase IV) and the project has been initially taken-over,
- a project of implementation and supply of the electrical transforming plants and expanding the existing ones at the water pumping systems of Al-Shuqayq (phase II – 50 percent completed).

In the context of its efforts aimed at implementation of the National Initiative for Water Desalination by Using Solar Energy, King Abdulaziz City for Science and Technology (KACST) announced

Table 14.1: ANNUAL PRODUCTION OF DESALINATED WATER

(Million cubic meters)

	1428/1429 (2008)		1430/1431 (2009)	
	No. of Plants	Production	No. of Plants	Production
Eastern coast plants	6	553.5	6	560.6
Western coast plants	23	549.9	23	461.6
Total production	29	1103.4	29	1022.2

Source: The Saline Water Conversion Corporation.



launching the Initiative on 9/2/1431H corresponding to 25/1/2010. The Initiative will contribute to reducing the current desalination cost of seawater by thermal technology ranging from RIs 2.5 to RIs 5.5 per cubic meter to less than RIs 1.5 per cubic meter. Using solar energy in water desalination is considered one of the practical applications of the advanced Nanotechnology techniques and it represents a clean energy and does not constitute a burden on the environment since it benefits from the high level of the year-round sunshine characterizing the Kingdom, which is estimated at 2,000 kilowatts per square meter per year (2000 kWh/m²/year). The Initiative will be implemented over three phases, three years each. By the end of those phases, solar energy will be used in desalination of all water desalinated around the Kingdom. Phase I has started by building a desalination plant with a capacity of 30,000 cubic meters per day to meet the needs of about 100,000 citizens of Al-Khafji city. Phase II aims at building another desalination plant with a capacity of 300,000 cubic meters per day to meet the needs of one million inhabitants. Phase III aims at building desalination plants using solar energy in all of the Kingdom's regions.

Dams

Dams come at the top of agricultural development projects of the Ministry of Water and Electricity because of their high importance in controlling of rainwater for urban purposes and for irrigating agricultural lands. The number of dams constructed up to the end of 1430/1431H (2009) amounted to 302, with a total storage capacity of 907.8 million cubic meters. The number of dams under construction is 147, with a total storage capacity of more than 1.35 billion cubic meters. In addition, The Ministry has an integrated plan to execute several dams throughout the Kingdom to support water resources and ensure maximum utilization of rainwater.

The Kingdom's Water Resources and Demand

Water resources in the Kingdom are precious because of their scarcity. Although there are sources of underground water, but they are limited. Therefore, the Kingdom spares no efforts to conserve its water resources as demand grows. According to the sources of the Ministry of Water and Electricity, water scarcity is attributable to the following:

- Shortage of rainfall in the Kingdom which is estimated at 70-100 mm per year only. So, the Kingdom is classified as one of the countries suffering scarcity of water sources.

- Rise in daily water consumption rate. Saudi Arabia ranks third after the United States and Canada in the world in daily per capita water consumption, which in the case of Saudi Arabia amounts to 248.7 liters per day. Despite the role played through the awareness and rationalization campaigns targeted to reduce this rate, it is still high. It is expected that the demand for potable water will increase to about 10 million cubic meters per day during the next twenty years, if the daily per capita consumption rate continues at its current level, creating a large gap between the available water supply and demand.
- The rate of population growth in Saudi Arabia was estimated at around 2.3 percent in 2009, which is considered high and would cause pressure on the limited water resources.
- Low water cost paid by the consumer in Saudi Arabia.

Water Consumption by Sector

Water consumption in Saudi Arabia was estimated at 21,670 million cubic meters in 1430/1431H (2009), declining by 2.2 percent from the preceding year. The consumption is distributed as follows: 18,500 million cubic meters for agricultural purposes, accounting for 88.0 percent of total water consumption and registering an annual growth rate of 19.2 percent. The municipal sector occupied the second position with 2,400 million cubic meters, accounting for 8.7 percent of total water consumption, and increasing by an annual rate of 2.8 percent. It was followed by the industrial sector which stood at 770 million cubic meters, representing 3.3 percent of total consumption, and growing at an annual rate of 4.6 percent.

During 1430/1431H (2009), total annual consumption of water in some regions of the Kingdom stood at: 428.2 million cubic meters in Makkah region, 149.8 million cubic meters in Al-Madinah region, 516.1 million cubic meters in Riyadh region, 447.7 million cubic meters in the Eastern region, 45.8 million cubic meters in 'Asir region, 119.9 million cubic meters in Al-Qassim region, and 59.7 million cubic meters in Tabuk region (Table 14.2).

Ministry of Water and Electricity's Strategic Plans for Preservation of Water

The Ministry of Water and Electricity's Strategic plans to preserve water in the Kingdom depend on three pillars: the National Water Plan second the launch of Awareness and Rationalization Campaign; Third, development of water and sewage sector.



Table 14.2 : WATER CONSUMPTION IN SOME REGIONS OF THE KINGDOM
(Thousand cubic meters)

Region	Average daily consumption		Annual consumption	
	1429	1430	1429	1430
Makkah ⁽¹⁾	1,013.6	1,190.0	367,307.2	428,233.1
Al-Madinah ⁽²⁾	391.2	410.5	132,416.3	149,832.5
Riyadh ⁽³⁾	1,457.8	1,457.8	513,655.9	516,067.8
Eastern Region ⁽⁴⁾	1,209.1	1,244.4	417,998.2	447,730.3
Asir	111.7	125.6	41,572.3	45,833.8
Al-Qassim	406.5	333.1	115,657.6	119,920.6
Tabuk	153.6	163.4	53,538.8	59,651.6

⁽¹⁾ Including Makkah, Jeddah and Ta'if.

⁽²⁾ Including Almadinah, Yanbu' and Al-Hanakiyyah.

⁽³⁾ Including (Al-Dawadmi, 'Afif, Al-Quway'iyah, Dharmah, Al-Mizahmiyyah, Al-Zulfi, Al-Ghat, Al-Majma'ah, Thadiq, Shagra', Dir'iyah, Huraimla, Wadi al-Dawasir, Al-Sulayyil, Al-Aflaj, Al-Hariq, Al-Kharj, and Al-Hawtah).

⁽⁴⁾ Excluding Qariah al-Elia and villages assigned to the Ministry of Agriculture.

Source: Branches of Directorates General of the Ministry of Water and Electricity in the above mentioned regions.

As for the National Water Plan, the first pillar, it includes detailed water studies of some water formations, and determining water sources and their stock as well, especially non-renewable underground water. They are expected to give an accurate vision of current and future water conditions. Based on those studies, the National Water Plan will be issued at the beginning of the Ninth Five-Year Development Plan (1430/1436H) (2009/2015). The plan consists of:

- program of updating the national water plan,
- developing the strategy of integrated water management,
- studying the development plan of water resources, and
- applying the rainwater harvest systems in Saudi Arabia.

In this regard, the Ministry is cooperating with Japan International Cooperation Agency (JAICA) to study the purification of renewable water sources in the Western-Southern region of the Kingdom. The assistance of Chinese experts has also been sought to study and design an experimental project for applying the rainwater harvest technology in the Southern-Western region of the Kingdom. The first phase is completed and the second commenced in Safar 1430H (January 2009) in 'Asir, Al-Baha and Jazan regions.

The following is a summary of the progress of this plan:

1. Studying the Radhmah formation (completed).
2. Studying the Al-Sag formation (completed).

3. Studying Al-Wajeed formation (90% completed).
4. Studying the use of recycled sewage water (70% completed).
5. Studying Al-Wasi' and Al-Biadh formations (50% completed).
6. Project of the comprehensive water system (70% completed)
7. Studying Tehama seashore, Arabian Shield, Al-Harat and rainwater harvest as well as modernization of the hydraulic network (a tender has been floated).

With regard to the second pillar, i.e. the National Awareness and Rationalization Campaign, the ministry attaches a great importance to raising awareness and rationalization of water consumption. It seeks to inculcate the culture of rationalization of water consumption among citizens and explain the best means of rationalization that can be adopted. It also educates citizens about the water status. It emphasizes the importance of rationalization of water consumption. Devices to rationalize consumption have been distributed to consumers for free in the first stage of the campaign. In 2009, more than 4.9 million rationalization device bags were distributed to citizens. A tremendous success has been achieved by the program which contributed to saving nearly 40 percent of daily residential water consumption. In the second stage, rationalization devices have been installed in government buildings, mosques, schools and hospitals, in which about 3.6 million devices were fitted. Findings showed that water saving in these buildings exceeded 40 percent of the annual consumption. Regarding the reading technology of house meters, by using electronic magnetic cards, a



study was conducted on this kind of electronic reading through GRRS or by SMS methods, being the latest methods worldwide in this field.

As for the third pillar, the Ministry of Water and Electricity has made a fundamental change in the water sector and set a strategic plan aiming at raising the performance level of the water and sewage sector by focusing on the following:

- Introducing reform procedures at the national level in the water and sewage sector to improve the management of demand for water within the framework of the national water policy.
- Making internal changes in the water and sewage sector such as restructuring of procedures, establishing advanced centers for client services, and developing the organizational structures.
- Spreading awareness of the importance of rationalization of consumption of water, rationalizing its uses, and attracting international and domestic investors.

During 1430/1431H (2009), the Ministry signed several contracts to develop the water and sewage sector (853 contracts at a total cost of Rls 12.7 billion), distributed among: operation and maintenance (Rls 1.6 billion), consultancy services (Rls 557.4 million), supply (Rls 306.0 million), and public works (Rls 10.3 billion) and other contracts (Rls 1.4 billion). The number of contracts for sewage networks totaled 435 at a cost of Rls 10.3 billion, and the total length of sewage pipes stood at 7.2 million meters at a cost of Rls 7.2 billion.

National Water Company (NWC)

On 13/1/1429H corresponding to 22/1/2008, the National Water Company (NWC) was established as a

Saudi joint stock company fully owned by the government (represented by the Public Investment Fund). The NWC is responsible for underground water extraction and distribution as well as recycling of sewage water.

Electricity

According to preliminary data, electricity consumption in the Kingdom is estimated to have risen by 6.8 percent over the preceding year to 193,472.1 giga-watts/h during 2009.

Data of the Saudi Electricity Company (SEC) showed increases in region-wise sales of electricity during 2009. The sales of the Southern Region branch went up by 17.8 percent, followed by the Western and Central Region branch by 6.4 percent, the Eastern Region branch by 4.9 percent. (Table 14.3 and Chart 14.1).

During 2009, The Central Region branch accounted for 30.8 percent of total sales of SEC in the Kingdom. It was followed by the Western Region branch (30.5 percent), the Eastern Region branch (30.2 percent), and the Southern Region branch (8.5 percent) (Table 14.4).

A breakdown of electricity sales by type of consumption for 2009 indicates that all types maintained their relative consumption levels of the preceding year. The residential consumption (102,832.4 gw/h) accounted for 53.2 percent of total consumption of electricity in the Kingdom, followed by industrial consumption (35,875.6 gw/h) 18.5 percent, government consumption (26,231.7 gw/h) 13.6 percent, commercial consumption (23,202.7 gw/h) 12.0 percent, and agricultural consumption (5,328.9 gw/h) 2.8 percent (Table 14.4).

Table 14.3 : GROWTH OF THE SALES OF ELECTRIC ENERGY

(Gigawatts/h)

Branch*	Total Sales of Electric Energy			Annual % Change
	2007	2008	2009	2009
Central	52096.2	55984.0	59582.5	6.4
Eastern	52750.9	55647.3	58380.9	4.9
Western	51913.8	55465.2	59012.4	6.4
Southern	12542.3	14001.1	16495.5	17.8
Total	169303.2	181097.6	193471.3	6.8

* In 2000, the electricity companies and projects of the Northern Province were merged with the branches of the Saudi Electricity Company in the Eastern, Central and Western Regions.

Source: Saudi Electricity Company



Chart 14.1: Growth of the Electric Energy Sales of the Saudi Electricity Company (2005 - 2009)

Thousand Gigawatts / h

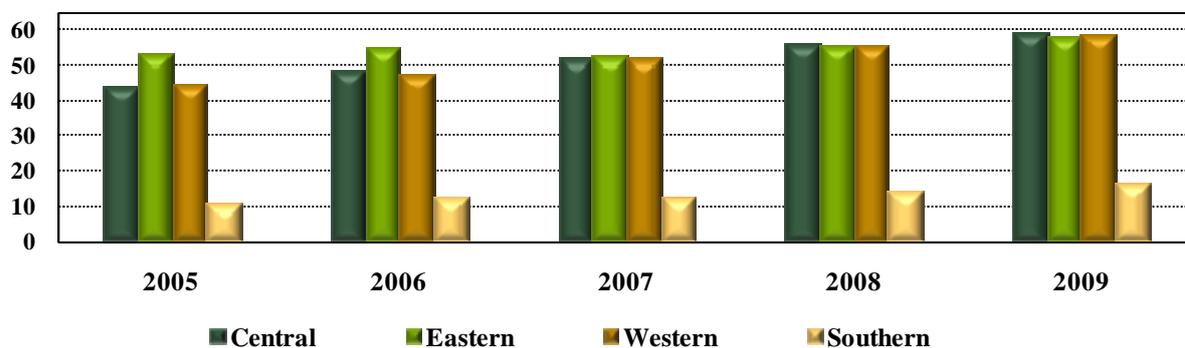


Table 14.4 : ELECTRICITY CONSUMPTION OF THE KINGDOM BY TYPE OF CONSUMPTION AND ITS RATIO TO THE TOTAL (During 2009)

(Megawatts/h)

Type of consumption	Region				Total
	Central	Eastern	Western	Southern	
Residential	32,764,090	19,401,996	38,206,816	12,459,478	102,832,380
Ratio to the total	55.0	33.2	64.7	75.5	53.2
Industrial	4,279,337	27,125,365	4,162,475	308,373	35,875,550
Ratio to the total	7.2	46.5	7.1	1.9	18.5
Governmental	10,610,756	5,314,001	8,247,731	2,059,245	26,231,733
Ratio to the total	17.8	9.1	14.0	12.5	13.6
Commercial	7,873,528	5,886,750	7,848,812	1,593,589	23,202,679
Ratio to the total	13.2	10.1	13.3	9.7	12.0
Agricultural	4,054,746	652,802	546,586	74,827	5,328,961
Ratio to the total	6.8	1.1	0.9	0.5	2.8
The total for the region	59,582,457	58,380,914	59,012,420	16,495,512	193,471,303
Ratio to the total	30.8	30.2	30.5	8.5	100.0

Source: Saudi Electricity Company

As a result of the increase in the generation and consumption of electricity during 2009, the peak load rose by 15.9 percent over the preceding year to 40,858 megawatts. The actual power generation capacity also went up by 10.6 percent to 38,681 megawatts (Table 14.5).

In terms of the peak load, the Eastern Region ranked first, accounting for 29.3 percent of the total peak load in 2009, followed by Makkah Region by 28.9 percent. The Eastern Region ranked first with regard to electricity generation capacity, accounting for 30.8 percent of the total electricity generation capacity, followed by Makkah Region 28.8 percent (Table 14.6).

The total number of subscribers at the end of 2009 rose to 5.7 million or by 5.4 percent over the preceding year. The subscribers of the residential consumption at 4.7 million accounted for 82.1 percent of total subscribers, followed by subscribers of the commercial consumption (753.3 thousand) or

13.2 percent; subscribers of the government consumption (118.4 thousand) or 2.1 percent, subscribers of the agricultural consumption (59.5 thousand) or 1.0 percent and subscribers of the industrial consumption (7.3 thousand) or 0.1 percent of the total (Table 14.7).

Electricity and Co-generation Regulatory Authority (ECRA)

Electricity and Co-generation Regulatory Authority (ECRA) was established in 2001 within the framework of the government's efforts to reform and restructure the electricity sector. It was entrusted with the responsibility of regulating co-generation (which includes the production of electricity along with desalinated water or steam). The main objectives of the establishment of ECRA are to protect the public interest as well as shareholders equities and achieve equality among all beneficiaries of the electricity sector, beginning from producers, conveyance, distribution and trading sectors to the end-consumers. The ECRA's tasks



Table 14.5 ELECTRICITY GENERATION CAPACITY AND NUMBER OF SUBSCRIBERS

Year	Power Generation		Number of Subscribers (Thousand)	Power sold (Gigawatts/h)
	Capacity (MW)	Peak Load (MW)		
2005	29,051	29,913	4,727	153,283
2006	30,668	31,240	4,956	163,151
2007	32,955	33,583	5,182	169,303
2008	34,958	35,240	5,421	181,097
2009	38,681	40,858	5,702	193,472

Source: Saudi Electricity Company

include the periodical review of electricity tariff, coming up with proposals and reporting them to the Council of Ministers, submitting financial reports and compiling financial information from service providers in the Kingdom, setting technical and administrative standards to be adhered by service providers, settlement of legal disputes between subscribers and service providers, and proposing regulations that encourage the private sector to invest in the electricity industry and secure an attractive environment for investment.

The Most Important Achievements of ECRA since its Inception until the End of 2009 are Summed Up in the Following:

1. Preparation of the New Electricity Law.
2. Finalization and issuance of Electricity Law's Implementing Regulations for ECRA's tasks.
3. Completion and issuance of the Administrative Rules of ECRA.
4. Completion and issuance of license forms for electricity generation, conveyance, distribution and trading.
5. Approval of the development plan of electricity industry restructuring, and submitting it to the Council of Ministers for approval.
6. Completion of studying of electricity tariff and submitting it to the Council of Ministers. The study aims to achieve an adequate income to the electricity industry requirements, taking into account people of low income, and reducing the number of the consumption categories and simplifying them as much as possible.
7. Granting ECRA's Board of Directors power of modifying electricity tariff of non-residential consumption to more than 26 halalas.
8. Holding several workshops and seminars to familiarize the public with ECRA's role, the

regulations issued to organize the electrical services, and highlight the authority's projects.

9. Preparing the National Electricity Registry which includes licenses, resolutions, agreements adopted by ECRA, and the capacity of generation co-generation stations.
10. Signing several contracts with consultants for studies specialized in the electricity industry. The most important contracts are:
 - A 25-year master plan for generation and transmission of electricity across the Kingdom.
 - A study of the long-term plan of desalinated water throughout the next 25 years.
11. Developing a detailed plan for energy passing arrangements and its impact on the income of SEC.
12. Studying the development of a regulatory framework for issues of the production of desalinated water and transmitting it to distribution points and trading therewith.
13. Signing consultation contracts for specialized studies on electricity industry during 2009 for the following issues:
 - Preparing and developing a draft for performance standards in the electricity industry in order to raise efficiency and quality.
 - Developing and implementing of data and information management system to provide information more easily while ensuring a high quality of pricing.
14. Forming of the Saudi Arabian Grid Code's supervisory committee and conducting its work with major members involved in the electricity industry in the Kingdom.
15. Adoption of the Saudi Arabian Distribution Code by ECRA's Board of Directors.
16. Preparing the delivery agreement on the transport network which is in its final stages.

Table 14.6: GENERATION CAPACITY AND PEAK LOAD BY ADMINISTRATIVE REGIONS

(Megawatts)

Region	2005		2006		2007		2008		2009	
	Generation Capacity	Peak Load								
Riyadh	6,021	7,621	5,960	7,855	6,820	8,822	8,339	8,536	8,884	9,460
Al-Qassim	1,083	1,343	1,073	1,445	1,074	1,572	1,074	875	1,074	1,101
Ha'il	309	437	376	469	431	525	432	383	432	516
Eastern	9,778	9,247	9,798	9,830	9,787	10,233	9,869	9,961	11,912	11,988
Northern	292	228	459	237	422	246	385	283	391	396
Al-Jawf	349	307	368	347	355	358	489	412	509	563
Makkah*	7,824	6,950	8,992	7,395	10,258	8,538	10,269	10,474	11,154	11,760
Al-Madinah	498	1,073	475	1,145	464	1,243	456	477	548	565
Tabuk	702	558	697	642	738	622	865	711	808	1,041
Jazan	859	580	958	525	1,063	549	1,182	1,298	1,374	1,511
A'sir	906	785	1,037	949	1,069	965	1,056	1,424	1,036	1,300
Najran	355	288	408	325	407	256	474	349	492	493
Al-Bahah*	75	209	67	193	67	209	67	57	67	164
Total	29,051	29,913	30,668	31,240	32,955	33,583	34,957	35,240	38,681	40,858

* Administratively, Al-Qunfudah belongs to Makkah Governorate , but with respect to electric power, it belongs to Al-Baha Electricity Department .

Source: Saudi Electricity Company





TABLE 14.7 : NUMBER OF SUBSCRIBERS BY BRANCHES OF THE SAUDI ELECTRICITY COMPANY AND TYPE OF CONSUMPTION IN 2009

Category of subscriber	Region				Total
	Central	Eastern	Western	Southern	
Residential Consumption Subscribers	1,382,030	762,937	1,898,752	635,387	4,679,106
Ratio to the total	29.5	16.3	40.6	13.6	82.1
Commercial Consumption Subscribers	303,564	173,468	235,576	40,717	753,325
Ratio to the total	40.3	23.0	31.3	5.4	13.2
Governmental Consumption Subscribers	40,495	18,025	42,424	17,410	118,354
Ratio to the total	34.2	15.2	35.8	14.7	2.1
Agricultural Consumption Subscribers	33,132	18,130	6,366	1,875	59,503
Ratio to the total	55.7	30.5	10.7	3.2	1.0
No. of Mosques consuming electricity	18,722	4,962	14,349	12,021	50,054
Ratio to the total	37.4	9.9	28.7	24.0	0.9
No. of streets consuming electricity	9,970	3,814	7,373	2,682	23,839
Ratio to the total	41.8	16.0	30.9	11.3	0.4
No. of Industrial Consumption Subscribers	2,483	2,103	2,452	251	7,289
Ratio to the total	34.1	28.9	33.6	3.4	0.1
No. of hospitals consuming electricity	2,140	1,069	3,376	681	7,266
Ratio to the total	29.5	14.7	46.5	9.4	0.1
No. of charitable organizations consuming electricity	741	298	1,313	429	2,781
Ratio to the total	26.6	10.7	47.2	15.4	0.05
Total region subscribers	1,793,277	984,806	2,211,981	711,453	5,701,517
Ratio to the total	31.5	17.3	38.8	12.5	100.0

Source: Saudi Electricity Company

17. Start of coordination with SEC for the preparation of the delivery agreement on the distribution network.
18. Starting the preparation of the water code in coordination with the SWCC.
19. Investigating the power outages in some parts of the Kingdom.

Opportunities Available for Participation and Investment by the Private Sector in Electricity and Co-generation are the following:

- Building, leasing and operating transport lines or any of these processes.
- Entering into contracts to manage some of the current power generation and water desalination facilities and firms.

- Establishing independent projects for electricity generation and water production.
- Establishing generation and co-generation companies to provide electricity supplies.
- Purchasing of some of the existing power generation and water desalination facilities.

The electricity sector, on the other hand, faces great challenges represented in high growth of demand on electricity, which ranged between 10 and 12 percent in the summer of 2009, one of the highest growth rates worldwide. Moreover, generation units and distribution and transmission networks are old, apart from insufficiency of financial resources for disbursing on required projects.



SEC has taken steps aiming at developing and pursuing private sector's investments in electric power projects. Among the most important projects in which the private sector participates in electricity generation are:

- The 11th generation station project in Riyadh for independent power generation with a capacity of 1,800 megawatts, at a cost of Rls 12 billion.
- Rabigh project for independent power generation with a capacity of 1,200 megawatts, at a cost of Rls 8.4 billion, (to operate in 2012).
- Al-Qariah project for independent power generation (under preparation) with a capacity of 2,000 megawatts, at a cost of Rls 6.9 billion, to operate in 2012.
- Al-Shuaibah project III for co-generation with a capacity of 900 megawatts and 880,000 cubic meters of water.
- Al-Shuqayq project for co-generation with a capacity of 850 megawatts and 212,000 cubic meters of water. It will be on a trial operation in the mid of 2010.
- Jubail Water and Power Company (JWAP) project, with a capacity of 2,750 megawatts and 800,000 cubic meters of water (operating).

The following are the most important projects in electricity transmission field:

- Building of three new power transmission substations and expanding an existing one in order to enhance the transmission network and provide Princess Nora Bint Abdulrahman University with power, at a cost of Rls 450 million.
- Laying underground cables for re-supplying the main power plant and connecting it to the network at the Princess Nora Bint Abdulrahman University, at a cost of Rls 170 million.
- Building the new Hutteen transmission substation in Riyadh at a cost of Rls 500 million.
- Implementing the provisions of Clause 4-1 of Article 4 of the Electricity Law's Implementing Regulation providing that ECRA should keep the National Electricity Registry, which includes:
 - The whole text of all codes approved.
 - The unified agreements approved by ECRA.
 - Capacity of generation and co-generation plants in the Kingdom as well as the installed capacity of transmission and distribution systems.
 - Updated information on expansion plans of electricity system.
- On the financial side, SEC has maintained its credit rating assessed by international specialized rating agencies. Furthermore, it continued implementing its financial plans for execution of the projects, where it issued Rls 7 billion Sharia'-compliant bonds (Sukuk), which were over-subscribed 3 times. In addition, SEC has obtained

loans from Export-Import Bank of the United States (Ex-Im Bank), Export promotion Bank of Canada, and the Public Investment Fund, apart from the government support by repaying its consumption cost step by step.

The ECRA's Future Plans are Summarized in the Following:

- Completion of the codes of the distribution and transmission Grid.
- Completion of the development of a long-term plan for the requirements of electricity power in the Kingdom for the coming twenty five years.
- Completion of a long-term plan for the Kingdom's requirements of desalinated water for the coming twenty five years.
- Completion of the preparation of energy conversion agreements.
- Completion of the preparation agreements for connection with transmission network for use in electricity power transmission.
- Setting rules governing the opening of a competitive electricity market.
- Signing consultation contracts for specialized studies on the electricity industry during 2009 to prepare a long-term plan for fuel in cooperation with the Ministry of Petroleum and Saudi Aramco.

In the context of its future plans, ECRA intends to regulate the electricity industry through several phases:

Phase I:

Under this phase, institutional development was completed through the establishment of the Saudi Company for Energy Transmission and another one for the sale and purchase of energy and improving energy conversion agreements. Power generation companies were founded, and a fund was set up for offsetting the income of electricity industry. Digital meters were also installed for major consumers.

Phase II:

Competition in the spot market for the supply of energy to major consumers through the establishment of a company for distribution, installation of digital meters, separation of distribution activities from retail services, and establishment of independent retail sales companies.

Phase III:

Establishment of a competitive electricity market for wholesale. Under this phase, all consumers will be subject to spot pricing, reducing the role of electric-power sale and purchase company and the role of the offsetting fund, and the expansion of the role of independent persons who sell in retail ■



The Saudi Government has continued to pay special attention to the agriculture and animal husbandry sector due to the vital role it plays in meeting a significant part of domestic market demand especially after the global increase in the prices of this sector's products since 2008. The kingdom has been keen on vegetables, fruits and grain production as well as on the output of livestock, poultry, fish and shrimp, in addition to increasing the output of meat, dairy, and eggs. The Kingdom has achieved self-sufficiency in the production of table eggs, fresh milk and dates in addition to satisfying a great part of its needs of fruits, vegetables and meat including fish.

The agriculture sector grew by 0.7 percent in 2009 against 2.4 percent in the preceding year. The agricultural GDP amounted to Rls 41.4 billion* in 2009 against Rls 41.1 billion in the preceding year, accounting for 5.7 percent of the non-oil GDP and 2.9 percent of overall GDP in 2009. Bank credit to the agriculture and fishing sector, reached its peak of Rls 11.0 billion in 2008, then it declined to Rls 8.7 billion in 2009, representing 1.2 percent of total bank credit to all economic sectors .

Agricultural Production

According to latest data from the Ministry of Agriculture, agricultural production in 2008 recorded a slight decrease of 1.0 percent or 99.0 thousand tons to 9,734.0 thousand tons during 2008 from 9,833.0 thousand tons in the preceding year. Cultivated area fell by 9.6 percent or 103.0 thousand hectares to 971.6 thousand hectares in 2008 from 1,075.1 thousand hectares in the preceding year. The cultivated area of grain declined to 469.3 thousand hectares in 2008 from 582.1 in the preceding year and constituted 48.3 percent of total cultivated area. The decline was in response to the government policy aimed at reducing water-intensive crops, particularly grain and fodder. Consequently, grain production decreased during 2008 by 529.0 thousand tons or 17.8 percent from 2,967.0 thousand tons in the preceding year to 2,438.0 thousand tons in 2008, accounting for 25.1 percent of total agricultural production. Grain per capita consumption rate during 2008 amounted to around 202kg from 216 in the preceding year. The production of wheat went down by 573.0 thousand tons or 22.4 percent from 2,559.0 thousand tons in the preceding year to 1,986.0 thousand tons in 2008. Its cultivated area decreased by 27.6 percent or 124.1 thousand hectares to 326.2 thousand hectares against 450.3 thousand hectares in the preceding year. However, the production of millet

increased by 19.0 thousand tons or 8.2 percent from 233.0 thousand tons in the preceding year to 252.0 in 2008. Its cultivated area increased by 7.7 percent or 7.4 thousand hectares to 103.6 thousand hectares against 96.2 thousand hectares in the preceding year. The cultivated area of fodder, however, increased by 9.5 thousand hectares or 6.3 percent from 151.3 thousand hectares in 2007 to 160.8 thousand hectares in 2008, accounting for 16.6 percent of total cultivated area. This resulted in an increase of 296.0 thousand tons or 11.0 percent in fodder production from 2,688.0 thousand tons in 2007 to 2,984.0 thousand tons in 2008, accounting for 30.7 percent of total agricultural production (fodder is water-intensive crop, but cattle breeding requires more fodder production).

Vegetable production, constituting 27.7 percent of total agricultural production, increased by 100.0 thousand tons or 3.9 percent to 2,696.0 thousand tons during the crop year 2008 compared to 2,596.0 thousand tons in the preceding year. The cultivated area of vegetables, accounting for 11.2 percent of total cultivated area, decreased by 3.2 thousand hectares or 2.8 percent to 109.0 thousand hectares in 2008 from 112.2 thousand hectares in 2007.

Cultivated area of fruit trees, constituting 23.9 percent of total cultivated area, rose by 3.1 thousand hectares or 1.4 percent to 232.5 thousand hectares during 2008 compared to 229.4 thousand hectares in the preceding year. Thus, fruit production, representing 16.6 percent of total agricultural production, increased by 34.0 thousand tons or 2.2 percent to 1,616.0 thousand tons in 2008 compared to 1,582.0 thousand tons in the preceding year (Table 15.1).

Animal Production

The 2008 data of the Ministry of Agriculture showed that meat production (red meat, poultry, and fish) went down by 61.0 thousand tons or 7.9 percent to 709.0 thousand tons during the crop year 2008 compared to 770.0 thousand tons in the preceding year. This was mainly attributable to a decrease of 62.0 thousand tons or 12.2 percent in poultry to 446.0 thousand tons against 508.0 thousand tons in the preceding year. Meat annual per capita consumption rate during 2008 amounted to around 43.0kg from 46.0kg in the preceding year. It is worth mentioning that red meat production fell by 1 thousand tons or 0.6 percent to 170.0 thousand tons during 2008 from 171.0 thousand tons in the preceding year (Table 15.2). Specialized sheep fattening projects contributed to the

* Preliminary data.



Table 15.1: CULTIVATED AREA AND PRODUCTION

	Area (hectares)			Production (Thousand tons)		
	2007	2008	percent change	2007	2008	percent change
Wheat	450,330	326,161	-27.6	2,559	1,986	-22.4
Sorghum	3,440	3,061	-11.0	6	7	16.7
Millet	96,173	103,572	7.7	233	252	8.2
Corn	23,892	28,966	21.2	135	163	20.7
Barley	4,554	3,964	-13.0	28	24	-14.3
Sesame	3,261	3,114	-4.5	5	5	0.0
Other grain	421	426	1.2	1	1	0.0
Total grain	582,071	469,264	-19.4	2,967	2,438	-17.8
Tomato	14,782	14,699	-0.6	478	522	9.2
Watermelon	19,455	17,618	-9.4	393	364	-7.4
Other Vegetables	77,926	76,706	-1.6	1,725	1,810	4.9
Total Vegetables	112,163	109,023	-2.8	2,596	2,696	3.9
Dates	155,734	157,074	0.9	983	986	0.3
Other fruits	73,689	75,439	2.4	599	630	5.2
Total fruits	229,423	232,513	1.3	1,582	1,616	2.2
Green fodder	151,301	160,808	6.3	2,688	2,984	11.0
Grand total	1,074,958	971,608	-9.6	9,833	9,734	-1.0

Source: Ministry of Agriculture.

production of red meat by 774.9 thousand heads, decreasing by 39.1 thousand heads or 4.8 percent from the preceding year. This is attributable to the fact that the number of sheep raising and fattening projects declined by one project or 0.5 percent to 19 in 2008.

Projects specialized in raising and feeding calves also contributed to the production of red meat by 140.0 thousand heads during 2008, increasing by 13.5 thousand heads or 10.7 percent over the preceding year, despite a drop in the number of calf raising and fattening projects by 2 projects or 6.1 percent to 31 during 2008 (Table 15.3). The production of farms specialized in broilers amounted to 427.0 thousand tons during 2008, decreasing by 63.0 thousand tons or 12.9 percent from the preceding year, although the

Table 15.2: OUTPUT OF ANIMAL PRODUCTS

	(Thousand tons)		
	2007	2008	Percent change
Red meat	171	170	-0.6
Poultry	508	446	-12.2
Fish	91	93	2.3
Total output	770	709	-7.9
Dairy	1436	1690	17.7
Table eggs	188	170	-9.6

Source: Ministry of Agriculture.

Table 15.3: NUMBERS AND PRODUCTION OF FARMS SPECIALIZED IN ANIMAL PRODUCTION

	Number of Projects			Production (head)		
	2007	2008	Percent	2007	2008	Percent
Sheep raising and fattening	20	19	-5.0	814,012	774,899	-4.8
Calf raising and fattening *	33	31	-6.1	126,491	139,974	10.7
Dairy production (tons)	29	27	-6.9	1,095,052	1,370,394	25.1

*Including dairy farms' calves

Source: Ministry of Agriculture.



number of production projects increased by 3 or 0.8 percent to 375 in 2008 against 372 in the preceding year. The production of layer breeders dropped by 11.0 million chicks or 2.1 percent to 504.0 million in 2008 from 515.0 million in the preceding year, though the number of specialized layer breeder projects decreased by 5 to 39 in 2008. Table egg production fell by 18.0 thousand tons or 9.6 percent to 170.0 thousand tons compared to 188.0 thousand tons in the preceding year (Table 15.4). Annual per capita consumption of eggs in the kingdom stood at about 6.0kg in 2008, the same as the preceding year.

Dairy production rose by 254.0 thousand tons or 17.7 percent to 1,690.0 thousand tons during 2008 from 1,436.0 thousand tons in the previous year. The share of

specialized production projects was 1,370.4 thousand tons against 1,095.1 thousand tons in the preceding year, denoting an increase of 275.3 thousand tons or 25.1 percent. The production of these projects constituted 81.1 percent of total milk production in 2008 (Tables 15.2 and 15.3 and Chart No. 15.1).

Total number of livestock (goats, sheep, cows, and camels) was 16.1 million heads during 2008, decreasing by 1.6 million heads or 9.0 percent from the preceding year. The number of cows, however, went up by 16.0 thousand heads or 3.9 percent from 413.0 thousand heads in the preceding year to 429.0 thousand heads during 2008, constituting 2.7 percent of total livestock against 2.3 percent in the preceding year. The number of camels, however, went down by

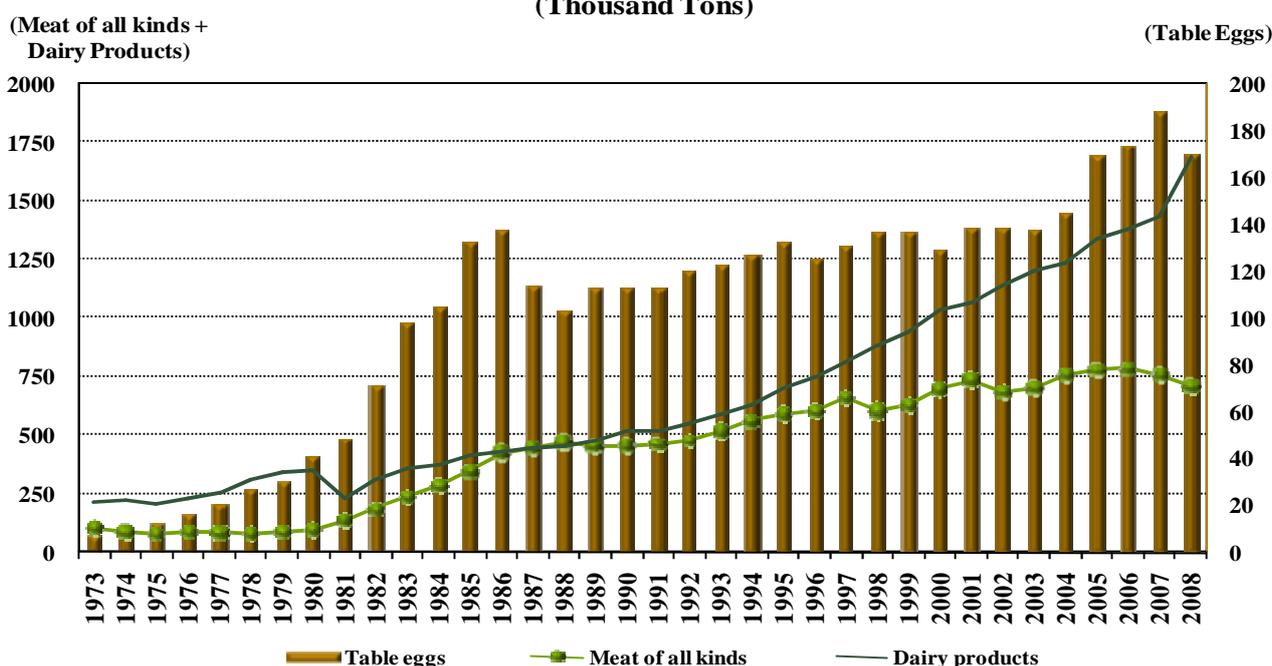
Table 15.4: NUMBERS AND PRODUCTION OF SPECIALIZED POULTRY FARMS

	Number of Projects			Production (Thousand Tons)		
	2007	2008	Percent Change	2007	2008	Percent Change
Broilers	372	375	0.8	490	427	-12.9
Table eggs	94	97	3.2	188	170	-9.6
Layer breeders*	44	39	-11.4	515	504	-2.1
Layers*	3	3	0.0	19	18	-5.3

* Production (million chicks)

Source: Ministry of Agriculture.

Chart 15.1: Animal Production Indicators in the Kingdom (Thousand Tons)





44.0 thousand heads or 5.1 percent to 825.0 thousand heads, against 869.0 thousand heads in the preceding year, accounting for 5.1 percent of the total livestock compared to about 4.9 percent in the preceding year. The number of goats also decreased by 0.5 million heads or 9.5 percent to 4.4 million heads during 2008 compared to 4.9 million heads in the preceding year, accounting for 27.3 percent of total livestock against 27.4 percent in the preceding year. Total number of sheep declined by 1.1 million heads or 9.8 percent to 10.4 million heads in 2008, accounting for 64.6 percent of total livestock compared to 11.5 million heads in the previous year (Table 15.5).

Table 15.5: LIVESTOCK AND POULTRY PRODUCTION

	(Thousand heads)		
	2007	2008	Percent change
Goats	4,853	4,393	-9.5
Sheep	11,548	10,420	-9.8
Cows	413	429	3.8
Camels	869	825	-5.1
Total Livestock	17,683	16,067	-9.1
Poultry *	506.3	443.8	-12.3
*(Million birds)			

Source: Ministry of Agriculture.

Total fish and shrimp production rose by 2.9 percent from 91.0 thousand tons in 2007 to 93.5 thousand tons in 2008. Of this total, production of fish farms rose by 0.9 tons or 5.1 percent, accounting for 20.8 percent. Fish catch from international waters rose by 90.0 tons or 900.0 percent over the preceding year.

This accounted for 0.1 percent of total production. Fish catch from the Arabian Gulf increased slightly by 0.2 thousand tons in 2008 amounting to 50.3 thousand tons. This accounted for 53.8 percent of the total fish production. Fish catch from the Red Sea also increased by 1.4 thousand tons or 6.1 percent to 23.7 thousand tons, constituting 25.4 percent of total fish production.

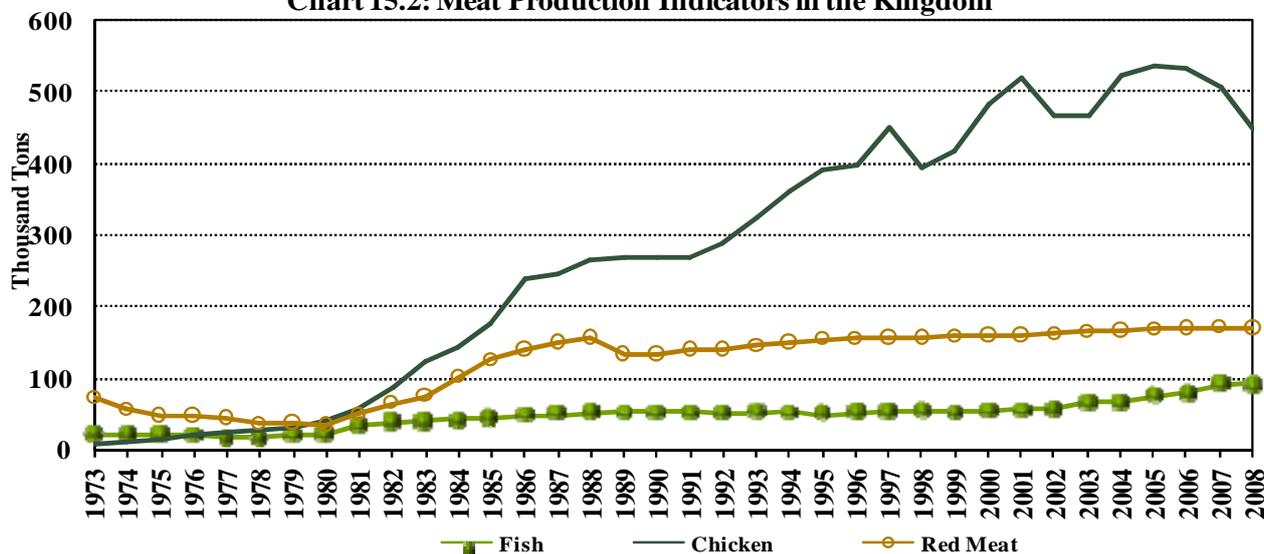
Fishing boats amounted to 11.9 thousand during 2008, almost the same as the preceding year. The number of fishermen reached 28.1 thousand in 2008 against 28.0 thousand in the preceding year, increasing by 0.1 percent (Table 15.6 and Chart No. 15.2).

Table 15.6: FISH PRODUCTION IN THE KINGDOM

	(In tons)		
	2007	2008	Percent change
Fish catch from the Red Sea	22,338	23,700	6.1
Fish catch from the Arabian Gulf	50,090	50,295	0.4
Fish catch from international waters	10	100	900.0
Production of fish farms	18,465	19,400	5.1
Total	90,903	93,495	2.9
Number of fishermen	28,075	28,110	0.1
Number of fishing boats	11,856	11,900	0.4

Source: Ministry of Agriculture.

Chart 15.2: Meat Production Indicators in the Kingdom





Grain Silos and Flour Mills

In pursuance of the State's policy in the agricultural area aimed at encouraging growing crops of lower water consumption, total amount of wheat received by the Grain Silos and Flour Mills Organization (GSFMO) decreased from 1,722.5 thousand tons in the season of 2008 to 946.4 thousand tons in the season of 2009, denoting a decline of 45.1 percent. The number of farmers also dropped from 9,231 in the 2008 season to 5,360 thousand in the 2009 season, falling by 3,871 or 41.9 percent .

The storage capacity of the GSFMO grain silos remained at the same level of 2008 at 2,520 thousand metric tons of wheat in 2009. The production capacity of the GSFMO flour mills rose by 25.0 percent over its level in the preceding year to 10,980 tons of wheat daily. In 2009, the production capacity of the GSFMO fodder factories maintained the same level of 2,100 tons per day as in the preceding three years.

GSFMO sought to execute the following projects in 2009:

1. Completion of extending the water line to GSFMO branch in Al-Madinah.
2. Completion of expanding the main high voltage power plant of GSFMO Jeddah branch.
3. Completing about 20 percent of the project of upgrading production capacity of GSFMO Dammam branch mills.
4. Completing about 24.4 percent of addressing moistening silos of Riyadh and Eastern Region branches.
5. Installing machines for packing small packages, one in Ha'il and another in Al-Jawf.

In 2010, GSFMO initiated a number of projects as follows:

1. Installing lines for bulk products and small packages packing in the branches of GSFMO, addressing moistening silos, connecting electricity and expanding power plants, building concrete fences, delivering water and fire fighting networks, building and expanding warehouses, road projects and pavements inside the branches, and building management and sales offices and furnishing them.
2. Building silos with a capacity of 500 metric tons, and mills with a daily capacity of 1200 tons of wheat in Makkah region branch.
3. Building a warehouse for soybeans, upgrading the capacity of mills, expanding silos with a capacity of 200 metric tons to import wheat in Dammam branch.
4. Designing and building silos with a capacity of

120 thousand tons, as well as designing and building mills as a first phase with facilities with a daily capacity of 600 tons in Jazan.

5. Building fodder factory with a daily production capacity of 800 tons in 'Asir branch.

GSFMO will implement the following future projects:

1. Modernizing and raising the capacity of mills in GSFMO branch in Jeddah, in addition to expanding its silos for importing wheat to be with the capacity of 200 thousand metric tons, and upgrading the daily capacity of its third and fourth mills from 270 to 450 tons each.
2. Building the first phase mill in GSFMO branch in Al-Kharj, including facilities with a daily capacity of 600 tons of wheat.
3. Modernizing and upgrading the mill capacity phases one and two of GSFMO branch in Riyadh for , and raising the daily capacity of the third mill in the same branch from 450 tons to 600 tons.
4. Building silos with a capacity of 60 metric tons in GSFMO branch in Al-Ahsa', and building a mill with a daily capacity of 600 tons of wheat, including facilities in the same branch.
5. Modernizing the first mill in Al-Qassim branch, and modernizing the silos of the same branch as a first phase.
6. Building a mill in GSFMO branch in Jazan, first phase with a capacity of 600 tons of wheat, including facilities.
7. Modernizing Tabuk branch's mill, the silos of Al-Jawf branch, and the silos of Ha'il branch as a first phase.
8. Expanding the silos in Asir branch by 60 thousand tons.

Agricultural Loans and Subsidies

Total amount of loans approved by the Agricultural Development Fund (ADF) since commencing its activity in 1384/1385H (1964) up to the end of 1430/1431H (2009) reached Rls 41.7 billion. The amount was approved for financing 433.5 thousand loans. These loans contributed to boosting and modernizing the agriculture sector and establishing specialized agricultural projects.

During fiscal year 1430/1431H (2009), total value of loans approved by the ADF rose to Rls 856.1 million from Rls 791.9 million in the preceding year, increasing by Rls 64.2 million or 8.1 percent. The approved amount was used for financing 2,360 loans, both short and medium-term, against 2,701 loans in the preceding year, declining by 341 loans or 12.6 percent (Table 15.7). Medium-term loans rose in 2009 to Rls 844.3 million from Rls 760.7 million in the preceding



year, indicating an increase of Rls 83.6 million or 11.0 percent. The amount was approved for financing 2,236 loans, declining by 161 loans or 6.7 percent from the preceding year. Medium-term loans represented 98.6 percent of total amount of loans and 94.8 percent of total number of loans approved during 2009. The amount of short-term loans approved in 2009 stood at Rls 11.8 million, decreasing by Rls 19.4 million or 62.2 percent from the preceding year. The amount was approved for financing 124 loans, declining by 180 loans or 59.2 percent. Short-term loans represented 1.4 percent of total value of loans and 5.3 percent of total number of loans approved.

The number of beneficiaries of the Fund's loans during 2009 stood at 2,360 including 2,102 individual farmers who received loans of Rls 414.5 million or 48.4 percent of total loans in 2009. The number of agricultural projects benefiting from these loans stood at 65 (2.8 percent of total beneficiaries), and they received Rls 399.9 million or 46.7 percent of total loans. The number of

fishermen who benefited from the loans amounted to 112 (4.8 percent of total beneficiaries); they received Rls 31.8 million or 3.7 percent of total loans. Bee-keepers benefiting from the loans stood at 81 (3.4 percent of total beneficiaries), and they received Rls 9.9 million or 1.2 percent of total loans granted to farmers in 2009. Of the total amount of loans approved by the Agricultural Development Fund (ADF) during 2009 (Rls 856.1 million) the share per beneficiary averaged Rls 362.8 thousand (Table 15.8).

Since its inception, the ADF has been extending agricultural subsidies to farmers which have supported the agriculture sector. However, the ADF restructured agricultural subsidies as of fiscal year 1427/1428H (2007) pursuant to the Council of Ministers' Resolution No. 217 dated 28/7/1425 (13/9/2004) providing that eligibility for subsidy disbursement will be dependent on repayment of loan installments on their due maturity date. So, subsidies will be divided into ten installment loans, and no further direct subsidies will be disbursed for

**Table 15.7: LOANS APPROVED AND SUBSIDIES DISBURSED
BY THE AGRICULTURAL DEVELOPMENT FUND (ADF)**

(Million Riyals)

Year	Loan		Subsidies
	Number of loans	Value	Value
1426/1427 (2006)	4,303	968.2	258.6
1427/1428 (2007)	3,770	1,044.3	32.9
1428/1429 (2008)	2,701	791.9	32.8
1430/1431 (2009)	2,360	856.1	41.8
Cumulative total*	433,410	41,626.4	13,100.5

* Cumulative total since the beginning of the activity in 1964.

Source: Agricultural Development Fund (ADF) (Former " Saudi Arabian Agricultural Bank").

**Table 15.8: LOANS APPROVED BY THE AGRICULTURAL DEVELOPMENT FUND (ADF)
FOR BENEFICIARIES DURING 2009**

Borrower type	No. of Beneficiaries	Value (Million Riyals)	Ratio to total	Average amount Per beneficiary (thousand Riyals)
Individual farmers	2,102	414.5	48.4	197.2
Agricultural projects	65	399.9	46.7	6152.3
Fishermen	112	31.8	3.7	283.9
Bee breeders	81	9.9	1.2	122.2
Total	2,360	856.1	100.0	362.8*

* Average total.

Source: Agricultural Development Fund (ADF) (Former " Saudi Arabian Agricultural Bank").



agricultural activities such as: farm machinery, pumps, engines and poultry equipment plus other agricultural activities. Total repayments of subsidies, based on the new restructuring, amounted to Rls 41.8 million in 2009 compared to Rls 32.8 million in the preceding year, increasing by Rls 9.0 million or 27.4 percent. Thus, total value of subsidies disbursed by the ADF for various agricultural activities in the Kingdom since 1974 up to the end of 2009 reached Rls 13.1 billion (Table 15.7).

Palm Trees Cultivation

The Kingdom's government has continued paying significant attention to palm tree cultivation and harvest of dates, being one of the important agricultural products in the Kingdom. Saudi Arabia is one of the key countries of the world in terms of cultivation, production, consumption, and exportation of dates. Cultivated palm trees in the Kingdom occupy a large area of land. Therefore, the Ministry of Agriculture prepares and conducts guidance and preventive programs to control diseases and epidemics in collaboration with General Departments of Agriculture Affairs, and with agricultural cooperative societies spread in most agricultural areas in the Kingdom.

Date crop is considered one of the important crops in the Kingdom, not only for being an

agricultural crop, but it is also a preferred food item to the people of the Kingdom. Date is a component of many food items like dates paste, treacle, vinegar, and fodder. The date industry provides many domestic job opportunities in the areas of production, marketing, manufacturing and export.

At the end of 2008, the number of palm trees in the Kingdom amounted to 23.5 million, compared to 23.2 million in the preceding year, increasing by 1.3 percent and involving an area of 157 thousand hectares. The number of fruit bearing palm trees amounted to 18.6 million, the same as in the preceding year, representing 79.2 percent of the total. The date output of palm trees during 2008 was 986.0 thousand tons. Consequently, the Kingdom ranked third in terms of production at the global level for the second consecutive year. Annual per capita consumption rate of date in the kingdom amounted to 35.0kg in 2008 compared to 36.0kg in the preceding year. Date exports stood at 65.9 thousand tons, or 6.7 percent of total production, compared to 48.8 thousand tons in the preceding year, increasing by 35.0 percent.

It is worth mentioning that the most important kinds of dates in the Kingdom are Kholas, Barhi, Sukkari, Minifi, Soufri, Khodri, Soqai, Shishi and Rozeiz■



According to preliminary data, the contribution of transport, communications and storage activity to real GDP rose to Rls 59,682 million during 2009 from Rls 55,822 million in the preceding year, increasing by Rls 3,860 million or 6.9 percent compared to an increase of Rls 6,056 million or 12.2 percent in the preceding year. This contribution to real GDP was estimated at 7.1 percent against 6.7 percent in the preceding year.

The transport, communications and storage activity's share in nominal GDP rose by Rls 4,106 million or 7.8 percent to Rls 56,858 million compared to an increase of Rls 6,818 million or 14.8 percent to Rls 52,752 million in the preceding year. This contribution to nominal GDP in 2009 stood at 4.0 percent in comparison with 3.0 percent in the preceding year.

The State budget for fiscal year 1431/1432H (2010) allocated Rls 16.4 billion for the transport and communication sector, rising by Rls 1.8 billion or 12.3 percent over Rls 14.6 billion in the previous fiscal year. The allocations accounted for 3.0 percent of the total expenditure estimated at Rls 540 billion, compared to 3.1 percent in the State budget for 1430/1431 H (2009).

Transport

The transport activity (including inter-city travel and travel overseas by air, land and sea) declined by 1.1 percent during fiscal year 1430/31 (2009) against a growth of 4.5 percent in the preceding year. The number of passengers totaled 51.6 million against 52.2 million in the preceding year, decreasing by 0.6 million. The decrease was due to a decline of 1.1 percent in air transport. The growth rate of sea transport declined by 11.3 percent while the growth of land transport remained unchanged. Total cargo shipped to and from the Kingdom during 2009 totaled 146.3 million tons (excluding crude oil) against 158.9 million tons during the preceding year, declining by 12.6 million tons or 7.9 percent from the preceding year (Table 16.1).

Air Transport

Companies approved by the General Authority of Civil Aviation (GACA) to operate as domestic or international carriers

The number of companies operating in transporting passengers by air stood at 3 besides the Saudi Arabian Airlines Corporation (Saudia). These included: Sama Airlines Limited (with a capital of Rls 300 million), currently serving sixteen destinations in the Kingdom and in neighboring countries as

secondary flights; the National Air Services Co. (NAS), the parent company of Nasair, (with a capital of Rls 1 billion) serving 20 domestic and international destinations as secondary flights and Alwafeer Air Co., a Saudi company with a capital of Rls 163 million dedicated to provide 2-way transportation to pilgrims, Ummrah performers and visitors from all Islamic regions. Alwafeer Air Co. started its actual commercial international operation during Hajj season for 1430H. Currently, it does not serve any specific overseas destinations and operates on an irregular basis.

Expansion of King Abdul Aziz Airport:

A tender to local and international companies specialized in airport construction works was floated on 6/1/2010 for the expansion project of King Abdul Aziz Airport into two independent parts. The deadline for submission of offers was set as 29/3/2010. The project will take three years to be completed and will be fully financed by the State budget.

Expansion of Other Airports

Implementation of expansion projects is underway at a number of airports. Two important ones include Tabuk and Najran:

Tabuk airport: The project includes construction of an airport terminal to accommodate 1.3 million travelers a year along with supporting service utilities for the airport with an estimated cost of Rls 227.0 million. The project will take two years to be implemented.

Najran: The project envisages construction of a terminal to accommodate 1.3 million travelers a year along with supporting service utilities. The estimated cost of the project is Rls 314 million and it will take three years to be implemented.

The air transport sector witnessed a fall in the number of air transport users. According to the data of General Authority of Civil Aviation, the number of passengers who traveled by air during 2009 totaled 41.7 million, decreasing by 0.4 million or 1.1 percent from 42.2 million in 2008. The cargo carried by the civil aviation during 2009 amounted to 530.6 thousand tons, recording a decline of 34.2 thousand tons or 6.1 percent from the preceding year. Civil aviation passengers accounted for 80.8 percent of the total 0.6 million passengers during 2009, the same percentage as in the preceding year (Table 16.1).

Maritime Transport

As for the project for constructing a new seaport in R'as Al-Zour in the eastern region with a total cost of



Table 16.1 : TRANSPORT OPERATIONS OF PASSENGERS AND CARGO BY TYPE

Type of Transport	2008		2009	
	Number of Passengers (In million)	Weight of Cargo (Thousand tons)	Number of Passengers (In million)	Weight of Cargo (Thousand tons)
Air Transport	42.15	564.77	41.70	530.60
Land Transport	8.72	3483.40	8.72	3471.30
Railway	1.11	3483.40	1.10	3471.30
Public Transport	7.610	---	7.644	---
Inter-city Transport	6.97	---	6.98	---
International Transport	0.640	---	0.644	---
Maritime Transport	1.31	154862.30	1.17	142306.80
Total	52.18	158910.47	51.59	146308.70

--- Not available.

Sources: Ministry of Transport, General Authority of Civil Aviation, General Railway Organization, and General Port Authority.

Ris 2.2 billion, more than 50 percent of the construction works was completed. Experimental operation of the port is expected to begin in August 2010. In December 2010, the port will receive the first ship for exporting products of Saudi Arabian Mining Company (MA'ADEN). The construction of a container station is about to be completed in the re-exporting area at Jeddah Islamic Port (Red Sea Gate Station) with a cost of Rls 6.1 billion. The experimental operation of the station started in 2009. Three piers are expected to be constructed before the end of the current year in the northern container station at Jeddah Islamic Port with investments of more than Rls 0.5 billion will be pumped.

As for the General Port Authority's operational activity, the number of passengers departing from and arriving at some of the Kingdom's seaports during 1430/31H (2009) stood at 1.2 million compared to 1.5 million during the preceding year, declining by 11.1 percent. The Port of Dhiba' occupied the first position in terms of handling passengers departing and arriving through it, totaling 759.1 thousand and accounting for 65.0 percent of the total passengers. Jeddah Islamic Port came second with 340.4 thousand passengers, constituting 29.1 percent of the total number of arriving and departing passengers. The last position was occupied by Yanbu' commercial port, with 69.1 thousand passengers and 5.9 percent of the total passenger population (Table 16.2).

The number of containers handled at all Kingdom's seaports during 1430/31H (2009) was 4.2 million, declining by 0.2 million or 4.3 percent from 4.4 million in the preceding year. The number of containers handled at Jeddah Islamic Port during 1430/31H (2009) totaled 3.1 million against 3.3 million in the preceding year, decreasing by 0.2 million or 6.1 percent, accounting for 70.4 percent of the total containers handled at all of the Kingdom's seaports during the year. The number of containers handled at King Abdulaziz Port in Al-Dammam totaled 1.2 million, accounting for 27.7 percent of the total containers handled at all of the Kingdom's seaports during the year.

The number of ships received at Saudi major seaports during the year stood at 11,055 against 11,518 in the preceding year, declining by 4.0 percent or 463 ships from the preceding year. Jeddah Islamic Port ranked first, receiving 4,281 ships or 37.2 percent of the total ships received at the Kingdom's seaports. King Abdulaziz Port in Al-Dammam came second, receiving 2,289 ships or 19.9 percent of the total ships. King Fahd Industrial Seaport at Al-Jubayl was third, receiving 1,683 ships or 14.6 percent of the total. The volume of non-oil exports and imports handled at the Kingdom's main seaports during fiscal year 1430/31H (2009) amounted to 142.3 million metric tons (mt) against 154.9 million mt in the preceding year, decreasing by 12.6 million mt or 8.1 percent. Imports registered a



decline of 10.0 million mt or 14.6 percent, to 58.2 million mt against 68.2 million mt in the preceding year. Exports also decreased by 2.6 million mt, or 3.0 percent, to 84.0 million mt during 2009 against 86.6 million mt in the preceding year.

King Fahd Industrial Port in Al-Jubayl occupied the first position in terms of exports and imports handled which amounted to 43.1 million mt, representing 30.3 percent of the total exports and imports handled at the Kingdom's seaports. Jeddah Islamic Port came second, with 40.9 million mt, accounting for 28.8 percent of the total, followed by King Fahd Industrial Port in Yanbu' with 33.0 million mt, accounting for 23.2 percent of the total. King Abdulaziz Port at Al-Dammam ranked fourth with 19.3 million mt, accounting for 13.5 percent of the total (Table 16.2).

Land Transport

a. Railways

Update on north-south Railway Project

The north-south railway project aims at utilizing mining resources in Hazm Al-Jalamid (Phosphate Mine) and Al-Zobeirah (Bauxite Mine). The 2,400 km long railway project will also provide services of transporting passengers and goods from Riyadh to Al-Hadithah passing through Al-Jawf, Ha'il, Al-Qassim and Al-Jubayl. The Ministry of Finance, represented by the Public Investment Fund (PIF), is financing and supervising this project. PIF has made contracts with a number of companies

specialized in designing and supervision of project implementation. In addition, PIF has signed two contracts for implementing ground works and paving the railway track measuring 280 km in Alnofod area. The Fund has also signed three contracts for implementing civil works and railways for the three parts of the 1,766 km long railway project. These contracts constitute railways for transporting metals from Hazm Al-Jalamid and Al-Zobeirah to R'as Al-Zour as well as the northern parts of the railways for transporting goods and passengers and the southern part of the railway for transporting goods and passengers from Al-Zobeirah to King Khalid Airport in Riyadh.

Update on Two Holy Mosques (Makkah-Al-Madinah) Railway Project

The Electric Haramain High-Speed Rail (HHR) is an essential part of the railway network expansion program in the Kingdom. It will provide safe and fast passenger transport. The project will connect Makkah, Jeddah, Rabigh and Al-Madinah together by a railway network with a total length of 450 km. The railway is designed for running power-operated trains at a speed of 320 Kilometers per hour. The project will be financed by the government, and it will be implemented in two phases. The first phase includes designs and infrastructure works, which consist of two parts: the first part includes the civil works of the railway whose implementation started on 1/4/2009 and is expected to be completed on 1/4/2012, with 57 percent of detailed

**Table 16.2: NUMBER OF PASSENGERS AND CARGO HANDLING OPERATIONS
AT KEY SEAPORTS OF THE KINGDOM DURING 1430/31H (2009)***

(In Thousand metric tons)

Cargo	Jeddah	King Abdul	Al-Jubayl	King Fahd	Yanbu'	King Fahd	Jazan	Dhiba'	Total
	Islamic Port	Aziz Port at Al-Dammam	Commercial Port	Industrial Port at Al-Jubayl	Commercial Port	Industrial Port at Yanbu'			
Imports	28,358	14,553	1,653	6,741	1,465	4,229	827	423	58,248
Exports	12,577	4,717	1,523	36,348	35	28,759	12	87	84,059
Total	40,935	19,270	3,175	43,090	1,499	32,988	839	510	142,307
Number of passengers	340,441	0	0	0	69,136	0	0	759,096	1,168,673
Number of ships	4,281	2,289	428	1,683	162	1,270	131	811	11,055
Number of Piers	58	39	16	23	9	23	12	3	183

* The figures exclude crude oil.

Source: General Port Authority.



designs and 8 percent of construction designs being completed. The second part is the railway stations which will begin on 25/4/2010. The second phase of the project includes execution of the railway works, supply and operation of transportation fleet, completion of the railway network, completion of railway's electrical system, and communication and signs system, supply of trains, operation and maintenance and maintenance workshops. Experimental operation is expected to begin in December 2012.

Update on the land bridge project

The land bridge project will link Riyadh with Jeddah passing through some of the Kingdom's cities alongside of the 950-km long railway network. The project will link Al-Dammam-to Al-Jubayl by a 120-km long road. The project was referred to the Public Investment Fund to prepare an economic feasibility study and decide on appropriate modes for its financing.

As for the operational activity of the General Railway Organization (GRO), the number of passengers who traveled by the railway linking Riyadh to the Eastern Region stood at 1.10 million during 1430/31H (2009) compared with 1.11 million in the preceding year, denoting a small decline of 2,671 passengers or 0.2 percent from the preceding year. Goods shipped by railways during the year increased to 3.5 million tons against 3.4 million tons, rising by 15.9 thousand tons or 0.5 percent over the previous year (Table 16.1).

b. Public Transport

The number of passengers who used public transport for inter-city travel during 1430/31H (2009) amounted to 7.0 million against 7.6 million in the preceding year, decreasing by 0.6 million or 7.9 percent. The number of passengers using public transport for traveling to and from neighboring countries stood at 644.4 thousand against 640.0 thousand, rising by 4.4 thousand or 0.6 percent over the preceding year (Table 16.1).

Roads

Total length of roads executed by the Ministry of Transport up to the end of 1430//31H (2009) amounted to 55.0 thousand km, of which 15.0 thousand km were main roads linking major regions in the Kingdom with international borders and serving major urban areas of domestic and international significance, 9.5 thousand km secondary roads linking major cities within regions and 30.5 thousand km feeder roads branching out of secondary roads and serving towns, villages and

agricultural areas. Total roads constructed and opened for traffic during fiscal year 1430/31H (2009) stood at 5,000 km, of which 3,508 km were new roads, increasing by 1,863 km or 113.2 percent over the previous year (Table 16.3).

Table 16.3: TOTAL LENGTH OF ROAD NETWORK OF THE KINGDOM 1430/31 (2009)

(kilometres)

	Cumulative length of roads		
	1428/29 (2008)	1430/31 (2009)	At the end of 1430/31 (2009)
Main roads	503	--	14,956
Secondary roads	174	--	9,472
Feeder roads	968	--	30,547
Total asphalted roads	1,645	3,508	54,975
--: Not available Source: Ministry of Transport.			

In fiscal year 1430/31H (2009), many road projects were awarded with a total length of 5,986 km and a total cost of Rls 12.4 billion. The total number of road projects whose contracts were signed in the past years and their implementation is underway in all regions of the Kingdom up to the end of fiscal year 1430/31H (2009) stood at 505 with a total length of 27.8 thousand km and a total cost of Rls 37.5 billion. Work was underway on implementing 73 projects in Riyadh region with a total length of 5,513 km and a cost of Rls 6.3 billion, 43 projects in the Eastern region with a total length of 2,845 km and a cost of Rls 4.9 billion, 61 projects in Makkah region with a total length of 2,175 km and a cost of Rls 4.7 billion, 49 projects in Asir region with a total length of 2,369 km and a cost of Rls 3.7 billion, 45 projects in Jazan region with a total length of 2,197 km and a cost of Rls 2.8 billion and 42 projects in Al-Madinah region with a total length 1,930 km and a cost of Rls 2.8 billion. Work was also underway on implementing 31 projects in Ha'il region with a total length of 1,699 km and a cost of Rls 2.3 billion, 28 projects in Tabuk region with a total length of 1,958 km and a cost of Rls 1.9 billion, 29 projects in Al-Baha region with a total length of 1,092 km and a cost of Rls 1.9 billion, 31 projects in Al-Qassim region with a total length of 1,442 km and a cost of Rls 1.8 billion, 28 projects in Al-Jawf region with a total length of 2,289 km and a cost of Rls 1.9 billion, 26 projects in Najran region with a total length of 1,049 km and a cost of Rls 1.4 billion, and 19 projects in the Northern Borders region with a total length of 1,226 km and a cost of Rls 0.9 billion.



Post

The Saudi Post Corporation (SPC) is exerting special efforts to spread all types of postal services throughout the Kingdom through an integrated system that includes a network of post offices (government and private), as follows:

- Main and subsidiary post offices located in cities, towns and large villages. The number of post offices reached 470, and subsidiary post offices were 146.
- Express post centers located in areas selected on the basis of the volume of demand for the service. The number of such centers totaled 185.
- Private postal agency offices which are set up and funded by the private sector and provide all postal services. The number of such agencies stood at 67, of which 35 were in Riyadh region, 16 in the Eastern region, 10 in Makkah region, 3 in Asir region, 2 in Al-Qassim region 1 in Al-Madinah region.
- Post box services are also provided for subscribers in cities and towns.
- Mobile post offices are available for villages and hamlets, covering about 4,632 towns, villages and hamlets.

The Saudi Post Corporation (SPC) makes every effort to acquaint the public with postal services by activating marketing and operational strategies.

Postal items handled in those locations during 1430/31H (2009) totaled 690 million, of which 99.6 percent were postal letters, 0.3 percent express mail letters and the rest post parcels.

Development of Communications and Information Technology in the Kingdom

E-Government Transactions Program "Yusur"

Within the framework of the transition to e-government services, the Ministry of Communications and Information Technology has been entrusted with developing a plan to handle government services and transactions electronically. The Ministry established an e-government services program "Yusur", in participation with the Ministry of Finance and the Communications and Information Technology Commission. The program was launched in fiscal year 1425/1426H(2005). The program performs the role of an enabler and motivator for the implementation of e-government services and aims at reducing centralization in the application of e-government services as much as possible, while setting a minimum level of coordination between government agencies with regard to their work and services to the citizens. This would increase efficiency, effectiveness and productivity of the public sector, improve the provision

of government services and provide an environment for attracting investment in the Kingdom.

The following are the most prominent achievements made during fiscal year 1430/1431H (2009):

- Supporting e-services projects. The program had several means to support government agencies to handle their services electronically. The program, in cooperation with the Ministry of Finance, considered requests from other government agencies for financing e-government transaction projects, and appropriations were made by the Ministry of Finance in the national budget for e-government transactions to support projects of the first five-year plan of the program. The program benefited during fiscal year 1430/1431H (2009) 13 government agencies for which funds were allocated after their requests had been considered and approved. These government agencies were provided more than 179 e-services. Since its establishment, the program has communicated with 69 government agencies providing 180 e-services. The number of government agencies that launched their services electronically totaled 36.
- Starting the operation of the Government Service Bus (GSB), which encompasses a central platform of an integrated infrastructure of hardware and software placed in the e-government transaction center. The GSB is intended to facilitate the exchange of government shared data between the entities authorized to use these data in order to handle their services electronically in an accurate, rapid and secure manner. The GSB is linked to SADAD payment system. In addition, it provides the service of notification that enables government agencies to send notifications to recipients via E-mail or SMS. Work is underway on linking a number of government agencies to the GSB. This year, the program could gather from eight government agencies basic data beneficial to other government agencies with the objective of providing shared basic data for e-government services.
- Continuing the development of the national e-government transactions gate, which currently has more than 300 e-services provided by 75 government agencies. The national e-government transactions gate is currently linked with the GSB for user identity verification.
- Completing the development of designs and specifications of a back-up system for the data center. This was due to the importance of having a back-up system for the network infrastructure along with an emergency plan in case of a failure or disruption in the main data center to reduce damage



resulting from unavailability of the main network and to ensure the continued work of e-transactions network, particularly the basic services provided by the program.

- Expanding the e-government transaction network. The management, operation and maintenance of the Government Secure Network GSN (second stage) was floated in a public tender last year and it was awarded to a national company. The project includes the execution of GSN infrastructure, necessary components, information security center and monitoring center as well as management and operation of GSN according to international standards.
- Within the framework of the initiative of building capacities and developing skills for carrying out electronic government transactions, an exploratory project was executed to train 3000 government employees on basic computer skills within the framework of the first stage of training government employees.
- The e-Government Achievement Award was launched. It aims at encouraging government agencies to provide better services to individuals and encouraging government agencies to work together to provide integrated and highly efficient e-services for retail and corporate sectors. The Award has 6 categories.
- Studying framework agreements as one project of the national plan for communications and information technology. The project aims at entering into frame agreements for systems of communications and information technology which would benefit government agencies. The first stage of the project was completed and its most important outputs are: studying the possibility of using framework agreements for purchasing services and products of information technology in the Kingdom, a framework agreements guide, a form for entering into a framework agreement and the issuance of unified standards and instructions proposed for the implementation of framework agreements for systems of communications and information technology.
- Approving the document of unified standards and instructions for the public-private partnerships (PPP) for the implementation of e-government projects after considering views of concerned and interested bodies and discussing them with the Ministry of Finance for approval.
- Preparation was made for the third measurement of the government entities' switch to e-transactions. A work plan was completed and a methodology for this measurement was developed based on several pivots to which many indicators relate. The Center of communications and information technology at the

research institute at King Fahd University of Petroleum and Minerals was chosen as a main partner in the process of implementing the third measurement.

The National Center for Digital Certification

The establishment of the National Center for Digital Certification (NCDC) is one of the projects of the National Plan for Communications and Information Technology. The project aims at establishing, equipping and operating NCDC to provide an integrated system for managing the Public Key Infrastructure (PKI) in the Kingdom. The system will provide secure exchange of information and increase the credibility of e-transactions such as services of e-government and e-trade. This will be through issuing digital certificates and enabling users to execute electronic signatures on documents, contracts and e-mail correspondence and to verify their identities electronically in a technical, undoubted and legal manner in line with the rules and regulations applicable in the Kingdom. NCDC focuses on plans, policies, programs, projects and initiatives that help develop the integrated system of PKI in the Kingdom, enhance its development and spread its uses to execute various e-transactions in a fully confidential, reliable and sound manner.

The following are the most prominent achievements made during fiscal year 1430/1431H (2009):

- Inauguration of the National Center for Digital Certification and the Digital Root Center during the ceremony for issuing their digital certificates to start providing services. The ceremony was attended and supervised by an auditor from Davinchi Devoteam, in the presence of a number of high ranking officials of the Ministry of Communications and Information Technology and other appropriate government entities.
- Issuing the final versions of work policies and controls of the national and root centers for digital certification and posting them on the Center website in preparation for their official application.
- Issuing the final versions of operation procedures and starting their official application.
- Reviewing and auditing all policies, procedures and operations of the Center as well as its resources and security equipment.
- Linking the Center to the Internet and providing the services of verification and notification via special servers.
- Experimentally issuing digital certificates on token devices. fifty digital certificates were issued during the



year for the staff of the Center and staff of the information technology department and others at the Ministry of Communications and Information Technology. They were familiarized with the service to enable them to use the certificates provided to them in the processes of coding and signing e-mail messages and files on their computers. Their comments on the service were then taken into consideration and necessary amendments were made.

- Conducting a study on the structure and applications of public key infrastructure worldwide to benefit from experiences and mechanisms applied at the system of key public infrastructure as well as the mechanism of providing the service of digital certification.

The Kingdom won the top position award in information security for the Government Service Bus (GSB), one of the infrastructure projects in the e-Government Program “Yusur”, at Asia’s 3rd Annual Government Technology Awards 2009 held in Bali in October 2009. Known as the “Oscars” of the Asia public sector IT, the Government Technology Awards award outstanding government projects across Asia. The Kingdom also received four awards at the 1st GCC e-government conference in Muscat, capital of Oman. The e-Government Program (Yusur) came first in the best e-project category for its Government Service Bud (GSB).

Achievements of Communications and Information Technology Commission (CITC)

- 1- Full liberalization of the mobile telecommunications market.
- 2- Granting the second license to Etihad Atheeb Telecommunication Company for providing fixed telecommunications.
- 3- Approving the regulatory framework of service quality indicators.
- 4- Preparing the regulatory framework for defining markets and control for the telecommunications sector.
- 5- Preparing the draft strategy of broadband services in the Kingdom.
- 6- Starting the preparation of a comprehensive and specialized study for telecommunications and information technology market.
- 7- Setting policies and measures on how to deal with spam messages.
- 8- Issuing regulatory frameworks for emergency and disaster recovery plans to ensure continued services.
- 9- Raising the Kingdom’s readiness level to switch to Internet Protocol Version 6.

The CITC also continued to contribute directly to developing the telecommunications sector; the

following is a review of its accomplishments and initiatives made in this area:

- 1- Supervising the internet service.
- 2- Registering the names of Saudi domains.
- 3- Preparing a detailed field study on the uses of the internet in the Kingdom.
- 4- Preparing a study to explore the extent to which small and medium size enterprises have adopted information technology.
- 5- Making a guidance manual on the policies and procedures of information security.
- 6- Developing the Information Technology Strategic Plan.
- 7- Continued its efforts in activating the e-government as an active member of the e-Government Program “Yusur”.

Penetration Indicators of Telecommunications and IT Services

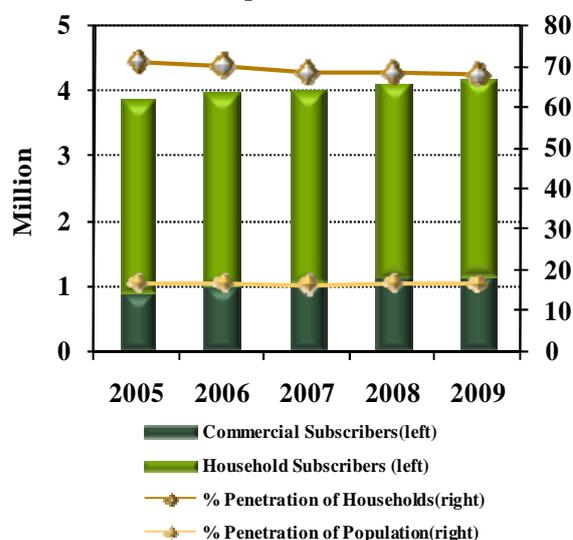
Fixed Telecommunications

The number of fixed phone lines exceeded 4.17 million at the end of 2009, of which 3 million (72 percent of total operating lines) were residential lines. The ratio of penetration of fixed phone lines to the number of population was 16.3 percent, while the ratio of penetration to houses was 67 percent (Chart 16.1).

Mobile Telecommunications

Mobile communications service witnessed significant developments during the past few years in terms of penetration, quality and prices of services. The

Chart 16.1: Expansion in Fixed Telephone Lines

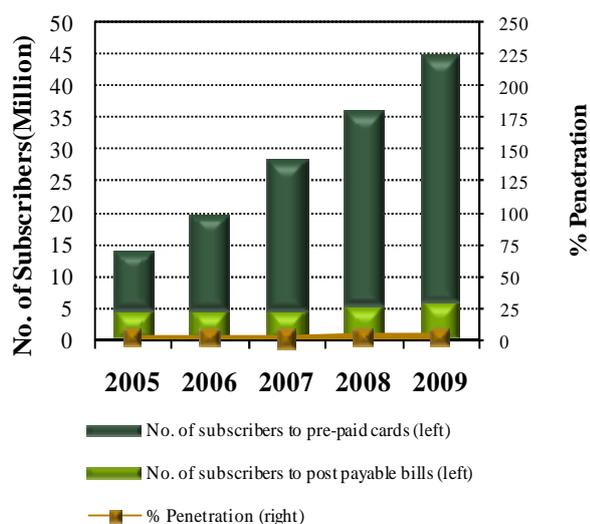


Source: Communications and Information Technology Commission.



number of subscriptions to Mobile communications services stood at 44.8 million at the end of 2009, with an average annual growth rate of 43 percent. Thus, the penetration ratio went up to 175 percent, with a growth rate of 25 percent over the end of 2008. The prepaid subscriptions represented the bulk ratio which stood at 86 percent (Chart 16.2).

Chart 16.2: No. of Subscribers to Mobile Telephone



Source: Communications and Information Technology Commission.

Broadband Service

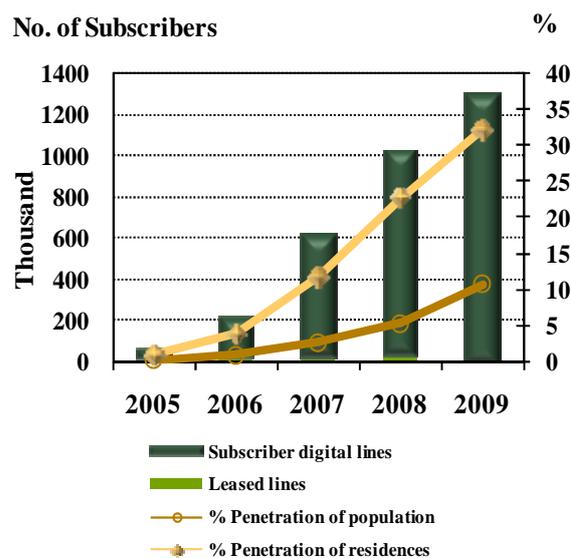
Broadband subscription went up to more than 2.75 million at the end of 2009, denoting a growth rate of 106 percent over 2008 and 366 percent over 2009. The annual average growth rate over the last five years (2005-2009) stood at about 156 percent. This is a significant and rapid improvement in the provision of broadband services where the penetration ratio stood at 10.7 percent of total population.

Broadband penetration ratio stood at 32 percent of total households at the end of 2009 (assuming that 80 percent of wired connections and 25 percent of wireless connections are household connections). Digital subscriber lines (DSL) which grew by 30 percent over 2008, represented 47 percent of total broadband subscribers. Fixed wireless lines and moveable broadband telecommunications constituted 51 percent.

Despite the high growth already made, there is still good growth potential in the area of broadband

services. The broadband service is expected to grow at a faster pace owing to expanded competition of service providers, increased demand for internet service and higher awareness of internet uses and applications, such as e-learning, e-government and e-trade, plus growing networks and new services launched by new licensed companies. (Chart 16.3).

Chart 16.3: Broad Range Service *



Source: Communications and Information Technology Commission.

Due to increased importance of broadband service, CITC prepared the draft of “broadband service strategy”. The draft defined the broadband service, specified the main objectives of the strategy and outlined a vision for the role of CITC, services providers and all other concerned entities. It also identified difficulties involved in spreading broadband networks and services and provided solutions to deal with them. Moreover, CITC launched a project for studying and analyzing the broadband market in the Kingdom, making international comparisons to identify best international practices in this area and then to set plans, programs and initiatives aimed at enhancing the spread of broadband service throughout the Kingdom.

The Internet Service

Internet users in the Kingdom grew from around 1 million in 2001 to about 10 million at the end of 2009, with an average annual growth rate of 33 percent over the past eight years. The penetration ratio of internet service stood at 39 percent of the total population at the end of 2009. This growth was



attributed to increased public awareness of the internet, growth in broadband services and lower costs of computers, telecommunications and internet services (Chart 16.4).

Revenues of Telecommunication Services

The communication companies achieved direct revenues from their operations in the Kingdom exceeding Rls 52.5 billion during 2009, recording an average annual growth rate of more than 13 percent over the past eight years (2001-2009). Mobile services revenues represented 77 percent of total revenues. In addition to revenues from services provided in the Kingdom's market, investments by some Saudi telecommunication companies in other countries' markets resulted in the growth of the revenues of the sector's foreign investment, from none in 2006 to Rls 455 million in 2007 and about Rls 14.5 billion in 2009. Total revenues of telecommunication companies sector from operations inside and outside the Kingdom stood at Rls 67 billion (Chart 16.5).

Penetration of Computers and Internet in the Kingdom

First: Penetration of computers and Internet among individuals

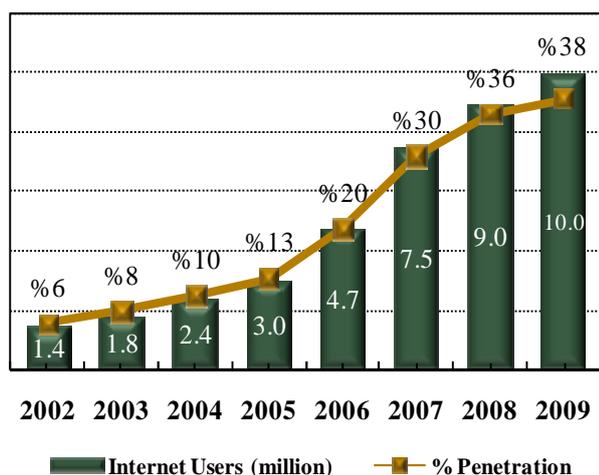
The penetration rate of computers in the Kingdom (representing the number of computers per

one hundred people) stood at 49 percent at the end of 2009. The number of Internet users totaled 10 million. Internet users at the level of the Kingdom represented 34.7 percent. Riyadh Region recorded the highest percentage of computer penetration (representing the number of computers per one hundred people in the region), at 52 percent. The spread of the Internet in Riyadh region recorded the highest rate of 43.4 percent. The region of Jazan recorded the lowest computer penetration of about 31.0 percent and the lowest penetration rate of Internet users of 14.7 percent (Table 16.4).

Second: Penetration of Computer and Internet service among Companies

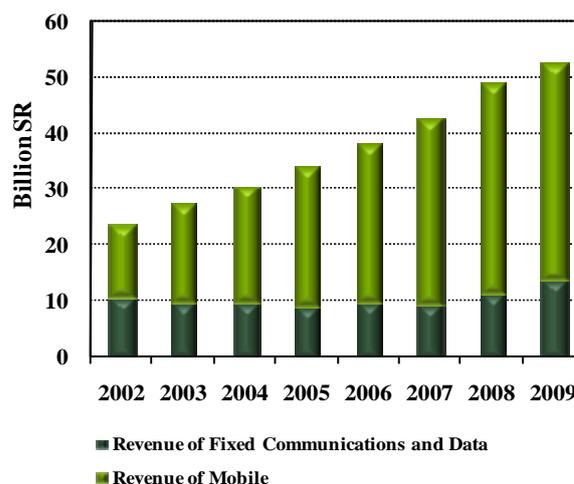
Computer usage has become widespread in the business of enterprises operating in the Kingdom. Computer penetration rate among enterprises in the Kingdom stood at 79 percent, while the Internet penetration rate was estimated at 59 percent. Large enterprises accounted for the highest rate of computer penetration of 100 percent, as well as the highest rate of Internet use of 99 percent. The business sector (small enterprises) recorded a lower computer penetration rate of 48 percent, and a lower Internet penetration rate of 39 percent (Table 16.5)■

Chart 16.4: Growth of the Internet



Source: Communications and Information Technology Commission.

Chart 16.5: Telecommunication Service Sector's Revenue



Source: Communications and Information Technology Commission.



Table 16.4: PENETRATION RATIO OF COMPUTER AND INTERNET AMONG INDIVIDUALS THROUGHOUT THE KINGDOM'S REGIONS (2009)

(Ratio of penetration %)

Region	Computer	Internet	No. of internet users (estimate)
Makkah	49	36.8	2,884,277
Al-Madinah	38	30.0	622,897
Riyadh	52	43.4	2,900,977
Eastern Region	51	41.7	1,774,220
Al-Qassim	41	29.3	380,169
Asir	39	20.9	420,113
Al-Baha	39	18.3	83,285
Jazan	31	14.7	216,107
Najran	32	19.7	120,727
Ha'il	37	32.6	210,640
Tabuk	41	21.8	192,254
Al-Jawf	39	29.2	121,163
Northern Borders	36	33.5	106,900
The Kingdom's Total	49	34.7	10,033,729

Source: Communications and Information Technology Commission.

Table 16.5: RATIO OF PENETRATION OF COMPUTER AND INTERNET AT THE LEVEL OF COMPANIES (2009)

(Percentage)

Size of the Business Sector	Availability of Computer	Internet use
The Kingdom's total	79	59
Business sector (small size)	48	39
Medium-size enterprises	97	83
Large-size enterprises	100	99

Source: Based on a field survey conducted by Communications and Information Technology Commission (2008).



Within the policy framework of paying special attention to human resource development in the Kingdom, the government has continued to expand education facilities at various levels in line with population growth, increased demand for education and training, and the needs arising from comprehensive development being witnessed by the Kingdom in all fields. This chapter briefly reviews the most salient developments in education and health sectors. Such developments have aimed at developing the human factor in the Kingdom through education, training, health care and social affairs programs.

General Education

Latest available data of the Central Department of Statistics and Information and the Ministry of Education for academic year 1429/1430H indicate that the total number of male and female students at primary, intermediate and secondary levels stood at 6.1 million. Male students constituted 51.6 percent of the total, while female students represented 48.4 percent (Table 17.1 and Chart 17.1).

The number of teachers (males and females) at all levels of general education during the academic year 1429/1430H amounted to 417.5 thousand. Male teachers made up 49.7 percent of the total, while female teachers constituted 50.3 percent. Riyadh region accounted for 23.0 percent of the total number of teachers, Makkah region 21.6 percent, the Eastern region 13.1 percent, 'Asir region 9.4 percent, Al-Madinah region 6.9 percent, Al-Qassim region 6.2 percent, Ha'il region 3.2 percent and Tabuk region 3.1

percent. The remaining 13.5 percent was distributed among other regions.

The number of schools stood at 26.3 thousand of which 13.3 thousand were boy schools, accounting for 50.6 percent of the total number of schools, and 13.0 thousand were girl schools, constituting 49.4 percent of the total.

Table (17.2) shows the distribution of schools (males and females) in the Kingdom's administrative regions. Riyadh region accounted for the highest percentage of total schools in the Kingdom, standing at 21.2 percent, followed by Makkah region with 18.9 percent, 'Asir region with 11.8 percent, the Eastern region with 10.3 percent, Al-Qassim region with 7.3 percent, Al-Madinah region with 7.1 percent, Jazan region with 6.7 percent, Ha'il region with 4.1 percent, Al-Baha region with 3.5 percent and Tabuk region with 3.2 percent. The remaining 5.9 percent was distributed among other regions.

Higher Education

According to the Ministry of Higher Education's preliminary data, total number of students (male and female) registered in higher education institutions in the academic year 1429/1430H stood at 706.9 thousand. The breakdown of students (males and females) by academic levels was as follows: 3,584 students at the doctorate level, 18,428 at the master level, 4,138 at the higher diploma level, 628.1 thousand at the bachelor level and 52.6 thousand at the intermediate diploma level.

**Table 17.1: NUMBER OF STUDENTS, TEACHERS AND SCHOOLS
THE GENERAL EDUCATION LEVELS IN ACADEMIC YEAR 1429/1430H**

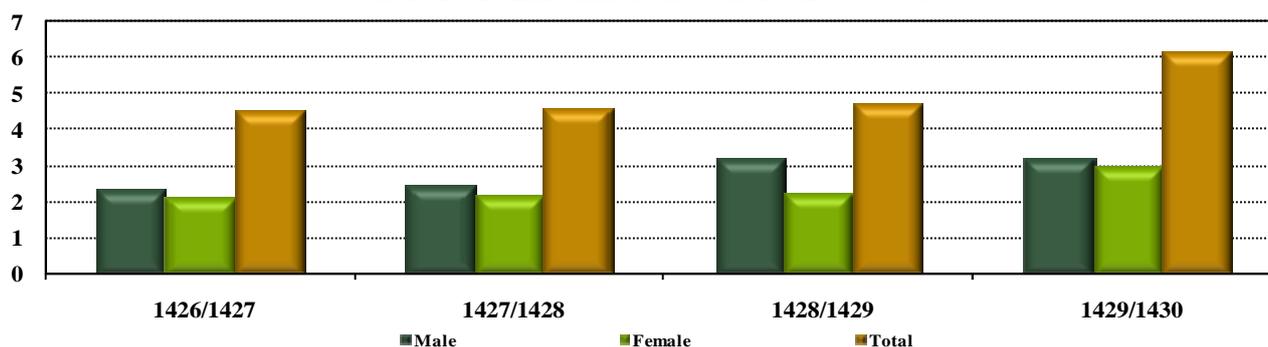
	No. of Students	Ratio to total	No. of Teachers	Ratio to total	No. of Schools	Ratio to total
Primary						
Male	1,671,867	52.8	107,828	52.0	6,771	50.9
Female	1,583,377	53.3	107,884	51.4	6,855	52.8
Total	3,255,244	53.0	215,712	51.7	13,626	51.9
Intermediate						
Male	776,559	24.5	55,842	26.9	4,097	30.8
Female	741,832	24.9	54,299	25.9	3,729	28.7
Total	1,518,391	24.7	110,141	26.4	7,826	29.8
Secondary						
Male	715,348	22.6	43,745	21.1	2,425	18.2
Female	648,203	21.8	47,861	22.8	2,391	18.4
Total	1,363,551	22.2	91,606	21.9	4,816	18.3
Total Male	3,163,774	51.6	207,415	49.7	13,293	50.6
Total Female	2,973,412	48.4	210,044	50.3	12,975	49.4
Grand Total	6,137,186	100.0	417,459	100.0	26,268	100.0

Source: Ministry of Education and Central Department of Statistics & Information.



Millions

Chart 17.1: Enrollment in General Education



**Table 17.2: TOTAL NUMBER OF STUDENTS, SCHOOLS, AND TEACHERS
BY ADMINISTRATIVE REGIONS IN 1429/1430H***

Administrative Regions	Number of Students		Number of Schools			Ratio to total	Number of Teachers			Ratio to total
	Male	Female	Male	Female	Total		Male	Female	Total	
Riyadh	747,032	711,011	2,713	2,851	5,564	21.2	45,107	50,882	95,989	23.0
Makkah	728,900	711,875	2,476	2,500	4,976	18.9	44,435	45,880	90,315	21.6
Al-Madinah	238,530	223,089	949	912	1,861	7.1	14,789	14,048	28,837	6.9
Al-Qassim	156,774	146,722	895	1,017	1,912	7.3	12,392	13,416	25,808	6.2
Eastern	461,270	434,977	1,416	1,281	2,697	10.3	27,114	27,465	54,579	13.1
'Asir	251,327	228,825	1,612	1,498	3,110	11.8	20,462	18,938	39,400	9.4
Ha'il	79,569	72,516	568	519	1,087	4.1	6,679	6,522	13,201	3.2
Tabuk	113,867	102,701	447	401	848	3.2	6,351	6,672	13,023	3.1
Al-Baha	47,150	44,997	444	463	907	3.5	5,379	5,068	10,447	2.5
Northern Borders	44,166	40,992	200	166	366	1.4	3,220	2,662	5,882	1.4
Al-Jawf	62,775	61,942	321	301	622	2.4	5,086	4,692	9,778	2.3
Jazan	166,304	133,119	954	804	1,758	6.7	12,072	9,857	21,929	5.3
Najran	66,110	60,646	298	262	560	2.1	4,329	3,942	8,271	2.0
Total	3,163,774	2,973,412	13,293	12,975	26,268	100.0	207,415	210,044	417,459	100.0

* Including primary, intermediate and secondary levels.

Source: Ministry of Education.

A breakdown of students registered at the bachelor level indicates that male students were 232.6 thousand, accounting for 37.0 percent of the total students while female students were 395.4 thousand, representing 63.0 percent of the total (Table 17.3).

Statistics indicate that the number of newly enrolled students (males and females) at different institutions of higher education exceeded 242.8 thousand in the academic year 1429/1430H. Of these, 205.0 thousand were at the bachelor level (84.4 percent of the total number of newly enrolled students); 27.2 thousand were at the intermediate diploma (11.2 percent of the total), while higher diploma, master, and doctorate levels accounted for

the remaining 4.4 percent of the total. Male students constituted 55.4 percent of total new students, and female students accounted for 44.6 percent of the total.

According to the statistics of the Ministry of Higher Education, the total number of graduates from all levels of higher education exceeded 101.3 thousand in the academic year 1428/1429H, of whom 40.0 thousand were males and 61.3 thousand females. Female graduates represented 60.5 percent of the total. Graduates from the bachelor level accounted for 86.0 percent of the total, followed by graduates from the intermediate diploma level (8.7 percent), and from other levels (5.3 percent).



**Table 17.3: HIGHER AND POSTGRADUATE EDUCATION
BY LEVELS IN ACADEMIC YEAR 1429/1430H**

Level	New	Enrolled	Graduates(1428/1429H)	Teaching Staff	
Ph.D					
Male	580	2,285	235	Professor	2,141
Female	310	1,299	181	Associate Prof.	4,007
Total	890	3,584	416	Assistant Prof.	9,913
Master					
Male	4,533	9,970	1,210	Lecturer	5,675
Female	3,043	8,458	835	Teaching assistant	8,808
Total	7,576	18,428	2,045	Others	1,082
Higher Diploma					
Male	1,355	2,124	1,619	---	---
Female	908	2,014	1,240	---	---
Total	2,263	4,138	2,859	---	---
Bachelor					
Male	113,160	232,638	33,682	---	---
Female	91,795	395,443	53,473	---	---
Total	204,955	628,081	87,155	---	---
Intermediate Diploma					
Male	14,847	24,232	3,301	---	---
Female	12,304	28,406	5,565	---	---
Total	27,151	52,638	8,866	---	---
Total Male	134,475	271,249	40,047	---	---
Total Female	108,360	435,620	61,294	---	---
Grand Total	242,835	706,869	101,341	---	31,626

(-) Indicates inapplicability.

Source: Ministry of Higher Education.

The number of teaching staff members at the institutions of higher education in the academic year 1429/1430H stood at 31.6 thousand divided as follows: 2,141 professors, 4,007 associate professors, 9,913 assistant professors, 5,675 lecturers, 8,808 teaching assistants, and 1,082 holding other different degrees. The number of universities in the Kingdom amounted to 27 and that of colleges was 462 in the academic year 1429/1430H.

The statistics of the Ministry of Higher Education indicate that the number of students studying abroad in the academic year 1430/1431H amounted to 68 thousand. Male students accounted for 78.1 percent of the total, while female students constituted 21.9 percent of the total. The number of students granted government scholarships was 53.1 thousand while students studying on their own accounts amounted to 14.9 thousand.

An Overview of King Abdullah University of Science and Technology (KAUST)

King Abdullah University of Science and Technology (KAUST) has been built in Saudi Arabia to be an international graduate-level research university. It is dedicated to launching a new age of

scientific achievement in the Kingdom that will also benefit the region and the world. KAUST is the realization of a decades-long vision of the Custodian of the Two Holy Mosques, King Abdullah Bin Abdulaziz Al Saud.

KAUST is run by an independent, self-perpetuating Board of Trustees supported by an endowment to spend on the University. The University, which is merit-based and open to men and women from around the world, adheres to the following founding principles:

- Create an international community of scholars dedicated to advanced science.
- Welcome leaders in science, technology, commerce, business, and education through appointments and partnerships.
- Provide researchers with an environment of creativity and for experiment.
- Inculcate the highest international standards of scholarship, research, education, and learning.
- Provide unfettered access to obtain information and share knowledge, skills, and expertise to achieve economic growth and prosperity.
- Nurture and protect freedom of research, thought, and discourse relating to scholarly work.



KAUST will pursue its research agenda through four strategic thrusts:

- Resources, energy and environment.
- Biosciences and bioengineering.
- Material science and engineering.
- Applied mathematics and computational science

KAUST opened its doors in September 2009 to offer degrees in 11 fields of study. The core campus of the University is located on 36 square kilometers along the Red Sea at Thuwal – about 80 kilometers north of Jeddah.

KAUST's Vision for 2020

- Conducting cutting-edge, basic and goal-oriented research in science and technology comparable to that of the world's top 10 science and technology universities.
- Focusing on research and academic activities in areas where KAUST can be distinguished by global standards. The focus will be on impact rather than quantity, and KAUST will have research centers that are recognized as world leaders in their fields.
- Having graduates who are highly trained and skilled and have the capabilities and drive to be leaders in education and business.
- Having research and commercialization activities that demonstrably contribute to the diversification and strengthening of the Saudi economy, as measured by job creation, new industry development and growth in per capita GDP.
- Having a diversified and sustainable revenue base that supports both its operation and capital requirements.

Mission

KAUST contributes to advancing science and technology through its research. It also contributes to raising awareness about the field of science and technology, helps to diversify the Saudi economy and addresses challenges of regional and global significance, thereby serving the Kingdom, the region and the world.

Sustainable Development

Sustainable development is integral to KAUST's overall mission to nurture innovation in science and technology, and support world-class research in areas such as energy and the environment that are important to Saudi Arabia, the region and the world. This emphasis on sustainable practices influences KAUST's research agenda, campus planning, and operations.

KAUST integrates sustainable measures into the design of the entire residential compound. The University also demonstrates new ways to build in the region, and new ways to live that promote responsible stewardship of energy resources.

KAUST has followed the United States Green Building Council's (USGBC) LEED rating system for establishing performance criteria in sustainable development. LEED, or Leadership in Energy and Environmental Design, is the internationally recognized benchmark for the design, construction, and operation of high-performance green buildings. The University indeed achieved a LEED Platinum designation before its opening. This confirms that the University could design its construction according to the highest performance criteria of energy provision, water usage efficiency, CO₂ emissions reduction and internal environment quality improvement. This would make the University campus one of the largest projects in the world that have achieved the USGBC's certification. The USGBC's certification achieved by KAUST is the first of its type in the Middle East.

The unique desert climate of Saudi Arabia and the Middle East create opportunities and challenges for KAUST, including ample sunlight, limited rainfall and potable water resources. KAUST has an important role to play in conserving these resources, finding new and innovative methods to manage and sustain them, and exploring and developing alternative energy sources.

KAUST is committed to innovation in sustainable development and increasing global public awareness about these important issues. The University will act as a living laboratory, demonstrating that environmentally responsible methods of energy use, materials management, and water consumption are viable in the region.

KAUST will offer Master's and doctoral degrees in the following fields:

- Applied Mathematics and Computational Science
- Bioscience
- Chemical and Biological Engineering
- Chemical Science
- Computer Science
- Earth Science and Engineering
- Electrical Engineering
- Environmental Science and Engineering
- Marine Science
- Materials Science and Engineering
- Mechanical Engineering

KAUST has initially established 9 Research centers for the start-up phase of the university as follows:

- Catalysis
- Clean Combustion
- Solar And Alternative Energy Science and Engineering
- Water Desalination and Reuse
- Membranes



- Plant Stress Genomics and Technology
- Red Sea Science and Engineering
- Geometric Modeling and Scientific Visualization
- Computational Bioscience

Technical Education

The number of students and trainees at the colleges and institutes of the Technical and Vocational Training Corporation (TVTC) stood at 86.7 thousand in the academic year 1429/1430H, compared to 83.3 thousand in the previous academic year, increasing by 4.1 percent.

The total number of new enrollment (students and trainees) at the colleges and institutes of TVTC in 1429/1430H stood at 47.7 thousand. The region of Riyadh accounted for 20.7 percent of total new enrollment at the TVTC's institutes and colleges, followed by the Eastern region with 20.1 percent. Makkah region came third with 17.8 percent, followed by 'Asir region with 9.5 percent, Al-Qassim region with 6.7 percent and Al-Madinah region with 6.0 percent. The remaining percentage was distributed among other regions.

The total number of students and trainees at the colleges and institutes of TVTC stood at 86.7 thousand in the academic year 1429/1430H. Riyadh region constituted 21.7 percent of the total number, followed by the Eastern region with 19.3 percent, Makkah region with 18.6 percent, 'Asir region with 8.7 percent, Al-Qassim region with 7.8 percent and Al-Madinah region with 6.2 percent. The remaining percentage was distributed to the rest of the regions.

A breakdown of students in the colleges and institutes of TVTC in the academic year 1429/1430H indicates that 69.1 thousand were at technological colleges (at diploma and bachelor levels), representing 79.7 percent of total enrollment, and 17.6 thousand at industrial vocational training centers, constituting 20.3 percent of total enrollment.

The total number of graduates from TVTC's colleges, institutes and training centers in the academic year 1429/1430H amounted to 20.7 thousand, of which 12.7 thousand were from technological colleges and 8.0 thousand from industrial vocational institutes. The students of Riyadh region represented the highest ratio 24.2 percent of the total number of graduates from TVTC institutes and colleges, followed by the Eastern region with 19.5 percent. The Makkah region came third with 17.8 percent, followed by 'Asir region with 8.7 percent, Al-Qassim region with 7.5 percent, and Al-Madinah region with 5.4 percent. The remaining percentage was distributed to the rest of the regions.

The total number of the teaching staff members at TVTC colleges, institutes, and training centers in 1429/1430H stood at 6.4 thousand. Of these, 60.9 percent was accounted for by the teaching staff at technological colleges, 39.1 percent by industrial vocational training institutes.

The number of TVTC colleges, industrial vocational institutes, and girl higher technological institutes in 1429/1430H amounted to 97, including 35 technological colleges and 62 industrial vocational training institutes (Table 17.4).

The number of trainees at the private training programs supervised by TVTC amounted to 83.8 thousand in 1429/1430H, including 60.6 thousand male trainees and 23.3 thousand female trainees.

The number of graduates from the private training programs amounted to 53.1 thousand in 1428/1429H, including 46.3 thousand male graduates and 6.8 thousand female graduates.

Institute of Public Administration

The Institute of Public Administration (IPA) organized many general and tailor-made training courses, applied seminars, symposia and gatherings

Table 17.4: ACTIVITIES OF TECHNICAL AND VOCATIONAL TRAINING CORPORATION IN 1429/1430H

	<u>No. of new Students</u>	<u>Total No. of Students</u>	<u>No. of Graduates 1429/1430</u>	<u>No. of Teaching staff</u>	<u>No. of Institutes</u>
Technological colleges					
Diploma level	37,606	67,716	12,750	3,888	35
Bachelor level	547	1352	*	*	*
Industrial Vocational Institutes	9,550	17,607	7,966	2,497	62
Total	47,703	86,675	20,716	6,385	97

* The bachelor level is only at the Technology College in Riyadh, sharing teaching staff and premises with the diploma level.

Source: Technical and Vocational Training Corporation (TVTC).



during the training year 1429/1430H at its head office in Riyadh, as well as at its branches in Al-Dammam and Jeddah, and its female branch in Riyadh. The number of participants in these activities amounted to 49.8 thousand compared to 51.7 thousand during the preceding training year. Of these, 45.3 thousand participated in general training programs, 1,528 in tailor-made training programs, 1,882 in applied seminars, and 1,100 in symposia and gatherings.

The number of graduates from the Institute in the training year 1427/1428H stood at 1,238, of which 1,141 were from general preparatory programs and 97 from tailor-made preparatory programs.

The number of training staff members at the Institute amounted to 630 during the training year 1429/1430H. Of these, 126 were non-Saudis, representing 20.0 percent of the total training staff (Table 17.5).

Charity Foundations

In addition to the care and aid provided by some government authorities to the low-income, poor and needy citizens, charity foundations and institutions also offer aid in cash and in kind to the needy of all segments. They train and rehabilitate members of needy families who are able to work, build houses, help paying house rent, pay public utility bills, support small business owners, lend a helping hand to the youth to get married, and extend aid to orphans and disabled people. The total disbursements by charity foundations in the Kingdom in (2009) amounted to Rls 1.7 billion, rising by 6.6 percent over its level of Rls 1.6 billion in (2008). The amounts disbursed by charity foundations in Riyadh constituted 27.4 percent of total disbursements, followed by the

Eastern region with 20.1 percent, Makkah region with 19.4 percent and Al-Qassim region with 11.2 percent. 'Asir region and Ha'il region followed with 4.1 percent each, Al-Madinah region with 3.9 percent and Tabuk region with 3.3 percent. Jazan region ranked ninth with 2.9 percent, followed by Northern Borders region with 1.4 percent, Al-Bahah region with 1.2 percent, Al-Jawf region with 0.8 percent and Najran region with 0.3 percent (Table 17.6).

Table 17.6: ACTIVITY OF CHARITY FOUNDATIONS

Regions	Disbursements (Million riyals)			Ratio to total Amount in 2009
	(2007)	(2008)	(2009)	
Riyadh	477.4	439.1	468.0	27.4
Makkah	239.2	310.7	331.2	19.4
Al-Madinah	46.3	63.1	67.2	3.9
Al-Qassim	156.9	179.1	190.9	11.2
Eastern region	204.8	320.9	342.0	20.1
'Asir	52.5	64.8	69.1	4.1
Tabuk	54.3	52.1	55.6	3.3
Ha'il	71.9	65.1	69.4	4.1
Northern Borders	20.7	22.6	24.1	1.4
Jazan	50.8	47.0	50.1	2.9
Najran	7.7	4.6	4.9	0.3
Al-Baha	16.9	19.0	20.1	1.2
Al-Jawf	12.5	12.2	13.0	0.8
Total	1,411.9	1,600.3	1,705.6	100.0

Source: Ministry of Social Affairs.

Table 17.5: TRAINING ACTIVITY OF THE INSTITUTE OF PUBLIC ADMINISTRATION AT HEAD OFFICE AND BRANCHES DURING 1429/30H

	Head Office Riyadh	Dammam Branch	Jeddah Branch	Riyadh Female Branch	Total
No. of trainees in general training programs	28,855	4,346	8,300	3,752	45,253
No. of trainees in customized training programs	707	422	384	15	1,528
Applied seminars	802	352	511	217	1,882
Symposia and gatherings	700	300	0	100	1,100
Total trainees	31,064	5,420	9,195	4,084	49,763
No. of graduates from general preparatory programs	594	258	144	145	1141
No. of graduates from customized preparatory programs	97	0	0	0	97
Total graduates*	691	258	144	145	1,238
No. of training staff (Saudis)	304	50	79	71	504
No. of training staff (non-Saudis)	94	13	10	9	126
Total training staff	398	63	89	80	630

* : In the Training Year 1427/28H

Source: Institute of Public Administration.



National Charity Fund

The National Charity Fund implemented educational scholarship programs in fiscal year 1430/1431H (2009), covering various regions of the Kingdom. These programs included 1,741 educational scholarships (medical diplomas) and 92 various educational scholarships, of which 60 scholarships in the field of sewing and cosmetology and 32 miscellaneous diploma scholarships. The distribution of medical diploma scholarships by the regions of the Kingdom is as follows: 257 scholarships in Riyadh region, 501 in Makkah region, 216 in Al-Madinah region, 201 in 'Asir region, 235 in the Eastern region, and 51 in each of the regions of Ha'il, Northern borders, Al-Qassim and Al-Jawf. On the other hand, there were 48 educational scholarships in Al-Baha and 79 educational scholarships in Jazan. The total cost of financing these programs exceeded Rls 83.4 million.

As for the program of small businesses and productive families, the Fund approved 294 businesses in 2009 with a cost of Rls 4.9 million distributed as follows: 46 businesses in Riyadh region, 25 in the Eastern region, 72 in Al-Qassim region, 61 in Makkah region, and 90 in Ha'il region. The Fund implemented 124 businesses of total approved businesses, including 74 businesses for females and 50 businesses for males. These businesses included 51 commercial businesses, one industrial business, 49 service businesses and 23 agriculture businesses.

Social Security Agency

The Agency plays a prominent role in extending help to poor Saudis and satisfying their needs. Assistance given by the Agency is divided into: assistance to partially or completely disabled persons, orphans, needy women, families of prisoners, people afflicted with disasters and families without breadwinners. The Agency pays lump sum aid to the needy as well as supplementary support aid. Total aid disbursements amounted to Rls 13.2 billion during 1428/1429H (2008), increasing by 22.8 percent over the preceding year.

In terms of disbursed amounts by regions, Makkah region received 20.3 percent of total disbursements, accounting for the largest share among the Kingdom's regions. Riyadh region came second with 14.4 percent, followed by 'Asir region with 12.1 percent, the Eastern region with 11.6 percent, Jazan region with 9.4 percent, Al-Madinah region with 8.0 percent and Ha'il region with 5.4 percent (Table 17.7).

The number of beneficiaries of social security stood at 855.3 thousand during 1428/1429H, increasing by 12.8 percent over 1427/1428H. As to the share of regions in the total number of social security beneficiaries, Makkah region accounted for the largest share with 20.9 percent of total social security beneficiaries during 1428/1429H (2008), followed by Riyadh region with 14.7 percent, the Eastern and Asir regions with 12.2 percent for each (Table 17.7).

Table 17.7: ACCOMPLISHMENTS IN THE AREA OF SOCIAL SECURITY

Region	Disbursements (in million)		Ratio of disbursements to total in 2008	No. of Beneficiaries		Ratio of beneficiaries to total in 2008
	1427/28 (2007)	1428/29 (2008)		1427/28 (2007)	1428/29 (2008)	
Riyadh	1,606	1,904	14.4	113,855	125,536	14.7
Makkah	2,163	2,690	20.3	156,527	178,721	20.9
Al-Madinah	858	1,060	8.0	55,586	63,970	7.5
AL-Qassim	472	594	4.5	32,753	35,784	4.2
Eastern	1,247	1,535	11.6	94,296	104,628	12.2
'Asir	1,339	1,607	12.1	93,439	103,998	12.2
Tabuk	339	429	3.2	24,793	28,331	3.3
Ha'il	549	710	5.4	36,919	42,910	5.0
Northern Borders	256	292	2.2	16,255	18,060	2.1
Jazan	986	1,242	9.4	64,327	75,306	8.8
Najran	348	434	3.3	24,011	26,915	3.1
Baha	344	409	3.1	25,878	28,700	3.4
Al-Jawuf	264	320	2.4	19,569	22,466	2.6
Total	10,768	13,225	100	758,208	855,325	100

Source: Ministry of Social Affairs.



Among the efforts of the Ministry of Social Affairs, the Agency of Social Care and Development provided aid of Rls 2.4 billion to the disabled during 1430/1431H, benefiting 206.6 thousand. The Agency also provided aid of Rls 200.3 million to foster families, benefiting 6,100 and provided aid of Rls 16.1 million for marriage, benefiting 5,268.

The General Authority for Housing

The General Authority for Housing is implementing housing projects, which amounted to 3,221 residential units at the end of fiscal year 1430/1431H. These projects covered seven regions in the Kingdom distributed as follows: 900 residential units in the Eastern region, 311 in Jazan region, 149 in Al-Madinah region, 381 in Al-Qassim region, 901 in Tabuk region, 306 in Northern Borders region and 273 in Al-Jawuf region.

King Abdullah Housing Development Foundation for His Parents

King Abdullah Housing Development Foundation for His Parents constructed 2,302 residential units and 81 buildings for utilities and commercial centers with a total cost of Rls 584.1 million.

Fifteen projects were executed in three phases as follows: Al-Nabah project in Yanbu', which is made up of 184 housing units and 7 buildings for utilities and commercial centers; Al-Shab'an project in Amluj, including 48 housing units and 6 buildings for utilities and commercial centers; Al-Hisi project in Amluj, including 40 housing units and 4 buildings for utilities and commercial centers; Al-Ghalah project in Al-Laith with 186 housing units and 7 buildings for utilities and commercial centers; Thuwal project in Jeddah with 100 housing units and 4 buildings for utilities and commercial centers; Al-Tarf project in Al-Ahsa with 384 housing units and 9 buildings for utilities and commercial centers; Al-Jarn project in Al-Ahsa with 149 housing units and 8 buildings for utilities and commercial centers; Al-Ghazalah project in Al-Ghazalah with 254 housing units and 9 buildings for utilities and commercial centers; Al-Daihamah project in Samtah with 372 housing units and 9 buildings for utilities and commercial centers; Yabas villages project in Al-Mukhwah with 135 housing units; Nakheel quarter project in Al-Jurf Al-Garbi in Al-Madinah with 70 housing units; Al-Qurayyat, Rafha' and Al-Aflaj project with 102 housing units and 3 utility buildings for each; Amluj project with 74 housing units and 3 buildings for utilities and commercial centers.

King Abdullah Housing Development Foundation for His Parents plans to construct 900 residential units

and 27 buildings for utilities with a total cost of Rls 315.0 million in the cities of Al-Raith, Al-Qunfudhah, 'Ar'ar, Al-Hanakiyyah, Al-Harshaf, Wadi Al-Haya, Anaizah Jazan and Al-Madinah with 100 residential units and 3 utility buildings for each city.

Prince Sultan Foundation for Philanthropic Projects

This programme was initiated in 1421H at the direction of the Foundation's Supreme Head, His Royal Highness Prince Sultan Bin Abdulaziz, Crown Prince, Deputy Prime Minister, the Minister of Defence and Aviation and the General Inspector, in pursuit of satisfying the need of citizens and improving their living conditions. The programme includes constructing 1,626 housing units at a total cost of Rls 513.2 million. At the end of 1430H, 746 housing units were already completed. It is expected that 500 housing units will be fully completed during 1431/1432H and there are 380 residential units under study to be constructed.

These units were spread over most of the Kingdom's regions as follows: 100 units at Al-Qahmah in 'Asir region, 350 units in Tabuk, 120 units in Najran, 150 units in Ha'il, 280 units in Makkah, 71 units in Al-Ghat, 200 units in Al-Layth, 180 units in Al-Madinah, 100 units in Anujail of Al-'Ula city and 75 units in Jazan region.

Prince Salman Foundation for Philanthropic Housing

In addition to the State's endeavors in fighting poverty, providing appropriate housing for the needy and improving their economic and social status, His Royal Highness Prince Salman Bin Abdulaziz established a development philanthropic project under the name "Prince Salman's Philanthropic Housing Project" in 1418/1419H (1998). Its mission is to rehabilitate the needy to depend on themselves, after depending on Allah the Almighty, through development programs while accommodating them in residential compounds to be built under the Project according to the vision "*Human Development through Housing*". The Project is aimed at establishing residential compounds to accommodate and assist the needy in developing their capabilities to get out of the circle of poverty, by offering development programs for the residents of the Project's housing units in order to rehabilitate and help them to shift from being dependent into productive citizens. Moreover, the Project seeks to make poor families settle down and reduce bad behaviors that may prevail in communities of the poor which contribute to continued poverty.

Under the Project, four residential compounds were built in Riyadh: two compounds in Sultanah quarter, which include 277 housing units; one compound



in Al-Badi'ah quarter, with 126 housing units; and one compound in Al-Jarradiyah quarter, with 87 housing units. Two housing compounds are under construction, one in Al-Mizahmiyyah governorate with 84 housing units and the other is in Al-Kharj governorate with 116 housing units. Moreover, one housing compound in Al-Quway'iyyah governorate, comprising 200 housing units, is about to be awarded for execution.

Five residential compounds, comprising 501 housing units at an estimated cost of Rls 441 million, in Shaqra, Darma', Huraimla, Al-Majma'ah and Al-Aoya'yina governorates are under designing.

The Public Pension Agency

According to the Public Pension Agency's statistics, the number of subscribers to the Civil Pension System increased by 4.0 percent to 861 thousand in fiscal year 1430/1431H (2009) compared to 827.8 thousand in the previous year (Table 17.8).

The subscriptions collected from on-the-job subscribers, both civil servants and military personnel, recorded an increase in 1430/1431H (2009), with total amounts collected from civil servants going up by 8.2 percent to Rls 8.4 billion from Rls 7.8 billion in the previous year. The amounts collected from military personnel rose by 4.3 percent to Rls 3.7 billion from Rls 3.6 billion in the previous year.

Total disbursements by the Public Pension Agency to beneficiaries amounted to Rls 31.0 billion in fiscal year 1430/1431H (2009), denoting a rise of 11.1 percent over the preceding fiscal year. Of these, Rls 16.1 billion were accounted for by pension payments and compensations for civil servants, and Rls 14.9 billion by pension payments and compensations for military personnel.

Statistics indicate a rise in the number of pensioners and beneficiaries from pension payments, as living pensioners increased by 7.7 percent to 387.4 thousand. The number of deceased pensioners rose by 2.1 percent to 108.5 thousand; heirs benefiting from pension payments went up by 2.0 percent to 524 thousand. Beneficiaries from compensations increased by 3.5 percent to 242.6 thousand.

The Public Pension Agency participates in most domestic companies as a founder member and shareholder. Its investments in domestic companies at the end of fiscal year 1430/1431 (2009) amounted to Rls 38.8 billion in 55 companies.

The finance offered by the Public Pension Agency, under the recently adopted program of *Masaken* (Housing) to build and own residential flats and villas, stood at Rls 43.4 million, which benefited 70 citizens in 2009, compared to Rls 80.1 million, benefiting 150 citizens in 2008.

Table 17.8: COLLECTIONS AND DISBURSEMENTS BY THE PUBLIC PENSION AGENCY

	<u>(2008)</u>	<u>(2009)</u>	<u>% Change</u>
No. of subscribers to the Civil Pension System	827,846	860,960	4.0
Total collections from on-the-job subscribers (Million Riyals)			
Civilians	7,771	8,412	8.2
Military	3,569	3,724	4.3
Corresponding shares			
Civilians	7,771	8,412	8.2
Military	5,155	5,378	4.3
Total disbursements amounts to beneficiaries (Million Riyals)			
Pension payments and compensations to civilians	14,272	16,115	12.9
Pension payments and compensations to military personnel	13,601	14,850	9.2
Total	27,873	30,965	11.1
Total No. of pensioners and beneficiaries of pension payments			
Alive	359,740	387,386	7.7
Dead	106,195	108,460	2.1
Heir beneficiaries	513,449	523,963	2.0
Compensation beneficiaries	234,395	242,603	3.5

Source: The Public Pension Agency.



The General Organization for Social Insurance

Data of the General Organization for Social Insurance (GOSI) show a remarkable rise in the main indicators of its activity in 1430/1431 (2009) (Table 17.9).

Total number of private firms subscribing to the Social Insurance System in the Kingdom increased by 13.4 percent to 217.2 thousand. The number of public firms subscribing to the System rose by 1.8 percent to 1,158 in 1430/1431 (2009).

The number of subscribers covered by the Social Insurance System went up by 7.2 percent to 13.1 million in 2009, compared to 12.2 million in the preceding year. The number of on-the-job subscribers went up by 8.9 percent to 4.4 million against 4.0 million in the preceding year.

On the other hand, compensations of the pension branch rose by 16.1 percent to Rls 7.0 billion in 1430/1431 (2009) compared to Rls 6.0

billion in the preceding year. Compensations of the occupational hazard branch went up by 4.7 percent to Rls 400.0 million compared to Rls 381.9 million in the preceding year. Total amounts invested by GOSI in domestic companies increased by 14.6 percent to Rls 46.1 billion in 1430/1431 (2009) against Rls 40.2 billion a year earlier. The number of periodical pension cases of the pension branch went up by 8.6 percent to 232.6 thousand. The number of pension cases of the pension branch rose by 13.0 percent to 96.0 thousand. The number of cases of member families entitled to the pension under the pension branch increased by 5.6 percent to 127.6 thousand. The number of non-occupational disability pension cases of the pension branch rose by 7.3 percent to 9.0 thousand. The number of periodical pensions of the occupational hazards branch increased by 4.6 percent to 8.0 thousand. However, the number of pension cases of partial permanent occupation disability declined by 0.4 percent while the number of pension cases of full

**Table 17.9: ACTIVITIES OF THE GENERAL ORGANIZATION
FOR SOCIAL INSURANCE IN 2008 AND 2009**

	1428/1429 (2008)	1430/1431 (2009)	% Change
No. of government corporations	1,137	1,158	1.8
No. of private corporations	191,548	217,205	13.4
No. of subscribers	12,199,501	13,078,062	7.2
No. of on-the-job subscribers	4,031,146	4,390,447	8.9
No. of on-the-job subscribers (pension branch)	762,299	787,214	3.3
No. of on-the-job subscribers (occupational hazard branch)	3,900,234	4,263,243	9.3
Total compensations of the pension branch (Million Riyals)	6,036	7,006	16.1
Total compensations of the occupational hazard branch (Million Riyals)	381.9	400.0	4.7
Total investments in domestic companies (Million Riyals)	40,206	46,074	14.6
No. of periodical pension cases of the pension branch	214,295	232,638	8.6
No. of pension cases of the pension branch*	85,003	96,006	12.9
No. of cases of member families entitled to the pension under the pension branch**	120,917	127,645	5.6
No. of non-occupational disability pension cases of the pension branch	8,375	8,987	7.3
No. of periodical pension of the occupational hazard branch	7,686	8,039	4.6
No. of partial permanent occupational disability	699	696	-0.4
No. of full permanent occupational disability	112	114	1.8
No. of heir entitlement cases	6,875	7,229	5.1

* Including old age retirement, early retirement, woman retirement and retirement due to hand occupations.

** Including heir entitlements, and entitlements of heir of lost subscriber and prisoner subscriber.

Source: General Organization for Social Insurance.



permanent occupational disability rose by 1.8 percent to 114. The number of heir entitlement cases went up by 5.1 percent to 7.2 thousand.

Health Affairs

The health indicators in the Kingdom show good improvement year after year. The Ministry of Health's recent statistics for 1429H (2008) indicate a continued growth in the major indicators of health resources in the Kingdom, namely the number of dispensaries, hospitals, beds, physicians, nurses and assistant health personnel of the health sector (government and private) in the Kingdom during 1429H. (Table 17.10).

The number of hospitals operating in the Kingdom at the end of 1429H stood at 393, rising by 6 over the preceding year. The number of hospitals run by the Ministry of Health, other government entities and the private sector stood at 231, 39 and 123 respectively.

The number of the Ministry of Health's primary health care centers amounted to 1,986. The number of private dispensaries and polyclinics was 1,871.

Total beds in the Kingdom's hospitals amounted to 53.9 thousand, distributed as follows: 31.7 thousand beds at hospitals of the Ministry of Health, 10.8

thousand at hospitals of other government entities and 11.4 thousand at hospitals of the private sector.

The number of physicians went up to 52.8 thousand, increasing by 4,919 or 10.3 percent over the preceding year, distributed as follows: 46.9 percent in the Ministry of Health's hospitals, 21.9 percent in other government entities' hospitals and 31.1 percent in the private sector's hospital.

According to the Ministry of Health's indicators issued in 1429H, the number of beds and physicians per ten thousand persons stood at 21.7 and 21.5 respectively.

The number of nursing staff (male and female) was 101.3 thousand, rising by 8.1 percent, of whom 54.7 percent were accounted for by the Ministry of Health's hospitals, 23.2 percent by the other government entities' hospitals and 22.1 percent by the private sector's hospitals. The number of assistant health personnel (technicians) amounted to 55.9 thousand, of whom 54.1 percent working at hospitals of the Ministry of Health, 30.7 percent at other government entities' hospitals and 15.1 percent at hospitals of the private sector. Chart (17.2) illustrates the development of medical staff and number of beds in the health sectors of the Kingdom ■

Chart 17.2: Medical Staff and Beds in the Kingdom's Health Sector

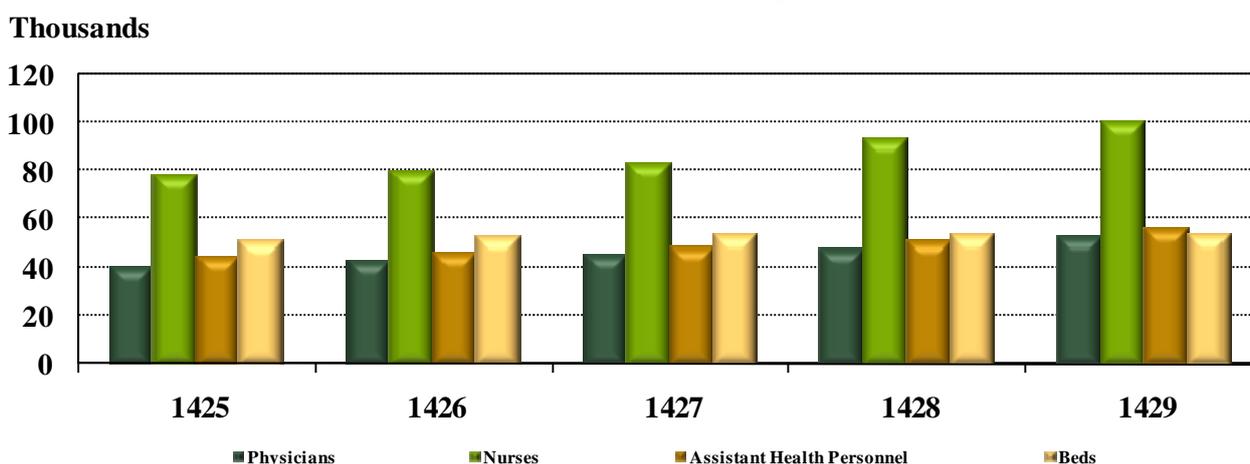


Table 17.10: HEALTH FACILITIES AND MEDICAL STAFF

	1427 H				1428 H				1429 H			
	The Ministry of Health	Other Government Entities	The Private Sector	Total	The Ministry of Health	Other Government Entities	The Private Sector	Total	The Ministry of Health	Other Government Entities	The Private Sector	Total
Health Care Centers	1,925	--	--	1,925	1,925	--	--	1,925	1,986	--	--	1,986
Private Dispensaries	--	0	1,057	1,057	--	0	1,152	1,152	--	0	1,871	1,871
Hospitals	218	39	127	384	225	39	123	387	231	39	123	393
Beds	30,617	10,257	12,590	53,464	31,420	10,828	11,271	53,519	31,720	10,806	11,362	53,888
Physicians*	21,265	10,233	14,091	45,589	22,643	10,808	14,468	47,919	24,802	11,592	16,444	52,838
Nursing Staff	44,395	20,488	18,985	83,868	51,188	21,462	21,085	93,735	55,429	23,536	22,333	101,298
Assistant Health** Personnel (Technicians)	26,075	15,192	7,872	49,139	27,958	16,162	7,168	51,288	30,281	17,183	8,462	55,926

* Excluding physicians working at private clinics, polyclinics, and corporations' clinics. The approximate number of pharmacists working at private clinics (including the dentists) stood at (17003) in 1429.

** Including pharmacists other than those working at private pharmacies. The Total number of pharmacists working at private Sector stood at (12,913) in 1429.

Source: Ministry of Health.





The Central Department of Statistics and Information (CDSI) estimated the Kingdom's population for 2009 at 25.37 million. Of this, Saudis constituted 73.1 percent (18.54 million), and non-Saudis 26.9 percent (6.83 million).

As for the labour force in the Kingdom, the Ministry of Civil Service indicates that the number of employees in the government sector (Saudis and non-Saudis) was 899.7 thousand at the end of 2008. However, the number of employees (Saudis and non-Saudis) in the private sector, as per the Ministry of Labour data, stood at 6.9 million at the end of 2009 against 6.2 million at the end of 2008.

A demographic study of population indicates that the Saudi society is among the fastest growing young societies of the world. Estimates show that the Kingdom's population grew by more than three fold during the last three decades, rising from 7.3 million in 1975 to 25.37 million in 2009. A comparison of the Kingdom's average population growth rate with those of Arab countries, developing countries, OECD countries and other countries of the world in general, shows that it exceeds them by varying degrees. While the annual growth rate of the Kingdom's population during the period (1990-1995) averaged 2.9 percent, those for Arab and developing countries amounted to 2.6 percent and 1.8 percent respectively and for OECD countries and all countries of the world stood at 0.6 percent and 1.5 percent respectively. The high growth rate of the Kingdom's population was attributable to remarkable improvement in the economic, health and social conditions during the said period. The continued development in the economic structure, the massive investments in infrastructure and investments made by the private sector have contributed to the recruitment of a large number of non-Saudi manpower which constituted 24.5 percent of the Kingdom's total population in 2009.

According to Table 18.1, which shows comparative demographic and developmental trends, there has occurred a continuous increase in the ratio of the Kingdom's urban population to total population. It rose from 76.6 percent in 1990 (against the world average of 43.5 percent) to 82.1 percent of the total population in 2010 (against the world average of 52.6 percent). It is estimated that the ratio of cities' inhabitants to total population will reach 83.2 percent in 2015 compared to the world average of 52.8 percent, and this ratio of cities' inhabitants is high compared to the world average. The continued rise in the ratio is suggestive of the expected expansion in the demand for public utility services

and housing in the Kingdom's cities over the coming period.

Other important demographic indicators show that total fertility rate fell from 5.4 infants per woman (against the world average of 4.5 infants per woman) during the period 1990-1995 to 3.8 infants per woman during the period 2005-2010. Infant mortality rate (per 1000 children) declined from 118 infants in 1970 (against the world average of 96 infants) to 21 infants in 2005 (against the world average of 52 infants). Mortality rate of children below 5 years fell from 185 children (per 1000 children) in 1970 (against the world average of 148 children) to 26 children in 2005 (against the world average of 76 children). Life expectancy rose from 53.9 years during the period 1970-1975 (world average 58.3 years) to 72.7 years during the year 2007 (world average 67.5 years). The quantitative and typical transformation in the Kingdom's population that has taken place over the years reflects the significant role of the successive development plans, starting from 1970 until the present time.

Population

Population Policy for the Eighth Development Plan

According to the Kingdom's Eighth Development Plan, the population policy incorporates measures and programs aimed at achieving specific demographic targets in the framework of development goals by affecting the population features associated with population size, rate of growth, age groups and geographical distribution, in addition to improving health and education characteristics, and attaining a balance between these aspects and resources available in the community. Given the importance of the impact of population on sustainable economic and social development, the Ministry of Economy and Planning has embarked on developing a draft population policy for the Kingdom based on the long-term strategic vision of the Saudi economy 1425-1444H (2005-2024) as well as the general framework of the demographic strategy of the countries of the Gulf Cooperation Council. The population policy is based on the following aspects:

1. Population issues:

These cover the most important demographic issues relating to the population size and rates of growth, age and sex structure, geographic distribution, births, the mortality rate among different groups of the population, in addition to studying the impact of economic, social and behavioral factors on the population.

2. Health services and health conditions:

It includes monitoring developments in the infrastructure of health care services of various kinds and the rates of communicable and chronic diseases



Table 18.1: COMPARATIVE DEMOGRAPHIC TRENDS

	Year (Period)	Saudi Arabia*	Arab countries	Developing countries	OECD	The world
Total population (Million)	1990	15.2	638.6	4,412.9	1,048.6	5,290.5
	2007	24.2	964.5	5,684.0	1,189.0	6,670.8
	2020	31.6	1,276.1	6,623.4	1,269.7	7,674.3
Annual growth rate of population	1990- 1995	2.9	2.6	1.8	0.6	1.5
	2005- 2010	2.0	2.3	1.3	0.4	1.2
Urban population (Ratio to total population)	1990	76.6	4.6	36.3	71.8	2.6
	2010	82.1	4.6	47.0	76.8	2.6
	2015	83.2	58.8	47.9	78.2	52.8
Child dependency ratio (at working age 15-64)	1990	75.1	85.5	61.0	34.6	53.8
	2010	49.1	71.5	44.3	27.7	41.2
Old age dependency ratio (at working age 15-64)	1990	4.1	5.9	7.3	17.5	10.0
	2010	4.6	6.1	8.8	22.1	11.6
Fertility rate (Infant per woman)	1990-1995	5.4	5.6	3.3	1.9	3.1
	2005-2010	3.2	3.0	2.6	1.8	2.6
Infant mortality rate (Per 1000 infants)	1970	118.0	129.0	109.0	41.0	96.0
	2005	21.0	46.0	57.0	9.0	52.0
Children mortality rate below 5 years (per 1000 infants)	1970	185.0	196.0	167.0	54.0	148.0
	2005	26.0	58.0	83.0	11.0	76.0
Life expectancy (years)	1970-1975	53.9	51.9	55.8	70.3	58.3
	2007	72.7	68.5	67.0	79.0	67.5
Potential living up to 65 years for the period 2000-2005	Male	73.7	66.4	62.6	80.5	63.1
	Female	82.0	73.5	70.3	89.2	72.0
GDP Per capita (in US \$ based on purchasing power parity)	2003	9,745	5,685	4,359	25,915	8,229
	2005	13,645	6,716	5,282	29,197	9,543
	2007	15,862	8,202	5,357	32,647	9,972

* Source: Central Department of Statistics and Information, Ministry of Economy and Planning, and Human Resources Development Report of 2006 & 2009, UN Development Program.
Source: Human Resources Development Report 2006 & 2009, UN Development Program.

among different categories of the population, the health conditions of children, mothers, and the elderly, and the rates of different kinds of disability.

3. Education and future challenges:

This aspect is one of the most important cornerstones of human development, and one of the most important means of addressing poverty, and the reduction of mortality and fertility. It deals with the enormous expansion in the infrastructure of educational services sector over the last decades of development, resulting in high enrolment ratios at the various levels

of education, and a decline in the level of illiteracy. Despite the significant achievements in education and training, the growing numbers of children at school age associated with the steady increase in population will require large numbers of institutions and supplies in the area of educational services to ensure that levels of enrolment would not decrease, and achieve the goal of full absorption of children at school age.

4. Manpower and employment:

It focuses on the analysis of the current status of the labour market in the Kingdom and the reasons of



the weak participation by citizens therein, and the study of the means and measures to be taken to accommodate the growing numbers of young people entering the labour market over the coming period.

5. Women's opportunities in education and employment:

It deals with developments in women's education in Saudi Arabia during the last decades of development, the importance of opening up more areas for employment of women, and the provision of adequate training and qualification to enable them to contribute effectively to the process of economic and social development.

6. Environment:

This relates to the impact of population factors on environment in the country, given the rapid population growth and urbanization, which resulted in many challenges, including an increase in household waste, environment pollution, pressure on sewage systems and increased demand for water for domestic, municipal, industrial, and agricultural purposes, the preservation of non-renewable water resources from depletion, and the protection of vegetation.

7. Database:

It deals with the importance of making available a database of reliable data updated during specific periods of time consistent with the databases established internationally; in addition to paying attention to ongoing training of workers in statistical organs and making population research works and studies to identify priorities and assess and follow-up the implementation of the various social and population programs.

The population policy objectives are consistent with the objectives of the Millennium Development Goals issued by the United Nations in 1421H (2000 G) aimed at the eradication of poverty, full access to primary education, the achievement of equality between boys and girls in access to education, reduction of maternal mortality rates and under-five child mortality, combating HIV (AIDS), malaria, and other endemic diseases, and the preservation of the environment.

There is no doubt that paying attention to population issues will support the significant accomplishments realized so far by the Kingdom in the areas of economic and social development which can be built upon for sustaining development and raising the standard of living of citizens in all regions of the Kingdom.

Kingdom's Population Details

Preliminary estimates issued by the Central Department of Statistics and Information of the Ministry of Economy and Planning show that the population of the Kingdom in 2009 was about 25.37 million, representing a growth rate of 2.3 percent over the previous year estimate of 24.80 million. Saudis constituted 73.1 percent of total population (18.54 million), while non-Saudis constituted 26.9 percent of the total (6.83 million).

The Kingdom's population breakdown by sex based on the results of 2009 estimates indicates that the male population accounted for 55.2 percent and the female 44.8 percent of total population. The Saudi male population represented 36.7 percent and the female 36.4 percent of the total population, while non-Saudi male population was 18.5 percent and the female was 8.4 percent of the total population of the Kingdom (Table 18.2 and Chart 18.1).

Table 18.2: THE KINGDOM'S POPULATION STATISTICS BY SEX AND NATIONALITY*

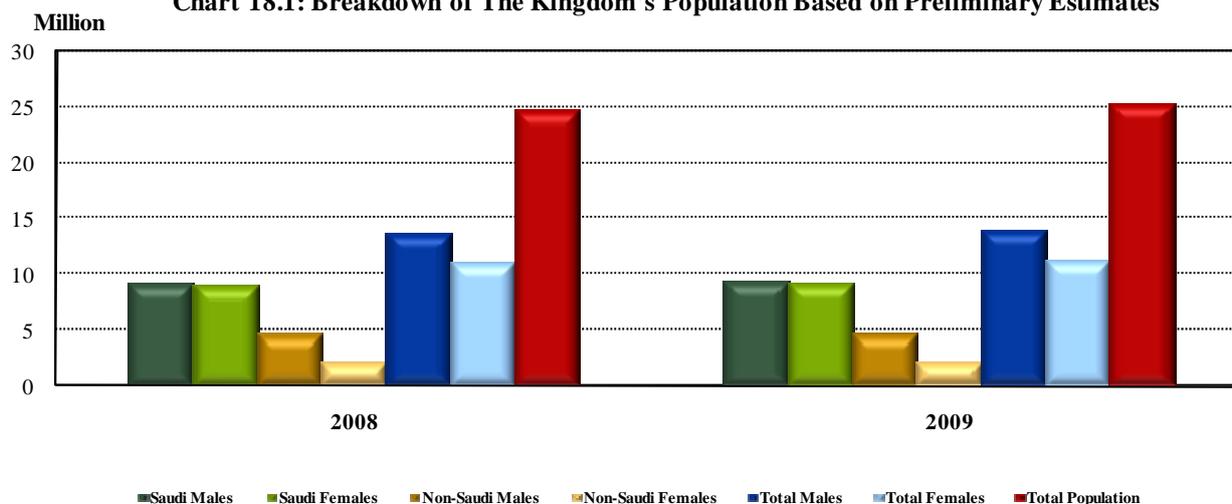
Nationality and Sex	2008*	2009*	Growth rate	Ratio to Total
Saudis				
Males	9,091,249	9,307,550	2.4	36.7
Females	9,024,301	9,235,696	2.3	36.4
Total	18,115,550	18,543,246	2.4	73.1
Non-Saudis				
Males	4,601,843	4,687,043	1.9	18.5
Females	2,089,880	2,143,223	2.6	8.4
Total	6,691,723	6,830,266	2.1	26.9
Total				
Males	13,693,092	13,994,593	2.2	55.2
Females	11,114,181	11,378,919	2.4	44.8
Total	24,807,273	25,373,512	2.3	100.0

* Mid-year estimates.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



Chart 18.1: Breakdown of The Kingdom's Population Based on Preliminary Estimates



The breakdown of the Kingdom's population by age groups in 2009 indicates that children of age groups from 0 to 14 years old accounted for 8.11 million, or 31.97 percent of the total population, the youth (from 15 to 39 years) 11.58 million or 45.66 percent, while the age groups of 40 years and over stood at 5.68 million, or 22.37 percent of the total population. The breakdown of the Saudi population by age groups shows that children (from 0 to 14 years old) amounted to 6.75 million, or 36.41 percent of the total Saudi population, youth (15 years to 39 years old) 8.05 million or 43.42 percent of the total Saudi population, while the age groups from 40 years and over stood at 3.74 million, or 20.17 percent of the total Saudi population (Table 18.3).

The breakdown of the Kingdom's population by administrative regions in 2009 indicates that Makkah Region ranked first with 6.35 million, or 25.0 percent, followed by Riyadh Region with 6.25 million or 24.6 percent, and, then, the Eastern Region with 3.71 million or 14.6 percent. The Northern Borders Region occupied the last rank with 0.31 million or 1.2 percent of the total Saudi Population (Table 18.4).

The number of births in 2009 was 601,949, rising by 3,823 over the previous year. The number of births of Saudis was 503,689 (257,987 were males and 245,702 females). The number of births of non-Saudis stood at 98,260 (50,328 were males and 47,932 females).

The number of mortalities in 2009 stood at 98,289, increasing by 1,648 over the preceding year. The number of Saudi death cases amounted to 75,980 (41,682 were males and 34,298 were females), and the number of deaths of non-Saudis was 22,309 (16,487

males and 5,822 females). On the other hand, the fertility rate among Saudi females fell to 3.25 births per woman in 2009 from 3.31 births per woman in the preceding year. The total fertility rate for non-Saudi females in 2009 amounted to 2.33 births per woman, declining from 2.35 births per woman in the previous year (Table 18.5).

Manpower

Manpower and Employment under the Eighth Development Plan:

Manpower development is one of the cornerstones for overall development and its sustainability because of its pivotal role in refining skills, activating capabilities and developing human competence in scientific, professional and technical aspects to meet development requirements and immediate and future needs of the labour market.

The current global conditions are marked by growing economic globalization trends, and accelerated rates of technological development. This adds a new dimension to the concept of comparative advantage to countries. Hence, improving the quality of the workforce, and raising its production efficiency and capability, to create and innovate in the areas of modern technology, have turned out to be one of the important means to accommodate scientific inventions and advanced technologies and enhance the capacity of the domestic economy to continue to integrate into the global economy. The ability to acquire and produce knowledge, and embody it in products and commodities, is the most important element in measuring the progress and prosperity of nations.

The Eighth Development Plan has supported these efforts in the framework of a knowledge-based



**Table 18.3: THE KINGDOM'S POPULATION
BY AGE, SEX AND NATIONALITY (2009)***

Age Category	Saudis			Non-Saudis			Total		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
0-4	1,239,774	1,182,563	2,422,337	261,103	249,634	510,737	1,500,877	1,432,197	2,933,074
5-9	1,114,732	1,091,605	2,206,337	233,042	223,311	456,353	1,347,774	1,314,916	2,662,690
10-14	1,062,783	1,060,699	2,123,482	201,863	190,665	392,528	1,264,646	1,251,364	2,516,010
Subtotal (0-14)	3,417,289	3,334,867	6,752,156	696,008	663,610	1,359,618	4,113,297	3,998,477	8,111,774
15-19	1,002,872	1,019,077	2,021,949	158,712	147,295	306,007	1,161,584	1,166,372	2,327,956
20-24	911,002	931,040	1,842,042	183,774	140,586	324,360	1,094,776	1,071,626	2,166,402
25-29	801,747	818,755	1,620,502	462,838	207,224	670,062	1,264,585	1,025,979	2,290,564
30-34	695,680	705,912	1,401,592	827,152	312,856	1,140,008	1,522,832	1,018,768	2,541,600
35-39	581,811	581,782	1,163,593	787,788	306,690	1,094,478	1,369,599	888,472	2,258,071
Subtotal (15-39)	3,993,112	4,056,566	8,049,678	2,420,264	1,114,651	3,534,915	6,413,376	5,171,217	11,584,593
40-44	484,790	477,612	962,402	635,131	161,992	797,123	1,119,921	639,604	1,759,525
45-49	390,139	373,842	763,981	432,516	78,654	511,170	822,655	452,496	1,275,151
50-54	308,416	293,007	601,423	264,776	49,109	313,885	573,192	342,116	915,308
55-59	225,763	215,318	441,081	140,664	32,392	173,056	366,427	247,710	614,137
60-64	167,965	162,909	330,874	53,273	15,816	69,089	221,238	178,725	399,963
65-69	118,628	121,053	239,681	23,103	11,842	34,945	141,731	132,895	274,626
70-74	82,417	85,441	167,858	9,533	6,013	15,546	91,950	91,454	183,404
75-79	53,622	55,213	108,835	6,126	4,560	10,686	59,748	59,773	119,521
80 & over	65,409	59,868	125,277	5,649	4,584	10,233	71,058	64,452	135,510
Subtotal (40 and over)	1,897,149	1,844,263	3,741,412	1,570,771	364,962	1,935,733	3,467,920	2,209,225	5,677,145
Total	9,307,550	9,235,696	18,543,246	4,687,043	2,143,223	6,830,266	13,994,593	11,378,919	25,373,512
Growth	4.9	4.8	4.8	3.8	5.3	4.3	4.5	4.9	4.7
Ratio to total	36.7	36.4	73.1	18.5	8.4	26.9	55.2	44.8	100.0

* Mid-2009 Estimates.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



Table 18.4: THE KINGDOM'S POPULATION STATISTICS BY ADMINISTRATIVE REGIONS AND SEX*

Region	Males	Females	Total	Ratio
Riyadh	3,546,261	2,701,125	6,247,386	24.6
Makkah	3,518,622	2,829,734	6,348,356	25.0
Al-Madinah	921,839	797,655	1,719,494	6.8
Al-Qassim	632,436	503,308	1,135,744	4.5
Eastern	2,082,426	1,632,459	3,714,885	14.6
Asir	990,092	868,465	1,858,557	7.3
Tabouk	432,131	362,479	794,610	3.1
Hail	306,000	274,436	580,436	2.3
Northern Borders	162,204	144,833	307,037	1.2
Jazan	713,015	652,741	1,365,756	5.4
Najran	260,663	227,641	488,304	1.9
Al-Bahah	208,669	196,052	404,721	1.6
Al-Jawf	220,235	187,991	408,226	1.6
Total	13,994,593	11,378,919	25,373,512	100

* Mid-2009 Estimates.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning

economic projects which are more interactive and integrated into the global economic system in which the private sector plays a vital leading role based on strategies set for the development of manpower at the national level.

Manpower development goals

The objectives of manpower development under the Eighth Development Plan are as follows:

1. Achieving optimum use of the national workforce and motivate it to participate in all areas of productive work in various economic sectors.
2. Achieving greater harmonization of educational and training programs and labour market needs for a national workforce.
3. Increasing employment opportunities for the national manpower, particularly in the private sector to meet the

Table 18.5: NUMBER OF BIRTHS, DEATHS AND FERTILITY RATE IN THE KINGDOM

	2006	2007	2008	2009
No. of Births				
Saudis				
Males	250,453	253,569	255,634	257,987
Females	238,527	241,494	243,461	245,702
Total	488,980	495,063	499,095	503,689
Non-Saudis				
Males	51,344	51,238	50,723	50,328
Females	48,899	48,798	48,308	47,932
Total	100,243	100,036	99,031	98,260
Total No. of Births				
Males	301,797	304,807	306,357	308,315
Females	287,426	290,292	291,769	293,634
Total	589,223	595,099	598,126	601,949
No. of Deaths				
Saudis				
Males	39,952	40,500	41,052	41,682
Females	32,991	33,408	33,840	34,298
Total	72,943	73,908	74,892	75,980
Non-Saudis				
Males	15,133	15,538	15,980	16,487
Females	5,676	5,720	5,769	5,822
Total	20,809	21,258	21,749	22,309
Total No. of Deaths				
Males	55,085	56,038	57,032	58,169
Females	38,667	39,128	39,609	40,120
Total	93,752	95,166	96,641	98,289
Fertility Rates				
Saudis	3.46	3.39	3.31	3.25
Non-Saudis	2.37	2.36	2.35	2.33
Total	3.22	3.17	3.10	3.04

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

demand generated by growth in addition to the replacement requirements of expatriate manpower .

4. Rationalizing the recruitment of labour from abroad and linking its employment and use with the actual needs, activating Saudization decisions, and limiting employment in some occupations and economic activities to the national labour force.
5. Providing more jobs for the national labour force, especially for women, and adopting appropriate policies to promote the participation of women in the labour market, in line with their nature without contravention of Islamic Shari'a.
6. Addressing and reducing unemployment rates.
7. Encouraging investment in productive and service sectors that use advanced technologies of high value added.



Manpower

The Manpower Research of 1430H (2009) issued by the Central Department of Statistics and Information of the Ministry of Economy and Planning indicates that the total labour force in the Kingdom stood at 8.61 million of whom 7.33 million were male workers (85.1 percent of the total labour force), and the total number of working labourers was 8.15 million (7.07 million males or 82.1 percent of the total labour force). It also showed that the Saudi labour force amounted to 4.29 million (3.58 million males or 41.6 percent of the total labour force). The number of Saudi working labourers stood at 3.84 million (3.33 million males or 38.7 percent). The non-Saudi manpower amounted to 4.32 million (3.75 million males or 43.5 percent of total manpower). The total number of non-Saudi working labourers stood at 4.31 million (3.74 million males or 43.4 percent).

A breakdown of the Kingdom's labour force by age groups indicates that 1.81 million were of the age group from 30 to 34 years, representing the largest number and accounting for 21.0 percent of the total labour force; 6.09 million or 70.7 percent of the total labour force were 25 to 44 years old, while the group from 15 to 19 years old accounted for the smallest number of 0.05 million or 0.6 percent of the total labour force. A breakdown of the Kingdom's labour force by administrative regions shows:

Riyadh region has the largest share of the total labour force, accounting for 2.35 million, 27.3 percent, followed by Makkah region by 2.25 million or 26.2 percent. The Eastern region ranked third with 1.30 million or 15.1 percent. Finally, the Northern Border region accounted for the lowest share of 1.0 million or 0.08 million. As for the educational status of the labour force in the Kingdom, secondary certificate holders or equivalent certificate represent the highest rate of the labour force with 1.87 million or 21.7 percent, followed by intermediate certificate holders, accounting for 1.73 million or 20.1 percent. The bachelor degree and license holders came next with 19.2 percent or 1.66 million. Then, came Doctorate degree holders, representing the lowest rate of 0.4 percent or 0.03 million (Table 18.7).

Workers in the Public Sector

According to the latest statistics issued by the Ministry of Civil Service, the number of employees in the government sector (Saudis and non-Saudis) at the end of 2009 stood at 899.7 thousand, increasing by 8.4 percent over the preceding year. Saudis working in the government sector represented 92.0 percent of the total workers in the same sector.

Nationality-wise, the number of Saudi workers in the government sector was 827.8 thousand at the end of 2008 (an increase of 8.8 percent over the preceding

**Table 18.6: BREAKDOWN OF THE LABOUR FORCE
BY SEX AND NATIONALITY IN 2009**

Nationality	Labour Force			Employed			Unemployed		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
Saudis	3,580,790	705,725	4,286,515	3,332,628	505,340	3,837,968	248,162	200,385	448,547
Ratio to total	83.5	16.5	100.0	86.8	13.2	100.0	55.3	44.7	100.0
Ratio to grand total	41.6	8.2	49.8	38.7	5.9	44.6	2.9	2.3	5.2
Non-Saudis	3,747,190	577,296	4,324,486	3,736,810	573,214	4,310,024	10,380	4,082	14,462
Ratio to total	86.7	13.3	100.0	86.7	13.3	100.0	71.8	28.2	100.0
Ratio to grand total	43.5	6.7	50.2	43.4	6.7	50.1	0.1	0.0	0.2
Grand Total	7,327,980	1,283,021	8,611,001	7,069,438	1,078,554	8,147,992	258,542	204,467	463,009
Ratio to grand total	85.1	14.9	100.0	82.1	12.5	94.6	3.0	2.4	5.4

Source: Estimates of the Manpower Research, Central Department of Statistics and Information, Ministry of Economy and Planning.



Table 18.7: BREAKDOWN OF THE LABOUR FORCE BY AGE CATEGORY, ADMINISTRATIVE REGION AND EDUCATIONAL LEVEL IN 2009

Age Category	Labour Force	Ratio to total	Employed	Ratio to		
				Labour Force	Non-employed	Ratio to Labour Force
15-19	47,983	0.6	35,552	74.1	12,431	25.9
20 - 24	656,096	7.6	457,656	69.8	198,440	30.2
25 - 29	1,423,298	16.5	1,240,965	87.2	182,333	12.8
30 - 34	1,810,404	21.0	1,757,387	97.1	53,017	2.9
35 - 39	1,623,936	18.9	1,613,172	99.3	10,764	0.7
40 - 44	1,229,181	14.3	1,225,592	99.7	3,589	0.3
45 - 49	836,168	9.7	833,733	99.7	2,435	0.3
50 - 54	504,483	5.9	504,483	100.0	0	0.0
55 - 59	276,809	3.2	276,809	100.0	0	0.0
60 - 64	105,671	1.2	105,671	100.0	0	0.0
65 & over	96,972	1.1	96,972	100.0	0	0.0
Administrative Region						
Riyadh	2,351,492	27.3	2,267,199	96.4	84,293	3.6
Makkah	2,254,861	26.2	2,147,548	95.2	107,313	4.8
Al-Madinah	509,858	5.9	476,397	93.4	33,461	6.6
AL-Qassim	392,110	4.6	373,083	95.1	19,027	4.9
Eastern	1,303,350	15.1	1,235,779	94.8	67,571	5.2
Asir	560,568	6.5	534,170	95.3	26,398	4.7
Tabuk	228,719	2.7	215,549	94.2	13,170	5.8
Hail	179,203	2.1	166,941	93.2	12,262	6.8
Northern Border	85,246	1.0	70,784	83.0	14,462	17.0
Jazan	352,990	4.1	307,773	87.2	45,217	12.8
Najran	140,268	1.6	129,064	92.0	11,204	8.0
Al-Bahah	126,917	1.5	115,883	91.3	11,034	8.7
Al-Jawf	125,419	1.5	107,822	86.0	17,597	14.0
Educational Level						
Illiterate	477,964	5.6	476,566	99.7	1,398	0.3
Read & write	913,386	10.6	909,110	99.5	4,276	0.5
Primary	1,258,386	14.6	1,227,974	97.6	30,412	2.4
Intermediate	1,732,492	20.1	1,685,680	97.3	46,812	2.7
High School	1,866,232	21.7	1,744,859	93.5	121,373	6.5
Diploma	582,055	6.8	525,203	90.2	56,852	9.8
Bachelor	1,656,912	19.2	1,455,829	87.9	201,083	12.1
Master/Higher Diploma	92,041	1.1	91,238	99.1	803	0.9
PH.D.	31,533	0.4	31,533	100.0	0	0.0
Total	8,611,001	100.0	8,147,992	94.6	463,009	5.4

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.



year), while non-Saudi workers stood at 71.8 thousand (rising by 4.2 percent over the preceding year).

The number of Saudi male workers amounted to 552.7 thousand at the end of 2008, increasing by 8.8 percent over the preceding year, while the number of female workers was 275.1 thousand, increasing by 8.8 percent over the preceding year.

The number of non-Saudi male workers at the end of 2008 was 35.8 thousand, declining by 2.8 percent from the preceding year while the number of female workers was 36.1 thousand, rising by 12.2 percent from the preceding year (Table 18.8 and Chart 18.2).

Average Monthly Salaries of Saudi Government Employees

The salaries of Saudi employees in the government sector were raised by 15 percent with effect from 1/9/1426H (4/10/2005). Monthly salaries of government staff vary according to categories of post scales, including the following seven main grades:

1. Employees' General Salary Scale:

This comprises 15 grades, with a minimum limit of an average monthly salary (1st grade) of Rls 2,530, and a maximum limit of an average monthly salary (15th grade) of Rls 20,625.

2. Clerks' Salary Scale:

This includes 3 grades, with a minimum limit of an average monthly salary (31st grade) of Rls 1,732, and a maximum limit of an average monthly salary (33rd grade) of Rls 3,812.

3. Educational Post Salary Scale:

This includes 6 ranks, with a minimum limit of an average monthly salary (1st rank) of Rls 7,157, and a maximum limit of an average monthly salary (6th rank) of Rls 13,237.

4. Judges' Salary Scale:

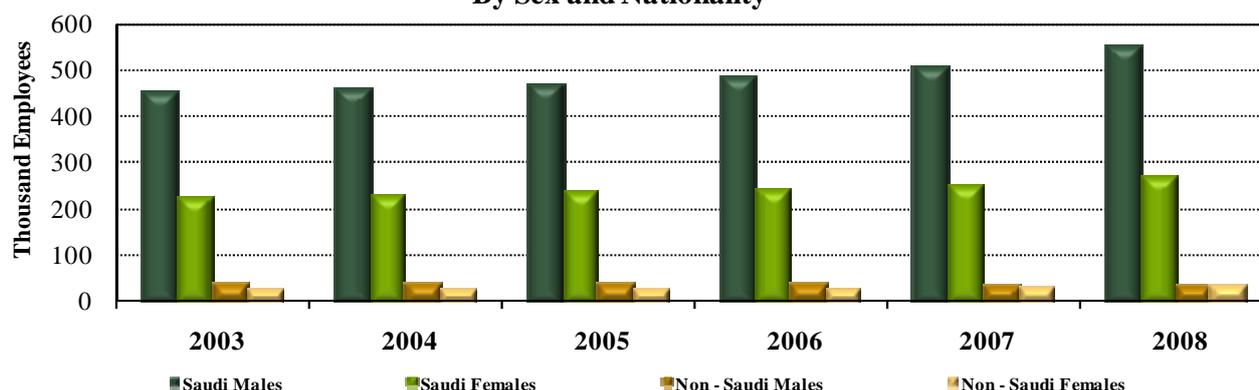
This includes 10 grades, with a minimum limit of an average monthly salary (Attendant Judge) of Rls 8,970, and a maximum limit of an average monthly salary (Head of Court A) of Rls 26,945. The scale

Table 18.8: BREAKDOWN OF THE GOVERNMENT SECTOR'S EMPLOYEES BY SEX AND NATIONALITY

Year	Saudis				Non-Saudis				Total	
	Males	Females	Total	Growth rate	Males	Females	Total	Growth rate	Saudis and non-Saudis	Growth rate
2005	472,727	240,108	712,835	2.64	41,436	29,005	70,441	2.43	783,276	2.62
2006	490,109	243,757	733,866	2.95	39,779	30,018	69,797	-0.91	803,663	2.60
2007	508,006	252,989	760,995	3.70	36,851	32,139	68,990	-1.16	829,985	3.28
2008	552,718	275,128	827,846	8.78	35,807	36,058	71,865	4.17	899,711	8.40

Source: Ministry of Civil Service.

Chart 18.2: Distribution of Government employees By Sex and Nationality





includes Cassation Judge and Head of Court of Cassation who receive the salaries of Excellent grade.

5. Teaching Staff Salary Scale (in universities and the like):

This includes 5 categories with a minimum limit of an average monthly salary (Teaching Assistant) of Rls 8,300 and a maximum limit of an average monthly salary (Professor) of Rls 20,460.

6. Staff of the Commission of Investigation and Public Prosecution: Salary Scale:

This includes 9 grades, with a minimum limit of an average monthly salary (Investigation Lieutenant) of Rls 6,415 and a maximum limit of an average monthly salary (Vice-Chancellor) of Rls 28,750.

7. Medical Post Salary Scale:

This includes 8 categories, with a minimum limit of an average monthly salary (Medical Assistant B) of Rls 5,827 and a maximum limit of an average monthly salary (Consultant) of Rls 17,980 (Table 18.9).

Workers in the private sector

Latest figures issued by the Ministry of Labour show that the number of workers in the private sector (Saudis and non-Saudis) was 6.9 million at the end of 2009, increasing by 10.8 percent over the preceding year. The ratio of Saudis

employed in the private sector to total employed workers was 9.9 percent.

A breakdown of employees in the private sector at the end of 2009 indicates that Saudis amounted to 0.68 million (declining by 17.8 percent from the preceding year) while non-Saudis were 6.2 million (increasing by 15.2 percent over the preceding year).

The number of Saudi male workers at the end of 2009 was 0.63 million, increasing by 18.6 percent over the preceding year, and that of female workers amounted to 0.05 million, increasing by 5.9 percent over the preceding year.

The number of non-Saudi male workers at the end of 2009 stood at 6.1 million, rising by 15.5 percent over the preceding year, and that of female workers was 0.09 million, declining by 2.8 percent from the preceding year (Table 18.10).

Workers in the Private Sector by Economic Activity

A breakdown of workers by economic activity in the private sector at the end of 2009 shows that "building and construction sector" accounted for 41.7 percent of the total number of workers in the private sector (2.9 million workers), followed by the "wholesale and retail trade sector" with 22.6 percent of the total number (1.6 million workers), and

**Table 18.9: AVERAGE MONTHLY SALARIES OF SAUDI STAFF
IN THE GOVERNMENT SECTOR**

(In Saudi Riyals)

	Employees' General Salary Scale		Clerks' Salary Scale		Educational Post Salary Scale		Judges' Salary Scale*	
	Grade	Average Salary	Grade	Average Salary	Grade	Average Salary	Grade	Average Salary
Minimum Limit	1	2530	31	1732	1	7157	Attendant Judge	8,970
Maximum Limit	15	20625	33	3812	6	13237	Head of Court (A)	26,945
	University Teaching Staff Salary Scale		Commission of Investigation and Public Prosecution Staff Salary Scale		Medical Staff Salary Scale			
	Post	Average Salary	Grade	Average Salary	Grade	Average Salary	Grade	Average Salary
Minimum Limit	TA	8,300	Investigation Lieutenant	6,415	Medical Assistant (B)	5,827		
Maximum Limit	Professor	20,460	Vice-Chancellor	28,750	Consultant	17,980		

* A cassation Judge and Head of the Court of Cassation are classified within the salary scale of excellent grade and receive its salary.
Source: Ministry of Civil Service.



**Table 18.10: LABOUR FORCE IN THE PRIVATE SECTOR
BY SEX AND NATIONALITY**

	2008		2009		Annual growth rate
	No. of workers	Percentage Distribution	No. of workers	Percentage Distribution	
1. Total labour force	6,221,947	100.0	6,895,548	100.0	10.8
Males	6,078,896	97.7	6,758,103	98.0	11.2
Females	143,051	2.3	137,445	2.0	-3.9
2. Saudis	829,057	13.3	681,481	9.9	-17.8
Males	777,606	12.5	633,075	9.2	-18.6
Females	51,451	0.8	48,406	0.7	-5.9
3. Non- Saudis	5,392,890	86.7	6,214,067	90.1	15.2
Males	5,301,290	85.2	6,125,028	88.8	15.5
Females	91,600	1.5	89,039	1.3	-2.8

Source: Ministry of Labour.

"community, social and personal services sector" came third with 10.8 percent of the total number of workers (0.7 million workers). In the last position was "electricity, gas and water sector", with 0.4 percent (0.03 million workers of the total number of workers in the private sector) (Table 18.11 and Chart 18.3).

Workers in the Private Sector by Major Occupations

A breakdown of workers in the private sector by major occupations at the end of 2009 (Table 18.12 and Chart 18.4) shows that the number of workers in "auxiliary basic engineering" occupations occupied the first position with 2.5 million workers, or 35.7 percent of the total number of workers in main occupations, followed by professions of "services" with 2.3 million workers or 33.9 percent, "agricultural, animal and bird breeding and hunting" professions ranked third with 0.5 million workers, or 7.5 percent. In the last position came occupations of "directors and business managers" with 0.06 million or 0.9 percent of the total number of workers in main occupations.

Workers in the Private Sector by Educational Level

A breakdown of workers in the private sector by educational level at the end of 2009 (Table 18.13 and Chart 18.5) shows that the number of workers who can read and write occupied the first position with 4.0 million workers, or 57.8 percent of the total number of workers in the private sector, followed by the illiterate who can neither read nor write with 1.0 million workers or 14.2 percent of the total number. Secondary certificate holders ranked third with 0.6 million workers, or 8.7 percent of the total number of workers in the private sector. Intermediate certificate holders came fourth with 0.4 million, or 6.2 percent

of the total number of workers in the private sector. In the last position came holders of higher diplomas..

Breakdown of Labour Force in the Private Sector by Region

A breakdown of the labour force by region at the end of 2009 shows that the three main regions are Riyadh, Makkah and Eastern Region. These accounted for more than three quarters of labour force in the private sector. Riyadh Region occupied the first rank with 33.7 percent (2.3 million workers) of the total manpower in the private sector, followed by Makkah Region with 22.2 percent and the Eastern Region with 21.7 percent (1.5 million workers for each), while the Northern Border Region occupied the last position with 0.6 percent (0.04 million workers) of the total manpower in the private sector (Table 18.14 and Chart 18.6).

Average Monthly Salary of Labour Force in the Private Sector

According to the Ministry of Labour's data, the average monthly wages of workers in the Kingdom stood at Rls 991 during 2009 compared to Rls 1,353 during 2008, dropping by 26.8 percent. The average wages of male workers stood at Rls 977, declining by 27.1 percent from the preceding year. The average wages of female workers amounted to Rls 1,657 declining by 11.9 percent from the preceding year (Table 18.15 and Chart 18.7).

Unemployment

Latest data of the Central Department of Statistics and Information of the Ministry of Economy and Planning indicates that the number of unemployed workers in 2009 was 463,009, increasing by 5.8 percent, representing an unemployment rate of 5.4



**Table 18.11: BREAKDOWN OF LABOUR FORCE IN THE PRIVATE SECTOR
BY MAJOR ECONOMIC ACTIVITY, SEX AND NATIONALITY**

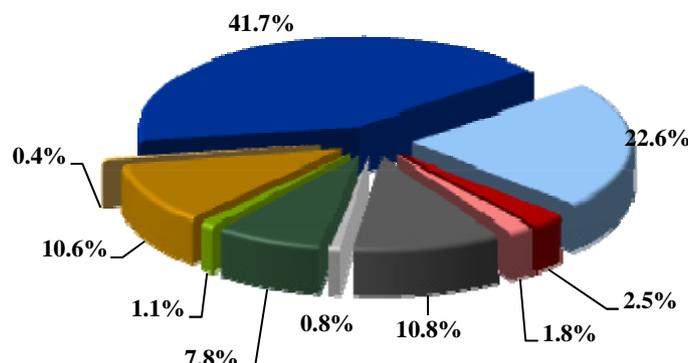
Economic activity	2008			2009			Percentage Ratio
	Males	Females	Total	Males	Females	Total	
Agriculture, forests and fishing							
Saudis	9,629	203	9,832	8,133	287	8,420	0.1
Non-Saudis	500,475	158	500,633	527,296	143	527,439	7.6
Total	510,104	361	510,465	535,429	430	535,859	7.8
Mines, oil, natural gas and quarrying							
Saudis	56,026	694	56,720	42,811	488	43,299	0.6
Non-Saudis	26,742	3,137	29,879	27,566	3,347	30,913	0.4
Total	82,768	3,831	86,599	70,377	3,835	74,212	1.1
Manufacturing industries							
Saudis	97,808	3,254	101,062	80,032	3,326	83,358	1.2
Non-Saudis	553,755	8,249	562,004	640,170	8,869	649,039	9.4
Total	651,563	11,503	663,066	720,202	12,195	732,397	10.6
Electricity, gas and water							
Saudis	13,406	94	13,500	9,395	79	9,474	0.1
Non-Saudis	16,006	26	16,032	17,855	22	17,877	0.3
Total	29,412	120	29,532	27,250	101	27,351	0.4
Construction and building							
Saudis	221,426	6,243	227,669	178,514	5,670	184,184	2.7
Non-Saudis	2,265,327	21,713	2,287,040	2,674,028	18,360	2,692,388	39.0
Total	2,486,753	27,956	2,514,709	2,852,542	24,030	2,876,572	41.7
Wholesale and retail trade							
Saudis	215,495	8,708	224,203	171,741	8,476	180,217	2.6
Non-Saudis	1,197,919	9,855	1,207,774	1,367,505	10,162	1,377,667	20.0
Total	1,413,414	18,563	1,431,977	1,539,246	18,638	1,557,884	22.6
Transport, storage and communications							
Saudis	22,187	190	22,377	16,220	219	16,439	0.2
Non-Saudis	123,190	259	123,449	155,701	325	156,026	2.3
Total	145,377	449	145,826	171,921	544	172,465	2.5
Finance, insurance, and real estate services							
Saudis	37,790	2,969	40,759	34,696	3,181	37,877	0.5
Non-Saudis	75,139	637	75,776	84,836	391	85,227	1.2
Total	112,929	3,606	116,535	119,532	3,572	123,104	1.8
Community, social and personal							
Saudis	96,790	28,757	125,547	85,994	26,491	112,485	1.6
Non-Saudis	505,623	47,299	552,922	584,145	47,198	631,343	9.2
Total	602,413	76,056	678,469	670,139	73,689	743,828	10.8
Other activities							
Saudis	7,049	339	7,388	5,539	189	5,728	0.1
Non-Saudis	37,114	267	37,381	45,926	222	46,148	0.7
Total	44,163	606	44,769	51,465	411	51,876	0.8
Total labor force							
Saudis	777,606	51,451	829,057	633,075	48,406	681,481	9.9
Non-Saudis	5,301,290	91,600	5,392,890	6,125,028	89,039	6,214,067	90.1
Grand Total	6,078,896	143,051	6,221,947	6,758,103	137,445	6,895,548	100.0

Source: Ministry of Labour.



Chart 18.3: Distribution of Manpower in the Private Sector By Major Economic Activity during 2009

- Agriculture, Forests, Hunting and Fishing
- Mining, Oil, Gas and Quarrying
- Manufacturing Industry
- Electricity, Water and Gas
- Construction
- Wholesale and Retail Trade
- Transport, Storage and Telecommunications
- Finance, Insurance, Real Estate services and Business
- Community and Personal Social Services
- Other activities



percent of the total labour force in the Kingdom. The number of unemployed Saudis stood at 448,547, registering an unemployment rate of 10.5 percent of the total Saudi labour force, 248,162 were males, representing an unemployment rate of 6.9 percent of the total Saudi male labour force, while Saudi female workers were 200,385 constituting an unemployment rate of 28.4 percent of the total Saudi female labour force. The number of unemployed non-Saudis stood at 14,462 with an unemployment rate of 0.30 percent of the total non-Saudi labour force working in the Kingdom of Saudi Arabia (Tables 18.16, 18.17 and Chart 18.8).

Saudization

The Ministry of Labour and other related government organs have continued their efforts to increase the contribution of the national manpower to different economic activities, especially to those sectors where foreign workers are concentrated. These efforts seek, inter alia, to provide timely and periodic information on the labour market, encourage the private sector to provide job opportunities to qualified and skilled citizens willing to work, and to rationalize the recruitment of foreign labour force and restrict it only to specializations not sufficiently available among Saudis.

Among efforts made by the Saudi government are employment campaigns conducted by the Ministry of Labour for employing Saudis. Such campaigns aim at determining the number and quality of Saudi job seekers, qualifying those who lack specific skills through training programs on jobs needed in the labour market, in cooperation with Human Resource Development Fund, and providing them with suitable job opportunities in the private sector.

These efforts led to employment of 35,445 Saudis (33,061 males) of job seekers in all of the Kingdom's regions in private enterprises. The number of Saudis who were employed directly in private enterprises amounted to 108,429. As a result, the total of new employed Saudis in private enterprises rose to 143,874 in 2009.

Saudi Employment Strategy

The Saudi labour market is suffering from intermingled distortions formed over a long time span. These distortions were exacerbated by the need for recruiting a substantial number of expatriate labour due to the rise in economic growth rates during the seventies. The recruitment of expatriate labour continued unabatedly driven by the mismatch between the output of the domestic education, training, and qualification systems and the needs of the labour market, and the growth in the supply of manpower at a more accelerating pace than the growth of the national economy. These factors led to a figurative division of the labour market into two parts; one related to jobs for citizens and the other is for expatriate labour.

An analysis of the distortion of the labour market would show that the oil boom in the seventies contributed to accelerating the expansion of the infrastructure, and increasing the demand for production components, especially the component of work, quantitatively and qualitatively. This led to recruitment of a large number of expatriate workers to fill the gap of demand for labour for a short term, with the intention to dispense with their services gradually in the long run after building the capacity of a national qualified manpower, holding quantitative, qualitative and diversified features similar to those of the expatriate labour force to be replaced.



**Table 18.12: BREAKDOWN OF LABOUR FORCE IN THE PRIVATE SECTOR
BY MAJOR PROFESSION, SEX AND NATIONALITY**

Major Professions	2008			2009			Percentage Ratio
	Males	Females	Total	Males	Females	Total	
Administrative and business directors							
Saudis	63,743	2,121	65,864	51,397	2,116	53,513	0.8
Non-Saudis	6,894	47	6,941	6,907	40	6,947	0.1
Total	70,637	2,168	72,805	58,304	2,156	60,460	0.9
Scientific, technical and human specialists							
Saudis	66,041	7,531	73,572	55,932	7,003	62,935	0.9
Non-Saudis	313,056	10,683	323,739	347,261	10,463	357,724	5.2
Total	379,097	18,214	397,311	403,193	17,466	420,659	6.1
Scientific, technical and human technicians							
Saudis	58,807	12,806	71,613	50,959	11,916	62,875	0.9
Non-Saudis	281,588	40,938	322,526	319,108	38,935	358,043	5.2
Total	340,395	53,744	394,139	370,067	50,851	420,918	6.1
Clerical jobs							
Saudis	166,060	13,005	179,065	145,433	12,865	158,298	2.3
Non-Saudis	9,990	438	10,428	9,802	376	10,178	0.1
Total	176,050	13,443	189,493	155,235	13,241	168,476	2.4
Sales jobs							
Saudis	78,333	4,382	82,715	61,184	4,422	65,606	1.0
Non-Saudis	169,208	90	169,298	176,933	63	176,996	2.6
Total	247,541	4,472	252,013	238,117	4,485	242,602	3.5
Services jobs							
Saudis	218,802	9,650	228,452	174,357	8,436	182,793	2.7
Non-Saudis	1,866,848	29,877	1,896,725	2,124,950	29,165	2,154,115	31.2
Total	2,085,650	39,527	2,125,177	2,299,307	37,601	2,336,908	33.9
Agricultural & animal husbandry							
Poultry and fishing							
Saudis	12,235	50	12,285	9,044	35	9,079	0.1
Non-Saudis	483,105	133	483,238	505,186	121	505,307	7.3
Total	495,340	183	495,523	514,230	156	514,386	7.5
Industrial and chemical processes and food industries							
Saudis	19,984	1,112	21,096	16,390	1,084	17,474	0.3
Non-Saudis	211,843	8,641	220,484	246,041	9,243	255,284	3.7
Total	231,827	9,753	241,580	262,431	10,327	272,758	4.0
Auxiliary basic engineering jobs							
Saudis	93,601	794	94,395	68,379	529	68,908	1.0
Non-Saudis	1,958,758	753	1,959,511	2,388,840	633	2,389,473	34.7
Total	2,052,359	1,547	2,053,906	2,457,219	1,162	2,458,381	35.7
Total labour force							
Saudis	777,606	51,451	829,057	633,075	48,406	681,481	9.9
Non-Saudis	5,301,290	91,600	5,392,890	6,125,028	89,039	6,214,067	90.1
Grand Total	6,078,896	143,051	6,221,947	6,758,103	137,445	6,895,548	100.0

Source: Ministry of Labour.



Chart 18.4: Distribution of Manpower in the Private Sector by Major Professions During 2009

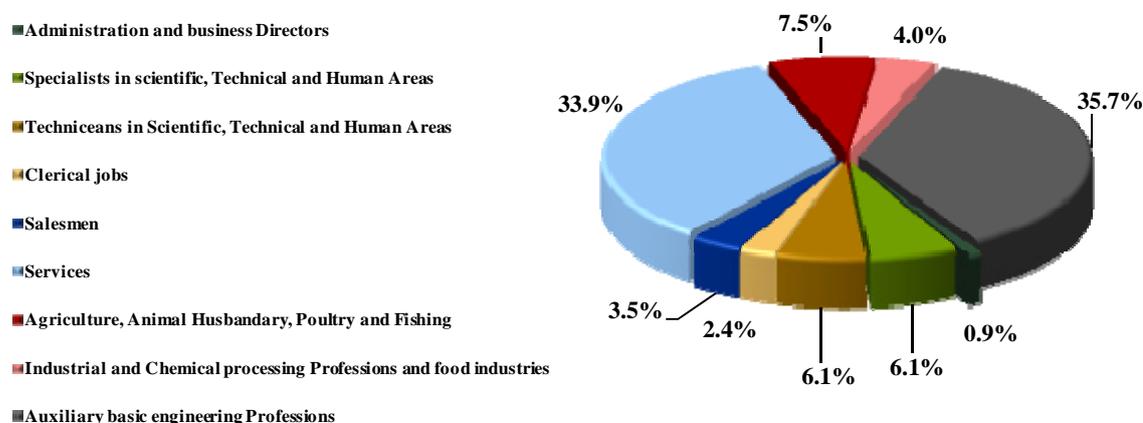


Table 18.13: BREAKDOWN OF LABOUR FORCE IN THE PRIVATE SECTOR BY EDUCATIONAL LEVEL, SEX AND NATIONALITY

Educational Level	2008			2009			Percentage Ratio
	Males	Females	Total	Males	Females	Total	
Illiterate							
Saudis	17,559	902	18,461	12,794	712	13,506	0.2
Non-Saudis	834,213	5,861	840,074	962,495	5,372	967,867	14.0
Total	851,772	6,763	858,535	975,289	6,084	981,373	14.2
Literate							
Saudis	132,225	5,023	137,248	99,150	4,099	103,249	1.5
Non-Saudis	3,277,811	30,488	3,308,299	3,848,293	31,317	3,879,610	56.3
Total	3,410,036	35,511	3,445,547	3,947,443	35,416	3,982,859	57.8
Primary							
Saudis	71,277	1,665	72,942	57,916	1,517	59,433	0.9
Non-Saudis	183,428	1,465	184,893	192,030	1,267	193,297	2.8
Total	254,705	3,130	257,835	249,946	2,784	252,730	3.7
Intermediate							
Saudis	139,335	3,727	143,062	112,085	3,579	115,664	1.7
Non-Saudis	275,499	3,622	279,121	307,030	3,354	310,384	4.5
Total	414,834	7,349	422,183	419,115	6,933	426,048	6.2
High School							
Saudis	288,113	16,734	304,847	240,994	16,274	257,268	3.7
Non-Saudis	291,578	4,859	296,437	339,335	4,721	344,056	5.0
Total	579,691	21,593	601,284	580,329	20,995	601,324	8.7
Diploma							
Saudis	54,039	3,885	57,924	47,795	3,789	51,584	0.7
Non-Saudis	165,805	26,257	192,062	180,287	24,063	204,350	3.0
Total	219,844	30,142	249,986	228,082	27,852	255,934	3.7

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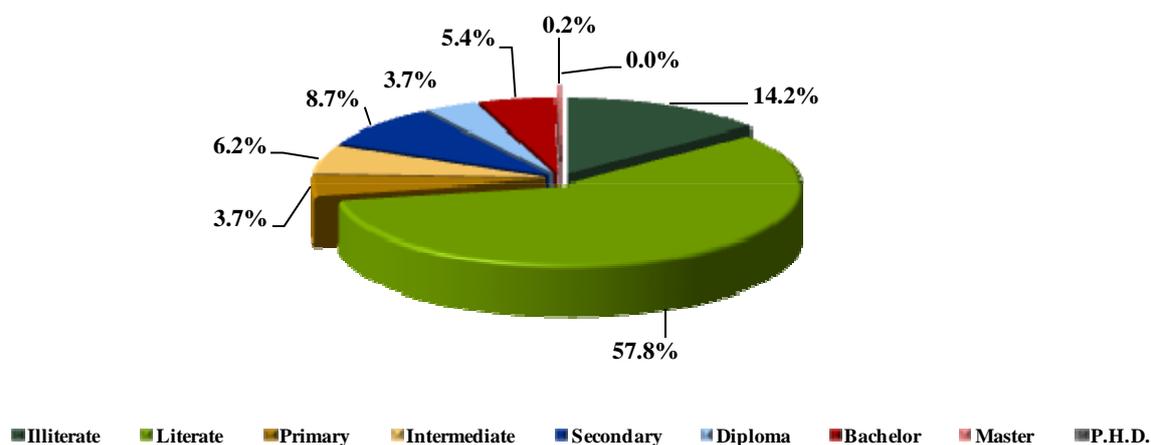


Table 18.13: (Continued from previous page)

	2008			2009			Percentage Ratio
	Males	Females	Total	Males	Females	Total	
Bachelor							
Saudis	69,312	19,181	88,493	58,389	18,133	76,522	1.1
Non-Saudis	255,429	16,399	271,828	277,099	16,433	293,532	4.3
Total	324,741	35,580	360,321	335,488	34,566	370,054	5.4
Master							
Saudis	3,536	226	3,762	2,930	227	3,157	0.0
Non-Saudis	10,928	1,343	12,271	11,272	1,300	12,572	0.2
Total	14,464	1,569	16,033	14,202	1,527	15,729	0.2
PH.D.							
Saudis	814	78	892	309	7	316	0.0
Non-Saudis	5,249	1,025	6,274	1,248	97	1,345	0.0
Total	6,063	1,103	7,166	1,557	104	1,661	0.0
Higher Diploma							
Saudis	1,295	23	1,318	34	6	40	0.0
Non-Saudis	1,004	247	1,251	340	34	374	0.0
Total	2,299	270	2,569	374	40	414	0.0
Fellowship							
Saudis	101	7	108	679	63	742	0.0
Non-Saudis	346	34	380	5,599	1,081	6,680	0.1
Total	447	41	488	6,278	1,144	7,422	0.1
Total labour force							
Saudis	777,606	51,451	829,057	633,075	48,406	681,481	9.9
Non-Saudis	5,301,290	91,600	5,392,890	6,125,028	89,039	6,214,067	90.1
Grand Total	6,078,896	143,051	6,221,947	6,758,103	137,445	6,895,548	100.0

Source: Ministry of Labour.

Chart 18.5: Breakdown of Labour Force in the Private Sector by Educational Level in 2009





**Table 18.14: BREAKDOWN OF LABOUR FORCE IN THE PRIVATE SECTOR
BY REGION, SEX AND NATIONALITY**

Region	2008			2009			Percentage Ratio
	Males	Females	Total	Males	Females	Total	
Riyadh							
Saudi	277,071	22,783	299,854	222,741	20,171	242,912	3.5
Non-Saudis	1,690,550	39,694	1,730,244	2,044,172	38,817	2,082,989	30.2
Total	1,967,621	62,477	2,030,098	2,266,913	58,988	2,325,901	33.7
Makkah							
Saudi	179,023	12,652	191,675	147,298	12,780	160,078	2.3
Non-Saudis	1,204,983	20,067	1,225,050	1,349,874	19,025	1,368,899	19.9
Total	1,384,006	32,719	1,416,725	1,497,172	31,805	1,528,977	22.2
AL-Madinah							
Saudi	27,524	1,728	29,252	22,287	1,562	23,849	0.3
Non-Saudis	206,042	3,928	209,970	240,221	3,627	243,848	3.5
Total	233,566	5,656	239,222	262,508	5,189	267,697	3.9
AL-Qassim							
Saudi	22,550	1,097	23,647	20,706	1,152	21,858	0.3
Non-Saudis	310,707	3,559	314,266	377,507	3,445	380,952	5.5
Total	333,257	4,656	337,913	398,213	4,597	402,810	5.8
Eastern							
Saudi	221,482	11,063	232,545	177,053	10,734	187,787	2.7
Non-Saudis	1,168,949	16,235	1,185,184	1,290,075	16,361	1,306,436	18.9
Total	1,390,431	27,298	1,417,729	1,467,128	27,095	1,494,223	21.7
'Asir							
Saudi	17,569	926	18,495	15,557	904	16,461	0.2
Non-Saudis	245,136	3,602	248,738	276,882	3,332	280,214	4.1
Total	262,705	4,528	267,233	292,439	4,236	296,675	4.3
Tabuk							
Saudi	5,379	407	5,786	4,943	421	5,364	0.1
Non-Saudis	69,730	639	70,369	72,340	653	72,993	1.1
Total	75,109	1,046	76,155	77,283	1,074	78,357	1.1
Ha'il							
Saudi	5,473	198	5,671	4,421	180	4,601	0.1
Non-Saudis	113,890	938	114,828	133,971	1,082	135,053	2.0
Total	119,363	1,136	120,499	138,392	1,262	139,654	2.0
Northern Borders							
Saudi	2,802	61	2,863	2,753	66	2,819	0.0
Non-Saudis	30,306	101	30,407	39,739	129	39,868	0.6
Total	33,108	162	33,270	42,492	195	42,687	0.6
Jazan							
Saudi	6,183	212	6,395	5,648	204	5,852	0.1
Non-Saudis	55,942	955	56,897	74,548	994	75,542	1.1
Total	62,125	1,167	63,292	80,196	1,198	81,394	1.2

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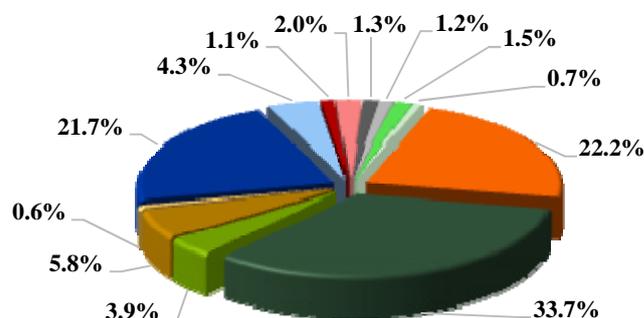


Table 18.14: (Continued from previous page)

	2008			2009			Percentage Ratio
	Male	Female	Total	Male	Female	Total	
Najran							
Saudis	4,156	113	4,269	3,518	53	3,571	0.1
Non-Saudis	81,789	645	82,434	96,325	482	96,807	1.4
Total	85,945	758	86,703	99,843	535	100,378	1.5
Al-Bahah							
Saudis	3,725	78	3,803	2,779	62	2,841	0.0
Non-Saudis	41,687	599	42,286	44,733	606	45,339	0.7
Total	45,412	677	46,089	47,512	668	48,180	0.7
Al-Jawf							
Saudis	4,669	133	4,802	3,371	117	3,488	0.1
Non-Saudis	81,579	638	82,217	84,641	486	85,127	1.2
Total	86,248	771	87,019	88,012	603	88,615	1.3
Total labour force							
Saudis	777,606	51,451	829,057	633,075	48,406	681,481	9.9
Non-Saudis	5,301,290	91,600	5,392,890	6,125,028	89,039	6,214,067	90.1
Grand total	6,078,896	143,051	6,221,947	6,758,103	137,445	6,895,548	100.0

Source: Ministry of Labour.

Chart 18.6: Breakdown of Labour Force in the Private Sector by Region in 2009



■ Riyadh ■ AL-Madinah ■ AL-Qassim ■ Northern Border ■ Eastern ■ Asir ■ Tabuk ■ Ha'il ■ AL-Jawf ■ Jazan ■ Najran ■ Al-Bahah ■ Makkah

Table 18.15: Average Monthly Wages of Manpower in the Private Sector

Period	(In Riyals)		
	Males	Females	Total
2008	1,340.9	1,880.6	1,353.3
2009	977.2	1,656.5	990.5
Growth Rate of average Wages			
2009	-27.1	-11.9	-26.8

Source: Ministry of Labour.

Chart 18.7: Average Monthly Wages of Labourers in the Private Sector

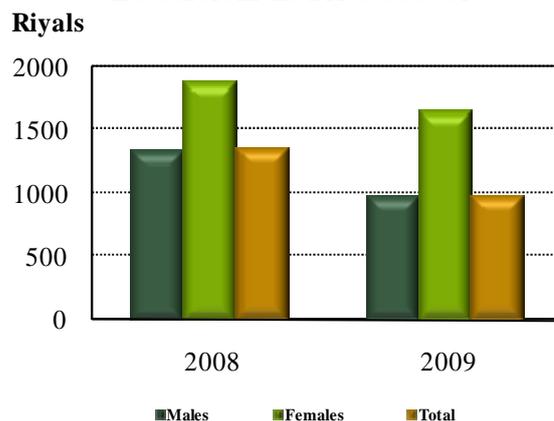




Table 18.16: UNEMPLOYMENT RATES BY SEX AND NATIONALITY

Year	Saudis			Non-Saudis			Total		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
2002	7.57	21.70	9.66	0.82	0.62	0.79	4.21	11.51	5.27
2003	8.00	23.18	10.35	0.80	0.79	0.79	4.36	12.51	5.56
2004	8.39	24.40	10.97	0.77	0.93	0.80	4.49	13.36	5.82
2005	8.74	25.41	11.52	0.75	1.06	0.80	4.60	14.07	6.05
2006	9.07	26.27	12.02	0.74	1.17	0.80	4.71	14.69	6.25
2007	8.30	24.70	11.05	0.40	0.50	0.43	4.24	13.21	5.63
2008	6.90	24.90	9.80	0.40	0.60	0.40	3.50	13.00	5.00
2009	6.90	28.40	10.50	0.30	0.70	0.30	3.50	15.90	5.40

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

**Table 18.17: TOTAL NUMBER OF UNEMPLOYMENT
BY SEX AND NATIONALITY**

Year	Saudis			Non-Saudis			Total		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
2004	248,031	138,542	386,573	23,991	4,710	28,701	272,022	143,252	415,274
2005	270,468	157,327	427,795	25,073	5,719	30,792	295,541	163,046	458,587
2006	292,906	176,112	469,018	26,154	6,729	32,883	319,060	182,841	501,901
2007	280,411	164,787	445,198	15,062	3,053	18,115	295,473	167,840	463,313
2008	239,176	177,174	416,350	17,055	4,243	21,298	256,231	181,417	437,648
2009	248,162	200,385	448,547	10,380	4,082	14,462	258,542	204,467	463,009

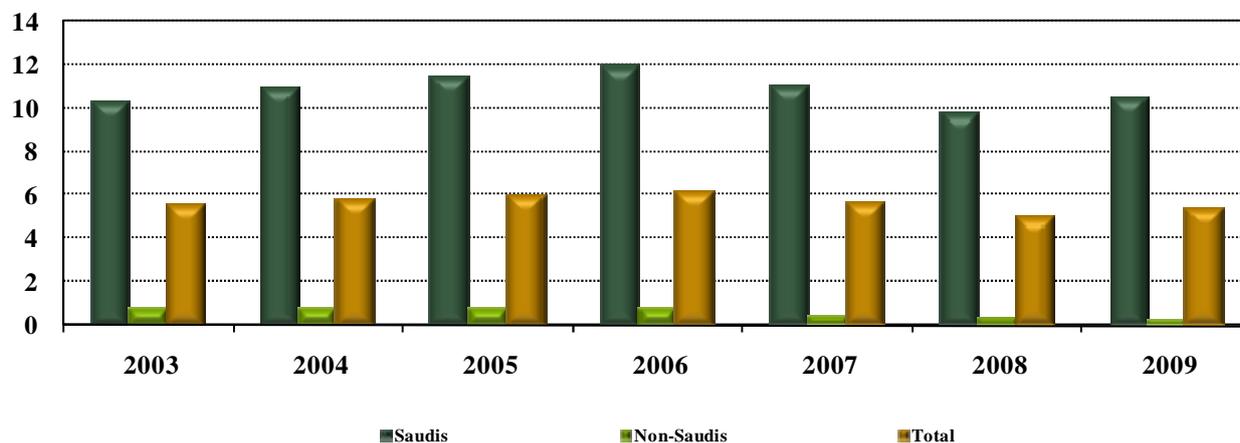
Annual growth rate in

2009	3.8	13.1	7.7	-39.1	-3.8	-32.1	0.9	12.7	5.8
------	-----	------	-----	-------	------	-------	-----	------	-----

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Chart 18.8: Unemployment Rate In the Kingdom

Percent





The Saudi economy succeeded in reducing the pressure of the labour market by establishing an advanced and competitive infrastructure in a short run. However, the process of recruiting expatriate labour continued even after the completion of the infrastructure. In addition, the government adopted an expansionary employment policy based on absorbing Saudi job seekers in the public sector, by creating new jobs with good salaries and security until the retiring age. This attracted national manpower to work in the public sector, driving the private sector to depend on expatriate labour. This pattern continued for many decades, thereby, affecting the expectations of students and the national manpower regarding the skills needed to be acquired to get a government job. With the lapse of time, the disadvantages of reliance on creating jobs and continued employment policies in the public sector, started to arise on the surface, revealing flabbiness of the public sector and a rise in the bill of salary and wages item, which turned to account the largest share of the country's budget expenditure.

In view that the Saudi economy is a market economy and efforts made to reduce public sector's role in the economic process in order to improve the efficiency of the employment of resources, the provision of jobs by the public sector has been declining since the late eighties up to date. At the same time the skills acquired by students were not in line with the private sector's needs. As a result, the private sector continued depending on expatriate manpower who had the required skills along with more productivity and a lower cost compared to Saudis. The reliance on expatriate manpower by the private sector resulted in an acceleration in the rates of unemployment among Saudis.

Recognizing the importance of a radical and comprehensive solution of the labour market's distortions, the Ministry of Labour, in cooperation with the private sector and some government organs, developed the "Saudi Employment Strategy". It was approved by the Council of Ministers' Resolution No. 260 dated 5/8/1430H corresponding to 27/7/2009. The application of the strategy requires a long time and covers a period of twenty five years.

The Structure of Saudi Employment Strategy

The strategy seeks to achieve three general objectives:

- Full employment of the national manpower.
- Achieving a sustainable increase in the contribution of national human resources.
- The promotion of the productivity of the national worker to compete with his counterparts in developed economies.

To facilitate achieving these objectives, these were divided into phased out objectives. A timetable for achievement was set and included in the strategy so that urgent problems would be addressed and the Saudi market would gradually be prepared to achieve the general objectives of the strategy which are represented in the following:

- Short term objective (two years): Controlling unemployment (curbing the rise of unemployment rate)
- Medium term objective (three years): reducing the unemployment rate.
- long term objective (twenty years): achieving a comparative advantage for the national economy by depending on national labour force.

These phased out objectives will be achieved through a set of policies. Each policy will have its own measurable objectives, and will be implemented through a set of executive mechanisms. Objectives will be assessed by a set of quantitative performance indicators which constitute the base of the process of assessment and monitoring of the implementation of Saudi employment strategy.

Job Seekers

The Ministry of Labour's statistics show that the number of job seekers, who are registered according to academic qualification, stood at 111,865 at the end of 2009, decreasing by 24.0 percent from the preceding year. High school certificate holders ranked first in the number of applicants for work, amounting to 39,893 (35.7 percent of the total number of job-seekers), followed by intermediate school certificate holders with 31,849 (28.5 percent of the total number of job-seekers). Primary school certificate holders ranked third with 18,228 applicants (16.3 percent of the total number of job-seekers). Higher degree holders ranked last with 62 applicants (0.1 percent of the total number of job-seekers) (Table 18.18).

Job-seekers by age group (20 to 24 years) represented the largest category, with 47,702 seekers (42.6 percent of the total number of job-seekers), while the group of (more than 60 years) constituted the smallest group with a number of 419 individuals (0.4 percent of the total number of job-seekers) (Table 18.19). The Eastern Region constituted the largest number of applicants, 43,808 (39.2 percent of the total number of job-seekers), followed by Riyadh Region 23,527 (21.0 percent of the total number). Al-Jawf Region constituted the smallest number of applicants, 177 (0.2 percent of the total number) (Table 18.20).



Table 18.18: BREAKDOWN OF REGISTERED JOB-SEEKERS BY EDUCATIONAL LEVEL

Year	Illiterate	Literate	Primary School	Intermediate School	High School	Diploma	Bachelor	Higher Educations	Total
1998	6,053	7,323	19,579	14,208	16,244	---	2,979	---	66,386
1999	5,076	6,832	16,615	14,431	17,956	---	4,168	---	65,078
2000	3,997	5,288	19,929	18,548	28,122	---	7,247	---	83,131
2001	2,175	3,033	16,624	19,415	34,311	---	5,448	---	81,006
2002	1,725	2,406	13,187	15,401	27,217	---	4,321	---	64,257
2003	1,021	1,657	12,545	14,924	24,352	---	4,742	---	59,241
2004	991	1,797	11,550	15,013	27,818	---	4,950	---	62,119
2005	3,384	5,499	32,348	32,093	26,529	8033	6,180	72	114,138
2006	658	4,044	18,097	23,220	44,571	13484	16,191	122	120,387
2007	589	3,455	32,574	41,231	51,839	16,262	10,338	84	156,372
2008	472	1,991	24,691	43,135	50,411	14,933	11,461	103	147,197
2009	383	1,683	18,228	31,849	39,893	11,968	7,799	62	111,865
Distribution % in									
2009	0.34	1.50	16.29	28.47	35.66	10.70	6.97	0.06	100.00
Growth rate in									
2009	-18.86	-15.47	-26.18	-26.16	-20.86	-19.86	-31.95	-39.81	-24.00
-- Not available.									
Source: Ministry of Labour.									

Table 18.19: NUMBER OF JOB-SEEKERS BY AGE

Age	2007	2008	2009	Percentage Ratio
Less than 20 years	35,225	19,366	13,586	12.1
20-24 years	68,497	66,553	47,702	42.6
25-34 years	42,852	51,367	41,832	37.4
35-44 years	6,740	6,753	5,597	5.0
45-60 years	2,713	2,775	2,729	2.4
Over 60 years	345	383	419	0.4
Total	156,372	147,197	111,865	100.0
Source: Ministry of Labour.				

Table 18.20: NUMBER OF JOB-SEEKERS BY REGION

Region	2007	2008	2009	Percentage Ratio
Riyadh	29,608	27,780	23,527	21.0
Makkah	24,671	19,777	14,591	13.0
Al-Madinah	5,169	3,305	3,801	3.4
Al-Qassim	3,906	3,947	4,434	4.0
Eastern	62,832	55,295	43,808	39.2
Asir	16,632	22,583	9,010	8.1
Ha'il	1,840	605	785	0.7
Tabuk	1,797	1,821	1,918	1.7
Al-Bahah	1,558	1,583	1,027	0.9
Northern Border	1,120	1,431	1,158	1.0
Al-Jawf	16	1,680	177	0.2
Jazan	5,302	5,724	6,254	5.6
Najran	1,921	1,666	1,375	1.2
Total	156,372	147,197	111,865	100.0
Source: Ministry of Labour.				



Saudization in the Banking Sector

At the end of 2009, the number of Saudi employees in the banking sector stood at 31,539, declining by 1.6 percent from the preceding year. The number of non-Saudi workers was 5,116, increasing by 1.4 percent over the preceding year.

At the end of 2009, the number of Saudi male employees totaled to 27,748 (declining by 2.1 percent from the preceding year), while the number of Saudi female employees stood at 3,791 (increasing by 2.5 percent over the previous year).

As for non-Saudi employees, the number of male employees stood at 5,099 at the end of 2009, rising by 1.4 percent over the preceding year, while the number of non-Saudi female employees amounted to 17 against 16 in the preceding year (Table 18.21).

Human Resource Development Fund's Contribution in 2008

Since the commencement of its operations, the Human Resource Development Fund has contributed to the government Saudization efforts through two programs for development of human resources, namely, Training Related to Employment of Qualified Resources Program and Training Related to

Employment of Unqualified Resources Program. The Fund has supported joint training programs of priority to the labour market, according to the needs of benefiting enterprises, adding new developed support mechanisms that would contribute directly to achieving labour force's ambitions and the common objectives of the Fund and the private sector. The Fund has continued its fruitful cooperation with several sectors through agreements to Saudize posts, contributing to increasing job opportunities.

The first qualified job-seekers related training program focused on labour force lacking technical, professional or occupational skills to qualify them for employment by providing trainees with a specific training through which they would acquire skills and capabilities necessary for employment. Under this program, 26,838 training opportunities were supported. Of these, 7,843 or 30 percent of training opportunities were for technical jobs, and 4,814 or 18 percent for clerical jobs. Industrial and agricultural jobs accounted for the lowest training support.

The second training program concentrated on supporting the employment of unqualified labour force to undertake the duties of vacant jobs at the private sector enterprises, which require highly qualified

Table 18.21: NUMBER OF BANKING SECTOR STAFF

Year	Saudis			Non-Saudis			Total		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
2001	15,476	1,097	16,573	6,152	17	6,169	21,628	1,114	22,742
2002	16,009	1,214	17,223	5,805	17	5,822	21,814	1,231	23,045
2003	16,775	1,331	18,106	5,060	14	5,074	21,835	1,345	23,180
2004	18,293	1,509	19,802	4,779	9	4,788	23,072	1,518	24,590
2005	22,843	2,157	25,000	4,674	11	4,685	27,517	2,168	29,685
2006	26,415	2,710	29,125	4,736	10	4,746	31,151	2,720	33,871
2007	27,781	3,311	31,092	4,852	19	4,871	32,633	3,330	35,963
2008	28,345	3,700	32,045	5,030	16	5,046	33,375	3,716	37,091
2009	27,748	3,791	31,539	5,099	17	5,116	32,847	3,808	36,655
Growth rate in									
2009	-2.1	2.5	-1.6	1.4	6.3	1.4	-1.6	2.5	-1.2



workers. This program aims at supporting training and employment of those who have not been trained and qualified yet and who can not undertake the duties of the job nominated for. This program supported 27,487 job opportunities distributed as follows: 6,501 or 24 percent for services provision jobs, followed by clerical jobs 5,969 or 22 percent, while the least supported jobs were social jobs, communication jobs, and postal services provision jobs.

Pursuant to the two programs, 54,325 training and job opportunities supported by the Human Resource Development Fund were accounted for by various sectors of business activity. The commerce sector accounted for 20,823 training and job opportunities, representing the largest share of 39 percent of total opportunities available. The private education sector came next, with 7,598 training and job opportunities which constituted 14 percent of the total. Administrative services sector accounted for the smallest number of 1,567, representing 0.1 percent of the total opportunities available.

In the context of joint training programs for providing skilled and trained Saudi labour force for reducing dependence on foreign labour force, the Fund has signed several cooperation agreements with related entities in a solidarity participation for the development of the Saudi labour force through technical and vocational training related to employment. The "National System for Joint Training" has stemmed from these agreements. The Fund has continued to support training priority programs in the labour market to cope with the needs of benefiting enterprises. The number of beneficiaries from those programs totaled 2,933.

The Fund is supporting and conducting operational and maintenance contracts program aimed at attracting Saudi job seekers to work in the private sector by paying their salaries. 40 segments benefited from the program in all regions of the Kingdom. The number of job opportunities of this program amounted to 4,406.

During 2009, the Fund implemented a "Support Program For Education and Training" aimed at promoting a culture of education and training, increasing the number of qualified people in majors needed by the labour market. In 1428H, the Fund ceased granting loans to obtain a certificate in approved majors at private colleges and institutes. The number of male and female students admitted into this program since the academic year 1426/27 stood at 905.

The Fund has adopted a specialized training program for human resources' officials in enterprises benefiting from the Fund's support. The number of the beneficiaries who benefited from this program was 299. The cost of this program amounted to Rls 626,296. The Fund has also conducted a training program with the aim of developing the skills and capabilities of young men and women to set up small enterprises on their own and turn into employers of labour force instead of being job seekers. The number of beneficiaries of this program this year was 353 young men and 8 young women. The cost of this program amounted to Rls 1,083,000.

The Fund conducted Mahir Program 12/12 to qualify specialized cadre, commencing from the academic year 1429/1430H. It is a training program that is not linked to employment. It aims at training and qualifying trainees in the area of professions needed by the labour market. It is anticipated that 12,000 job-seekers will benefit from this program by 2012. So far, the number of the job-seekers registered is 3,570. At the beginning of the first term of the academic year 1430/1431H, the number of the job-seekers registered amounted to 5,568.

The Fund has continued to support studies and research that serve the labour market as represented in the following :

1. A study on the "training needs for women's job status in the private sector."
2. A field study on the reasons behind Saudis' unwillingness to work in the private sector's firms, and finding solutions supporting Saudization programs.
3. A study on developing human resources in terms of the quality of human factor in companies.
4. A study on the impact of the global financial crisis on the employment process in the kingdom.

Other studies related to training programs needed by the labour market have also been made.

One of the leading projects which the Fund has initiated is the "National Center of King Fahd for Employment", which will be a leading centre in the field of providing electronic services to beneficiaries of entities related to the labour market (enterprises and job-seekers). In the first phase, the center was established in Riyadh, Al-Dammam, and Jeddah. It will be expanded to extend its services gradually to cover the needs of other regions.

The Human Resource Development Fund continued to participate in supporting qualifying job-



seekers in majors that realize value added in the labour market. The Fund supported advanced health training program. The number of training and employment opportunities of this program amounted to 1,388., 747 for diploma degree holders and 641 for bachelor degree holders.

The ongoing support of such programs and the plans and actions adopted by the government are expected to lessen the dependence of the Kingdom on foreign labour, and concentration will only be on needed skilled workers and increasing Saudi manpower's share in the total labour force■



APPENDIX OF STATISTICAL TABLES

PAGE NO.

Section (1) MONEY AND BANKING STATISTICS 239

Section (2) SHARE MARKET STATISTICS 275

Section (3) INVESTMENT FUND STATISTICS 281

Section (4) GOVERNMENT SPECIALIZED CREDIT INSTITUTIONS 285

Section (5) PUBLIC FINANCE STATISTICS 292

Section (6) PRICES AND COST OF LIVING INDEX 297

Section (7) FOREIGN TRADE STATISTICS 301

Section (8) BALANCE OF PAYMENTS STATISTICS 323

Section (9) NATIONAL ACCOUNT STATISTICS 336

Section (10) OIL STATISTICS 357

Section (11) OTHER MISCELLANEOUS STATISTICS 371

Section (12) ANNUAL BALANCE SHEET OF SAMA 409



SECTION (1)

MONEY AND BANKING STATISTICS

TABLE	PAGE No.
1- Monetary Base	240
2- Money Supply	241
3- Income Velocity Of Money (Non-Oil Sector)	242
4- Money Multiplier	243
5- Currency Outside Banks	244
6- Seasonal Trends Of Currency Outside Banks	245
7(a) - Bank Notes In Circulation	246
7(b) - Amounts Of Coins In Circulation By Denominations	247
8(a) - Monetary Survey: Assets	248
8(b) - Monetary Survey: Liabilities	249
9- Reserve Assets	250
10(a) - Consolidated Balance Sheet Of Commercial Banks: Assets	251
10(b) - Consolidated Balance Sheet Of Commercial Banks: Liabilities	252
11- Bank Deposits	253
12- Bank Claims On Private Sector	254
13- Bank Claims On Public Sector	255
14- Bank Credit By Economic Activity	256
15- Bank Credit Classified By Maturity	258
16- Consumer And Credit Card Loans	259
17- Foreign Assets And Liabilities Of Commercial Banks	260
18- Private Sector Imports Financed Through Commercial Banks	261
19- Bank Clearings	263
20(a) - Value Of Transactions Through Sarie	264
20(b) - Number Of Transactions Through Sarie	265
20(c) - Sarie Messages (Bulk Transactions)	266
21- Bank Branches Operating In Saudi Arabia	267
22- Branches Of Banks Classified By Administrative Regions	268
23- Automated Teller Machines Statistics	269
24- Distribution Of ATMs By Banks	270
25- Points Of Sale Transactions	271
26- Distribution Of Points Of Sale Terminals By Banks	272
27- Exchange Rates Of Some Foreign Currencies Against Saudi Riyal	273
28- Interest Rates On Saudi Riyal Deposits	274



Table (1): MONETARY BASE

(Million Riyals)

End of Period	Currency Outside Banks (1)	Bank Reserves			Reserve Money (1 + 4) (5)
		Cash In Vault (2)	Deposits With SAMA (3)	TOTAL (2+3) (4)	
1383/84	846	47	109	156	1,002
1384/85	978	50	155	205	1,183
1385/86	1,104	60	152	212	1,316
1386/87	1,241	62	196	258	1,499
1387/88	1,374	71	246	317	1,691
1388/89	1,453	61	179	240	1,693
1389/90	1,528	59	181	240	1,768
1390/91	1,642	63	276	339	1,981
1391/92	1,951	69	654	723	2,674
1392/93	2,488	117	2,267	2,384	4,872
1393/94	3,374	156	2,410	2,566	5,940
1394/95	5,052	248	3,282	3,530	8,582
1395/96	8,559	441	5,596	6,037	14,596
1396/97	13,607	721	11,568	12,289	25,896
1397/98	17,970	814	17,510	18,324	36,294
1398/99	21,010	1,181	16,117	17,298	38,308
1399/1400	25,199	1,259	7,738	8,997	34,196
1400/01	26,144	1,302	6,629	7,931	34,075
1401/02	30,421	1,520	8,606	10,126	40,547
1402/03	35,281	1,595	9,261	10,856	46,137
1403/04	34,655	1,649	8,596	10,245	44,900
1404/05	34,750	1,439	9,579	11,018	45,768
1405/06	36,868	1,281	11,905	13,186	50,054
1406/07	38,604	1,194	15,531	16,725	55,329
1407/08	39,396	1,331	17,802	19,133	58,529
1988	35,945	1,336	6,164	7,500	43,445
1989	33,877	1,293	6,657	7,950	41,827
1990	44,776	1,726	5,975	7,701	52,477
1991	44,620	1,768	8,144	9,912	54,532
1992	43,772	2,006	8,110	10,116	53,888
1993	42,623	2,511	9,019	11,530	54,153
1994	44,965	2,442	9,206	11,648	56,613
1995	43,087	2,464	8,714	11,178	54,265
1996	43,038	2,134	9,073	11,207	54,245
1997	45,823	2,916	9,639	12,555	58,378
1998	45,019	2,657	9,916	12,573	57,592
1999	55,060	5,468	11,077	16,545	71,605
2000	51,019	5,971	12,912	18,883	69,902
2001	49,203	3,453	15,669	19,122	68,326
2002	52,329	4,892	23,752	28,643	80,973
2003	55,445	4,257	22,406	26,663	82,108
2004	60,133	4,474	27,561	32,035	92,169
2005	64,288	7,201	25,445	32,646	96,934
2006	69,324	12,218	39,843	52,061	121,385
2007	72,192	10,019	98,595	108,614	180,806
2008	83,006	11,007	86,164	97,171	180,177
2009	88,395	10,856	149,262	160,118	248,513
2010					
Q1	89,822	11,265	120,311	131,575	221,398

Note : The time series preceding the year 1988 followed the Hijri calendar.



Table (2): MONEY SUPPLY

(Million Riyals)

End of Period	Currency Outside Banks (1)	Demand Deposits (2)	Money Supply M1 (1+2) (3)	Time & Savings Deposits (4)	Money Supply M2 (3+4) (5)	Other Quasi-Monetary Deposits* (6)	Money Supply M3 (5+6) (7)
1383/84	846	517	1,362	86	1,449	179	1,628
1384/85	978	538	1,516	118	1,634	235	1,869
1385/86	1,104	619	1,722	151	1,873	272	2,145
1386/87	1,241	701	1,943	199	2,141	336	2,477
1387/88	1,374	740	2,113	291	2,405	327	2,731
1388/89	1,453	808	2,261	377	2,638	286	2,923
1389/90	1,528	812	2,340	482	2,822	315	3,137
1390/91	1,642	968	2,610	565	3,175	343	3,518
1391/92	1,951	1,309	3,261	738	3,998	483	4,481
1392/93	2,488	2,259	4,747	814	5,561	656	6,218
1393/94	3,374	3,195	6,570	914	7,483	1,248	8,731
1394/95	5,052	5,633	10,684	1,539	12,223	1,837	14,060
1395/96	8,559	11,012	19,570	1,572	21,142	3,310	24,453
1396/97	13,607	17,610	31,217	1,811	33,027	4,308	37,335
1397/98	17,970	27,327	45,297	3,060	48,357	5,260	53,617
1398/99	21,010	29,476	50,486	4,165	54,651	6,729	61,380
1399/1400	25,199	30,449	55,647	11,630	67,277	7,511	74,789
1400/01	26,144	37,265	63,409	19,994	83,403	10,977	94,380
1401/02	30,421	46,167	76,588	26,367	102,955	16,490	119,445
1402/03	35,281	51,762	87,043	29,050	116,093	18,305	134,398
1403/04	34,655	51,667	86,321	33,575	119,897	24,051	143,948
1404/05	34,750	48,361	83,111	36,589	119,700	29,196	148,896
1405/06	36,868	46,171	83,039	39,682	122,721	27,519	150,240
1406/07	38,604	47,247	85,850	41,089	126,939	36,797	163,736
1407/08	39,396	49,926	89,323	39,697	129,020	35,340	164,360
1988	35,945	57,719	93,664	40,479	134,143	44,275	178,418
1989	33,877	57,875	91,752	44,662	136,414	43,767	180,181
1990	44,776	57,488	102,265	39,281	141,545	46,893	188,438
1991	44,620	75,850	120,470	44,623	165,093	50,749	215,843
1992	43,772	81,692	125,464	46,333	171,796	51,209	223,005
1993	42,623	78,880	121,503	47,892	169,395	59,256	228,651
1994	44,965	80,679	125,645	51,417	177,062	59,377	236,439
1995	43,087	81,384	124,471	61,223	185,694	56,276	241,970
1996	43,038	89,890	132,928	71,081	204,009	54,503	258,511
1997	45,823	95,361	141,184	77,166	218,349	54,353	272,702
1998	45,019	95,253	140,272	83,436	223,708	59,881	283,589
1999	55,060	101,605	156,665	85,341	242,006	63,935	305,941
2000	51,019	114,481	165,500	90,832	256,332	62,903	319,235
2001	49,203	130,192	179,396	91,685	271,080	69,115	340,196
2002	52,329	150,010	202,339	108,028	310,367	80,059	390,427
2003	55,445	167,577	223,022	113,382	336,404	81,061	417,465
2004	60,133	211,170	271,303	136,673	407,976	88,122	496,098
2005	64,288	219,251	283,539	165,266	448,805	104,869	553,675
2006	69,324	243,418	312,742	226,027	538,769	121,815	660,583
2007	72,192	311,365	383,557	283,059	666,616	123,140	789,755
2008	83,006	342,488	425,494	367,624	793,118	136,007	929,125
2009	88,395	433,162	521,558	323,377	844,935	184,009	1,028,944
2010							
Q1	89,822	452,188	542,010	313,707	855,717	154,793	1,010,511

Note : The time series preceding the year 1988 followed the Hijri calendar.

*Comprise residents' foreign currency deposits, marginal deposits for LCs, outstanding remittances, and banks Repo transactions with private parties.



**Table (3): INCOME VELOCITY OF MONEY
(Non-oil Sector)**

Period Average	M1	M2	M3
1386/87	3.51	3.20	2.82
1387/88	3.43	3.06	2.69
1388/89	3.48	3.00	2.69
1389/90	3.37	2.84	2.56
1390/91	3.51	2.86	2.59
1391/92	3.35	2.67	2.41
1392/93	3.12	2.55	2.28
1393/94	2.96	2.54	2.22
1394/95	3.58	3.10	2.65
1395/96	3.31	2.97	2.56
1396/97	2.74	2.54	2.23
1397/98	2.41	2.26	2.02
1398/99	2.25	2.08	1.88
1399/1400	2.48	2.21	1.98
1400/01	2.68	2.17	1.93
1401/02	2.68	2.00	1.75
1402/03	2.55	1.88	1.62
1403/04	2.48	1.84	1.57
1404/05	2.60	1.82	1.49
1405/06	2.59	1.77	1.46
1406/07	2.44	1.65	1.35
1407/08	2.34	1.59	1.26
1988	2.69	1.88	1.47
1989	2.70	1.88	1.43
1990	2.79	1.95	1.49
1991	2.77	2.03	1.54
1992	2.45	1.80	1.41
1993	2.49	1.84	1.38
1994	2.64	1.91	1.43
1995	2.73	1.89	1.44
1996	2.80	1.88	1.46
1997	2.76	1.83	1.46
1998	2.75	1.77	1.42
1999	2.76	1.77	1.41
2000	2.61	1.69	1.36
2001	2.47	1.63	1.31
2002	2.30	1.55	1.23
2003	2.21	1.47	1.18
2004	2.11	1.41	1.14
2005	2.04	1.32	1.07
2006	2.09	1.25	1.02
2007	1.92	1.10	0.91
2008	1.69	0.97	0.81
2009*	1.54	0.90	0.75

* Data of non- oil GDP Sector are Preliminary Estimates



Table (4) : MONEY MULTIPLIER

End of Period	M1	M2	M3
1383/84	1.36	1.45	1.63
1384/85	1.28	1.38	1.58
1385/86	1.31	1.42	1.63
1386/87	1.30	1.43	1.65
1387/88	1.25	1.42	1.62
1388/89	1.34	1.56	1.73
1389/90	1.32	1.60	1.77
1390/91	1.32	1.60	1.78
1391/92	1.22	1.50	1.68
1392/93	0.97	1.14	1.28
1393/94	1.11	1.26	1.47
1394/95	1.25	1.42	1.64
1395/96	1.34	1.45	1.68
1396/97	1.21	1.28	1.44
1397/98	1.25	1.33	1.48
1398/99	1.32	1.43	1.60
1399/1400	1.63	1.97	2.19
1400/01	1.86	2.45	2.77
1401/02	1.89	2.54	2.95
1402/03	1.89	2.52	2.91
1403/04	1.92	2.67	3.21
1404/05	1.82	2.62	3.25
1405/06	1.66	2.45	3.00
1406/07	1.55	2.29	2.96
1407/08	1.53	2.20	2.81
1988	2.16	3.09	4.11
1989	2.19	3.26	4.31
1990	1.95	2.70	3.59
1991	2.21	3.03	3.96
1992	2.33	3.19	4.14
1993	2.24	3.13	4.22
1994	2.22	3.13	4.18
1995	2.29	3.42	4.46
1996	2.45	3.76	4.77
1997	2.42	3.74	4.67
1998	2.44	3.88	4.92
1999	2.19	3.38	4.27
2000	2.37	3.67	4.57
2001	2.63	3.97	4.98
2002	2.50	3.83	4.82
2003	2.72	4.10	5.08
2004	2.94	4.43	5.38
2005	2.93	4.63	5.71
2006	2.58	4.44	5.44
2007	2.12	3.69	4.37
2008	2.36	4.40	5.16
2009	2.10	3.40	4.14
2010			
Q1	2.45	3.87	4.56



Table (5): CURRENCY OUTSIDE BANKS

(Million Riyals)

End of Period	Currency Outside SAMA (1)	Held by Commercial Banks (2)	Currency Outside Banks (1-2= 3)
1383/84	893	47	846
1384/85	1,028	50	978
1385/86	1,164	61	1,104
1386/87	1,303	62	1,241
1387/88	1,444	71	1,374
1388/89	1,513	61	1,453
1389/90	1,588	59	1,528
1390/91	1,704	63	1,642
1391/92	2,020	69	1,951
1392/93	2,605	117	2,488
1393/94	3,531	156	3,374
1394/95	5,300	248	5,052
1395/96	8,999	441	8,559
1396/97	14,328	721	13,608
1397/98	18,784	814	17,970
1398/99	22,191	1,181	21,010
1399/1400	26,458	1,259	25,199
1400/01	27,446	1,302	26,144
1401/02	31,941	1,520	30,421
1402/03	36,876	1,595	35,281
1403/04	36,304	1,649	34,655
1404/05	36,188	1,439	34,750
1405/06	38,149	1,281	36,868
1406/07	39,797	1,194	38,604
1407/08	40,728	1,331	39,396
1988	37,281	1,336	35,945
1989	35,171	1,293	33,877
1990	46,503	1,726	44,776
1991	46,388	1,768	44,620
1992	45,777	2,008	43,770
1993	45,134	2,511	42,623
1994	47,408	2,443	44,965
1995	45,551	2,464	43,087
1996	45,171	2,134	43,038
1997	48,739	2,916	45,823
1998	47,676	2,657	45,019
1999	60,528	5,468	55,060
2000	56,990	5,971	51,019
2001	52,657	3,453	49,203
2002	57,221	4,892	52,329
2003	59,702	4,257	55,445
2004	64,607	4,474	60,133
2005	71,489	7,201	64,288
2006	81,542	12,218	69,324
2007	82,211	10,019	72,192
2008	94,013	11,007	83,006
2009	99,252	10,856	88,395
2010			
Q1	101,087	11,265	89,822

Table (6): SEASONAL TRENDS OF CURRENCY OUTSIDE BANKS

(Million Riyals)

Currency Outside Banks in Ramadan			Currency Outside Banks in Dhu al Hijjah			Currency Outside Banks Highest level in the year			Currency Outside Banks lowest level in the year		
End of Period	Corresponding gregorian month	Value	End of Period	Corresponding gregorian month	Value	End of Period	Corresponding gregorian month	Value	End of Period	Corresponding gregorian month	Value
9/1400	12/8/1980	26,073	12/1400	8/11/1980	25,538	11/1400	9/10/1980	26,920	1/1400	20/12/1979	23,709
9/1401	1/8/1981	28,851	12/1401	29/10/1981	28,764	11/1401	29/9 1981	29,954	1/1401	8/12/1980	25,549
9/1402	22/7/1982	35,349	12/1402	17/10/1982	33,976	9/1402	21/7/1982	35,349	1/1402	27/11/1981	29,091
9/1403	11/7/1983	38,243	12/1403	7/10/1983	35,924	9/1403	11/7/1983	38,243	1/1403	16/11/1982	33,865
9/1404	30/6/1984	36,811	12/1404	23/9/1984	34,451	9/1404	30/6/1984	36,811	7/1404	2/5/1984	33,729
9/1405	19/6/1985	37,652	12/1405	15/9/1985	34,831	9/1405	19/6/1985	37,652	7/1405	21/4/1985	32,854
9/1406	8/6/1986	39,056	12/1406	5/9/1986	36,482	9/1406	8/6/1986	39,056	7/1406	10/4/1986	34,604
9/1407	28/5/1987	42,293	12/1407	25/8/1987	40,167	9/1407	28/5/1987	42,293	5/1407	28/5/1987	36,963
9/1408	17/5/1988	42,146	12/1408	13/8/1988	37,556	9/1408	16/5/1988	42,146	5/1408	30/3/1988	38,833
4/1989	23/9/1409	40,372	4/1989	23/9/1409	40,372	4/1989	23/9/1409	40,372	12/1989	2/6/1410	33,877
3/1990	4/9/1410	37,715	4/1990	7/12/1410	39,072	11/1990	12/5/1410	44,776	1/1990	4/7/1410	36,438
3/1991	14/9/1411	47,038	6/1991	17/12/1411	44,425	1/1991	15/7/1411	48,338	10/1991	23/4/1412	41,355
4/1992	26/9/1412	45,430	6/1992	28/12/1412	46,218	3/1992	26/9/1412	47,041	1/1992	26/7/1412	42,598
2/1993	6/9/1413	45,339	5/1993	9/12/1413	48,942	5/1993	9/12/1413	48,942	12/1993	17/7/1414	42,623
2/1994	17/9/1414	46,303	5/1994	20/12/1414	45,230	2/1994	17/9/1414	46,303	9/1994	24/4/1415	42,145
2/1995	28/9/1415	48,008	4/1995	30/11/1415	48,126	4/1995	30/11/1415	48,126	10/1995	6/6/1416	42,615
1/1996	10/9/1416	44,237	4/1996	12/12/1416	47,467	4/1996	12/12/1416	47,466	10/1996	18/6/1417	41,219
1/1997	21/9/1417	47,135	4/1997	22/12/1417	44,986	6/1997	24/2/1418	47,368	2/1997	20/10/1417	43,763
12/1998	12/9/1419	45,019	3/1998	2/12/1418	48,885	3/1998	2/12/1418	48,885	10/1998	10/7/1419	43,093
12/1999	23/9/1420	55,060	3/1999	13/12/1419	47,243	12/1999	23/9/1420	55,060	9/1999	20/6/1420	41,747
11/2000	4/9/1421	47,312	3/2000	24/12/1420	47,690	12/2000	5/10/1421	51,019	8/2000	1/6/1421	46,081
11/2001	14/9/1422	48,501	2/2001	4/12/1421	51,752	2/2001	4/12/1421	51,752	9/2001	12/7/1422	46,529
11/2002	25/9/1423	54,036	2/2002	15/12/1422	51,147	11/2002	25/9/1423	54,036	9/2002	22/7/1423	46,997
11/2003	30/9/1424	56,738	2/2003	26/12/1423	54,281	11/2003	7/10/1424	56,738	8/2003	3/7/1424	51,990
10/2004	17/9/1425	58,897	2/2004	29/12/1424	56,674	12/2004	19/11/1425	60,133	8/2004	14/7/1425	54,837
10/2005	28/9/1426	66,304	1/2005	20/12/1425	60,634	10/2005	28/9/1426	66,304	2/2005	19/1/1426	58,388
10/2006	9/10/1427	65,818	12/2006	10/12/1427	69,324	12/2006	10/12/1427	69,324	8/2006	7/8/1427	60,573
9/2007	18/9/1428	69,104	12/2007	21/12/1428	72,192	12/2007	21/12/1428	72,192	3/2007	12/3/1428	65,068
9/2008	30/9/1429	84,326	12/2008	30/12/1429	83,006	9/2008	30/9/1429	84,326	2/2008	21/2/1429	70,804
8/2009	10/9/1430	85,550	11/2009	13/12/1430	93,305	11/2009	13/12/1430	93,305	3/2009	4/4/1430	82,860





Table 7 (a): BANK NOTES IN CIRCULATION*

(Thousand Riyals)

End of Period	Total	Rls. 500	Rls. 200	Rls. 100	Rls. 50	Rls. 20	Rls. 10	Rls. 5	Rls. 1
1384/85	1,153,089	--	--	412,515	291,042	--	386,063	46,986	16,483
1385/86	1,298,668	--	--	470,186	334,308	--	433,144	42,920	18,110
1386/87	1,464,389	--	--	536,354	389,064	--	475,525	42,835	20,611
1387/88	1,570,232	--	--	657,085	436,407	--	409,087	44,274	23,379
1388/89	1,668,223	--	--	762,857	499,941	--	346,054	36,630	22,741
1389/90	1,770,370	--	--	871,197	519,976	--	320,943	34,656	23,598
1390/91	1,940,444	--	--	1,008,120	582,367	--	292,648	31,244	26,065
1391/92	2,410,760	--	--	1,271,621	731,607	--	340,880	36,559	30,093
1392/93	3,137,289	--	--	1,724,684	984,614	--	353,223	39,665	35,103
1393/94	4,377,062	--	--	2,382,403	1,508,024	--	393,165	51,245	42,225
1394/95	7,181,510	--	--	3,455,651	3,048,821	--	560,713	71,047	45,278
1395/96	11,415,829	--	--	6,300,681	4,296,428	--	692,933	75,123	50,664
1396/97	16,683,010	--	--	10,123,858	5,718,905	--	652,545	115,235	72,467
1397/98	19,941,038	--	--	10,760,821	8,396,085	--	577,966	120,884	85,282
1398/99	24,651,332	--	--	15,126,549	8,741,240	--	551,126	136,447	95,970
1399/1400	27,078,781	--	--	17,353,584	9,011,753	--	471,587	133,033	108,824
1400/01	33,456,975	--	--	21,081,125	11,525,067	--	537,388	177,862	135,533
1401/02	35,613,957	--	--	23,068,126	11,693,897	--	531,687	180,780	139,467
1402/03	37,526,910	--	--	24,934,979	11,670,819	--	583,679	184,710	152,723
1403/04	36,076,353	7,872,480	--	18,264,151	8,963,245	--	584,348	208,696	183,433
1404/05	36,365,430	14,582,157	--	13,193,564	7,668,652	--	510,435	206,602	204,020
1405/06	37,760,928	19,633,429	--	10,826,541	6,411,856	--	477,734	201,783	209,585
1406/07	41,407,943	23,838,693	--	10,663,558	5,974,858	--	492,948	213,127	224,759
1407/08	40,488,610	24,310,572	--	9,799,663	5,418,541	--	500,400	222,089	237,345
1,988	37,153,597	22,855,465	--	8,665,832	4,743,531	--	450,685	201,472	236,612
1,989	35,035,802	22,387,010	--	7,611,220	4,110,884	--	459,314	214,452	252,922
1,990	46,357,652	29,852,936	--	10,164,232	5,322,877	--	491,960	237,165	288,482
1,991	46,228,884	31,157,345	--	9,278,878	4,680,134	--	539,071	269,130	304,326
1,992	45,605,268	31,654,763	--	8,488,515	4,242,632	--	587,971	294,315	337,072
1,993	44,951,108	31,329,895	--	8,299,483	4,021,398	--	623,322	312,151	364,859
1,994	47,220,504	32,384,730	--	9,081,285	4,330,744	--	667,992	358,541	397,212
1,995	45,358,610	31,620,519	--	8,398,015	3,985,530	--	639,276	321,211	394,059
1,996	44,972,916	31,643,493	--	8,264,617	3,644,898	--	657,946	346,554	415,408
1,997	48,541,310	34,656,857	--	8,990,427	3,408,019	--	681,641	371,851	432,515
1,998	47,476,778	34,646,464	--	8,437,144	2,797,032	--	731,220	386,843	478,075
1,999	60,329,494	42,306,793	3,388,054	9,977,872	2,931,557	82,579	763,645	410,240	468,754
2,000	56,790,660	38,035,563	7,263,190	7,295,452	2,340,065	143,975	783,825	427,228	501,362
2001	52,455,752	34,462,387	8,139,746	6,051,580	1,885,174	140,660	798,771	464,539	512,895
2002	57,019,179	36,791,546	9,902,883	6,451,207	1,832,852	170,518	857,943	494,443	517,787
2003	59,495,896	40,023,425	9,422,311	6,199,144	1,770,216	176,939	881,619	497,997	524,245
2004	64,396,350	43,314,865	10,508,749	6,458,624	1,809,088	321,226	881,765	540,959	561,074
2005	71,271,942	47,072,341	12,633,826	7,177,150	1,898,823	278,504	988,362	590,295	632,641
2006	81,321,559	54,869,279	14,104,648	7,851,358	1,847,258	272,007	1,105,803	600,021	671,185
2007	81,986,963	55,889,001	13,090,811	8,106,245	1,888,985	238,384	1,277,996	724,239	771,302
2008	93,781,415	69,948,241	7,799,614	10,238,168	2,802,386	244,022	1,230,846	713,175	804,963
2009	99,012,251	76,440,230	2,429,262	13,625,897	3,483,410	201,292	1,279,302	714,107	838,751
2010									
Q1	100,844,973	78,479,513	2,062,738	13,953,055	3,414,881	184,960	1,236,888	684,381	828,557

*Bank notes outside SAMA.

(--) : Not applicable.

Note : The time series preceding the year 1988 followed the Hijri calendar.



Table 7 (b) : AMOUNTS OF COINS IN CIRCULATION BY DENOMINATIONS*

(Riyals)

End of Period	Total	Halalabs						
		1	5	10	20	25	50	100
1988	127,807,121	354,884	7,292,401	18,297,845	2,518,079	27,418,035	37,181,855	34,744,022
1989	134,706,044	350,341	7,388,066	18,931,993	2,517,811	29,852,222	38,756,716	36,908,895
1990	144,927,889	354,677	7,491,437	19,655,726	2,507,228	32,366,831	39,268,214	43,283,776
1991	159,143,832	352,419	7,580,515	20,854,287	2,506,267	34,641,902	40,020,476	53,187,966
1992	171,950,724	345,708	7,704,663	21,802,507	2,505,912	37,970,798	42,381,922	59,239,214
1993	181,505,749	338,555	7,801,868	22,756,110	2,505,712	41,131,242	44,088,761	62,883,501
1994	187,055,249	331,317	7,848,600	23,622,011	2,505,434	43,699,500	45,287,572	63,760,815
1995	192,479,435	327,338	7,883,247	24,620,878	2,505,273	46,423,301	47,182,116	63,537,282
1996	198,311,639	354,912	7,913,556	25,987,486	2,505,235	49,105,409	50,198,880	62,246,161
1997	197,460,956	355,019	7,971,444	27,309,267	2,505,124	49,551,500	56,421,119	53,347,483
1998	199,506,369	354,987	7,987,123	28,563,812	2,505,138	50,490,633	62,792,545	46,812,131
1999	198,448,916	354,994	7,985,994	29,007,854	2,505,138	50,558,807	65,046,419	42,989,710
2000	199,815,367	355,194	8,040,959	29,517,446	2,505,136	50,643,118	67,821,487	40,932,027
2001	200,881,770	355,331	8,052,236	30,040,988	2,505,115	50,902,711	70,778,457	38,246,932
2002	201,589,120	355,327	8,060,746	30,459,930	2,505,115	51,385,413	72,436,036	36,386,553
2003	206,017,903	355,209	8,065,000	30,764,774	2,505,115	52,902,647	76,424,099	35,001,059
2004	210,803,416	355,472	8,062,320	30,995,449	2,505,115	54,541,520	80,334,511	34,009,029
2005	217,059,759	355,478	8,082,490	31,294,378	2,505,115	57,193,825	84,379,597	33,248,876
2006	220,564,109	355,448	8,084,051	31,658,655	2,505,115	59,929,901	85,268,291	32,762,648
2007	223,976,205	355,470	8,083,273	32,034,413	2,505,115	60,314,573	88,285,976	32,397,385
2008	231,792,139	355,440	8,086,422	32,103,131	2,505,115	60,645,054	95,532,897	32,564,080
2009	239,375,668	355,513	8,094,483	32,103,172	2,505,115	60,783,454	103,057,238	32,476,693
2010								
Q1	242,080,114	355,502	8,094,772	32,098,431	2,505,115	61,444,455	105,072,934	32,508,905

*Amounts of Coins outside SAMA .

Table 8 (a) : MONETARY SURVEY : ASSETS

(Million Riyals)

End of Period	Net Foreign Assets			Bank Claims on			Total Assets (3+4+5+6) 7
	SAMA 1	Commercial Banks 2	Total (1+2) 3	Private Sector 4	Government 5	Non-financial Public Sector Enterprises 6	
1993	184364	74294	258,658	101,932	43461	22602	426,653
1994	176558	58997	235,555	113,192	50030	26930	425,707
1995	164872	58293	223,165	121,153	52282	24452	421,052
1996	188,927	67,518	256,445	123,547	65,266	16,703	461,961
1997	213,182	53,471	266,653	133,684	83,209	20,861	504,407
1998	170,036	42,839	212,875	160,655	89,366	23,599	486,495
1999	141,834	40,334	182,168	162,190	102,266	14,347	460,971
2000	178,261	36,761	215,022	172,238	112,273	12,439	511,972
2001	181,304	39,750	221,054	187,064	123,833	10,817	542,768
2002	157,103	52,491	209,594	205,829	138,650	11,960	566,033
2003	223,155	41,019	264,174	228,486	150,722	25,844	669,226
2004	324,091	47,051	371,142	313,928	146,656	29,138	860,863
2005	563,557	26,390	589,947	435,926	127,806	31,672	1,185,351
2006	829,185	70,597	899,782	476,020	123,253	34,965	1,534,019
2007	1,128,466	42,499	1,170,965	577,882	144,179	37,434	1,930,460
2008	1,642,312	41,520	1,683,832	734,557	209,920	32,065	2,660,375
2009	1,520,042	111,235	1,631,277	734,237	154,188	28,136	2,547,838
2010							
Q1	1,558,253	101,542	1,659,795	745,758	182,787	29,890	2,618,230



Table 8 (b): MONETARY SURVEY : LIABILITIES

(Million Riyals)

End of Period	Money			Quasi-Money			Total (3+6) 7	Government Deposits * 8	Other Items (Net) 9	Total Liabilities (7+8+9) 10
	Currency Outside Banks 1	Demand Deposits 2	Total (1+2) 3	Time & Savings Deposits 4	Others ** 5	Total (4+5) 6				
1993	42623	78,880	121,503	47,892	59,256	107,148	228,651	42,478	155,524	426,653
1994	44965	80,679	125,644	51,417	59,377	110,794	236,438	35,530	153,739	425,707
1995	43087	81,384	124,471	61,223	56,276	117,499	241,970	34,625	144,457	421,052
1996	43,038	89,890	132,928	71,081	54,503	125,584	258,512	45,520	157,929	461,961
1997	45,823	95,361	141,184	77,166	54,353	131,519	272,703	48,515	183,189	504,407
1998	45,019	95,253	140,272	83,436	59,881	143,317	283,589	48,738	154,168	486,495
1999	55,060	101,605	156,665	85,341	63,935	149,276	305,941	30,995	124,035	460,971
2000	51,019	114,481	165,500	90,832	62903	153,735	319,235	51,473	141,263	511,971
2001	49,203	130,192	179,396	91,685	69115	160,800	340,196	51,597	150,975	542,768
2002	52,329	150,010	202,339	108,028	80059	188,088	390,427	51,724	123,882	566,033
2003	55,445	167,577	223,022	113,382	81061	194,443	417,465	56,548	195,213	669,226
2004	60,133	211,170	271,303	136,673	88122	224,795	496,098	98,199	266,566	860,863
2005	64,288	219,251	283,539	165,266	104869	270,136	553,675	240,645	391,031	1,185,351
2006	69,324	243,418	312,742	226,027	121,815	347,842	660,583	338,171	535,265	1,534,019
2007	72,192	311,365	383,557	283,059	123,140	406,199	789,755	516,718	623,987	1,930,460
2008	83,006	342,488	425,494	367,624	136,007	503,630	929,125	1,055,958	675,292	2,660,375
2009	88,395	433,162	521,558	323,377	184,009	507,386	1,028,944	923,118	595,776	2,547,838
2010										
Q1	89,822	452,188	542,010	313,707	154,793	468,500	1,010,511	949,782	657,937	2,618,230

* Including Letters of Credit and Documents for Collection.

** Comprise residents' foreign currency deposits, marginal deposits for L/Cs, outstanding remittances, and banks' Repo transactions with private entities.





Table (9): RESERVE ASSETS*

(Million Riyals)

End of Period	Reserve Position			Foreign	Investment	Total Reserve Assets
	Gold	SDR	in the IMF	Currency and Deposits Abroad	in Foreign Securities	
2005	689	2,063	7,148	200,954	369,973	580,826
2006	689	2,400	3,420	214,576	625,667	846,752
2007	689	2,704	2,741	349,453	790,559	1,146,146
2008	1,556	2,756	5,190	496,241	1,154,247	1,659,990
2009	1,556	40,980	7,564	416,264	1,071,542	1,537,906
2007						
Q1	689	2,456	3,038	210,579	677,895	894,657
Q2	689	2,509	3,023	162,640	723,955	892,816
Q3	689	2,621	3,094	201,257	779,187	986,848
Q4	689	2,704	2,741	349,453	790,559	1,146,146
2008						
Q1	1,556	2,850	2,827	380,535	926,254	1,314,022
Q2	1,556	2,861	3,158	304,691	1,118,475	1,430,741
Q3	1,556	2,760	2,914	468,862	1,165,415	1,641,507
Q4	1,556	2,756	5,190	496,241	1,154,247	1,659,990
2009						
Q1	1,556	2,693	5,400	434,208	1,114,577	1,558,433
Q2	1,556	2,803	7,489	368,895	1,094,035	1,474,778
Q3	1,556	41,411	7,643	323,056	1,071,156	1,444,822
Q4	1,556	40,980	7,564	416,264	1,071,542	1,537,906
2010						
Q1	1,556	39,694	7,325	401,184	1,126,127	1,575,886

* Gold data have been modified from February 2008 as a result of the adjustment of SAMA's gold accounts.



Table 10 (a) : CONSOLIDATED BALANCE SHEET OF COMMERCIAL BANKS : ASSETS*

(Million Riyals)

End of Period	Bank Reserves						Foreign Assets	Claims on Private Sector	Other Assets	Total Assets (1+7+8+9)
	Total (2+3)	Cash in Vault	Deposits with SAMA							
			Total Deposits (4+5+6)	Current	Statutory	Other				
1	2	3	4	5	6	7	8	9	10	
1383/84	156	47	109	51	58	--	217	809	56	1,238
1384/85	205	50	155	89	66	--	189	988	69	1,451
1385/86	212	60	152	80	72	--	215	1,170	66	1,663
1386/87	258	62	196	114	82	--	208	1,248	217	1,931
1387/88	317	71	246	154	92	--	247	1,297	332	2,193
1388/89	240	61	179	77	102	--	340	1,379	983	2,942
1389/90	240	59	181	73	108	--	479	1,624	381	2,724
1390/91	339	63	276	152	124	--	624	1,696	304	2,963
1391/92	723	69	654	479	175	--	1,115	1,692	238	3,768
1392/93	2,384	117	2,267	1,784	483	--	719	1,809	369	5,281
1393/94	2,566	156	2,410	1,560	850	--	1,420	3,202	382	7,570
1394/95	3,530	248	3,282	2,030	1,252	--	2,370	5,401	485	11,786
1395/96	6,037	441	5,596	3,024	2,572	--	5,425	8,508	1,720	21,690
1396/97	12,289	721	11,568	4,535	7,033	--	9,433	8,413	5,059	35,194
1397/98	18,324	814	17,510	6,429	11,081	--	14,689	11,218	8,283	52,514
1398/99	17,298	1,181	16,117	4,651	11,466	--	12,962	19,739	2,562	52,561
1399/1400	8,997	1,259	7,738	4,034	3,704	--	23,937	29,240	3,339	65,513
1400/01	7,931	1,302	6,629	3,650	2,979	--	41,010	40,252	4,430	93,623
1401/02	10,126	1,520	8,606	4,774	3,832	--	53,570	46,572	7,453	117,721
1402/03	10,856	1,595	9,261	4,103	5,158	--	66,001	49,397	11,882	138,136
1403/04	10,245	1,649	8,596	2,484	4,492	1,620	71,052	56,001	7,949	145,247
1404/05	11,018	1,439	9,579	2,009	4,561	3,009	73,400	59,280	8,868	152,566
1405/06	13,186	1,281	11,905	1,097	4,610	6,198	72,770	58,081	10,492	154,529
1406/07	16,725	1,194	15,531	510	5,122	9,899	92,571	56,136	10,697	176,129
1407/08	19,133	1,331	17,802	493	5,238	12,071	96,532	61,858	11,308	188,831
1988	10,689	1,336	9,353	411	5,867	3,075	114,741	70,523	20,286	216,239
1989	11,751	1,293	10,458	1,196	5,853	3,409	118,844	73,281	29,709	233,585
1990	11,636	1,726	9,910	751	5,780	3,379	123,467	65,295	31,657	232,055
1991	12,678	1,768	10,910	1,424	7,270	2,216	118,951	73,616	53,085	258,330
1992	10,651	2,006	8,645	491	7,746	407	101,666	86,037	92,281	290,635
1993	11,530	2,511	9,019	628	8,132	260	111,586	101,932	95,706	320,754
1994	11,648	2,442	9,206	1,003	8,202	0	98,147	113,192	109,244	332,231
1995	11,178	2,464	8,714	402	8,312	0	97,971	121,153	110,856	341,158
1996	11,207	2,134	9,073	199	8,831	44	106,171	123,547	117,022	357,947
1997	12,555	2,916	9,639	141	9,498	0	99,515	133,684	136,034	381,787
1998	12,573	2,657	9,916	91	9,826	0	85,944	160,655	145,134	404,306
1999	16,545	5,468	11,077	572	10,504	1	91,487	162,190	145,006	415,228
2000	18,883	5,971	12,912	116	11,191	1,605	101,204	172,238	160,947	453,272
2001	19,122	3,453	15,669	197	12,599	2,874	99,364	187,064	166,881	472,431
2002	28,643	4,892	23,752	1,750	14,270	7,732	95,490	205,829	178,274	508,237
2003	26,663	4,257	22,406	847	15,465	6,094	81,082	228,486	208,976	545,208
2004	32,035	4,474	27,561	3,415	19,090	5,056	92,798	313,928	216,620	655,382
2005	32,646	7,201	25,445	2,238	21,039	2,167	91,430	435,926	199,074	759,075
2006	52,061	12,218	39,843	1,012	23,759	15,072	129,796	476,020	203,212	861,088
2007	108,614	10,019	98,595	3,143	36,142	59,310	147,712	577,882	241,013	1,075,221
2008	97,171	11,007	86,164	751	44,297	41,116	153,986	734,557	316,557	1,302,271
2009	160,118	10,856	149,262	646	50,322	98,293	210,918	734,237	264,985	1,370,258
2010										
Q1	131,575	11,265	120,311	608	50,744	68,959	206,976	745,758	293,109	1,377,418

Note : The time series preceding the year 1988 followed the Hijri calendar.

(--) : Not Available

* Excluding Overseas Branches of Banks.



Table 10 (b) : CONSOLIDATED BALANCE SHEET OF COMMERCIAL BANKS : LIABILITIES*

(Million Riyals)

End of Period	Deposits				Quasi Monetary**	Foreign Liabilities	Capital & Reserves	Other Liabilities***	Total Liabilities (1+6+7+8)
	Total (2+5)	Demand		Official Entities					
		Total (3+4)	Business & Individuals						
1	2	3	4	5	6	7	8	9	
1383/84	782	517	442	75	265	119	143	194	1,238
1384/85	891	538	469	69	353	157	143	260	1,451
1385/86	1,042	619	525	94	423	239	144	238	1,663
1386/87	1,235	700	586	114	535	174	143	379	1,931
1387/88	1,357	739	638	101	618	130	147	559	2,193
1388/89	1,471	808	665	143	663	163	156	1,152	2,942
1389/90	1,610	812	696	116	798	150	167	797	2,724
1390/91	1,876	968	797	171	908	148	185	754	2,963
1391/92	2,530	1,309	1,071	238	1,221	296	198	744	3,768
1392/93	3,730	2,259	1,949	310	1,471	392	211	948	5,281
1393/94	5,357	3,195	2,834	361	2,162	873	285	1,055	7,570
1394/95	9,007	5,632	4,977	655	3,375	1,077	501	1,201	11,786
1395/96	15,894	11,012	9,697	1,315	4,882	2,734	807	2,255	21,690
1396/97	23,729	17,610	15,898	1,712	6,119	3,923	1,114	6,428	35,194
1397/98	35,647	27,328	25,574	1,754	8,319	4,838	1,360	10,669	52,514
1398/99	40,369	29,476	27,295	2,181	10,893	5,699	1,990	4,503	52,561
1399/1400	49,591	30,449	27,774	2,675	19,142	5,938	3,520	6,464	65,513
1400/01	68,237	37,265	33,763	3,502	30,972	8,548	4,840	11,998	93,623
1401/02	89,023	46,166	42,405	3,761	42,857	7,060	6,615	15,023	117,721
1402/03	99,117	51,762	48,618	3,144	47,355	5,604	8,513	24,902	138,136
1403/04	109,293	51,667	44,919	6,748	57,626	8,498	10,038	17,418	145,247
1404/05	114,146	48,361	43,915	4,446	65,785	8,944	11,893	17,583	152,566
1405/06	113,373	46,171	43,458	2,713	67,202	11,145	13,008	17,003	154,529
1406/07	125,132	47,246	43,646	3,600	77,886	16,047	13,268	21,682	176,129
1407/08	124,963	49,926	45,543	4,383	75,037	26,817	13,624	23,427	188,831
1988	142,473	57,719	54,494	3,225	84,754	28,727	14,954	30,085	216,239
1989	146,304	57,875	55,640	2,235	88,429	34,603	15,719	36,959	233,585
1990	143,662	57,488	55,338	2,150	86,174	30,172	17,359	40,862	232,055
1991	171,223	75,850	72,879	2,971	95,372	27,936	18,783	40,389	258,330
1992	177,216	79,674	76,961	2,713	97,542	28,642	25,072	59,705	290,635
1993	186,029	78,880	76,797	2,083	107,149	37,292	30,193	67,241	320,754
1994	191,474	80,679	77,319	3,361	110,794	39,150	33,313	68,294	332,231
1995	198,883	81,384	78,782	2,602	117,499	39,678	34,727	67,870	341,158
1996	215,474	89,890	87,696	2,194	125,583	38,653	37,005	66,815	357,947
1997	226,879	95,361	92,254	3,107	131,519	46,044	38,354	70,511	381,787
1998	238,570	95,253	92,648	2,605	143,317	43,105	40,259	82,371	404,306
1999	250,881	101,605	98,975	2,630	149,276	51,153	42,338	70,855	415,228
2000	268,216	114,481	110,823	3,658	153,735	64,444	43,525	77,088	453,272
2001	290,992	130,192	126,829	3,364	160,800	59,614	43,793	78,032	472,431
2002	338,097	150,010	147,029	2,981	188,088	42,999	47,298	79,843	508,237
2003	362,021	167,578	163,831	3,747	194,443	40,063	47,023	96,101	545,208
2004	435,965	211,170	199,285	11,886	224,795	45,748	52,238	121,432	655,382
2005	489,387	219,251	208,041	11,210	270,136	65,040	66,608	138,041	759,075
2006	591,259	243,418	229,289	14,128	347,842	59,199	79,947	130,683	861,088
2007	717,564	311,365	284,717	26,648	406,199	105,213	106,026	146,419	1,075,221
2008	846,118	342,488	327,209	15,279	503,630	112,466	131,822	211,865	1,302,271
2009	940,548	433,162	413,628	19,535	507,386	99,683	163,642	166,384	1,370,258
2010									
Q1	920,688	452,188	427,629	24,559	468,500	105,434	182,787	168,508	1,377,418

Note : The time series preceding the year 1988 followed the Hijri calendar.

*Excluding Overseas Branches of Banks.

**Quasi- money includes time and savings deposits and quasi money deposits composed of residents' deposits in foreign currencies, deposits for L/Cs, outstanding remittances, and Repo transactions by banks with private sector customers.

***Including current year profit.



Table (11) : BANK DEPOSITS

(Million Riyals)

End of Period	Demand Deposits 1	Time & Savings Deposits 2	Other Quasi-Monetary Deposits* 3	Total Quasi-Monetary Deposits (2+3) 4	Total Deposits (1+4) 5
1383/84	517	86	179	266	783
1384/85	538	118	235	353	891
1385/86	619	151	272	423	1,042
1386/87	701	199	336	534	1,236
1387/88	740	291	327	618	1,358
1388/89	808	377	286	663	1,471
1389/90	812	482	315	797	1,609
1390/91	968	565	343	909	1,877
1391/92	1,309	738	483	1,221	2,530
1392/93	2,259	814	656	1,471	3,730
1393/94	3,195	914	1,248	2,162	5,357
1394/95	5,633	1,539	1,837	3,376	9,008
1395/96	11,012	1,572	3,310	4,882	15,894
1396/97	17,610	1,811	4,308	6,118	23,728
1397/98	27,327	3,060	5,260	8,320	35,648
1398/99	29,476	4,165	6,729	10,894	40,370
1399/1400	30,449	11,630	7,511	19,141	49,590
1400/01	37,265	19,994	10,977	30,971	68,236
1401/02	46,167	26,367	16,490	42,857	89,024
1402/03	51,762	29,050	18,305	47,356	99,118
1403/04	51,667	33,575	24,051	57,626	109,293
1404/05	48,361	36,589	29,196	65,786	114,147
1405/06	46,171	39,682	27,519	67,201	113,372
1406/07	47,247	41,089	36,797	77,886	125,132
1407/08	49,926	39,697	35,340	75,037	124,963
1988	57,719	40,479	44,275	84,754	142,473
1989	57,875	44,662	43,767	88,429	146,304
1990	57,488	39,281	46,893	86,174	143,662
1991	75,850	44,623	50,749	95,372	171,223
1992	81,692	46,333	51,209	97,542	179,234
1993	78,880	47,892	59,256	107,149	186,029
1994	80,679	51,417	59,377	110,794	191,474
1995	81,384	61,223	56,276	117,499	198,883
1996	89,890	71,081	54,503	125,584	215,474
1997	95,361	77,166	54,353	131,519	226,880
1998	95,253	83,436	59,881	143,317	238,570
1999	101,605	85,341	63,935	149,276	250,881
2000	114,481	90,832	62,903	153,735	268,216
2001	130,192	91,685	69,115	160,800	290,992
2002	150,010	108,028	80,059	188,088	338,097
2003	167,578	113,382	81,061	194,443	362,021
2004	211,170	136,673	88,122	224,795	435,965
2005	219,251	165,266	104,869	270,136	489,387
2006	243,418	226,027	121,815	347,842	591,259
2007	311,365	283,059	123,140	406,199	717,564
2008	342,488	367,624	136,007	503,630	846,118
2009	433,162	323,377	184,009	507,386	940,548
2010					
Q1	452,188	313,707	154,793	468,500	920,688

Note : The time series preceding the year 1988 followed the Hijri calendar.

* Comprise residents' foreign currency deposits, marginal deposits for L/Cs, outstanding remittances and banks' Repo transactions with private entities.



Table (12): BANK CLAIMS ON PRIVATE SECTOR

(Million Riyals)

End of Period	Bank Credit 1	Investments in Private Securities 2	Total (1 + 2) 3
1383/84	737	72	809
1384/85	915	73	988
1385/86	1,091	79	1,170
1386/87	1,166	82	1,248
1387/88	1,216	81	1,297
1388/89	1,329	51	1,380
1389/90	1,565	59	1,624
1390/91	1,634	62	1,696
1391/92	1,624	68	1,692
1392/93	1,706	103	1,809
1393/94	3,063	139	3,201
1394/95	5,288	113	5,401
1395/96	8,291	217	8,507
1396/97	7,952	461	8,413
1397/98	10,607	611	11,217
1398/99	18,997	742	19,739
1399/1400	28,505	735	29,240
1400/01	39,479	773	40,252
1401/02	45,645	927	46,572
1402/03	47,942	1,455	49,397
1403/04	54,870	1,131	56,002
1404/05	58,024	1,256	59,280
1405/06	56,532	1,549	58,081
1406/07	54,356	1,781	56,137
1407/08	59,403	2,455	61,858
1988	67,408	3,115	70,523
1989	69,269	4,012	73,281
1990	60,796	4,500	65,295
1991	68,903	4,714	73,616
1992	83,865	2,743	86,608
1993	97,442	4,490	101,932
1994	107,126	6,066	113,192
1995	113,407	7,746	121,153
1996	116,920	6,627	123,547
1997	128,353	5,331	133,684
1998	155,229	5,426	160,655
1999	151,975	10,214	162,190
2000	161,094	11,144	172,238
2001	176,803	10,261	187,064
2002	198,697	7,132	205,829
2003	221,123	7,363	228,486
2004	302,998	10,929	313,928
2005	420,828	15,097	435,926
2006	462,103	13,917	476,020
2007	557,405	20,476	577,882
2008	712,737	21,820	734,557
2009	708,769	25,468	734,237
2010			
Q1	716,987	28,772	745,758

Note : The time series preceding the year 1988 followed the Hijri calendar.



**Table (13): BANK CLAIMS ON PUBLIC SECTOR
(GOVT. AND QUASI - GOVT.)**

(Million Riyals)

End of Period	Bank Credit to Public Sector Enterprises	Investments in Govt. securities			Grand Total
		Treasury Bills	Government Bonds	Total	
1982	3,056	--	--	--	3,056
1983	1,878	--	--	--	1,878
1984	2,766	--	--	--	2,766
1985	3,708	--	--	--	3,708
1986	3,599	--	--	--	3,599
1987	3,469	--	--	--	3,469
1988	3,569	--	7,683	7,683	11,252
1989	5,010	--	10,225	10,225	15,235
1990	6,323	--	12,696	12,696	19,019
1991	15,952	--	24,816	24,816	40,768
1992	24,675	10,830	27,086	37,916	62,591
1993	22,602	6,377	37,084	43,461	66,063
1994	26,930	11,005	39,025	50,030	76,960
1995	24,452	13,106	39,176	52,282	76,734
1996	16,703	8,659	56,607	65,266	81,969
1997	20,861	7,282	75,927	83,209	104,070
1998	23,599	3,559	85,807	89,366	112,965
1999	14,347	2,287	99,979	102,266	116,613
2000	12,439	2,211	110,062	112,273	124,712
2001	10,817	1,990	121,843	123,833	134,650
2002	11,960	7,094	131,556	138,650	150,610
2003	25,844	175	150,548	150,722	176,566
2004	29,138	266	146,390	146,656	175,794
2005	31,672	715	127,091	127,806	159,478
2006	34,965	9,131	114,122	123,253	158,218
2007	37,434	16,748	127,431	144,179	181,613
2008	32,065	119,224	90,696	209,920	241,986
2009	28,136	78,497	75,691	154,188	182,324
2010					
Q1	29,890	112,883	69,905	182,787	212,677

(--): Not Applicable.



Table (14): BANK CREDIT BY ECONOMIC ACTIVITY

(Million Riyals)

End of Period	Agriculture & Fishing	Manufacturing & Processing	Mining & Quarrying	Electricity Water & other Utilities	Building & Construction	Commerce
1389/90	9	91	27	30	308	525
1390/91	10	91	38	75	244	524
1391/92	10	111	37	83	262	543
1392/93	11	102	35	56	302	637
1393/94	20	221	24	116	518	1,176
1394/95	34	760	40	195	1,186	1,136
1395/96	38	1,011	30	172	1,882	3,186
1396/97	38	1,000	59	250	1,959	2,794
1397/98	74	1,161	98	279	2,388	3,573
1398/99	147	1,854	274	761	3,812	5,905
1399/1400	169	2,408	580	936	5,902	9,905
1400/01	232	3,460	637	1,020	7,513	14,719
1401/02	408	4,587	256	1,126	9,902	16,518
1402/03	495	4,503	216	1,272	11,096	17,604
1403/04	931	5,667	163	1,067	12,924	19,016
1404/05	1,073	6,099	437	1,011	13,217	19,072
1405/06	1,045	5,427	663	1,413	14,062	20,018
1406/07	990	5,452	310	1,260	11,231	20,032
1407/08	967	4,749	322	690	11,138	19,608
1988	1,019	4,126	549	986	12,835	18,950
1989	1,124	4,083	382	542	10,721	20,643
1990	1,193	5,138	253	664	10,986	14,705
1991	1,604	6,324	449	945	10,744	14,829
1992	2,071	7,294	514	1,892	11,985	20,160
1993	2,853	9,580	670	1,431	12,409	22,999
1994	2,708	12,883	810	2,586	14,142	28,252
1995	1,669	12,187	558	3,569	14,369	35,031
1996	2,330	13,848	616	8,478	13,955	29,733
1997	1,211	14,424	1,268	4,535	15,686	36,950
1998	1,058	21,447	1,939	1,144	19,395	46,508
1999	1,458	23,753	1,799	1,454	19,373	38,966
2000	1,260	23,773	736	662	19,417	38,401
2001	2,138	24,659	1,206	1,220	16,746	40,167
2002	2,530	24,324	715	1,094	20,982	42,194
2003	2,549	26,604	650	1,837	21,955	51,886
2004	3,785	26,519	1,252	3,273	23,057	62,808
2005	6,716	34,460	2,275	3,226	31,726	83,054
2006	6,802	37,566	1,802	3,598	37,845	111,511
2007	8,636	54,339	3,897	5,878	43,421	127,473
2008	10,980	79,333	4,265	10,629	54,371	176,858
2009	8,731	75,044	5,337	13,365	44,741	169,220
2010						
Q1	8,745	76,666	4,685	15,450	48,248	182,101



Contd...2 Table (14): BANK CREDIT BY ECONOMIC ACTIVITY

(Million Riyals)

End of Period	Transport & Communications	Finance	Services	Miscellaneous	Government & Quasi Govt.*	Total
1389/90	38	281	16	358	--	1,683
1390/91	59	148	18	401	--	1,608
1391/92	20	119	17	371	--	1,573
1392/93	41	85	37	400	--	1,706
1393/94	105	63	67	748	--	3,058
1394/95	179	74	84	910	--	4,598
1395/96	209	122	193	1,444	--	8,287
1396/97	194	360	152	1,478	--	8,284
1397/98	196	194	286	2,100	--	10,349
1398/99	429	333	565	3,887	--	17,967
1399/1400	491	484	864	5,456	--	27,195
1400/01	1,080	939	1,560	6,924	--	38,084
1401/02	1,472	862	1,748	9,226	--	46,105
1402/03	3,111	1,088	1,442	9,250	--	50,077
1403/04	3,563	1,386	1,936	10,965	---	57,618
1404/05	4,170	1,779	2,703	12,079	--	61,640
1405/06	4,040	2,216	3,261	9,090	--	61,235
1406/07	3,786	2,450	3,388	9,604	--	58,503
1407/08	4,338	4,401	2,994	14,363	--	63,570
1988	5,391	8,648	4,051	14,422	--	70,977
1989	4,856	4,710	3,980	23,237	--	74,278
1990	5,353	9,525	4,302	15,000	--	67,119
1991	5,758	13,103	7,252	23,847	--	84,855
1992	5,714	15,364	7,876	35,072	--	107,942
1993	5,101	11,591	5,870	24,938	22,602	120,044
1994	6,182	8,442	3,844	27,276	26,930	134,055
1995	5,782	4,304	4,250	31,688	24,452	137,859
1996	3,188	5,984	7,194	31,595	16,703	133,624
1997	3,206	5,823	7,445	37,805	20,861	149,214
1998	2,729	6,134	10,665	44,209	23,599	178,827
1999	6,858	6,469	9,891	41,955	14,347	166,323
2000	6,162	8,081	11,606	50,996	12,439	173,533
2001	9,917	6,703	9,514	64,534	10,817	187,620
2002	13,555	8,862	9,718	74,724	11,960	210,657
2003	12,803	11,877	8,839	82,124	25,844	246,967
2004	13,406	33,839	12,337	122,722	29,138	332,136
2005	14,382	56,747	15,097	173,146	31,672	452,501
2006	6,875	61,828	16,735	177,539	34,965	497,067
2007	20,989	62,632	28,286	201,854	37,434	594,840
2008	37,814	16,812	32,324	289,351	32,065	744,802
2009	38,415	21,258	46,123	286,536	28,136	736,905
2010						
Q1	37,336	20,914	32,092	290,749	29,890	746,876

Notes : (1) The data in the table do not include banks' investments in private securities, but they include loans extended to government agencies. Therefore, the total of banks' credit by economic activity is different from banks' claims on the private sector as shown in table No. (12).

(2) The time series preceding the year 1988 followed the Hijri calendar.

* Figures in this column represent loans and advances to public sector enterprises .

(--): Not Available



Table (15): BANK CREDIT CLASSIFIED BY MATURITY

(Million Riyals)

End of Period	Short Term	Medium Term	Long Term	Total
1995	119,379	10,305	8,175	137,859
1996	106,008	15,650	11,966	133,623
1997	116,174	22,264	10,775	149,214
1998	134,153	27,157	17,517	178,828
1999	116,622	27,281	22,420	166,323
2000	114,858	32,049	26,626	173,533
2001	113,453	31,951	42,216	187,620
2002	124,578	31,646	54,433	210,657
2003	146,040	37,758	63,170	246,967
2004	192,481	42,990	96,664	332,136
2005	250,841	53,495	148,164	452,501
2006	276,232	64,633	156,202	497,067
2007	347,593	83,210	164,037	594,840
2008	476,606	104,610	163,586	744,802
2009	449,634	117,155	170,117	736,905
2010				
Q1	451,549	117,937	177,391	746,876

Note :

Short Term : Less than one year

Medium Term : 1 - 3 Years

Long Term : Over 3 Years

Table (16): CONSUMER AND CREDIT CARD LOANS

(Million Riyals)

End of Period	Consumer Loans				Total Credit Card Loans *	Maturity Terms Of Personal Loans **			
	Real Estate Finance	Cars and Equipment	Others	Total		Short Term	Medium Term	Long Term	Total
1998	1,778	2,001	5,246	9,025	2,143	5,556	2,383	3,230	11,168
1999	2,081	2,500	7,711	12,292	2,316	5,695	3,530	5,384	14,608
2000	2,724	7,719	14,312	24,756	2,112	8,325	4,993	13,550	26,868
2001	3,295	13,893	21,259	38,447	2,222	5,526	10,574	24,569	40,669
2002	4,506	25,568	22,800	52,873	2,857	10,533	14,044	31,153	55,730
2003	5,191	28,859	39,255	73,305	2,579	10,643	20,347	44,894	75,884
2004	8,790	27,926	78,590	115,306	3,295	11,075	21,740	85,786	118,601
2005	13,656	29,025	138,174	180,856	4,259	16,063	29,914	139,138	185,115
2006	13,690	34,262	132,726	180,678	7,349	21,753	29,938	136,336	188,027
2007	14,137	37,588	126,683	178,408	9,251	24,387	49,492	113,780	187,659
2008	14,906	37,261	121,817	173,985	9,452	25,249	54,590	103,508	183,347
2009	17,860	38,134	123,907	179,902	8,621	28,310	58,067	102,046	188,423
2010									
Q1	19,360	39,315	128,291	186,966	8,187	29,626	47,707	117,822	195,155

* Includes Visa, Master Card, American Express, and Others.

** Loans granted by commercial banks to natural persons for financing personal, consumer and non-commercial purposes.

Note :

Short Term : Less than one year

Medium Term : 1 - 3 Years

Long Term : Over 3 Years





Table (17): FOREIGN ASSETS & LIABILITIES OF COMMERCIAL BANKS

(Million Riyals)

End of Period	Foreign Assets	Foreign Liabilities	Net Foreign Assets
1383/84	217	119	98
1384/85	189	157	31
1385/86	215	240	-25
1386/87	208	174	33
1387/88	247	130	118
1388/89	340	163	177
1389/90	479	150	329
1390/91	624	148	476
1391/92	1,115	296	819
1392/93	719	392	327
1393/94	1,419	873	547
1394/95	2,370	1,077	1,293
1395/96	5,425	2,734	2,691
1396/97	9,432	3,923	5,509
1397/98	14,689	4,838	9,851
1398/99	12,962	5,699	7,262
1399/1400	23,937	5,938	17,999
1400/01	41,010	8,548	32,462
1401/02	53,570	7,060	46,510
1402/03	66,001	5,604	60,397
1403/04	71,052	8,498	62,554
1404/05	73,400	8,944	64,456
1405/06	72,770	11,146	61,624
1406//07	92,571	16,047	76,524
1407/08	96,532	26,817	69,715
1988	114,741	28,728	86,014
1989	118,844	34,603	84,241
1990	123,467	30,172	93,295
1991	118,951	27,936	91,016
1992	101,566	28,636	72,930
1993	111,586	37,292	74,294
1994	98,147	39,150	58,997
1995	97,971	39,678	58,293
1996	106,171	38,653	67,518
1997	99,515	46,044	53,471
1998	85,944	43,105	42,839
1999	91,487	51,153	40,334
2000	101,204	64,444	36,761
2001	99,364	59,614	39,750
2002	95,490	42,999	52,491
2003	81,082	40,063	41,019
2004	92,798	45,748	47,051
2005	91,430	65,040	26,390
2006	129,796	59,199	70,597
2007	147,712	105,213	42,499
2008	153,986	112,466	41,520
2009	210,918	99,683	111,235
2010			
Q1	206,976	105,434	101,542

Note : The time series preceding the year 1988 followed the Hijri calendar.



**Table (18): PRIVATE SECTOR IMPORTS FINANCED THROUGH
COMMERCIAL BANKS**

(Letters of Credit Settled and Bills Received)

(Million Riyals)

Period	Food Grain	Fruits & Vegetables	Sugar,Tea & Coffee	Livestock & Meat	Other Foodstuffs	Total Foodstuffs
1383/84	136	27	31	60	101	355
1384/85	181	20	55	66	129	451
1385/86	130	26	76	68	135	435
1386/87	230	20	45	108	155	558
1387/88	191	18	35	119	193	556
1388/89	144	27	44	154	204	573
1389/90	165	25	53	123	200	565
1390/91	164	31	58	111	244	608
1391/92	201	38	74	123	271	706
1392/93	178	42	140	148	296	804
1393/94	461	49	117	185	374	1,187
1394/95	758	74	532	222	795	2,381
1395/96	735	115	349	287	1,024	2,510
1396/97	472	94	237	305	1,558	2,665
1397/98	707	82	337	516	2,171	3,813
1398/99	1,026	126	414	632	2,453	4,651
1399/1400	2,174	180	398	805	3,079	6,636
1400/01	3,110	192	1,255	1,150	3,697	9,404
1401/02	3,403	307	1,031	1,402	4,202	10,344
1402/03	3,157	236	560	1,315	4,236	9,505
1403/04	3,005	242	704	1,293	4,731	9,974
1404/05	3,691	266	457	1,372	3,931	9,717
1405/06	2,349	432	389	1,185	3,326	7,681
1406/07	2,367	284	549	946	3,693	7,839
1407/08	2,473	352	562	1,019	3,250	7,655
1988	2,529	390	581	1,032	3,080	7,611
1989	1,562	349	740	923	3,804	7,379
1990	1,531	245	935	1,352	3,517	7,580
1991	1,491	347	766	1,448	4,179	8,232
1992	1,973	303	720	1,802	3,981	8,779
1993	1,813	225	677	1,901	3,555	8,171
1994	1,451	233	864	1,735	3,748	8,031
1995	1,608	199	816	1,376	4,370	8,369
1996	1,833	555	1,401	1,737	4,685	10,211
1997	1,997	278	614	1,529	4,114	8,532
1998	2,384	218	514	1,376	4,255	8,747
1999	2,805	201	361	1,119	3,828	8,315
2000	3,072	157	371	1,185	4,287	9,072
2001	2,747	184	657	1,403	4,856	9,848
2002	3,359	165	522	1,726	4,308	10,080
2003	3,965	188	399	2,332	5,752	12,636
2004	2,970	129	779	1,930	5,809	11,618
2005	2,763	332	974	2,020	7,201	13,289
2006	3,324	552	427	2,576	6,263	13,142
2007	5,388	286	363	2,921	9,152	18,109
2008	7,655	454	1,151	2,815	15,686	27,761
2009	5,278	241	1,076	3,186	8,582	18,363
2010						
Q1	1,568	34	257	805	2,413	5,076



**Contd...2 Table (18): PRIVATE SECTOR IMPORTS FINANCED
THROUGH COMMERCIAL BANKS**
(Letters of Credit Settled and Bills Received)

(Million Riyals)

Period	Textile & Clothing	Building Materials	Motor Vehicles	Machinery & Appliances	All Other Goods	Total
1383/84	115	94	235	176	262	1,237
1384/85	121	142	238	256	348	1,556
1385/86	114	161	260	384	381	1,735
1386/87	118	132	266	286	401	1,760
1387/88	143	154	232	245	487	1,817
1388/89	133	178	286	260	537	1,967
1389/90	144	180	299	285	555	2,029
1390/91	122	145	238	313	585	2,010
1391/92	174	187	322	429	656	2,473
1392/93	355	305	518	740	890	3,613
1393/94	509	681	839	916	1,226	5,358
1394/95	729	827	1,926	2,221	2,903	10,987
1395/96	1,263	1,261	3,297	3,828	4,368	16,527
1396/97	1,616	2,500	4,196	5,237	6,555	22,768
1397/98	2,036	2,626	4,341	6,781	8,403	28,000
1398/99	2,592	3,280	4,017	6,695	9,857	31,092
1399/1400	3,169	5,617	5,337	8,214	12,835	41,808
1400/01	4,981	5,861	6,897	9,356	15,336	51,836
1401/02	4,847	6,873	8,695	10,595	17,225	58,580
1402/03	5,987	8,837	10,390	12,771	23,692	71,182
1403/04	5,743	6,976	8,450	11,378	19,004	61,524
1404/05	6,167	6,173	6,594	10,688	18,392	57,731
1405/06	4,962	4,887	5,457	7,760	13,690	44,436
1406/07	5,270	4,023	4,815	6,576	14,031	42,553
1407/08	5,912	3,762	6,912	7,325	16,876	48,441
1988	5,762	3,911	7,746	7,335	17,907	50,272
1989	5,984	4,196	8,270	7,580	19,036	52,446
1990	6,006	3,678	9,373	8,242	20,078	54,956
1991	7,366	4,371	13,908	9,501	28,303	71,681
1992	7,565	5,258	15,378	10,544	26,049	73,574
1993	7,120	5,301	12,779	9,875	28,384	71,629
1994	5,498	4,286	9,159	8,565	20,917	56,457
1995	5,434	3,511	6,324	7,634	27,875	59,147
1996	5,398	3,877	8,824	7,867	28,606	64,783
1997	5,269	3,835	9,837	6,963	36,249	70,685
1998	5,084	3,782	12,439	6,658	33,245	69,955
1999	4,380	3,480	8,458	6,325	34,722	65,680
2000	3,995	3,502	8,923	7,245	38,614	71,350
2001	4,944	4,514	11,792	8,994	40,933	81,026
2002	5,096	4,282	13,717	6,702	39,878	79,755
2003	4,485	3,889	13,929	6,567	44,669	86,175
2004	3,797	4,563	14,988	7,936	53,118	96,019
2005	4,629	7,370	25,558	10,634	54,702	116,183
2006	4,256	10,684	26,665	14,681	62,864	132,292
2007	4,626	14,661	25,609	16,808	88,705	168,518
2008	4,649	19,012	25,711	19,465	115,850	212,447
2009	4,597	11,787	23,034	19,755	84,183	161,720
2010						
Q1	842	3,281	6,938	6,442	21,140	43,719

Notes :

(1) : Figures represent the sum of letters of credit settled and bills received for collection by commercial banks only, and exclude imports not financed by either instruments or government imports financed by L/Cs opened through SAMA.

(2) : The time series preceding the year 1988 followed the Hijri calendar.



**Table (19): BANK CLEARINGS
(COMMERCIAL AND PERSONAL CHEQUES)**

Period	No. of Cheques	Total Value (Million Riyals)	Average Value Per Cheque (Thousand Riyals)
1410/11	1,888,464	228,369	120.9
1411/12	1,806,504	246,177	136.3
1412/13	2,061,595	319,441	154.9
1413/14	3,972,891	532,318	134.0
1994	5,462,477	310,535	56.8
1995	5,781,699	227,499	39.3
1996	6,168,265	317,269	51.4
1997	6,527,453	344,204	52.7
1998	6,631,144	317,359	47.9
1999	6,749,524	336,224	49.8
2000	6,365,789	359,505	56.5
2001	6,367,482	375,333	58.9
2002	6,438,749	312,504	48.5
2003	6,357,458	321,413	50.6
2004	6,317,653	348,380	55.1
2005	6,440,221	367,346	57.0
2006	6,191,433	376,508	60.8
2007	6,139,180	441,558	71.9
2008	6,352,671	526,097	82.8
2009	6,198,149	514,476	83.0
2010			
Q1	1,571,887	127,285	81.0

Note : The time series preceding the year 1994 followed the Hijri calendar.



Table 20 (a): VALUE OF TRANSACTIONS THROUGH SAUDI ARABIAN RIYAL INTERBANK EXPRESS (SARIE) SYSTEM*

(Million Riyals)

Period	Customer Payments			Interbank Payments			Others**	Total (1+2+3)
	Bulk	Single	Total (1)	Bulk	Single	Total (2)		
1998	24,855	259,589	284,444	271,984	4,675,272	4,947,256	16,408	5,248,108
1999	35,164	288,315	323,479	240,365	5,056,889	5,297,254	9,432	5,630,165
2000	58,331	316,389	374,720	234,418	4,636,368	4,870,786	3,922	5,249,428
2001	94,613	355,741	450,354	144,907	5,205,888	5,350,795	4,405	5,805,554
2002	212,521	452,469	664,990	195,229	6,436,254	6,631,483	7,745	7,304,218
2003	245,095	520,288	765,383	147,025	6,305,160	6,452,185	6,203	7,223,771
2004	293,601	735,407	1,029,008	86,796	6,899,906	6,986,702	8,325	8,024,035
2005	379,637	1,011,538	1,391,175	116,589	8,629,928	8,746,517	8,450	10,146,142
2006	441,327	1,204,279	1,645,606	107,618	12,077,171	12,184,789	9,563	13,839,959
2007	550,269	1,320,991	1,871,260	72,670	31,730,199	31,802,869	28,720	33,702,849
2008	719,303	2,092,324	2,811,628	79,047	32,979,135	33,058,182	35,946	35,905,756
2009	716,980	2,176,457	2,893,437	42,404	58,280,884	58,323,287	17,440	61,234,165
2007								
Q1	117,917	255,674	373,591	15,445	5,341,772	5,357,217	2,489	5,733,297
Q2	137,688	336,980	474,668	17,305	7,995,057	8,012,362	13,092	8,500,122
Q3	145,899	361,236	507,135	20,216	7,590,449	7,610,665	2,295	8,120,095
Q4	148,766	367,100	515,866	19,703	10,802,922	10,822,625	10,844	11,349,335
2008								
Q1	178,320	460,016	638,336	17,336	14,879,280	14,896,616	9,292	15,544,244
Q2	189,439	537,141	726,580	32,635	7,850,818	7,883,453	21,323	8,631,356
Q3	173,157	550,474	723,631	15,849	5,126,331	5,142,180	3,727	5,869,538
Q4	178,387	544,694	723,080	13,227	5,122,706	5,135,933	1,604	5,860,617
2009								
Q1	185,438	575,222	760,660	17,385	13,449,931	13,467,315	4,164	14,232,140
Q2	181,355	518,822	700,177	9,424	16,460,645	16,470,069	4,572	17,174,818
Q3	167,539	535,867	703,406	6,087	13,302,721	13,308,808	5,668	14,017,882
Q4	182,648	546,546	729,194	9,508	15,067,587	15,077,095	3,036	15,809,325
2010								
Q1	199,076	509,863	708,939	11,762	16,622,151	16,633,913	68,724	17,411,576

* SARIE system started operation on May 14, 1997 .

** The amounts include direct debits, and SAMA claims on banks.



Table 20 (b): NUMBER OF TRANSACTIONS THROUGH SAUDI ARABIAN RIYAL INTERBANK EXPRESS (SARIE) SYSTEM*

Period	Customer Payments			Interbank Payments			Others (3)	Total (1+2+3)
	Bulk	Single	Total (1)	Bulk	Single	Total (2)		
1998	210,466	278,154	488,620	7,465	106,969	114,434	10,507	613,561
1999	1,884,383	314,040	2,198,423	6,125	130,681	136,806	9,203	2,344,432
2000	4,670,542	382,691	5,053,233	9,839	130,160	139,999	9,241	5,202,473
2001	7,851,949	467,912	8,319,861	7,776	140,506	148,282	34,579	8,502,722
2002	10,750,444	572,336	11,322,780	6,986	141,973	148,959	43,116	11,514,855
2003	11,853,282	667,813	12,521,095	5,665	138,839	144,504	169,510	12,835,109
2004	14,098,532	877,876	14,976,408	22,173	141,572	163,745	253,386	15,393,539
2005	16,799,123	1,146,879	17,946,002	33,075	163,934	197,009	284,878	18,427,889
2006	18,516,565	1,494,688	20,011,253	52,588	195,700	248,288	527,226	20,786,767
2007	21,766,617	1,721,542	23,488,159	61,136	244,912	306,048	1,038,765	24,832,972
2008	27,221,118	2,332,241	29,553,359	63,151	262,510	325,661	1,756,664	31,635,684
2009	27,982,379	2,621,772	30,604,151	77,232	265,862	343,094	1,881,898	32,829,143
2007								
Q1	4,630,289	373,689	5,003,978	10,296	49,150	59,446	199,273	5,262,697
Q2	6,327,803	437,238	6,765,041	14,722	61,771	76,493	244,915	7,086,449
Q3	5,681,046	455,845	6,136,891	23,167	81,763	104,930	258,715	6,500,536
Q4	5,127,479	454,770	5,582,249	12,951	52,228	65,179	335,862	5,983,290
2008								
Q1	6,318,224	534,802	6,853,026	15,290	62,562	77,852	391,206	7,322,084
Q2	8,705,885	592,492	9,298,377	14,935	75,744	90,679	406,360	9,795,416
Q3	6,300,654	627,383	6,928,037	13,779	63,836	77,615	494,642	7,500,294
Q4	5,896,355	577,564	6,473,919	19,147	60,368	79,515	464,456	7,017,890
2009								
Q1	6,019,284	639,974	6,659,258	12,812	59,967	72,779	501,834	7,233,871
Q2	8,674,190	689,038	9,363,228	22,250	76,673	98,923	483,946	9,946,097
Q3	6,789,109	657,647	7,446,756	12,373	62,406	74,779	464,025	7,985,560
Q4	6,499,796	635,113	7,134,909	29,797	66,816	96,613	432,093	7,663,615
2010								
Q1	6,718,374	698,011	7,416,385	19,128	57,929	77,057	404,383	7,897,825

* SARIE system started operation on May 14, 1997.



Table 20 (c): SARIE MESSAGES (Bulk Transactions)*

Period	Customer Payments			Interbank Payments			Total (1+2)
	Bulk	Single	Total (1)	Bulk	Single	Total (2)	
1998	20,773	278,156	298,929	3,629	117,474	121,103	420,032
1999	47,540	314,070	361,610	2,450	139,847	142,297	503,907
2000	84,999	382,964	467,963	3,016	138,953	141,969	609,932
2001	111,390	468,367	579,757	2,264	172,716	174,980	754,737
2002	151,941	573,166	725,107	2,996	181,191	184,187	909,294
2003	182,914	672,780	855,694	2,700	176,192	178,892	1,034,586
2004	216,246	883,963	1,100,209	3,883	180,331	184,214	1,284,423
2005	267,279	1,158,369	1,425,648	4,873	207,285	212,158	1,637,806
2006	316,579	1,511,056	1,827,635	6,282	229,677	235,959	2,063,594
2007	439,272	1,746,967	2,186,239	8,435	273,794	282,229	2,468,468
2008	635,028	2,364,838	2,999,866	8,862	295,122	303,984	3,303,850
2009	762,180	2,658,464	3,420,644	9,970	298,715	308,685	3,729,329
2007							
Q1	93,586	379,421	473,007	1,843	54,073	55,916	528,923
Q2	119,107	443,813	562,920	2,071	70,091	72,162	635,082
Q3	112,970	462,224	575,194	2,459	90,072	92,531	667,725
Q4	113,609	461,509	575,118	2,062	59,558	61,620	636,738
2008							
Q1	135,845	542,450	678,295	2,249	70,949	73,198	751,493
Q2	170,578	600,325	770,903	2,285	84,074	86,359	857,262
Q3	163,919	636,190	800,109	2,220	72,192	74,412	874,521
Q4	164,686	585,873	750,559	2,108	67,907	70,015	820,574
2009							
Q1	170,752	649,244	819,996	2,269	68,042	70,311	890,307
Q2	202,241	698,663	900,904	2,376	85,205	87,581	988,485
Q3	184,921	666,916	851,837	2,312	70,347	72,659	924,496
Q4	204,266	643,641	847,907	3,013	75,121	78,134	926,041
2010							
Q1	214,967	706,519	921,486	2,762	66,979	69,741	991,227

* A message includes a number of transactions.

Table (21): BANK BRANCHES OPERATING IN SAUDI ARABIA

End of Period	The National Commercial Bank	Riyadh Bank	Banque Saudi Fransi	The Arab National Bank	Saudi British Bank	Bank Al-Jazira	Saudi Hollandi Bank	Saudi Invest-ment Bank	Al-Rajhi Bank	Samba Financial Group	Gulf Inter-national Bank	Emirates Bank	Bank Albilad	BNP Paribas	National Bank of Kuwait	Deutsche Bank	Bank Muscat	National Bank of Bahrain	J.P Morgan Chase N.A Bank	Alinma Bank *	Total
1994	248	179	60	126	60	23	39	10	347	45	--	--	--	--	--	--	--	--	--	--	1,214
1995	241	177	58	118	61	13	37	11	350	46	--	--	--	--	--	--	--	--	--	--	1,192
1996	244	178	58	117	65	13	37	11	352	46	--	--	--	--	--	--	--	--	--	--	1,208
1997	245	181	55	115	67	12	37	11	357	43	--	--	--	--	--	--	--	--	--	--	1,201
1998	247	193	55	115	68	12	36	13	364	43	--	--	--	--	--	--	--	--	--	--	1,229
1999	246	191	56	115	70	13	37	13	375	80	--	--	--	--	--	--	--	--	--	--	1,196
2000	246	196	56	114	69	13	37	13	375	64	1	--	--	--	--	--	--	--	--	--	1,184
2001	245	193	56	115	71	13	37	13	392	63	1	--	--	--	--	--	--	--	--	--	1,199
2002	246	193	56	117	69	13	37	15	391	65	1	--	--	--	--	--	--	--	--	--	1,203
2003	246	193	58	117	69	15	37	15	393	65	1	--	--	--	--	--	--	--	--	--	1,209
2004	246	193	62	117	68	17	38	15	393	65	1	1	--	--	--	--	--	--	--	--	1,216
2005	243	195	61	116	60	21	40	16	385	62	2	1	21	1	--	--	--	--	--	--	1,224
2006	260	198	68	116	61	23	41	23	390	63	2	1	40	1	1	1	--	--	--	--	1,289
2007	266	200	74	123	63	24	42	26	403	65	2	1	60	1	1	1	1	--	--	--	1,353
2008	275	201	75	131	68	24	43	33	425	65	2	1	61	1	1	1	1	1	1	--	1,410
2009	284	216	77	139	72	48	42	43	442	67	2	1	67	1	1	1	1	1	1	13	1,519
2010																					
Q1	284	225	78	140	75	48	44	44	443	67	2	1	69	1	1	1	1	1	1	14	1,540

Remark: As from November,2005, data of commercial banks' branches have been reclassified. Therefore the total of branches by region give in table 22 is different for the same year.

* Alinma Bank opened in July, 2009.

(--) : Not Available



Table (22): BRANCHES OF BANKS CLASSIFIED BY ADMINISTRATIVE REGIONS

End of Period	Riyadh	Makkah	Al-Madinah	Eastern	Al-Qassim	Asir	Tabouk	Hail	Northern Borde	Al-Jawf	Jazan	Najran	Al-Bahah	Total
2003	--	--	--	--	--	--	--	--	--	--	--	--	--	1209
2004	--	--	--	--	--	--	--	--	--	--	--	--	--	1216
2005	--	--	--	--	--	--	--	--	--	--	--	--	--	1224
2006	--	--	--	--	--	--	--	--	--	--	--	--	--	1289
2007	--	--	--	--	--	--	--	--	--	--	--	--	--	1353
2008	427	317	66	258	93	85	34	27	12	18	30	19	24	1410
2009	451	345	69	283	96	96	39	28	13	20	34	20	25	1519
2007														
Q1	384	305	64	221	84	81	32	26	13	17	30	18	21	1296
Q2	389	308	64	223	85	83	32	26	13	17	31	18	21	1310
Q3	395	309	65	226	86	83	32	26	13	17	31	18	21	1322
Q4	403	314	65	231	87	83	32	27	13	17	31	18	21	1342
2008														
Q1	416	312	66	246	90	82	33	27	12	18	30	18	21	1371
Q2	423	313	66	248	90	83	34	27	12	18	30	18	22	1384
Q3	426	316	66	251	93	85	34	27	12	18	30	18	22	1398
Q4	427	317	66	258	93	85	34	27	12	18	30	19	24	1410
2009														
Q1	430	321	66	264	93	89	35	28	12	18	31	19	24	1430
Q2	433	327	68	268	94	91	37	28	12	18	31	19	24	1450
Q3	442	335	69	275	94	93	37	28	12	20	33	19	24	1481
Q4	451	345	69	283	96	96	39	28	13	20	34	20	25	1519
2010														
Q1	459	352	69	287	97	96	40	28	13	20	34	20	25	1540





Table (23): AUTOMATED TELLER MACHINES STATISTICS

Period	Number of ATMs *	Number of Cards Issued *	No. of Transactions (In Thousands)			Cash Withdrawals (Million Riyals)		
			SPAN	Banks	Total	SPAN	Banks	Total
1991	462	553,079	--	--	--	--	--	--
1992	643	806,259	--	--	--	--	--	--
1993	766	1,133,183	16,875	--	16,875	12,915	--	12,915
1994	914	1,562,384	24,123	--	24,123	17,750	--	17,750
1995	1,124	1,972,759	31,476	21,065	52,540	22,269	--	22,269
1996	1,359	2,482,938	38,544	29,740	68,284	27,167	--	27,167
1997	1,591	3,052,058	46,977	35,804	82,781	32,526	14,034	46,560
1998	1,808	3,647,881	56,321	41,210	97,531	37,978	33,752	71,730
1999	1,997	4,696,342	76,976	59,987	136,964	49,317	54,625	103,942
2000	2,234	4,775,352	90,414	79,032	169,446	57,679	63,583	121,262
2001	2,577	5,561,353	114,683	104,689	219,373	70,421	66,542	136,963
2002	3,120	5,616,565	133,383	131,060	264,443	76,422	101,333	177,755
2003	3,676	6,032,407	149,602	171,899	321,501	82,472	89,091	171,563
2004	4,104	6,440,893	173,004	239,189	412,193	92,621	107,801	200,422
2005	4,588	8,041,886	205,445	327,758	533,203	108,225	137,677	245,902
2006	6,079	9,971,521	248,567	378,145	626,712	128,761	150,341	279,101
2007	7,543	11,104,901	278,913	377,578	656,491	148,050	160,684	308,734
2008	8,893	12,366,441	338,355	533,178	871,533	184,442	194,567	379,009
2009	9,950	13,712,905	372,974	568,727	941,701	197,769	213,516	411,285
2010								
Q1	10,216	11,480,840	98,888	156,719	255,608	52,384	59,479	111,863

* At the end of period.

(--): Not Available

Note: No. of ATMs includes the twelve ATMs located in the premises of SAMA.

Table (24): DISTRIBUTION OF ATMs BY BANKS

Period	The National Commercial Bank	Riyadh Bank	Banque Saudi Fransi	The Arab National Bank	Saudi British Bank	Bank Al-Jazira	Saudi Hollandi Bank	Saudi Investment Bank	Al-Rajhi Bank	Samba Financial Group	AL-Bilad Bank	Emirates Bank	National Bank of Kuwait	Bank Muscat	Alinma Bank	National Bank of Bahrain	Others *	Total
1995	203	121	103	166	92	0	52	12	194	84	--	--	--	--	--	--	9	1,124
1996	256	145	105	210	103	11	57	14	247	92	--	--	--	--	--	--	9	1,359
1997	324	196	112	226	109	12	65	16	313	104	--	--	--	--	--	--	9	1,591
1998	373	247	111	224	124	13	71	22	396	108	--	--	--	--	--	--	9	1,808
1999	432	282	125	233	142	16	86	24	450	195	--	--	--	--	--	--	12	1,997
2000	503	305	137	249	162	18	96	29	566	157	--	--	--	--	--	--	12	2,234
2001	591	352	137	258	180	20	111	49	685	182	--	--	--	--	--	--	12	2,577
2002	710	505	149	283	207	23	125	74	800	232	--	--	--	--	--	--	12	3,120
2003	810	556	162	312	234	25	136	94	1,060	275	--	--	--	--	--	--	12	3,676
2004	892	619	174	381	240	27	144	123	1,175	316	--	1	--	--	--	--	12	4,104
2005	931	687	194	417	258	61	155	141	1,338	362	31	1	--	--	--	--	12	4,588
2006	1,048	1,262	222	534	308	112	166	184	1,592	398	240	1	--	--	--	--	12	6,079
2007	1,184	1,562	320	705	401	190	179	221	1,921	438	400	5	2	3	--	--	12	7,543
2008	1,384	2,027	274	842	452	314	169	247	2,266	476	420	5	2	3	--	--	12	8,893
2009	1,485	2,433	330	899	474	296	221	293	2,460	496	450	12	2	4	82	1	12	9,950
2010																		
Q1	1,542	2,511	338	910	479	300	225	300	2,514	497	458	13	2	4	110	1	12	10,216

* No. of ATMs excludes those belonging to SAMA.

(--): Not Available

Remark : The total of the years 1994-1998 includes ATMs of Saudi -Cairo Bank and the Saudi United Bank which have been merged with SAMBA Financial Group.





Table (25): POINTS OF SALE TRANSACTIONS

Period	Sales (In Thousand Riyals)	No. of Transactions	No. of Points of Sale Terminals*
1993	16,500	91,688	1,201
1994	640,000	1,899,801	9,281
1995	2,005,532	4,470,498	13,088
1996	3,214,953	6,834,075	14,689
1997	4,107,314	8,667,022	14,969
1998	5,004,437	10,896,137	15,076
1999	6,278,034	14,283,316	16,419
2000	7,372,991	17,970,971	18,537
2001	10,238,545	23,962,839	21,631
2002	14,729,107	33,203,974	24,291
2003	19,706,775	43,018,097	29,060
2004	23,971,388	52,177,384	35,521
2005	28,075,759	66,126,594	44,253
2006	30,966,299	83,131,750	52,784
2007	39,430,624	99,434,671	61,557
2008	51,403,483	120,683,743	72,351
2009	56,256,358	124,830,388	82,620
2007			
Q1	8,474,961	22,909,555	54,806
Q2	10,388,601	25,666,474	57,520
Q3	10,784,209	25,804,022	59,537
Q4	9,782,853	25,054,620	61,557
2008			
Q1	11,538,799	29,365,548	63,870
Q2	13,797,233	30,961,962	66,855
Q3	14,322,531	31,645,059	70,848
Q4	11,744,920	28,711,174	72,351
2009			
Q1	13,186,543	30,657,266	74,291
Q2	13,971,640	30,425,489	75,269
Q3	14,674,875	31,274,542	75,241
Q4	14,423,300	32,473,091	82,620
2010			
Q1	16,131,313	34,517,161	82,086

* At the end of period.

Table (26): DISTRIBUTION OF POINTS OF SALE TERMINALS BY BANKS

Period	The National Commercial Bank	Riyad Bank	Banque Saudi Fransi	The Arab National Bank	Saudi British Bank	Saudi Hollandi Bank	Saudi Investment Bank	Al-Rajhi Bank	Samba Financial Group	Al-Bilad Bank	Total
1993	82	15	310	324	74	110	--	51	235	--	1,274
1994	1,688	1,206	1,211	2,043	771	539	68	784	971	--	10,000
1995	3,655	1,325	1,468	2,288	1,397	712	117	1,089	1,037	--	14,020
1996	4,040	1,350	1,686	2,207	1,812	817	135	1,814	828	--	15,679
1997	3,237	1,388	2,113	2,099	1,934	1,095	159	2,141	803	--	15,881
1998	3,049	1,444	2,157	2,107	1,937	1,255	190	2,127	810	--	15,885
1999	2,992	1,770	2,172	2,134	2,043	1,532	179	2,283	1,314	--	16,419
2000	2,973	2,042	2,263	2,378	2,179	1,871	221	3,143	1,467	--	18,537
2001	3,253	2,412	2,730	2,425	2,463	2,327	264	4,056	1,701	--	21,631
2002	4,068	3,127	2,852	1,961	2,709	2,579	286	4,678	2,031	--	24,291
2003	5,349	3,827	2,822	2,673	2,996	2,932	238	5,622	2,601	--	29,060
2004	6,005	4,437	2,765	5,174	3,551	3,566	196	6,794	3,033	--	35,521
2005	7,783	6,422	3,175	4,535	5,395	4,245	184	8,769	3,745	--	44,253
2006	8,991	6,084	4,586	6,457	5,858	4,770	168	11,474	4,396	--	52,784
2007	10,641	6,787	5,341	8,275	5,772	5,056	169	14,621	4,892	3	61,557
2008	12,625	8,118	5,810	10,135	6,176	5,642	173	17,631	5,720	321	72,351
2009	16,541	9,851	6,180	11,870	6,976	6,613	142	18,070	5,694	683	82,620
2010											
Q1	16,677	9,328	6,163	12,558	7,139	6,960	145	16,653	5,733	730	82,086

Note: The total of the years 1993-1998 includes ATMs of Saudi-Cairo Bank and the Saudi United Bank which have been merged with SAMBA Financial Group.

(--): Not Available





**Table (27): EXCHANGE RATES OF SOME FOREIGN CURRENCIES
AGAINST SAUDI RIYAL**

(Saudi Riyals)

End of Period	U.S. Dollar	EURO *	Sterling Pound	Japanese Yen	Swiss Franc	Chinese Yuan	Australian Dollar	Indian Rupees	Korean Won	Brazilian Real
1983	3.5000		5.0408	0.0150	1.5944	0.4523	3.1014	0.3473	0.0046	--
1984	3.5800		4.1345	0.0142	1.3830	0.4410	2.9594	0.2944	0.0044	--
1985	3.6500		5.2652	0.0181	1.7554	0.4410	2.4819	0.3017	0.0041	--
1986	3.7500		5.5220	0.0234	2.3067	0.4531	2.4897	0.2856	0.0043	--
1987	3.7500		7.0087	0.0304	2.9304	0.4531	2.7058	0.2916	0.0047	--
1988	3.7500		6.7766	0.0298	2.4900	0.4530	3.2039	0.2497	0.0055	--
1989	3.7500		6.0126	0.0261	2.4216	0.4529	2.9687	0.2220	0.0055	--
1990	3.7500		7.2204	0.0279	2.8908	0.4530	2.8960	0.2070	0.0052	--
1991	3.7500		7.0057	0.0299	2.7689	0.4529	2.8454	0.1454	0.0049	--
1992	3.7500		5.6624	0.0300	2.5721	0.4519	2.5788	0.1295	0.0048	0.0012
1993	3.7500		5.5471	0.0335	2.5347	0.4509	2.5357	0.1190	0.0046	0.0209
1994	3.7500		5.8516	0.0375	2.8555	0.4440	2.9091	0.1195	0.0048	0.2266
1995	3.7500		5.8047	0.0364	3.2551	0.6449	2.7900	0.1066	0.0049	0.2582
1996	3.7500		6.3242	0.0323	2.7679	0.6503	2.9844	0.1046	0.0045	0.2769
1997	3.7500		6.1935	0.0288	2.5734	0.6883	2.4444	0.0956	0.0022	0.2971
1998	3.7500		6.2669	0.0324	2.7414	0.7163	2.2848	0.0883	0.0031	0.3218
1999	3.7500	3.7720	6.0613	0.0366	2.3527	0.7922	2.4204	0.0861	0.0033	0.4863
2000	3.7500	3.4847	5.5883	0.0326	2.2884	0.9950	2.0747	0.0803	0.0030	1.9161
2001	3.7500	3.3078	5.4390	0.0285	2.2377	0.9950	1.9052	0.0777	0.0029	1.6055
2002	3.7500	3.9326	6.0443	0.0314	2.7041	0.4531	2.1233	0.0782	0.0032	1.0527
2003	3.7500	4.7363	6.6926	0.0351	3.0318	0.4531	2.8125	0.0822	0.0031	1.2879
2004	3.7500	5.1015	7.1993	0.0360	3.3014	0.4531	2.9074	0.0863	0.0036	1.3902
2005	3.7500	4.4239	6.4571	0.0318	2.8532	0.4579	2.7514	0.0832	0.0037	1.6143
2006	3.7500	4.9388	7.3612	0.0315	3.0730	0.4804	2.9674	0.0850	0.0039	1.7466
2007	3.7500	5.5095	7.4993	0.0329	3.3218	0.5133	3.2753	0.0952	0.0040	2.0968
2008	3.7500	5.2189	5.4668	0.0411	3.5254	0.5500	2.5980	0.0772	0.0030	1.5834
2009	3.7500	5.4022	6.0731	0.0409	3.6390	0.5491	3.3634	0.0806	0.0033	2.1318
2010										
Q1	3.7500	5.0546	5.6812	0.0402	3.5371	0.5491	3.4346	0.0818	0.0033	1.8003

* The Euro was issued in 1999.

(--): Not Available

Source: Reuters.



Table (28): INTEREST RATES ON SAUDI RIYAL DEPOSITS*

(Percentage)

Average	Maturities (Months)			
	1M	3M	6M	12M
1984	9.809	10.280	10.556	10.756
1985	8.246	8.554	8.710	9.079
1986	8.134	8.175	8.112	8.042
1987	6.160	6.680	6.980	7.360
1988	7.887	8.029	8.191	8.376
1989	8.959	9.036	9.082	9.137
1990	7.889	8.014	8.091	8.232
1991	5.678	5.829	5.988	6.265
1992	3.544	3.649	3.752	4.070
1993	3.481	3.521	3.569	3.721
1994	4.732	5.100	5.458	5.932
1995	6.100	6.178	6.266	6.430
1996	5.389	5.469	5.565	5.756
1997	5.699	5.790	5.881	6.097
1998	6.177	6.211	6.199	6.213
1999	5.847	6.136	6.280	6.432
2000	6.575	6.667	6.725	6.856
2001	3.949	3.921	3.918	4.066
2002	2.102	2.234	2.408	2.810
2003	1.544	1.631	1.695	1.947
2004	1.582	1.734	1.932	2.318
2005	3.615	3.754	3.928	4.170
2006	4.894	5.020	5.155	5.284
2007	4.747	4.790	4.830	4.860
2008	2.702	2.885	2.820	3.163
2009	0.362	0.632	0.894	1.173
2010				
Q1	0.137	0.265	0.513	0.742

* Inter - bank rates .



SECTION (2)

SHARE MARKET STATISTICS

TABLE

PAGE No.

1- Share Market Indicators	276
2- Number Of Shares Traded By Sectors	277
3- Value Of Shares Traded By Sectors	278
4- Number Of Share Transactions Made By Sectors	279
5- Share Price Index By Sectors	280



Table (1): SHARE MARKET INDICATORS

End of Period	Number of Shares Traded (Million)	Value of Shares Traded (Million RLS)	Market Value of Shares (Billion RLS)	Number of Transactions	General Index (1985 = 1000)
1985	4	760	67	7,842	690.88
1986	5	831	63	10,833	646.03
1987	12	1,686	73	23,267	780.64
1988	15	2,037	86	41,960	892.00
1989	15	3,364	107	110,030	1,086.83
1990	17	4,403	97	85,298	979.80
1991	31	8,527	181	90,559	1,765.24
1992	35	13,699	206	272,075	1,888.65
1993	60	17,360	198	319,582	1,793.30
1994	152	24,871	145	357,180	1,282.90
1995	117	23,227	153	291,742	1,367.60
1996	138	25,397	172	283,759	1,531.00
1997	312	62,060	223	460,056	1,957.80
1998	293	51,510	160	376,617	1,413.10
1999	528	56,578	229	438,226	2,028.53
2000	555	65,292	255	498,135	2,258.29
2001	692	83,602	275	605,035	2,430.11
2002	1,736	133,787	281	1,033,669	2,518.08
2003	5,566	596,510	590	3,763,403	4,437.58
2004	10,298	1,773,858	1,149	13,319,523	8,206.23
2005	12,281	4,138,695	2,438	46,607,951	16,712.64
2006	68,515*	5,261,851	1,226	96,095,920	7,933.29
2007	57,829	2,557,712	1,946	65,665,500	11,038.66
2008	58,727	1,962,945	924	52,135,929	4,802.99
2009	56,685	1,264,012	1,196	36,458,326	6,121.76
2010					
Q1	8,523	190,030	1,345	5,348,472	6,801.01

Remark: As from April 2006, a share was splitted into five shares.

* The data for January, February, March and April 2006 have been revised

to exclude the effect of the split of the nominal value of the shares of the companies listed on the market to become Rls 10 per share instead of Rls 50 in April 2006.

Source: Tadawul, Capital Market Authority.

Table (2) : NUMBER OF SHARES TRADED BY SECTORS *

(Thousand of Shares)

Period	Banking & Financial Services	Cement	Telecommunication & Information Tech.	Insurance	Petrochemical Industries	Retail	Energy & Utilities	Agriculture & Food Indust.	Multi- Investment	Industrial Investment	Building & Construction	Real Estate Development	Transport	Media & Publishing	Hotel & Tourism	Total **
1985	443	493	--	--	--	--	--	--	--	--	--	--	--	--	--	3,936
1986	781	422	--	--	--	--	--	--	--	--	--	--	--	--	--	4,885
1987	860	3,273	--	--	--	--	--	--	--	--	--	--	--	--	--	13,903
1988	1,210	2,800	--	--	--	--	--	--	--	--	--	--	--	--	--	14,641
1989	2,576	2,791	--	--	--	--	--	--	--	--	--	--	--	--	--	15,272
1990	2,453	4,126	--	--	--	--	--	--	--	--	--	--	--	--	--	16,938
1991	5,999	5,373	--	--	--	--	--	--	--	--	--	--	--	--	--	33,622
1992	5,999	2,952	--	--	--	--	--	--	--	--	--	--	--	--	--	34,235
1993	13,748	1,610	--	--	--	--	--	--	--	--	--	--	--	--	--	60,308
1994	15,097	5,580	--	--	--	--	--	--	--	--	--	--	--	--	--	152,088
1995	27,190	8,855	--	--	--	--	--	--	--	--	--	--	--	--	--	116,618
1996	31,860	29,804	--	--	--	--	--	--	--	--	--	--	--	--	--	137,833
1997	78,226	37,899	--	--	--	--	--	--	--	--	--	--	--	--	--	313,975
1998	129,700	21,137	--	--	--	--	--	--	--	--	--	--	--	--	--	294,637
1999	156,122	33,862	--	--	--	--	--	--	--	--	--	--	--	--	--	527,506
2000	92,107	46,248	--	--	--	--	--	--	--	--	--	--	--	--	--	554,913
2001	77,937	124,368	--	--	--	--	--	--	--	--	--	--	--	--	--	691,828
2002	77,908	126,617	--	--	--	--	--	--	--	--	--	--	--	--	--	1,735,838
2003	87,116	87,967	323,512	--	--	--	--	--	--	--	--	--	--	--	--	5,565,857
2004	95,105	119,171	294,447	--	--	--	--	--	--	--	--	--	--	--	--	10,298,343
2005	271,538	266,406	420,336	111,665	--	--	--	--	--	--	--	--	--	--	--	12,281,331
2006	1,135,388	1,066,702	894,117	129,725	--	--	--	--	--	--	--	--	--	--	--	68,515,280
2007	1,537,258	500,314	563,513	2,528,145	--	--	--	--	--	--	--	--	--	--	--	57,828,978
2008	9,391,260	378,923	6,055,200	2,972,849	14,352,660	1,550,444	1,792,985	2,991,231	2,949,496	4,402,758	2,150,321	6,139,819	2,967,552	330,989	300,573	58,727,059
2009	8,896,993	259,482	4,736,038	5,424,229	10,949,133	2,154,417	680,066	3,761,068	4,286,439	4,597,359	2,936,193	5,034,685	1,930,189	454,776	584,500	56,685,567
2010																
Q1	2,152,616	65,838	443,422	690,421	1,612,511	147,677	140,585	313,248	1,242,179	496,105	330,713	638,833	188,257	19,261	41,454	8,523,120

* As from 2008, the number of sectors increased from 8 to 15, and the number of the market indices rose from 9 to 16, and they are calculated on the basis of the free-floated shares only.

(--): Not Available

** There is a mismatch between the total and data on sectors for the period from 1985 until 2007, due to unavailability of data for each sector for the period after adopting the new classification of sectors.

Source: Tadawul - Capital Market Authority.



Table (3) : VALUE OF SHARES TRADED BY SECTORS *

(Million Riyals)

Period	Banking & Financial Services	Cement	Telecommunication & Information Tech.	Insurance	Petrochemical Industries	Retail	Energy & Utilities	Agriculture & Food Indust.	Multi- Investment	Industrial Investment	Building & Construction	Real Estate Development	Transport	Media & Publishing	Hotel & Tourism	Total **
1985	182	116	--	--	--	--	--	--	--	--	--	--	--	--	--	760
1986	294	56	--	--	--	--	--	--	--	--	--	--	--	--	--	831
1987	298	366	--	--	--	--	--	--	--	--	--	--	--	--	--	1,686
1988	530	216	--	--	--	--	--	--	--	--	--	--	--	--	--	2,098
1989	1,617	329	--	--	--	--	--	--	--	--	--	--	--	--	--	3,364
1990	2,257	615	--	--	--	--	--	--	--	--	--	--	--	--	--	4,403
1991	3,613	949	--	--	--	--	--	--	--	--	--	--	--	--	--	8,527
1992	7,096	865	--	--	--	--	--	--	--	--	--	--	--	--	--	13,699
1993	8,642	479	--	--	--	--	--	--	--	--	--	--	--	--	--	17,360
1994	6,189	976	--	--	--	--	--	--	--	--	--	--	--	--	--	24,871
1995	7,832	1,404	--	--	--	--	--	--	--	--	--	--	--	--	--	23,227
1996	10,406	5,342	--	--	--	--	--	--	--	--	--	--	--	--	--	25,397
1997	29,280	8,157	--	--	--	--	--	--	--	--	--	--	--	--	--	62,060
1998	32,820	3,484	--	--	--	--	--	--	--	--	--	--	--	--	--	51,509
1999	34,870	3,790	--	--	--	--	--	--	--	--	--	--	--	--	--	56,579
2000	29,520	5,238	--	--	--	--	--	--	--	--	--	--	--	--	--	65,293
2001	24,385	20,789	--	--	--	--	--	--	--	--	--	--	--	--	--	83,601
2002	25,961	27,584	--	--	--	--	--	--	--	--	--	--	--	--	--	133,787
2003	35,748	21,919	105,067	--	--	--	--	--	--	--	--	--	--	--	--	596,510
2004	53,028	43,242	160,196	--	--	--	--	--	--	--	--	--	--	--	--	1,773,859
2005	238,286	168,884	296,276	61,439	--	--	--	--	--	--	--	--	--	--	--	4,138,695
2006	294,753	205,630	199,723	31,789	--	--	--	--	--	--	--	--	--	--	--	5,261,851
2007	112,947	37,659	38,090	194,856	--	--	--	--	--	--	--	--	--	--	--	2,557,712
2008	208,979	26,696	154,128	153,057	637,695	55,001	28,522	99,739	65,100	151,496	124,764	163,734	74,343	10,180	9,512	1,962,946
2009	149,423	12,500	74,876	201,112	299,899	55,274	8,220	94,172	56,559	99,909	86,292	66,086	30,308	11,393	17,989	1,264,011
2010																
Q1	36,174	3,485	9,922	26,022	47,731	4,912	1,738	12,498	11,878	12,254	9,840	8,994	2,807	434	1,342	190,031

* As from 2008, the number of sectors increased from 8 to 15, and the number of the market indices rose from 9 to 16, and they are calculated on the basis of the free-floated shares only.

(--): Not Available

** There is a mismatch between the total and data on sectors for the period from 1985 until 2007, due to unavailability of data for each sector for the period after adopting the new classification of sectors.

Source: Tadawul - Capital Market Authority.



Table (4) : NUMBER OF SHARE TRANSACTIONS MADE BY SECTORS *

Period	Banking & Financial Services	Cement	Telecommunication & Information Tech.	Insurance	Petrochemical Industries	Retail	Energy & Utilities	Agriculture & Food Indust.	Multi- Investment	Industrial Investment	Building & Construction	Real Estate Development	Transport	Media & Publishing	Hotel & Tourism	Total **
1985	1,507	709	--	--	--	--	--	--	--	--	--	--	--	--	--	7,842
1986	1,896	931	--	--	--	--	--	--	--	--	--	--	--	--	--	10,833
1987	3,653	1,447	--	--	--	--	--	--	--	--	--	--	--	--	--	23,267
1988	7,212	2,589	--	--	--	--	--	--	--	--	--	--	--	--	--	41,960
1989	54,824	4,053	--	--	--	--	--	--	--	--	--	--	--	--	--	110,030
1990	30,032	4,948	--	--	--	--	--	--	--	--	--	--	--	--	--	85,298
1991	23,115	4,862	--	--	--	--	--	--	--	--	--	--	--	--	--	90,559
1992	79,656	8,271	--	--	--	--	--	--	--	--	--	--	--	--	--	272,075
1993	114,370	8,182	--	--	--	--	--	--	--	--	--	--	--	--	--	319,582
1994	67,834	13,285	--	--	--	--	--	--	--	--	--	--	--	--	--	357,180
1995	82,817	19,921	--	--	--	--	--	--	--	--	--	--	--	--	--	291,742
1996	89,328	49,100	--	--	--	--	--	--	--	--	--	--	--	--	--	283,759
1997	139,931	62,976	--	--	--	--	--	--	--	--	--	--	--	--	--	460,056
1998	167,547	36,173	--	--	--	--	--	--	--	--	--	--	--	--	--	376,617
1999	166,422	44,495	--	--	--	--	--	--	--	--	--	--	--	--	--	440,225
2000	119,576	58,663	--	--	--	--	--	--	--	--	--	--	--	--	--	498,135
2001	114,071	135,751	--	--	--	--	--	--	--	--	--	--	--	--	--	605,035
2002	105,218	132,181	--	--	--	--	--	--	--	--	--	--	--	--	--	1,033,669
2003	127,456	108,980	425,369	--	--	--	--	--	--	--	--	--	--	--	--	3,763,403
2004	172,728	208,296	598,469	--	--	--	--	--	--	--	--	--	--	--	--	13,319,523
2005	3,383,276	1,424,474	2,448,511	497,596	--	--	--	--	--	--	--	--	--	--	--	46,607,951
2006	4,436,641	2,909,062	2,325,606	248,016	--	--	--	--	--	--	--	--	--	--	--	96,095,920
2007	2,249,453	678,858	636,438	6,747,629	--	--	--	--	--	--	--	--	--	--	--	65,665,500
2008	5,220,334	486,357	4,471,590	7,635,319	9,895,147	2,559,251	540,209	3,747,056	2,124,608	5,551,774	4,075,002	3,698,127	1,425,333	352,272	353,550	52,135,929
2009	2,390,587	348,648	1,852,364	8,584,512	5,934,437	2,225,151	197,192	3,468,632	2,129,750	2,962,994	2,796,187	1,655,990	900,705	381,941	629,236	36,458,326
2010																
Q1	490,394	73,244	214,541	1,495,542	716,724	197,277	26,598	501,744	355,538	569,349	319,436	232,427	79,280	23,054	53,324	5,348,472

* As from 2008, the number of sectors increased from 8 to 15, and the number of the market indices rose from 9 to 16, and they are calculated on the basis of the free-floated shares only.

(--): Not Available

** There is a mismatch between the total and data on sectors for the period from 1985 until 2007, due to unavailability of data for each sector for the period after adopting the new classification of sectors.

Source: Tadawul - Capital Market Authority.



Table (5): SHARE PRICE INDEX BY SECTORS

(1985 = 1000)

Period	General Index	Banking & Financial Services	Cement	Telecommunication & Information Tech.	Insurance	Petrochemical Industries	Retail	Energy & Utilities	Agriculture & Food Indust.	Multi-Investment	Industrial Investment	Building & Construction	Real Estate Development	Transport	Media & Publishing	Hotel & Tourism
1985	690.88	689.19	755.87	--	--	--	--	--	--	--	--	--	--	--	--	--
1986	646.03	567.64	627.65	--	--	--	--	--	--	--	--	--	--	--	--	--
1987	780.64	838.26	595.44	--	--	--	--	--	--	--	--	--	--	--	--	--
1988	892.00	1257.73	708.83	--	--	--	--	--	--	--	--	--	--	--	--	--
1989	1086.83	2185.08	983.14	--	--	--	--	--	--	--	--	--	--	--	--	--
1990	979.77	1900.93	947.22	--	--	--	--	--	--	--	--	--	--	--	--	--
1991	1765.24	4276.23	1382.70	--	--	--	--	--	--	--	--	--	--	--	--	--
1992	1888.65	4987.16	2100.21	--	--	--	--	--	--	--	--	--	--	--	--	--
1993	1793.30	4913.04	1933.37	--	--	--	--	--	--	--	--	--	--	--	--	--
1994	1282.87	3069.19	1424.48	--	--	--	--	--	--	--	--	--	--	--	--	--
1995	1367.60	3278.40	1371.60	--	--	--	--	--	--	--	--	--	--	--	--	--
1996	1531.00	3968.50	1792.40	--	--	--	--	--	--	--	--	--	--	--	--	--
1997	1957.80	5596.70	2041.20	--	--	--	--	--	--	--	--	--	--	--	--	--
1998	1413.10	4344.80	1271.10	--	--	--	--	--	--	--	--	--	--	--	--	--
1999	2028.53	6438.95	1682.16	--	--	--	--	--	--	--	--	--	--	--	--	--
2000	2258.29	7229.53	1735.29	--	--	--	--	--	--	--	--	--	--	--	--	--
2001	2430.11	7802.13	2753.70	--	--	--	--	--	--	--	--	--	--	--	--	--
2002	2518.08	7741.92	3227.66	--	--	--	--	--	--	--	--	--	--	--	--	--
2003	4437.58	10080.35	4128.92	2486.93	--	--	--	--	--	--	--	--	--	--	--	--
2004	8206.23	19866.91	5632.69	3738.12	--	--	--	--	--	--	--	--	--	--	--	--
2005	16712.64	40766.06	10561.28	5667.07	1947.53	--	--	--	--	--	--	--	--	--	--	--
2006	7933.29	23367.16	596.92	3115.25	1456.89	--	--	--	--	--	--	--	--	--	--	--
2007	11175.96	30611.69	7158.81	3322.62	2354.58	--	--	--	--	--	--	--	--	--	--	--
2008	4802.99	13595.73	3055.25	1646.50	609.62	3170.95	3733.01	3415.18	3860.53	2052.66	3289.77	3920.35	3214.26	2950.05	1783.79	3986.84
2009	6121.76	15674.21	3915.93	1791.41	1079.75	5396.80	4387.73	4210.69	5010.55	2442.94	4707.70	3750.28	3262.89	3397.55	1893.91	5898.88
2010																
Q1	6801.01	17822.99	4210.57	1961.05	1066.83	6081.14	4658.56	4623.83	5674.67	2606.11	5018.14	4012.84	3398.10	3745.93	1808.66	6021.61

* As from 2008, the number of sectors increased from 8 to 15, and the number of the market indices rose from 9 to 16, and they are calculated on the basis of the free-floated shares only.

(--): Not Available

Source: Tadawul, Capital Market Authority.





SECTION (3)

INVESTMENT FUNDS STATISTICS

TABLE

PAGE No.

1- Investment Funds	282
2- Investment Funds (Open/ Close Ended)	283
3- Assets Of Investment Funds By Type	284



Table (1): INVESTMENT FUNDS

End of Period	No. of Operating Funds	Domestic Assets	Foreign Assets	Total Assets of Funds	No. of Subscribers
		(Billion Riyals)			
1992	52	5.30	7.10	12.40	33,162
1993	60	7.40	8.40	15.80	34,170
1994	61	5.28	6.83	12.11	30,945
1995	71	5.77	7.19	12.96	33,051
1996	83	8.15	8.51	16.66	45,136
1997	104	11.22	10.22	21.43	63,307
1998	121	12.00	13.01	25.01	69,543
1999	134	15.97	18.71	34.68	79,322
2000	138	16.58	21.97	38.56	95,800
2001	138	30.42	19.64	50.06	173,999
2002	143	32.83	15.99	48.82	165,044
2003	170	37.22	16.65	53.87	172,197
2004	188	44.49	15.83	60.32	198,357
2005	199	115.66	21.31	136.97	568,284
2006	214	61.34	22.76	84.10	499,968
2007	252	79.89	25.21	105.10	426,085
2008	262	61.26	13.56	74.81	374,975
2009	244	74.14	15.41	89.55	356,331
2010					
Q1	241	77.48	15.65	93.13	349,474

Note: As from 2006, the source of data is the Capital Market Authority (CMA)



Table (2): INVESTMENT FUNDS (OPEN/ CLOSE ENDED)

(Assets In Million Riyals)

End of Period	Open - ended		Close - ended		Total	
	Number	Assets	Number	Assets	Number	Assets
1996	81	16,217	2	440	83	16,657
1997	98	19,562	6	1,871	104	21,433
1998	113	23,595	8	1,414	121	25,009
1999	125	31,897	9	2,785	134	34,682
2000	136	38,552	2	4	138	38,556
2001	137	49,862	1	198	138	50,060
2002	139	48,149	4	678	143	48,827
2003	166	53,190	4	676	170	53,866
2004	176	58,741	12	1,576	188	60,317
2005	188	135,838	11	1,136	199	136,974
2006	--	--	--	--	214	84,108
2007	--	--	--	--	252	105,100
2008	243	71,652	19	3,162	262	74,814
2009	235	87,929	9	1,619	244	89,548
2006						
Q1	--	--	--	--	201	141,719
Q2	--	--	--	--	209	111,954
Q3	--	--	--	--	209	100,104
Q4	--	--	--	--	214	84,108
2007						
Q1	--	--	--	--	221	79,013
Q2	--	--	--	--	224	77,767
Q3	--	--	--	--	234	81,296
Q4	--	--	--	--	252	105,100
2008						
Q1	234	98,530	26	5,441	260	103,971
Q2	244	105,433	23	4,414	267	109,847
Q3	248	91,335	26	5,905	274	97,240
Q4	243	71,652	19	3,162	262	74,814
2009						
Q1	238	74,646	15	2,548	253	77,194
Q2	234	87,038	13	1,518	247	88,556
Q3	239	92,505	11	1,365	250	93,870
Q4	235	87,929	9	1,619	244	89,548
2010						
Q1	232	91,529	9	1,603	241	93,132

Note: As from 2006, the source of data is the Capital Market Authority (CMA)



Table (3): ASSETS OF INVESTMENT FUNDS BY TYPE

(Million Riyals)

End of Period	Domestic Shares	Foreign Shares	Domestic Bonds	Foreign Bonds	Domestic Money Market Instruments	Foreign Money Market Instruments	Other Domestic Assets	Other Foreign Assets	Investments Real Estate	Total Assets
1996	463	2,926	1,280	863	3,858	2,970	1,536	2,762	--	16,657
1997	1,708	3,945	1,923	528	4,192	3,424	2,200	3,512	--	21,433
1998	1,207	4,452	2,495	533	4,119	4,358	2,659	5,188	--	25,009
1999	1,569	6,686	2,108	576	6,231	4,717	4,251	8,544	--	34,682
2000	1,360	7,697	7	193	7,849	2,064	7,367	12,019	--	38,556
2001	2,355	6,844	7	180	13,723	3,999	14,332	8,619	--	50,059
2002	2,437	5,339	10	122	15,516	3,398	14,864	7,140	--	48,827
2003	4,841	7,638	7	134	15,360	3,105	17,008	5,773	--	53,866
2004	14,572	8,461	27	128	10,379	2,276	19,512	4,962	--	60,317
2005	89,444	14,667	20	79	6,501	1,607	19,696	4,960	--	136,974
2006	31,960	15,583	1,683	168	23,951	3,512	3,749	3,502	--	84,108
2007	45,206	16,809	531	264	29,362	3,518	4,611	4,799	--	105,100
2008	17,058	9,749	1,618	559	38,289	2,252	2,145	995	2,149	74,814
2009	19,281	10,009	1,960	324	49,402	4,099	1,167	974	2,332	89,548
2008										
Q1	39,919	15,168	964	208	37,128	2,819	4,663	2,639	463	103,971
Q2	38,935	16,158	1,156	323	40,965	3,173	4,890	1,325	2,922	109,847
Q3	30,627	12,464	1,267	405	38,924	3,381	1,448	4,785	3,939	97,240
Q4	17,058	9,749	1,618	559	38,289	2,252	2,145	995	2,149	74,814
2009										
Q1	15,114	7,821	1,513	240	44,324	3,722	1,623	912	1,925	77,194
Q2	18,136	9,615	1,312	380	51,855	2,489	1,793	873	2,103	88,556
Q3	20,528	9,924	1,913	340	51,828	4,723	1,252	1,062	2,300	93,870
Q4	19,281	10,009	1,960	324	49,402	4,099	1,167	974	2,332	89,548
2010										
Q1	22,104	10,191	6,080	410	46,141	4,139	1,119	913	2,035	93,132

Note: As from 2006, the source of data is the Capital Market Authority (CMA)



SECTION (4)

GOVERNMENT SPECIALIZED CREDIT INSTITUTIONS

TABLE

PAGE No.

1(A)-	Consolidated Balance Sheet Of Government Specialized Credit Institutions : Assets	286
1(B)-	Consolidated Balance Sheet Of Government Specialized Credit Institutions : Liabilities	287
2-	Outstanding Loans Of Government Specialized Credit Institutions	288
3-	Government Specialized Credit Institutions : Credit Disbursements	289
4-	Government Specialized Credit Institutions : Loan Repayments	290
5-	Government Specialized Credit Institutions : Net Lending	291



**Table (1A): CONSOLIDATED BALANCE SHEET OF GOVERNMENT
SPECIALIZED CREDIT INSTITUTIONS: ASSETS**

(Million Riyals)

End of Period	MONETARY ASSETS:					Loans*	Investments	Fixed Assets	Other Assets	Total Assets
	Total	Saudi Currency	Deposits With SAMA	Deposits With Local Banks	Monetary Assets Under Collection					
1987	13,637	0	11,767	1,747	123	167,167	13,825	46	2,895	197,571
1988	17,175	0	14,666	2,301	208	165,114	14,165	46	835	197,335
1989	18,131	0	14,890	2,987	254	165,825	14,162	49	998	199,165
1990	16,166	3	12,653	3,209	300	159,463	19,003	51	9,098	203,780
1991	17,639	2	12,773	4,656	208	154,632	21,803	52	13,880	208,007
1992	22,132	3	18,598	3,360	170	153,087	22,576	55	13,767	211,615
1993	27,780	2	21,874	5,749	155	151,286	21,842	56	12,979	213,943
1994	24,974	1	17,205	7,543	224	151,663	25,540	58	13,510	215,744
1995	24,161	2	14,341	9,556	261	151,714	30,162	58	14,897	220,991
1996	26,600	0	21,917	4,537	147	150,884	34,382	59	15,689	227,613
1997	33,041	0	28,203	4,707	131	136,739	33,344	55	16,160	219,339
1998	24,202	0	21,619	2,453	130	136,358	42,942	54	21,134	224,690
1999	15,809	0	13,002	2,675	131	125,554	54,519	57	10,392	206,331
2000	18,229	0	15,415	2,665	149	123,948	54,941	59	5,214	202,391
2001	22,800	0	20,949	1,734	117	123,954	53,179	59	4,708	204,699
2002	17,019	0	15,073	1,818	128	128,291	57,073	60	4,200	206,643
2003	20,442	0	18,489	1,850	104	129,993	67,137	58	3,541	221,171
2004	27,799	0	23,149	4,544	105	119,087	72,901	57	2,192	222,036
2005	41,277	0	30,297	10,844	136	120,947	71,471	61	7,808	241,564
2006	58,500	0	30,464	27,864	173	125,461	65,365	60	24,037	273,424
2007	90,945	0	56,164	34,643	138	135,547	70,644	63	22,591	319,791
2008	78,562	0	43,599	34,850	112	155,165	91,649	67	20,842	346,284
2009	47,972	0	28,067	19,794	110	177,976	110,008	69	22,164	358,189

* Including electricity loans amounting to Rls 37.9 billion which are being administered by P.I.F. as from 1988. Part of these loans were repaid to stand at Rls 25.1 billion in 1997, and were further settled to Rls 14.5 billion in 1999.

Source : Specialized Credit Institutions Government.



**Table (1B): CONSOLIDATED BALANCE SHEET OF GOVERNMENT
SPECIALIZED CREDIT INSTITUTIONS: LIABILITIES**

(Million Riyals)

End of Period	Paidup Capital	Reserves	Due to:		Borrowed from:			Earmarked Reserves	Other Liabilities	Total Liabilities
			Local Banks	Others	SAMA	Gover- nment	Others			
1987	189,438	954	0	17	0	35	0	194	6,933	197,571
1988	189,498	954	0	18	0	0	0	206	6,659	197,335
1989	186,998	954	0	31	0	8	0	208	10,965	199,165
1990	189,748	954	0	24	0	8	7	206	12,833	203,780
1991	190,255	954	0	28	0	11	10	206	16,543	208,007
1992	189,498	954	0	23	0	20	7	206	20,907	211,615
1993	189,498	954	0	25	0	25	7	206	23,228	213,943
1994	190,252	0	0	23	0	20	10	206	25,233	215,744
1995	190,252	0	0	22	0	30	8	206	30,474	220,991
1996	190,252	0	0	18	0	48	0	206	37,090	227,613
1997	177,467	0	0	15	0	51	0	206	41,600	219,339
1998	177,467	0	0	16	0	49	0	206	46,952	224,690
1999	167,737	0	0	18	0	49	2	206	38,320	206,331
2000	167,570	0	0	19	0	57	1	230	34,513	202,391
2001	167,570	0	0	14	0	51	4	230	36,829	204,699
2002	167,570	0	0	16	0	0	60	230	38,767	206,643
2003	178,270	0	0	9	0	0	60	230	42,602	221,171
2004	178,836	0	0	10	0	47	17	230	42,896	222,036
2005	184,477	0	0	10	0	247	218	230	56,382	241,564
2006	199,527	0	0	15	0	2,080	0	225	71,578	273,424
2007	227,193	0	0	22	0	2,734	0	225	89,617	319,791
2008	231,368	0	0	11	0	10,125	33	225	104,523	346,284
2009	239,368	0	0	18	0	10,191	0	225	108,386	358,189

Source : Specialized Credit Institutions Government.



**Table (2): GOVERNMENT SPECIALIZED CREDIT INSTITUTIONS
(Outstanding Loans)**

(Million Riyals)

Year	Agricultural Dev. Fund (ADF)	Saudi Credit & Saving Bank	Public Invest- ment Fund	Saudi Indust. Dev. Fund	Real Estate Dev. Fund	Total*
1987	11,784	562	43,011	42,380	69,430	167,167
1988	11,204	574	41,707	3,993	69,751	165,114
1989	10,686	617	42,915	4,026	69,696	165,825
1990	9,510	609	38,351	3,903	69,206	159,463
1991	9,629	611	36,596	4,225	65,687	154,632
1992	9,043	610	34,204	4,797	66,547	153,087
1993	8,687	660	31,973	5,299	66,782	151,286
1994	8,460	659	29,721	5,928	69,009	151,663
1995	8,143	660	27,520	7,220	70,286	151,714
1996	7,712	675	25,802	8,372	70,438	150,884
1997	7,635	709	23,587	9,301	70,408	136,739
1998	8,024	771	22,352	10,223	69,888	136,358
1999	8,195	762	21,852	10,353	69,892	125,554
2000	8,074	777	20,805	10,260	69,531	123,948
2001	8,607	786	21,086	9,603	69,373	123,954
2002	9,414	819	25,567	9,280	68,711	128,291
2003	9,502	962	26,402	9,220	69,408	129,993
2004	9,216	1,010	15,885	9,481	68,996	119,087
2005	9,180	1,063	17,469	9,845	68,889	120,947
2006	9,451	1,313	17,818	11,138	71,241	125,461
2007	9,432	1,799	22,567	13,857	73,393	135,547
2008	9,518	9,864	28,716	17,172	75,394	155,165
2009	9,477	14,175	42,146	20,890	76,788	177,976

* Including electricity loans amounting to Rls 37.9 billion which are being administered by P.I.F. as from 1988. Part of these loans were repaid to stand at Rls 25.1 billion in 1997, and were further settled to Rls 14.5 billion in 1999.

Source : Specialized Credit Institutions Government.



**Table (3): GOVERNMENT SPECIALIZED CREDIT INSTITUTIONS
(Credit Disbursements)**

(Million Riyals)

Year	Agricultural Dev. Fund (ADF)	Saudi Credit & Saving Bank	Public Investment Fund	Saudi Indus. Dev. Fund	Real Estate Dev. Fund	Total
1987	694	273	382	542	3,972	5,863
1988	627	288	130	440	3,389	4,874
1989	651	324	2,520	828	2,978	7,301
1990	664	274	364	667	2,445	4,414
1991	601	276	44	1,050	1,740	3,711
1992	690	280	20	1,179	2,678	4,847
1993	769	331	6	1,055	3,235	5,397
1994	547	283	0	1,341	4,761	6,932
1995	363	296	118	2,006	3,732	6,514
1996	262	315	300	2,002	2,401	5,280
1997	430	337	542	2,012	2,228	5,549
1998	605	353	930	1,922	1,633	5,443
1999	691	304	1,185	1,246	2,265	5,691
2000	790	321	1,078	1,083	1,881	5,153
2001	1,104	318	1,759	965	2,232	6,378
2002	1,320	348	5,364	1,220	2,264	10,516
2003	665	512	1,352	1,312	2,261	6,102
2004	652	452	841	1,768	1,773	5,486
2005	977	491	2,582	2,156	2,516	8,721
2006	723	736	1,820	2,951	3,965	10,195
2007	665	1,040	7,006	4,244	3,558	16,512
2008	616	9,190	10,750	5,056	4,988	30,600
2009	603	6,626	15,502	4,659	5,279	32,669

Source : Specialized Credit Institutions Government.



**Table (4): GOVERNMENT SPECIALIZED CREDIT INSTITUTIONS
(Loan Repayments)**

(Million Riyals)

Year	Agricultural Dev. Fund (ADF)	Saudi Credit & Saving Bank	Public Inves- tment Fund	Saudi Indus. Dev. Fund	Real Estate Dev. Fund	Total
1987	1,331	277	834	1,013	2,965	6,420
1988	1,207	276	1,433	943	3,068	6,927
1989	1,169	281	1,312	795	3,033	6,590
1990	1,840	283	2,447	790	2,935	8,295
1991	482	274	1,799	728	5,259	8,542
1992	1,275	280	2,412	607	1,819	6,392
1993	1,125	282	2,237	553	3,000	7,197
1994	774	284	2,252	713	2,533	6,555
1995	680	295	2,319	714	2,455	6,463
1996	694	312	2,018	849	2,248	6,121
1997	507	303	2,757	1,084	2,257	6,909
1998	215	291	2,164	1,000	2,154	5,824
1999	521	312	1,685	1,116	2,261	5,895
2000	853	307	2,124	1,177	2,242	6,703
2001	572	314	1,479	1,617	2,390	6,371
2002	492	314	884	1,541	2,290	5,521
2003	521	370	517	1,403	2,199	5,010
2004	889	403	11,358	1,507	2,185	16,342
2005	910	437	998	1,792	2,622	6,759
2006	475	486	1,472	1,658	1,829	5,921
2007	684	554	2,256	1,525	2,039	7,058
2008	529	878	4,601	1,741	2,954	10,703
2009	644	2,078	2,072	1,545	3,855	10,194

Source : Specialized Credit Institutions Government.



**Table (5): GOVERNMENT SPECIALIZED CREDIT INSTITUTIONS
(Net Lending)**

(Million Riyals)

Year	Agricultural Dev. Fund (ADF)	Saudi Credit & Saving Bank	Public Inves- tment Fund	Saudi Indus. Dev. Fund	Real Estate Dev. Fund	Total
1987	-637	-4	-452	-471	1,007	-557
1988	-580	12	-1,303	-503	321	-2,053
1989	-518	43	1,208	33	-55	711
1990	-1,176	-9	-2,083	-123	-490	-3,881
1991	119	2	-1,755	322	-3,519	-4,831
1992	-585	-1	-2,392	573	859	-1,546
1993	-356	50	-2,231	502	236	-1,800
1994	-227	-1	-2,252	629	2,228	377
1995	-317	1	-2,201	1,292	1,276	50
1996	-432	3	-1,718	1,153	152	-841
1997	-77	34	-2,216	929	-30	-1,360
1998	390	62	-1,235	922	-520	-382
1999	171	-9	-500	130	4	-203
2000	-63	15	-1,047	-93	-361	-1,549
2001	532	4	280	-652	-158	6
2002	828	34	4,480	-321	-26	4,995
2003	144	143	835	-90	61	1,092
2004	-236	48	-10,517	261	-412	-10,856
2005	67	54	1,584	364	-107	1,962
2006	248	250	349	1,293	2,135	4,274
2007	-19	486	4,749	2,719	1,520	9,454
2008	87	8,312	6,149	3,315	2,033	19,896
2009	-41	4,548	13,430	3,114	1,424	22,475

Source : Specialized Credit Institutions Government.



SECTION (5)

PUBLIC FINANCE STATISTICS

TABLE

PAGE No.

1-	State Annual Budget Projections (By Sectors)	293
2-	Annual Government Revenues And Expenditures (Actual)	296

**TABLE (1) : STATE ANNUAL BUDGET PROJECTIONS
(BY SECTORS)**

(Million Rls)

SECTOR	1401/1402	1402/03	1403/04	1404/05	1405/06	1407/08	1408/09	1409/10	1410/11 ⁽³⁾ 1411/12
	1981	1982	1983	1984	1985	1987 ⁽¹⁾	1988 ⁽²⁾	1989	1990&1991
A. Revenues:									
Oil Revenues	333,968	270,579	164,496	164,500	154,250	74,183	73,525	--	--
Other Revenues	6,032	42,821	60,504	49,600	45,750	32,743	31,775	--	--
T O T A L	340,000	313,400	225,000	214,100	200,000	106,926	105,300	--	--
B. Expenditures:									
Human Resource Development	26,248	31,864	27,736	30,413	24,533	23,689	23,388	24,004	56,392
Transport & Communications	35,343	32,533	24,950	22,175	14,497	10,904	9,493	8,516	17,420
Economic Resource Development	22,679	22,045	13,202	12,533	9,081	6,615	5,888	5,039	9,184
Health & Social Development	13,716	17,010	13,591	16,134	12,892	11,094	10,806	10,634	24,492
Infrastructure Development	14,126	11,705	9,582	9,833	6,924	4,299	3,555	2,807	4,912
Municipal Services	26,292	26,224	19,070	17,063	11,890	8,110	7,017	5,430	11,882
Defence & Security	82,533	92,889	75,565	79,892	63,956	54,226	50,080	47,812	122,666
Public Administration and other									
Government Spending	43,113	44,586	47,218	43,928	38,584	30,974	25,058	31,345	100,480
Government Lending Institutions ⁽⁴⁾	24,850	23,382	20,000	17,500	9,300	3,590	590	--	2,123
Subsidies	9,100	11,162	9,086	10,529	8,343	6,145	5,325	4,873	10,050
T O T A L	298,000	313,400	260,000	260,000	200,000	159,646	141,200	140,460	359,601
Deficit / Surplus (Expected)	42,000	0	-35000	-45900	0	-52720	-35900	--	--

⁽¹⁾ For 1406/07 (1986) budget see page 29 of the Annual Report for 1406 (1986)

(--): Not Available

⁽²⁾ As from 1407/08 (1987) the Kingdom's fiscal year begins on 10th carricorn of the Zodiac year. Up to 1405/06 (1985) the fiscal years covered the period from 1st Rajab to the end of Jumad II.

⁽³⁾ Budget allocation for the fiscal year 1411/12 (1991) was amalgamated with the budget for 1410/11 (1990).



**Contd...2 TABLE (1) : STATE ANNUAL BUDGET PROJECTIONS
(BY SECTORS)**

(Million Rls)

SECTOR	1412/13	1413/14	1414/15	1415/16	1416/17	1417/18	1418/19	1419/20	1420/21
	1992	1993	1994	1995 ⁽⁵⁾	1996	1997	1998	1999	2000
A. Revenues:									
Oil Revenues	117,693	121,703	86,933	101,461	99,606	129,444	136,800	75,881	117,895
Other Revenues	33,307	47,447	33,067	33,539	31,894	34,556	41,200	45,119	39,105
T O T A L	151,000	169,150	120,000	135,000	131,500	164,000	178,000	121,000	157,000
B. Expenditures:									
Human Resource Development	31,855	32,121	29,226	26,912	27,536	41,595	45,498	42,792	49,284
Transport & Communications	8,452	8,197	6,855	6,199	6,310	6,890	8,517	5,197	5,534
Economic Resource Development	4,615	5,063	4,284	3,855	4,544	4,733	5,820	4,418	5,955
Health & Social Development	13,534	13,626	11,259	10,161	10,110	14,366	16,390	15,152	16,381
Infrastructure Development	2,090	2,078	1,580	1,395	1,356	1,588	2,160	1,707	2,067
Municipal Services	5,922	6,121	5,224	4,880	4,893	5,445	6,546	5,400	5,710
Defence & Security	57,601	61,692	53,549	49,501	50,025	67,975	78,231	68,700	74,866
Public Administration and other									
Government Spending	49,176	58,171	40,530	39,706	37,952	30,836	25,067	16,458	19,277
Government Lending Institutions ⁽⁴⁾	648	714	523	476	415	439	500	420	436
Subsidies	7,107	9,167	6,970	6,915	6,859	7,133	7,271	4,756	5,490
T O T A L	181,000	196,950	160,000	150,000	150,000	181,000	196,000	165,000	185,000
Deficit / Surplus (Expected)	-30,000	-27,800	-40,000	-15,000	-18,500	-17,000	-18,000	-44,000	-28,000



**Contd...3 TABLE (1) : STATE ANNUAL BUDGET PROJECTIONS
(BY SECTORS)**

(Million Rls)

SECTOR	1421/22	1422/23	1423/24	1424/25	1425/26	1426/27	1427/28	1428/29	1430/31	1431/32
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
A. Revenues:										
Oil Revenues	169,000	97,000	110,000	145,000	220,000	320,000	330,000	370,000	320,000	400,000
Other Revenues	46,000	60,000	60,000	55,000	60,000	70,000	70,000	80,000	90,000	70,000
T O T A L	215,000	157,000	170,000	200,000	280,000	390,000	400,000	450,000	410,000	470,000
B. Expenditures:										
Human Resource Development	53,010	47,037	49,609	55,832	69,899	87,164	96,483	104,600	121,942	137,440
Transport & Communications	5,732	5,464	5,634	6,352	8,629	9,804	11,329	12,143	14,642	16,442
Economic Resource Development	5,629	4,969	6,927	7,020	10,516	12,454	13,902	16,317	21,692	29,288
Health & Social Development	18,089	18,970	16,767	17,971	23,057	26,798	31,010	34,426	40,426	46,600
Infrastructure Development	2,532	2,693	2,544	2,620	3,292	4,555	5,188	6,384	7,762	8,438
Municipal Services	7,224	7,965	5,393	6,192	8,976	11,588	13,576	14,954	16,509	18,748
Defence & Security	78,850	69,382	70,303	78,414	95,146	110,779	132,922	143,336	154,752	169,667
Public Administration and other										
Government Spending	37,372	39,316	44,848	49,936	51,665	62,814	61,756	63,031	79,148	92,017
Government Lending Institutions ⁽⁴⁾	411	373	375	387	502	575	1,026	479	524	596
Subsidies	6,151	5,831	6,600	5,276	8,318	8,469	12,808	14,329	17,602	20,764
T O T A L	215,000	202,000	209,000	230,000	280,000	335,000	380,000	410,000	475,000	540,000
Deficit / Surplus (Expected)	0	-45,000	-39,000	-30,000	0	55,000	20,000	40,000	-65,000	-70,000

(4) Includes transfers to SDF

(5) Appropriations for the transport and communications sector do not include the amount of R.I.S. 2 175 million allocated for the telephone expansion project to be directly financed by revenues.

Source: Ministry of Finance.





**TABLE (2): ANNUAL GOVERNMENT REVENUES AND EXPENDITURES
(ACTUAL)**

(Million Riyals)

Year	Total Revenues			Total Expenditures			Deficit / Surplus (Actual)	The Ratio of Deficit/Surplus to GDP
	Oil Revenues	Other Revenues	Total	Current Expenditure	Capital Expenditure	Total		
1969 (1389/90)	5119	549	5668	3853	2175	6028	-360	-1.8
1970 (1390/91)	7122	818	7940	3989	2304	6293	1647	7.3
1971 (1391/92)	9685	1435	11120	4756	3374	8130	2990	9.8
1972 (1392/93)	13480	1888	15368	5654	4504	10158	5210	13.6
1973 (1393/94)	39285	2420	41705	8470	10125	18595	23110	43.2
1974 (1394/95)	94190	5913	100103	15207	19832	35039	65064	40.7
1975 (1395/96)	93481	9903	103384	37931	43304	81235	22149	13.5
1976 (1396/97)	121191	14766	135957	73621	54652	128273	7684	3.4
1977 (1397/98)	114042	16617	130659	71417	66631	138048	-7389	-2.8
1978 (1398/99)	115078	16427	131505	83488	64484	147972	-16467	-6.0
1979 (1399/00)	189295	21901	211196	102447	83277	185724	25472	6.8
1980 (1400/01)	319305	28795	348100	132661	104094	236755	111345	20.4
1981 (1401/02)	328594	39412	368006	113636	171014	284650	83356	13.4
1982 (1402/03)	186006	60176	246182	102248	142664	244912	1270	0.2
1983 (1403/04)	145123	61296	206419	124052	106134	230186	-23767	-5.3
1984 (1404/05)	121348	50161	171509	121696	94667	216363	-44854	-10.7
1985 (1405/06)	88425	45140	133565	119865	64139	184004	-50439	-13.4
1986 (1406/07)	42464	34034	76498	98894	38528	137422	-60924	-18.9
1987 (1407/08)	67405	36406	103811	134419	50500	184919	-81108	-25.3
1988 (1408/09)	48400	36200	84600	116283	24573	140856	-56256	-17.0
1989 (1409/10)	75900	38700	114600	118303	36567	154870	-40270	-11.3
1990 - 1991 ⁽¹⁾								
1410/11-1411/1412	246297	70342	316639	377205	110220	487425	-170786	-18.4
1992 (1412/13)	128790	40857	169647	162350	76637	238987	-69340	-13.6
1993 (1413/14)	105976	35469	141445	184878	3012	187890	-46445	-9.4
1994 (1414/15)	95505	33486	128991	161380	2396	163776	-34785	-6.9
1995 (1415/16)	105728	40772	146500	148776	25167	173943	-27443	-5.1
1996 (1416/17)	135982	43103	179085	171258	26859	198117	-19032	-3.2
1997 (1417/18)	159985	45515	205500	218880	2392	221272	-15772	-2.6
1998 (1418/19)	79998	61610	141608	171163	18897	190060	-48452	-8.9
1999 (1419/20)	104447	43007	147454	167195	16646	183841	-36387	-6.0
١٤٢٠/١٤٢١ ⁽²⁾	214424	43641	258065	216958	18364	235322	22743	3.2
2001 (1421/22)	183915	44244	228159	223508	31632	255140	-26981	-3.9
١٤٢٢/١٤٢٣ ⁽²⁾	166100	46900	213000	203500	30000	233500	-20500	-2.9
2003 (1423/24)	231000	62000	293000	223530	33470	257000	36000	4.5
١٤٢٤/١٤٢٥ ⁽²⁾	330000	62291	392291	247649	37551	285200	107091	11.4
2005 (1425/26)	504540	59795	564335	284173	62301	346474	217861	18.4
2006(1426/27)	604470	69212	673682	322411	70911	393322	280360	21.0
2007(1427/28)	562186	80614	642800	347199	119049	466248	176552	12.2
2008(1428/29)	983369	117624	1100993	388839	131230	520069	580924	32.5
2009(1430/31)	434420	75385	509805	416594	179840	596434	-86629	-6.1

⁽¹⁾ Budget allocation for fiscal year 1411/12 (1991) was amalgamated with the budget for 1410/11(1990).

⁽²⁾ Salaries of 13 months were paid.

Note : As from 1407/08 (1987), the kingdom's fiscal year begins on 10th capricorn of the Zodiac year.

Up to 1405/06 (1985) the fiscal years covered the period from 1st Rajab to the end of Jumad II.

Source: Ministry of Finance.



SECTION (6)

PRICES AND COST OF LIVING INDEX

TABLE

PAGE No.

1-	Cost Of Living Index For All Cities	298
2-	Wholesale Price Index	299



**TABLE (1): COST OF LIVING INDEX FOR ALL CITIES
(SIXTEEN CITIES COMBINED)**
(1999 = 100)

Year	General Index	Foodstuffs & beverages	Fabrics, Clothing & footwear	Renovation, Rent, fuel & water	Home Furniture	Medical Care	Transport & telecommunications	Education & entertainment	Other Expenses & services
1979	88.6	78.6	103.6	123.5	105.5	84.3	52.0	111.7	111.2
1980	92.5	84.1	116.9	123.9	105.0	85.3	54.9	109.6	114.7
1981	95.1	88.5	123.9	124.0	107.7	85.0	57.4	109.7	111.7
1982	96.0	90.2	128.1	121.4	107.8	91.4	59.8	108.2	105.6
1983	96.2	90.4	128.7	123.2	106.6	95.1	58.2	107.0	111.0
1984	94.7	89.8	128.9	119.6	105.4	94.9	57.2	100.8	110.9
1985	91.8	87.3	122.9	116.0	99.3	95.8	57.1	96.0	104.7
1986	88.9	86.1	119.5	101.9	95.9	93.6	81.3	93.5	106.7
1987	87.5	84.8	116.9	87.7	98.9	94.8	69.2	95.8	110.5
1988	88.4	84.9	113.6	81.6	100.8	97.4	76.5	96.5	113.0
1989	89.2	86.9	111.4	79.7	99.7	99.3	80.3	97.6	110.6
1990	91.0	88.2	111.5	79.6	99.4	98.0	92.7	96.2	105.6
1991	95.2	95.0	111.3	83.3	102.2	97.5	97.0	99.1	106.3
1992	94.8	98.5	112.6	84.4	103.0	99.2	85.4	101.2	105.3
1993	95.6	99.8	111.7	88.5	101.9	99.2	82.5	101.3	106.5
1994	96.3	98.2	109.6	93.7	100.5	98.6	83.6	101.3	108.1
1995	101.1	98.6	108.7	100.6	101.1	99.6	101.8	101.8	108.3
1996	102.0	100.7	106.8	101.1	104.8	98.7	100.9	102.1	108.7
1997	101.6	102.1	105.4	100.4	103.0	98.8	99.8	102.2	104.9
1998	101.3	103.3	104.2	99.9	102.6	99.7	98.6	101.9	101.3
1999	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2000	98.9	98.0	95.0	100.0	98.8	101.2	100.1	99.7	99.6
2001	97.8	97.6	92.9	100.1	97.3	100.7	96.3	99.5	98.8
2002	98.0	98.0	92.3	100.0	96.8	100.8	96.4	99.3	100.8
2003	98.6	98.6	91.8	100.0	96.2	101.0	94.8	98.7	103.2
2004	98.9	103.4	89.6	100.3	94.5	101.4	94.2	98.1	103.9
2005	99.6	106.5	88.3	100.0	94.9	101.4	91.8	98.4	106.4
2006	101.8	112.2	87.7	101.0	95.2	102.7	88.9	98.7	114.6
2007	106.0	120.1	85.6	109.2	96.4	107.0	88.1	98.9	120.7
2008	116.5	137.0	85.9	128.3	103.8	112.4	88.3	101.0	133.6
2009	122.4	139.7	86.3	146.4	112.6	113.2	89.2	102.3	139.3
2010									
Q1	126.1	144.4	86.2	154.9	115.7	113.1	89.6	103.2	143.5

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.

TABLE (2): WHOLESALE PRICE INDEX
(1988 = 100)

Year	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
GENERAL INDEX	79.3	82.3	88.2	100.0	101.1	102.9	106.0	107.4	108.0	109.9	117.9	117.6	117.6
1- Food and Live Animals	80.9	80.7	83.7	100.0	101.2	106.1	111.1	112.1	113.7	119.9	120.5	123.0	124.2
2- Beverages and Tobacco	95.8	97.8	97.6	100.0	98.8	101.1	107.8	109.9	111.1	111.1	111.2	112.6	120.8
3- Raw Materials (Inedible)	71.7	72.3	83.3	100.0	106.8	123.7	133.6	126.6	130.9	128.7	132.3	142.7	141.0
4- Minerals And Fuels	94.0	94.4	95.8	100.0	100.0	100.0	100.0	97.8	96.9	98.1	194.1	194.1	194.1
5- Vegetable Oils And Fats	103.4	92.4	94.5	100.0	102.5	105.7	109.7	110.6	110.0	113.5	118.6	119.1	119.7
6- Chemicals and Related Products	77.9	78.8	83.9	100.0	99.9	99.0	96.7	93.0	94.6	110.6	118.6	111.4	115.0
7- Manufactured Goods	83.1	80.9	85.0	100.0	102.6	104.8	110.2	116.0	118.2	116.9	112.0	111.0	111.0
8- Machinery and Transport	74.2	81.6	89.2	100.0	101.6	102.1	107.1	110.3	111.3	111.5	114.0	113.7	110.5
9- Miscellaneous Manufactured Articles	80.5	83.9	93.4	100.0	100.0	99.9	100.9	102.5	103.0	103.3	104.4	102.6	98.9
10- Other Commodities	67.7	80.0	97.1	100.0	95.4	94.7	87.2	84.2	89.1	94.9	95.3	99.2	81.8



Contd...2 TABLE (2): WHOLESAL PRICE INDEX

(1988 = 100)

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 Q1
GENERAL INDEX	115.4	115.9	116.3	116.2	116.2	117.2	120.8	124.3	125.7	132.8	144.7	140.3	143.0
1- Food and Live Animals	124.7	123.8	121.0	122.9	122.6	122.8	123.1	127.7	132.7	147.1	160.5	162.0	163.3
2- Beverages and Tobacco	127.2	127.3	127.1	127.4	129.0	129.2	129.8	130.2	129.0	129.7	131.6	135.3	148.9
3- Raw Materials (Inedible)	151.5	151.9	154.2	165.2	165.6	160.8	181.4	189.2	184.6	193.7	193.6	181.7	185.1
4- Minerals And Fuels	194.1	208.1	212.7	212.7	212.7	212.7	212.7	215.3	192.6	184.8	184.8	184.8	184.8
5- Vegetable Oils And Fats	120.7	120.2	110.6	107.1	107.1	108.8	111.5	114.1	114.7	118.4	133.2	136.3	136.7
6- Chemicals and Related Products	99.1	99.0	110.5	101.2	101.1	112.0	124.7	134.6	143.1	156.5	178.3	141.7	163.1
7- Manufactured Goods	110.0	108.7	107.7	107.9	108.0	107.9	114.9	117.5	120.1	126.3	142.0	134.3	134.4
8- Machinery and Transport	106.7	106.3	107.0	107.8	107.1	106.2	109.0	110.3	114.5	119.4	126.8	126.0	125.3
9- Miscellaneous Manufactured Articles	95.2	92.1	91.0	91.1	92.0	93.3	95.0	97.8	100.9	106.5	120.6	123.0	129.4
10- Other Commodities	73.1	70.6	70.4	67.6	76.2	88.1	94.1	104.2	127.0	145.7	172.6	196.3	210.9

Notes - The wholesale price data collection started only from January, 1985.

- From the 1st quarter, 1991, the base year was changed from 1985 to 1988. The indexes as from 1985 are recalculated accordingly.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.





SECTION (7)

FOREIGN TRADE STATISTICS

TABLE

PAGE No.

1-	Foreign Trade (Exports & Imports)	302
2-	Composition Of Exports	303
3-	Composition Of Imports	304
4-	Sources Of Imports	307
5-	Direction Of Exports	315



TABLE (1): FOREIGN TRADE

(Million Riyals)

Year	Exports ⁽¹⁾	Percentage Change	Imports ⁽²⁾	Percentage Change
1968	9,118	--	2,578	--
1969	9,496	4.1	3,378	31.0
1970	10,907	14.9	3,197	-5.4
1971	17,303	58.6	3,668	14.7
1972	22,761	31.5	4,708	28.4
1973	33,309	46.3	7,310	55.3
1974	126,223	278.9	10,149	38.8
1975	104,412	-17.3	14,823	46.1
1976	135,154	29.4	30,691	107.0
1977	153,209	13.4	51,662	68.3
1978	138,242	-9.8	69,180	33.9
1979	213,183	54.2	82,223	18.9
1980	362,885	70.2	100,350	22.0
1981	405,481	11.7	119,298	18.9
1982	271,090	-33.1	139,335	16.8
1983	158,444	-41.6	135,417	-2.8
1984	132,220	-16.6	118,737	-12.3
1985	99,536	-24.7	85,564	-27.9
1986	74,678	-25.0	70,780	-17.3
1987	86,880	16.3	75,313	6.4
1988	91,288	5.1	81,607	8.4
1989	106,294	16.4	79,278	-2.9
1990	166,339	56.5	90,282	13.9
1991	178,636	7.4	108,934	20.7
1992	188,325	5.4	124,606	14.4
1993	158,770	-15.7	105,616	-15.2
1994	159,590	0.5	87,192	-17.4
1995	187,403	17.4	105,187	20.6
1996	227,428	21.4	103,980	-1.1
1997	227,443	0.0	107,643	3.5
1998	145,388	-36.1	112,397	4.4
1999	190,084	30.7	104,980	-6.6
2000	290,553	52.9	113,240	7.9
2001	254,898	-12.3	116,931	3.3
2002	271,741	6.6	121,088	3.6
2003	349,664	28.7	156,391	29.2
2004	472,491	35.1	177,659	13.6
2005	677,144	43.3	222,985	25.5
2006	791,339	16.9	261,402	17.2
2007	874,403	10.5	338,088	29.3
٢٠٠٨ ⁽³⁾	1,175,482	34.4	431,753	27.7
٢٠٠٩ ⁽⁴⁾	721,109	-38.7	358,378	-17.0

⁽¹⁾ Includes Re-exports.

⁽²⁾ CIF

⁽³⁾ Revised. ⁽⁴⁾ Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



TABLE (2): COMPOSITION OF EXPORTS

(Million Riyals)

Year	Mineral Products	Foodstuffs	Chemical Products	Plastic Products	Base Metals and Articles of Base Metals	Electrical Machines, Equipment & Tools	Other Exports	Re-exports	Total
1984	127,867	166	1,460	29	185	8	0	2,505	132,220
1985	93,953	257	2,244	493	392	6	119	2,072	99,536
1986	66,947	519	2,944	1,148	430	8	445	2,237	74,678
1987	76,618	841	3,762	2,260	727	33	359	2,280	86,880
1988	75,987	1,229	6,333	3,813	824	87	623	2,392	91,288
1989	90,840	1,442	5,616	4,160	995	200	692	2,349	106,294
1990	150,868	1,182	5,661	3,758	1,231	301	924	2,414	166,339
1991	163,308	1,403	5,513	3,401	1,043	390	1,281	2,297	178,636
1992	174,243	1,578	5,742	2,736	897	493	1,091	1,545	188,325
1993	144,636	1,656	5,819	2,530	869	460	1,273	1,527	158,770
1994	142,829	1,430	7,878	3,370	943	546	1,282	1,312	159,590
1995	163,083	1,589	10,166	5,455	2,631	851	1,866	1,762	187,403
1996	203,743	1,339	10,435	4,289	2,396	1,065	1,840	2,321	227,428
1997	200,249	1,660	11,036	5,662	3,002	1,076	2,285	2,473	227,443
1998	122,461	1,663	9,961	4,152	2,200	1,022	2,133	1,796	145,388
1999	168,727	1,768	9,189	3,529	2,175	873	1,954	1,869	190,084
2000	265,747	1,700	12,125	3,805	1,982	951	2,357	1,886	290,553
2001	224,716	1,541	13,478	6,179	2,044	1,042	2,263	3,635	254,898
2002	239,973	1,845	13,704	5,717	2,537	1,138	2,750	4,077	271,741
2003	308,993	3,038	16,200	7,011	3,667	1,416	4,411	4,928	349,664
2004	415,696	3,657	18,673	12,455	4,482	2,132	6,167	9,229	472,491
2005	606,371	4,361	24,329	17,726	4,991	2,784	5,809	10,773	677,144
2006	706,486	5,228	26,441	19,495	6,781	3,914	8,185	14,809	791,339
2007	771,107	7,442	31,239	22,797	8,905	5,253	7,675	19,985	874,403
2008 ⁽¹⁾	1,055,300	8,875	36,102	26,636	10,503	6,388	10,206	21,472	1,175,482
2009 ⁽²⁾	612,344	10,159	29,628	23,554	6,998	4,818	9,840	23,768	721,109

⁽¹⁾ Revised.

⁽²⁾ Provisional .

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.

TABLE(3): COMPOSITION OF IMPORTS⁽¹⁾

(Million Riyals)

Commodity Group	1984	1985	1986	1987	1988	1989	1990	1991
Total Imports	118,737	85,564	70,780	75,313	81,607	79,278	90,282	108,934
1. Live Animals And Animal Products	4,696	3,911	4,038	4,326	4,278	4,392	4,838	5,613
2. Vegetable Products	8,859	5,036	4,357	4,720	4,789	4,499	3,880	3,653
3. Animal & Vegetable Fats, Oils & Their Products	550	390	318	347	267	212	403	490
4. Prepared Foodstuffs. Beverages. Spirits. Vinegar & Tobacco	4,634	3,558	3,203	3,507	3,768	3,461	3,639	4,446
5. Mineral Products	2,912	1,419	907	839	711	727	760	844
6. Products Of Chemical & Allied Industries	5,245	4,801	4,916	5,838	6,470	5,274	7,232	8,066
7. Artificial Resins And Plastic Materials, Cellulose Esters, Rubber & Synthetic Rubber	3,468	2,915	2,810	3,057	3,302	2,943	3,518	4,214
8. Raw Hides And Skins, Fur Skins And Articles Thereof, Travel Goods And Hand Bags	485	391	377	409	393	374	358	435
9. Wood & Articles Of Wood Charcoal,Cork & Articles Of Cork And Wicker Work	2,094	1,142	868	927	1,403	1,088	1,249	1,564
10. Paper Making Materials. Paper Card Board & Articles Thereof	1,606	1,204	1,148	1,379	1,600	1,349	1,736	1,879
11. Textiles And Textile Articles	8,823	7,524	7,303	8,566	8,665	7,754	7,947	9,169
12. Footwear, Headgear, Umbrellas, Sunshade Whips, Artificial Flowers, Articles, Of Human Hair & Fans	852	785	740	933	932	975	895	1,194
13. Articles Of Stone Plaster. Asbestos. Ceramic Products. Glass & Glassware	3,669	2,637	1,959	1,921	1,965	1,666	1,677	1,846
14. Pearls, Precious & Semi-Precious Stones, Precious Metals, Articles And Imitation Jewellery	3,605	3,293	1,944	2,135	1,970	3,848	6,213	5,531
15. Base Metals & Articles Of Base Metals	14,183	10,277	6,524	6,308	8,133	6,476	7,830	9,931
16. Machinery.Mechanical Appliances.Electrical Equipment & Parts Thereof	28,409	17,841	14,683	14,415	15,527	14,557	14,777	21,120
17. Transport Equipment	15,916	12,105	9,427	10,190	11,930	14,640	18,471	22,868
18. Optical, Photographic, Measuring, Checking, Precision, Medical & Surgical Instruments & Apparatus, Clocks & Watches, Musical Instruments, Sound Records & Reproducers & Parts Thereof	5,014	3,472	2,949	3,067	3,110	2,927	2,836	3,073
19. Arms. Ammunition And Parts Thereof	23	17	28	26	24	21	28	45
20. Miscellaneous Manufactured Articles	3,357	2,451	1,983	2,099	2,059	1,830	1,751	2,650
21. Work Of Art Collection Pieces And Antiques	337	395	298	304	311	265	244	303



Contd...2 TABLE(3): COMPOSITION OF IMPORTS⁽¹⁾

(Million Riyals)

Commodity Group	1992	1993	1994	1995	1996	1997	1998	1999
Total Imports	124,606	105,616	87,192	105,187	103,980	107,643	112,397	104,980
1 . Live Animals And Animal Products	3,771	3,720	3,334	5,233	5,071	4,891	5,107	5,313
2 . Vegetable Products	6,484	5,511	5,441	6,615	7,674	7,905	6,868	7,637
3 . Animal & Vegetable Fats, Oils & Their Products	551	400	462	902	800	654	880	930
4 . Prepared Foodstuffs. Beverages. Spirits. Vinegar & Tobacco	2,420	1,819	2,079	4,421	4,411	5,298	4,761	4,192
5 . Mineral Products	916	1,781	1,313	1,182	1,159	1,092	1,055	1,274
6 . Products Of Chemical & Allied Industries	8,398	7,605	6,242	8,332	8,382	8,713	9,249	9,494
7 . Artificial Resins And Plastic Materials, Cellulose Esters, Rubber & Synthetic Rubber	3,971	3,989	3,456	4,033	3,777	3,453	3,753	3,488
8 . Raw Hides And Skins, Fur Skins And Articles Thereof, Travel Goods And Hand Bags	438	418	334	376	355	371	381	381
9 . Wood & Articles Of Wood Charcoal,Cork & Articles Of Cork And Wicker Work	2,040	2,007	1,616	1,592	1,463	1,332	1,434	1,259
10 . Paper Making Materials. Paper Card Board & Articles Thereof	1,940	2,086	2,018	2,828	2,295	1,914	2,305	2,087
11 . Textiles And Textile Articles	9,842	8,272	6,410	7,913	7,589	7,093	7,464	6,494
12 . Footwear, Headgear, Umbrellas, Sunshade Whips, Artificial Flowers, Articles, Of Human Hair & Fans	1,048	996	822	1,086	1,120	1,026	1,082	935
13 . Articles Of Stone Plaster. Asbestos. Cermaic Products. Glass & Glassware	2,314	2,053	1,697	1,693	1,749	1,472	1,460	1,392
14 . Pearls, Precious & Semi-Precious Stones, Precious Metals, Articles And Imitation Jewellery	5,911	3,251	2,954	4,237	4,399	8,237	6,263	5,113
15 . Base Metals & Articles Of Base Metals	11,182	10,650	8,108	10,857	10,396	9,717	10,743	8,808
16 . Machinerv.Mechanical Appliances.Electrical Equipment & Parts Thereof	26,322	22,469	18,145	23,020	21,848	21,267	22,486	25,187
17 . Transport Equipment	29,911	21,964	18,058	15,171	15,903	16,737	20,706	15,201
18 . Instruments & Apparatus, Clocks & Watches, Musical Instruments, Sound Records & Reproducers & Parts Thereof	3,435	3,339	2,588	2,813	2,897	3,039	2,950	3,102
19 . Arms. Ammunition And Parts Thereof	454	507	90	579	411	1,001	987	636
20 . Miscellaneous Manufactured Articles	2,925	2,455	1,693	2,030	1,936	2,038	2,133	1,930
21 . Work Of Art Collection Pieces And Antiques	333	324	332	274	345	393	330	127



Contd...3 TABLE(3): COMPOSITION OF IMPORTS⁽¹⁾

(Million Riyals)

Commodity Group	2000	2001	2002	2003	2004	2005	2006	2007	2008 ⁽²⁾	2009 ⁽³⁾
Total Imports	113,240	116,931	121,088	156,391	177,659	222,985	261,402	338,088	431,753	358,378
1 . Live Animals And Animal Products	5,675	5,137	6,550	7,578	8,684	10,614	10,316	11,974	15,386	13,607
2 . Vegetable Products	8,268	6,558	6,908	9,780	9,767	11,288	12,155	17,765	28,091	21,310
3 . Animal & Vegetable Fats, Oils & Their Products	784	601	503	986	1,322	1,413	1,579	2,093	2,656	2,390
4 . Prepared Foodstuffs. Beverages. Spirits. Vinegar & Tobacco	5,531	5,630	5,690	7,468	8,063	9,653	11,497	12,983	16,066	15,972
5 . Mineral Products	1,062	1,490	837	1,326	1,816	3,457	3,518	4,004	7,105	4,659
6 . Products Of Chemical & Allied Industries	9,512	9,864	9,861	13,773	15,807	18,208	20,965	25,517	32,717	31,095
7 . Artificial Resins And Plastic Materials, Cellulose Esters, Rubber & Synthetic Rubber	4,141	4,255	4,632	5,819	6,506	8,422	8,911	10,454	13,217	12,270
8 . Raw Hides And Skins, Fur Skins And Articles Thereof, Travel Goods And Hand Bags	394	344	385	448	462	580	693	873	1,065	994
9 . Wood & Articles Of Wood Charcoal,Cork & Articles Of Cork And Wicker Work	1,444	1,376	1,496	1,556	1,609	1,945	2,009	2,755	3,110	2,734
10 . Paper Making Materials. Paper Card Board & Articles Thereof	2,356	2,211	2,279	2,917	3,493	4,097	4,262	5,005	6,454	5,320
11 . Textiles And Textile Articles	6,674	6,557	6,932	8,216	8,370	9,664	10,281	11,640	13,875	12,656
12 . Footwear, Headgear, Umbrellas, Sunshade Whips, Artificial Flowers, Articles, Of Human Hair & Fans	899	965	949	1,103	1,084	1,274	1,445	1,597	1,836	1,840
13 . Articles Of Stone Plaster. Asbestos. Cermaic Products. Glass & Pearls, Precious & Semi-Precious Stones, Precious Metals, Articles And Imitation Jewellery	1,931	2,139	2,280	3,100	3,274	3,566	3,794	4,147	5,421	5,602
14 . Base Metals & Articles Of Base Metals	4,574	3,563	1,684	1,411	2,405	3,559	2,247	3,264	5,245	3,212
15 . Base Metals & Articles Of Base Metals	8,895	9,535	9,962	13,635	17,540	23,773	38,626	50,829	66,012	39,538
16 . Machinerv.Mechanical Appliances.Electrical Equipment & Parts Thereof	24,982	24,062	26,593	34,439	38,993	54,168	67,302	99,740	117,318	103,093
17 . Transport Equipment	19,995	25,356	26,723	34,144	38,290	46,704	50,453	59,440	77,620	62,287
18 . Optical, Photographic, Measuring, Checking, Precision, Medical & Surgical Instruments & Apparatus, Clocks & Watches, Musical Instruments, Sound Records & Reproducers & Parts Thereof	3,048	3,489	3,665	4,931	5,789	5,699	6,445	7,873	9,656	9,552
19 . Arms. Ammunition And Parts Thereof	788	1,648	724	891	1,217	1,223	788	1,225	2,653	3,346
20 . Miscellaneous Manufactured Articles	2,264	2,127	2,404	2,844	3,143	3,651	4,086	4,846	6,170	6,801
21 . Work Of Art Collection Pieces And Antiques	23	24	31	26	25	27	30	64	80	99

⁽¹⁾ CIF. ⁽²⁾ Revised. ⁽³⁾ Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.





TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	1984	1985	1986	1987	1988	1989
Gulf Cooperation Council	1,539	1,808	1,441	1,365	1,746	1,875
Kuwait	473	518	407	422	405	502
Bahrain	221	424	235	234	431	478
United Arab Emirates	577	611	515	445	491	523
Qatar	244	224	251	216	353	271
Oman	24	31	33	48	66	101
Other Arab League Countries	2,152	1,738	1,489	1,617	2,194	2,159
of Which:						
Jordan	378	355	271	274	318	346
Iraq	92	58	85	85	106	113
Yemen	42	40	63	84	113	108
Lebanon	555	268	236	314	523	372
Egypt	278	232	217	275	351	310
Syria	148	91	113	140	149	474
Morocco	126	87	81	101	296	154
Sudan	322	282	150	67	135	102
Islamic (Non-Arab Countries)	3,015	2,237	2,281	2,504	2,985	2,747
of Which:						
Pakistan	511	445	505	489	465	336
Bangladesh	20	18	4	3	7	2
Malaysia	350	276	217	291	405	366
Indonesia	308	215	230	278	623	585
Turkey	1,709	1,195	1,230	1,237	1,343	1,427
Asian (Non-Islamic & Non-Arab Co.)	35,642	26,206	20,615	24,432	24,973	21,870
of Which:						
Japan	23,568	16,221	11,131	12,996	13,045	11,288
India	997	905	795	861	845	1,014
Thailand	800	635	656	966	1,163	1,100
Singapore	1,313	916	763	754	826	637
Taiwan	3,236	2,515	2,520	2,917	2,716	2,270
China Mainland	688	746	831	1,171	1,446	1,501
South Korea	3,579	3,165	2,905	3,668	3,850	3,154
Philippine	153	141	123	151	134	136
African (Non-Arab or Islamic Co.)	281	208	248	236	330	249
of Which:						
Kenya	18	36	118	86	53	14
Ethiopia	70	54	49	79	81	44



Contd...2 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	1984	1985	1986	1987	1988	1989
Oceania	2,404	1,678	1,341	1,219	1,164	917
of Which:						
Australia	2,128	1,514	1,148	1,012	903	770
New Zealand	275	164	192	206	259	144
North America	21,432	14,884	12,785	12,115	13,782	15,215
of Which:						
United States of America	20,655	14,529	12,352	11,492	13,255	14,392
Canada	776	355	433	623	527	823
South America	1,722	1,478	1,083	1,135	1,598	1,295
of Which:						
Brazil	947	1,036	743	774	1,035	886
Argentina	88	41	31	16	50	28
Guatemala	331	238	178	182	145	50
European Union	41,599	28,465	25,449	26,236	27,333	25,954
of Which:						
Germany	9,861	7,192	5,747	5,827	5,897	4,959
Holland	3,165	2,232	1,703	1,649	1,810	1,629
England	6,898	5,280	5,151	5,847	5,947	8,064
Ireland	224	257	222	292	314	191
Belgium	1,997	1,325	1,221	1,246	1,502	1,115
France	9,252	4,359	3,990	3,966	4,259	3,410
Italy	8,595	6,690	5,182	5,145	5,266	4,531
Greece	1,009	651	463	448	390	364
Sweden	1,484	1,018	803	831	981	1,001
Spain	2,280	1,586	1,216	1,138	1,207	1,017
Austria	824	743	568	385	620	321
Finland	-	-	-	-	-	-
Europe not European Union	8,763	6,662	3,830	4,260	5,226	6,753
of Which:						
Switzerland	2,379	1,926	1,399	1,866	1,886	3,964
Ukraine	0	0	0	0	0	0
Russia	0	0	0	0	0	0
Other Countries	188	200	218	194	276	244
Total Imports	118,737	85,564	70,780	75,313	81,607	79,278



Contd...3 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	1990	1991	1992	1993	1994	1995
Gulf Cooperation Council	1,636	1,527	2,128	2,369	2,467	2,822
Kuwait	288	20	160	266	298	260
Bahrain	399	390	491	592	630	751
United Arab Emirates	621	806	978	1,055	1,115	1,359
Qatar	195	210	371	313	260	247
Oman	133	101	128	143	164	205
Other Arab League Countries	2,579	2,908	3,085	3,250	2,876	3,255
of Which:						
Jordan	331	51	364	403	294	325
Iraq	75	1	0	0	0	0
Yemen	89	47	45	94	120	144
Lebanon	341	457	411	408	388	350
Egypt	376	551	924	1,064	811	887
Syria	569	935	512	449	489	561
Morocco	450	540	338	200	232	202
Sudan	164	126	245	281	209	345
Islamic (Non-Arab Countries)	3,130	4,055	4,509	5,480	4,580	5,512
of Which:						
Pakistan	396	607	687	702	400	576
Bangladesh	10	29	11	10	11	25
Malaysia	479	694	825	718	725	1,029
Indonesia	793	1,154	1,310	1,307	993	1,443
Turkey	1,116	1,316	1,345	2,285	1,726	1,574
Asian (Non-Islamic & Non-Arab Co.)	24,154	26,575	30,203	24,975	19,535	21,437
of Which:						
Japan	13,815	14,915	17,591	13,326	10,270	9,312
India	1,027	1,097	1,539	1,928	1,578	1,909
Thailand	1,021	1,182	1,223	1,037	765	1,070
Singapore	709	850	851	606	419	495
Taiwan	1,969	2,128	2,096	1,834	1,402	1,515
China Mainland	1,668	2,345	2,646	2,358	1,886	2,887
South Korea	2,960	3,220	3,330	2,819	2,477	3,304
Philippine	163	148	145	196	218	340
African (Non-Arab or Islamic Co.)	296	277	234	238	288	566
of Which:						
Kenya	51	69	22	21	19	40
Ethiopia	33	27	67	23	17	90



Contd...4 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	1990	1991	1992	1993	1994	1995
Oceania	1,405	1,385	1,229	1,109	993	1,110
of Which:						
Australia	1,081	1,047	761	622	758	804
New Zealand	323	338	468	487	234	303
North America	15,796	23,039	29,143	22,918	20,128	23,812
of Which:						
United States of America	15,066	22,025	28,075	21,727	18,657	22,633
Canada	730	1,014	1,069	1,192	1,471	1,178
South America	1,461	2,156	1,998	2,520	1,513	2,447
of Which:						
Brazil	943	1,434	1,308	1,842	1,027	1,660
Argentina	60	109	108	187	25	162
Guatemala	117	117	105	77	53	146
European Union	30,708	37,493	42,114	35,117	28,163	36,966
of Which:						
Germany	6,645	8,521	9,262	7,406	7,246	8,273
Holland	2,036	2,101	1,975	1,822	1,521	1,983
England	10,182	12,268	13,418	11,655	7,400	8,904
Ireland	415	495	520	373	302	690
Belgium	1,558	2,045	2,289	1,996	1,678	1,913
France	3,573	4,367	6,002	4,349	3,806	5,019
Italy	4,181	5,028	6,181	5,345	4,116	4,620
Greece	346	383	338	361	242	296
Sweden	1,169	1,433	1,558	1,465	1,273	1,494
Spain	984	1,385	1,448	1,229	1,323	1,551
Austria	439	742	860	662	496	542
Finland	-	-	-	-	-	458
Europe not European Union	9,020	9,176	9,483	7,135	6,451	6,962
of Which:						
Switzerland	5,929	5,282	5,695	3,907	3,634	5,198
Ukraine	0	0	0	2	2	19
Russia	0	0	0	0	58	838
Other Countries	97	343	480	505	198	298
Total Imports	90,282	108,934	124,606	105,616	87,192	105,187



Contd...5 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	1996	1997	1998	1999	2000	2001	2002
Gulf Cooperation Council	3,342	3,309	3,778	4,082	4,040	4,550	5,558
Kuwait	341	296	315	373	401	413	469
Bahrain	977	808	1,018	901	691	746	1,032
United Arab Emirates	1,510	1,609	1,842	2,213	2,206	2,375	3,068
Qatar	286	308	298	270	349	507	544
Oman	228	288	305	325	393	509	445
Other Arab League Countries of Which:	3,710	3,383	3,657	4,186	3,251	3,516	4,833
Jordan	485	442	438	530	392	531	534
Iraq	0	0	0	0	0	0	0
Yemen	168	171	121	218	223	280	329
Lebanon	412	253	260	242	173	471	327
Egypt	967	798	1,039	769	757	696	815
Syria	602	629	782	1,325	757	1,018	2,020
Morocco	214	314	267	377	269	270	133
Sudan	395	369	527	513	361	108	616
Islamic (Non-Arab Countries) of Which:	5,274	4,776	5,301	4,634	5,170	5,461	5,438
Pakistan	907	488	477	493	520	478	477
Bangladesh	19	27	41	43	66	76	70
Malaysia	902	750	814	890	1,152	1,140	1,124
Indonesia	1,543	1,607	1,696	1,508	1,699	1,407	1,355
Turkey	1,123	1,209	1,316	985	833	1,319	1,471
Asian (Non-Islamic & Non- Arab Co.) of Which:	19,526	19,423	23,863	23,277	26,711	28,386	30,813
Japan	7,314	7,123	9,666	9,650	11,837	13,042	13,405
India	2,241	2,584	3,058	2,770	3,132	2,811	3,307
Thailand	1,219	1,019	937	949	996	1,110	1,222
Singapore	384	480	539	545	542	505	599
Taiwan	1,547	1,627	1,545	1,258	1,158	1,178	1,160
China Mainland	3,201	3,370	3,593	3,677	4,485	5,403	6,441
South Korea	2,940	2,619	3,884	3,801	3,846	3,831	3,989
Philippine	222	177	191	165	153	166	192
African (Non-Arab or Islamic Co.) of Which:	944	1,753	1,975	1,739	1,296	1,066	971
Kenya	25	24	26	45	34	22	19
Ethiopia	86	70	129	130	152	97	94



Contd...6 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	1996	1997	1998	1999	2000	2001	2002
Oceania	1,643	2,152	2,317	2,564	3,275	5,185	4,630
of Which:							
Australia	1,263	1,752	1,978	2,273	2,907	4,733	4,223
New Zealand	379	399	336	289	364	451	406
North America	24,257	25,569	25,160	21,203	22,884	22,179	21,058
of Which:							
United States of America	22,771	23,933	23,984	19,882	21,802	20,770	19,737
Canada	1,486	1,636	1,176	1,321	1,082	1,408	1,321
South America	2,561	3,079	2,993	2,876	4,263	3,968	3,434
of Which:							
Brazil	1,780	2,132	1,658	1,650	2,314	2,431	2,074
Argentina	139	167	255	121	154	231	311
Guatemala	129	98	110	156	230	216	218
European Union	35,874	36,124	36,700	35,168	36,737	37,501	38,529
of Which:							
Germany	7,798	5,829	7,052	7,648	9,164	9,403	10,217
Holland	1,770	2,066	1,829	1,971	2,387	2,190	2,045
England	9,334	11,281	9,535	8,456	7,308	8,037	7,240
Ireland	595	667	918	917	1,029	1,132	1,100
Belgium	1,812	1,635	1,386	1,558	1,707	1,892	2,089
France	4,313	4,838	5,862	4,421	4,675	4,473	4,350
Italy	4,901	4,963	4,667	4,424	4,698	4,543	5,203
Greece	269	415	225	173	187	168	193
Sweden	1,288	1,189	1,373	1,441	1,813	1,645	1,490
Spain	1,414	1,415	1,813	1,962	1,607	1,666	1,540
Austria	554	464	602	627	493	488	642
Finland	532	313	453	539	612	869	1,280
Europe not European Union	6,486	7,661	6,278	5,068	5,411	4,918	4,809
of Which:							
Switzerland	4,856	6,221	4,828	3,523	3,694	2,832	2,012
Ukraine	193	115	143	132	108	317	642
Russia	597	419	369	331	466	384	515
Other Countries	363	414	375	183	202	201	1,015
Total Imports	103,980	107,643	112,397	104,980	113,240	116,931	121,088



Contd...7 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	2003	2004	2005	2006	2007	2008 ⁽²⁾	2009 ⁽³⁾
Gulf Cooperation Council	6,330	8,537	10,234	12,260	14,446	18,652	17,545
Kuwait	494	818	837	846	847	1,168	1,103
Bahrain	988	1,885	2,146	2,585	3,116	4,429	3,530
United Arab Emirates	3,637	4,520	5,862	7,167	8,437	10,814	10,790
Qatar	637	708	478	797	949	478	669
Oman	574	606	910	865	1,097	1,762	1,453
Other Arab League Countries of Which:	5,261	6,114	8,286	8,120	10,363	13,425	12,285
Jordan	667	765	1,009	1,365	1,463	1,895	2,004
Iraq	0	1	1	0	1	1	0
Yemen	414	546	604	536	513	681	738
Lebanon	400	435	483	569	802	994	980
Egypt	1,277	1,635	2,989	2,814	4,163	5,612	5,365
Syria	1,564	1,579	1,945	1,724	1,866	1,963	1,651
Morocco	255	278	397	280	357	815	174
Sudan	531	732	534	568	448	547	615
Islamic (Non-Arab Countries) of Which:	7,241	8,811	10,794	11,743	16,003	21,868	16,575
Pakistan	642	677	746	741	743	1,283	1,271
Bangladesh	69	72	102	122	143	183	240
Malaysia	1,582	1,825	2,045	2,206	3,225	4,577	3,534
Indonesia	1,408	1,614	2,030	2,354	3,516	4,301	3,342
Turkey	2,292	2,360	3,139	3,183	4,699	7,181	6,314
Asian (Non-Islamic & Non- Arab Co.) of Which:	41,296	46,810	59,852	74,401	101,940	136,342	111,492
Japan	16,797	17,555	20,093	21,146	29,563	35,251	27,142
India	4,589	5,622	6,884	9,864	11,529	18,012	13,095
Thailand	1,651	2,179	3,817	4,946	5,582	7,832	7,764
Singapore	800	791	1,094	3,020	3,381	2,854	2,635
Taiwan	1,476	1,615	1,943	1,992	2,717	3,778	2,570
China Mainland	9,211	11,681	16,521	22,391	32,664	47,541	40,601
South Korea	5,897	6,688	8,138	9,900	15,162	19,218	15,931
Philippine	245	263	331	447	493	676	640
African (Non-Arab or Islamic Co.) of Which:	984	1,882	1,983	1,999	2,743	3,140	2,219
Kenya	23	42	31	36	40	83	63
Ethiopia	141	190	248	268	339	485	415



Contd...8 TABLE (4): SOURCES OF IMPORTS⁽¹⁾

(Million Riyals)

Country Groupings/Countries	2003	2004	2005	2006	2007	2008 ⁽²⁾	2009 ⁽³⁾
Oceania	5,080	6,570	7,418	8,788	8,877	11,478	7,573
of Which:							
Australia	4,425	5,737	6,270	7,734	7,296	9,274	6,256
New Zealand	654	831	1,143	1,053	1,568	2,200	1,314
North America	24,877	29,315	34,893	40,366	49,437	65,903	56,167
of Which:							
United States of America	23,150	27,028	32,952	37,802	45,852	59,107	50,999
Canada	1,727	2,288	1,940	2,563	3,585	6,796	5,168
South America	4,911	5,718	8,230	10,096	12,006	16,734	13,140
of Which:							
Brazil	2,919	3,253	4,922	5,490	6,564	10,851	8,964
Argentina	664	698	1,033	1,591	2,181	2,334	1,318
Guatemala	194	174	163	157	180	369	275
European Union	51,212	54,576	70,030	80,653	109,675	126,001	108,713
of Which:							
Germany	14,009	14,217	18,238	21,223	30,022	32,047	28,660
Holland	3,306	3,338	3,703	3,865	4,552	5,479	4,494
England	9,014	9,767	10,443	10,318	13,170	15,225	12,842
Ireland	1,420	1,419	1,620	2,322	2,641	3,295	3,069
Belgium	2,454	2,407	3,261	3,376	4,109	5,660	5,058
France	5,624	6,092	7,687	10,082	11,499	15,244	14,346
Italy	5,941	5,932	8,468	10,550	15,381	17,288	13,250
Greece	213	247	314	337	351	426	290
Sweden	2,500	2,904	3,622	4,004	4,768	5,854	5,261
Spain	2,003	2,336	2,510	2,880	4,429	5,064	4,623
Austria	1,402	1,187	1,707	2,463	3,159	4,227	4,397
Finland	1,758	1,194	3,870	4,396	4,818	4,533	2,583
Europe not European Union	7,059	6,882	10,594	12,707	12,586	18,209	12,667
of Which:							
Switzerland	2,868	3,236	4,807	4,176	5,318	7,740	6,283
Ukraine	1,247	1,253	1,813	2,956	2,775	5,215	2,639
Russia	888	990	1,499	2,653	3,418	4,033	2,634
Other Countries	2,140	2,444	671	269	12	1	2
Total Imports	156,391	177,659	222,985	261,402	338,088	431,753	358,378

(1) CIF. (2) Revised. (3) Provisional. - Not a member of the European Union during this year.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	1984	1985	1986	1987	1988	1989
Gulf Cooperation Council	5,616	5,191	4,851	6,264	6,134	8,314
Kuwait	335	292	410	680	912	1,096
Bahrain	4,916	4,221	3,256	4,370	3,763	4,777
United Arab Emirates	258	518	1,002	972	1,172	1,868
Qatar	78	113	133	153	203	428
Oman	29	47	50	89	84	145
Other Arab League Countries	5,126	4,897	2,480	2,867	3,663	3,139
of Which:						
Jordan	1,341	1,391	479	503	414	109
Iraq	104	128	169	95	378	612
Yemen	924	811	647	602	882	596
Lebanon	339	167	60	56	74	73
Egypt	286	216	24	339	466	528
Syria	25	105	49	58	49	45
Morocco	1,285	655	50	47	230	156
Sudan	437	857	384	699	603	565
Islamic (Non-Arab Countries)	6,997	6,865	2,417	2,953	2,848	3,191
of Which:						
Pakistan	1,980	1,764	1,000	1,168	1,292	1,157
Bangladesh	179	249	104	219	111	229
Malaysia	1,304	834	118	185	321	344
Indonesia	2,714	3,157	255	620	413	439
Turkey	753	785	852	711	667	787
Asian (Non-Arab or Islamic Co.)	68,682	44,635	23,446	33,247	30,816	35,864
of Which:						
Japan	42,175	29,820	15,137	19,283	15,416	18,545
India	4,199	3,075	1,101	1,765	2,558	2,571
Thailand	2,832	564	167	314	590	940
Singapore	7,099	2,930	2,026	4,332	5,311	6,352
Taiwan	6,419	4,651	2,830	3,649	3,955	4,069
China Mainland	24	41	55	199	404	165
South Korea	4,079	2,000	1,521	2,728	1,727	2,100
Philippine	1,118	1,060	403	647	366	660



Contd...2 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	1984	1985	1986	1987	1988	1989
African (Non-Arab or Islamic Co.)	596	439	403	504	731	771
of Which :						
Kenya	465	165	121	81	75	118
Oceania	2,262	1,433	758	1,066	1,505	1,554
of Which :						
Australia	1,891	889	705	802	1,017	1,151
New Zealand	371	544	53	244	265	380
North America	8,863	5,576	12,658	17,110	20,262	27,768
of Which :						
United States of America	8,862	5,465	12,393	17,009	19,860	27,437
South America	4,316	4,416	3,012	3,396	3,567	2,477
of Which :						
Brazil	4,043	3,805	3,010	3,052	3,402	2,452
European Union	21,316	20,652	23,289	18,446	20,414	20,747
of Which :						
Germany	2,365	2,122	2,208	1,211	2,117	927
Holland	2,430	5,742	3,636	5,337	4,955	4,746
England	1,953	1,873	2,094	1,428	2,043	1,620
Portugal	1,205	1,082	323	711	566	614
France	5,662	4,984	4,133	2,307	4,530	5,549
Italy	5,982	3,754	5,644	3,583	2,907	4,305
Greece	1,793	746	1,006	967	500	180
Spain	2,503	764	1,932	2,095	1,443	1,827
Belgium	1,018	1,399	2,203	665	1,352	888
Europe not European Union	5,047	3,329	990	835	1,076	2,292
Other Countries	3,399	2,103	374	192	272	177
Grand Total	132,220	99,536	74,678	86,880	91,288	106,294



Contd...3 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	1990	1991	1992	1993	1994	1995
Gulf Cooperation Council	11,066	12,020	11,363	10,367	10,743	13,448
Kuwait	746	2,501	1,640	1,561	1,469	1,750
Bahrain	6,564	5,836	5,995	4,991	5,017	5,541
United Arab Emirates	3,010	3,193	3,126	3,253	3,569	5,057
Qatar	461	282	390	312	381	594
Oman	285	208	212	250	307	506
Other Arab League Countries	6,528	5,198	3,539	3,646	3,408	4,802
of Which:						
Jordan	322	147	175	218	372	401
Iraq	483	--	--	--	--	--
Yemen	689	309	307	247	234	433
Lebanon	114	103	121	161	167	304
Egypt	2,423	3,048	727	279	198	900
Syria	77	123	182	180	---	279
Morocco	1,144	1,061	1,436	1,537	1,674	1,648
Sudan	594	158	383	493	356	413
Islamic (Non-Arab Countries)	5,916	10,117	12,027	10,043	9,786	10,570
of Which:						
Pakistan	1,682	1,774	1,929	1,838	1,744	1,998
Bangladesh	311	215	285	209	329	330
Malaysia	297	295	371	483	392	595
Indonesia	621	2,301	2,862	1,325	1,833	1,871
Turkey	2,838	5,235	5,428	5,221	4,549	4,982
Asian (Non-Arab or Islamic Co.)	60,467	60,246	67,862	60,157	59,942	78,376
of Which:						
Japan	31,559	28,689	30,791	26,777	25,470	30,346
India	4,115	4,103	5,369	4,971	4,686	5,844
Thailand	1,099	885	1,036	1,063	868	1,607
Singapore	8,917	9,094	9,868	7,833	7,735	9,972
Taiwan	5,634	4,968	4,795	4,798	4,320	5,470
China Mainland	158	346	243	255	451	1,041
South Korea	6,254	9,938	12,770	11,931	12,999	18,429
Philippine	2,215	2,016	2,452	2,144	2,666	3,659



Contd...4 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	1990	1991	1992	1993	1994	1995
African (Non-Arab or Islamic Co.)	1,740	1,816	2,076	1,434	1,523	1,785
of Which :						
Kenya	233	198	129	181	204	364
Oceania	1,600	2,282	2,027	1,890	1,717	2,619
of Which :						
Australia	1,166	1,677	1,641	1,535	1,443	2,212
New Zealand	434	607	385	342	274	405
North America	41,496	42,408	41,742	29,035	30,874	33,092
of Which :						
United States of America	39,890	40,969	40,168	27,715	29,518	31,743
South America	5,551	4,981	5,394	4,977	4,986	4,232
of Which :						
Brazil	5,482	4,933	5,332	4,953	4,911	4,096
European Union	29,472	37,102	39,449	34,518	34,819	37,365
of Which :						
Germany	984	1,009	1,992	1,833	1,980	957
Holland	7,857	10,802	9,926	6,821	7,685	8,703
England	2,664	3,525	3,702	5,167	3,148	2,747
Portugal	607	582	869	568	757	1,208
France	7,917	8,203	8,239	6,960	8,471	7,347
Italy	5,978	7,675	7,632	7,971	8,142	7,398
Greece	567	1,206	2,795	2,672	2,088	1,730
Spain	2,181	3,563	4,149	2,392	2,141	4,359
Belgium	703	452	141	130	383	1,845
Europe not European Union	2,342	2,204	2,607	2,020	1,643	866
Other Countries	161	262	239	683	149	248
Grand Total	166,339	178,636	188,325	158,770	159,590	187,403



Contd...5 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	1996	1997	1998	1999	2000	2001	2002
Gulf Cooperation Council	16,283	17,089	12,443	13,310	15,993	14,761	16,734
Kuwait	1,709	2,018	1,887	1,783	1,802	1,565	2,018
Bahrain	6,581	6,272	4,387	5,560	7,158	5,304	6,577
United Arab Emirates	6,779	7,375	4,912	4,710	5,886	6,576	6,460
Qatar	773	841	737	683	731	743	970
Oman	441	583	520	574	416	573	708
Other Arab League Countries	6,106	7,414	6,051	5,425	6,230	8,239	8,936
of Which:							
Jordan	424	458	768	647	642	569	753
Iraq	--	--	--	--	87	264	262
Yemen	610	810	669	535	580	888	732
Lebanon	347	434	373	447	551	1,121	654
Egypt	1,536	2,286	1,602	1,421	1,455	1,768	1,757
Syria	292	302	343	405	418	392	696
Morocco	2,067	2,007	1,397	1,213	2,100	1,649	2,137
Sudan	431	657	398	349	201	483	628
Islamic (Non-Arab Countries)	11,808	9,176	7,264	9,696	14,744	13,918	14,702
of Which:							
Pakistan	2,026	1,948	1,520	2,562	4,766	4,119	4,474
Bangladesh	377	433	251	461	737	849	580
Malaysia	956	892	528	1,298	1,706	1,884	1,915
Indonesia	1,380	1,653	2,280	3,318	4,071	3,802	4,088
Turkey	5,844	3,496	2,320	1,944	3,248	2,635	2,689
Asian (Non-Arab or Islamic Co.)	96,156	103,376	59,797	81,118	127,419	116,226	121,897
of Which:							
Japan	34,221	39,361	21,668	28,496	46,074	39,099	38,974
India	7,804	9,251	6,083	8,175	12,823	12,336	14,742
Thailand	2,987	2,980	1,607	2,100	3,578	4,042	4,085
Singapore	13,656	15,645	8,697	11,107	14,632	13,429	13,905
Taiwan	5,830	5,696	3,476	4,185	7,742	8,472	7,674
China Mainland	858	1,582	1,231	2,352	5,630	8,159	10,820
South Korea	23,931	23,149	13,886	20,429	31,273	24,621	25,813
Philippine	4,529	3,606	2,021	2,828	4,023	3,382	3,694



Contd...6 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	1996	1997	1998	1999	2000	2001	2002
African (Non-Arab or Islamic Co.)	2,750	3,277	3,335	5,391	7,481	6,720	7,187
of Which :	613	867	532	552			
Kenya					103	841	864
Oceania	3,483	2,910	1,703	1,937	2,861	2,586	2,335
of Which :							
Australia	2,674	2,060	1,271	1,591	2,344	2,218	2,062
New Zealand	676	823	432	333	517	368	273
North America	41,607	36,174	24,541	38,467	60,683	47,866	55,310
of Which :							
United States of America	39,891	34,603	23,695	37,185	58,832	46,482	53,511
South America	5,844	4,213	2,687	2,802	4,411	3,537	3,512
of Which :							
Brazil	4,903	3,908	2,210	2,216	3,505	2,417	2,335
European Union	42,488	43,521	27,246	31,347	50,152	40,374	40,387
of Which :							
Germany	2,779	2,612	1,514	1,886	3,056	1,714	1,924
Holland	9,725	10,612	6,043	7,845	11,592	7,971	6,989
England	1,685	1,996	1,258	1,637	3,223	3,369	2,740
Portugal	1,426	1,286	820	927	1,460	1,135	1,257
France	9,033	8,950	5,456	7,469	10,910	7,459	7,738
Italy	6,640	8,004	4,908	4,428	6,971	6,621	6,746
Greece	2,546	2,638	2,128	2,321	3,964	3,554	3,382
Spain	4,984	4,230	3,048	3,388	5,013	4,428	5,539
Belgium	2,452	2,098	1,559	907	3,267	3,314	4,027
Europe not European Union	797	161	258	475	365	576	658
Other Countries	106	132	63	116	214	95	83
Grand Total	227,428	227,443	145,388	190,084	290,553	254,898	271,741



Contd...7 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	2003	2004	2005	2006	2007	2008 ⁽¹⁾	2009 ⁽²⁾
Gulf Cooperation Council	23,310	30,764	45,215	58,593	71,120	82,744	71,543
Kuwait	2,978	4,081	4,428	4,869	5,711	5,629	4,932
Bahrain	8,105	11,507	18,637	22,717	26,238	35,389	24,534
United Arab Emirates	9,812	12,230	18,027	25,488	31,780	32,900	31,921
Qatar	1,383	1,944	2,659	4,009	5,540	6,209	7,216
Oman	1,032	1,001	1,463	1,510	1,851	2,617	2,940
Other Arab League Countries	14,874	24,319	35,429	41,957	46,026	63,880	41,590
of Which:							
Jordan	4,029	6,852	10,238	12,148	12,139	16,406	11,121
Iraq	78	158	253	498	1,469	2,156	3,050
Yemen	1,055	1,974	2,657	3,091	2,738	4,263	2,961
Lebanon	994	1,596	1,674	1,285	1,094	1,528	1,331
Egypt	3,427	4,484	7,666	10,320	13,779	16,799	8,336
Syria	555	2,172	2,686	2,222	2,711	2,868	2,357
Morocco	2,399	3,275	4,827	5,417	6,214	9,489	5,141
Sudan	839	1,222	2,064	2,355	2,268	2,291	2,123
Islamic (Non-Arab Countries)	18,268	24,804	32,251	39,059	44,525	54,644	33,192
of Which:							
Pakistan	4,828	7,979	9,435	11,363	13,015	16,630	9,487
Bangladesh	672	684	1,347	1,352	1,340	2,028	1,465
Malaysia	2,354	3,398	4,465	5,649	6,611	7,948	4,078
Indonesia	5,917	6,871	9,170	11,484	12,366	15,122	11,079
Turkey	3,509	4,539	6,769	7,771	8,872	11,650	5,737
Asian (Non-Arab or Islamic Co.)	156,347	210,853	326,920	394,555	432,558	604,576	392,530
of Which:							
Japan	49,325	67,006	105,580	130,369	134,007	178,823	108,956
India	20,804	27,625	40,237	48,520	64,120	85,295	52,951
Thailand	5,376	8,365	12,016	13,264	15,480	23,765	13,884
Singapore	15,940	22,147	35,488	37,405	37,360	43,693	31,429
Taiwan	12,279	15,396	24,366	29,044	32,605	46,165	28,151
China Mainland	15,367	22,787	40,519	49,556	59,840	104,954	80,417
South Korea	31,816	40,382	57,368	72,570	73,972	101,621	68,263
Philippine	4,505	5,130	8,544	10,751	12,510	17,742	5,773



Contd...8 TABLE (5): DIRECTION OF EXPORTS

(Million Riyals)

Country Groupings / Countries	2003	2004	2005	2006	2007	2008 ⁽¹⁾	2009 ⁽²⁾
African (Non-Arab or Islamic Co.)	9,701	12,188	15,840	16,779	17,453	24,792	14,350
of Which :							
Kenya	1,212	1,167	1,755	2,066	1,794	3,499	2,015
Oceania	1,644	1,546	1,799	2,356	2,614	3,235	1,989
of Which :							
Australia	1,317	946	1,394	1,269	1,565	2,018	1,091
New Zealand	327	599	404	1,087	1,042	1,191	890
North America	67,666	84,891	109,580	124,665	153,994	203,207	91,014
of Which :							
United States of America	65,385	81,360	104,746	119,239	147,432	195,521	85,532
South America	5,170	5,494	7,056	7,586	8,798	12,973	7,476
of Which :							
Brazil	3,249	4,038	5,178	5,977	6,405	9,790	5,509
European Union	50,939	75,913	102,346	103,548	96,588	123,840	66,421
of Which :							
Germany	1,682	3,135	4,086	4,729	4,401	5,588	1,598
Holland	10,338	18,216	24,308	24,331	18,630	24,529	13,436
England	3,443	6,353	6,855	3,843	4,175	3,562	2,612
Portugal	1,129	1,395	1,857	2,035	2,316	3,577	1,814
France	8,774	12,335	16,102	15,420	15,380	18,568	11,557
Italy	8,865	12,553	20,145	19,359	17,239	22,902	9,653
Greece	4,485	6,430	8,461	8,758	7,032	7,827	3,799
Spain	6,536	8,382	11,134	13,417	14,990	21,049	12,274
Belgium	4,440	5,673	8,528	10,746	10,877	13,867	8,807
Europe not European Union	1,710	1,642	690	2,227	703	1,516	995
Other Countries	35	77	18	14	24	73	9
Grand Total	349,664	472,491	677,144	791,339	874,403	1,175,482	721,109

⁽¹⁾Revised. ⁽²⁾Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



SECTION (8)

BALANCE OF PAYMENTS STATISTICS

TABLE

PAGE No.

1(a)-	Balance of Payments Statistics (Million Riyals)	324
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1(b)-	Balance of Payments Statistics BPM5 (Million Riyals)	328
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2(a)-	Balance of Payments Statistics (Million Dollars)	330
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2(b)-	Balance of Payments Statistics BPM5 (Million Dollars)	334
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TABLE 1(a): BALANCE OF PAYMENTS

(Million Riyals)

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
1. Merchandise Trade, F.O.B.	2,938	3,174	3,488	3,112	3,367	4,373	4,528	4,556	4,667	6,089	8,245	11,935
A) Oil Exports (Excl.Bunker Oil)	4,038	4,475	4,813	4,734	5,432	6,954	7,171	8,010	8,276	9,698	11,548	16,152
B) Other Exports	14	23	32	45	53	62	73	86	101	119	31	63
Of Which Re-Exports	--	--	--	--	--	--	--	--	--	--	--	--
C) Imports	-1,114	-1,324	-1,357	-1,666	-2,119	-2,643	-2,716	-3,540	-3,710	-3,727	-3,334	-4,280
2. Services And Transfers	-1,929	-2,342	-2,936	-2,255	-2,845	-3,592	-3,771	-4,916	-5,081	-5,623	-3,888	-3,267
A) Receipts	451	397	406	538	641	707	876	981	1,049	1,319	1,545	1,954
I) Investment Income	--	--	38	74	113	127	219	230	170	275	301	435
II) Oil Sector (Bunker Oil)	99	116	112	130	160	180	230	265	270	639	563	614
III) Other	352	281	257	334	369	401	427	486	610	405	681	905
B) Payments	2,380	2,739	3,342	2,793	3,486	4,299	4,647	5,897	6,130	6,942	5,433	5,221
I) Freight And Insurance	106	126	131	161	205	167	262	349	365	365	333	428
II) Oil Sector	1,638	1,825	2,413	1,679	1,959	2,638	2,647	3,088	3,180	3,511	1,771	556
III) Other Private Services	321	389	324	384	415	589	620	647	712	1,058	843	1,139
IV) Other Govt. Services ⁽¹⁾	63	189	243	315	342	278	514	1,223	1,264	1,186	1,556	1,991
V) Private Transfers	253	210	231	254	564	626	605	590	609	822	930	1,107
3. Current Account Balance (1+2)	1,008	832	551	857	522	781	757	-360	-414	467	4,357	8,668
4. Capital Movements And Reserves	-1,008	-832	-551	-857	-522	-781	-757	360	414	-467	-4,357	-8,668
A) Oil Sector And Other Capital Transactions (Net)	68	148	-143	71	-338	-194	-432	43	147	-103	-497	311
B) Other Private Capital (net) ⁽²⁾	-698	-922	701	-499	315	-152	189	10	-118	-361	-413	-3,050
C) Commercial Banks (net)	-113	41	-45	-27	122	68	-221	54	-45	-104	-103	-741
D) Official Capital & Reserves	-266	-99	-1,065	-402	-621	-503	-294	254	430	101	-3,344	-5,188
Average Exchange Rate (Rls Per \$)	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.471	4.150



Contd...2 TABLE 1(a): BALANCE OF PAYMENTS

(Million Riyals)

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
1. Merchandise Trade, F.O.B.	15,036	106,741	83,115	100,202	99,186	66,627	124,687	250,020	277,174	135,175	42,983	31,248
A) Oil Exports (Excl.Bunker Oil)	21,583	115,684	95,587	125,350	141,807	125,265	194,459	334,543	375,320	249,978	154,178	127,423
B) Other Exports	98	283	418	428	431	490	504	519	2,954	3,278	3,565	4,450
Of Which Re-Exports	--	--	--	--	--	--	--	--	(2413)	(2695)	(2619)	(2505)
C) Imports	-6,645	-9,226	-12,890	-25,576	-43,052	-59,128	-70,276	-85,042	-101,100	-118,081	-114,760	-100,625
2. Services And Transfers	-5,702	-24,751	-32,779	-49,788	-57,215	-74,155	-84,271	-107,780	-138,051	-109,220	-101,199	-96,093
A) Receipts	2,873	9,238	11,259	16,121	21,190	21,987	25,933	37,480	54,197	64,967	69,858	62,012
I) Investment Income	761	4,325	6,539	10,277	14,057	14,622	16,518	24,761	37,059	48,197	54,819	47,096
II) Oil Sector (Bunker Oil)	793	2,616	1,755	2,047	2,168	1,843	2,561	2,854	1,996	1,124	701	426
III) Other	1,319	2,297	2,965	3,797	4,965	5,522	6,854	9,865	15,142	15,646	14,338	14,490
B) Payments	8,575	33,989	44,038	65,909	78,405	96,142	110,204	145,260	192,248	174,187	171,057	158,105
I) Freight And Insurance	671	923	1,933	5,115	8,610	10,052	11,947	15,308	18,198	21,254	20,657	18,112
II) Oil Sector	1,267	17,380	5,676	7,788	8,621	3,954	6,943	23,011	32,470	21,291	10,437	11,019
III) Other Private Services	1,960	2,591	6,036	9,659	13,528	24,338	29,537	22,267	39,318	38,268	36,080	31,929
IV) Other Govt. Services ⁽¹⁾	3,230	11,260	28,448	39,853	42,337	48,126	49,124	71,058	84,168	75,044	85,797	78,422
V) Private Transfers	1,447	1,835	1,945	3,494	5,309	9,672	12,653	13,616	18,094	18,330	18,086	18,623
3. Current Account Balance (1+2)	9,334	81,990	50,336	50,414	41,971	-7,528	40,416	142,240	139,123	25,955	-58,216	-64,845
4. Capital Movements And Reserves	-9,334	-81,990	-50,336	-50,414	-41,971	7,528	-40,416	-142,240	-139,123	-25,955	58,216	64,845
A) Oil Sector And Other Capital Transactions (Net)	-2,315	-13,245	6,564	-1,397	2,757	1,893	-4,266	-10,617	21,980	38,153	17,077	17,094
B) Other Private Capital (net) ⁽²⁾	-3,370	-5,505	1,562	-4,030	-7,088	-11,752	-26,689	-32,965	3,447	-21,903	16,404	2,138
C) Commercial Banks (net)	51	-317	-467	-1,789	-3,319	1,458	-5,242	-12,353	-21,215	-10,738	-604	-3,709
D) Official Capital & Reserves	-3,700	-62,923	-57,995	-43,198	-34,321	15,929	-4,219	-86,305	-143,335	-31,467	25,339	49,322
Average Exchange Rate (Rls Per \$)	3.690	3.550	3.518	3.530	3.525	3.400	3.361	3.327	3.383	3.427	3.455	3.524



Contd...3 TABLE 1(a): BALANCE OF PAYMENTS

(Million Riyals)

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
1. Merchandise Trade, F.O.B.	25,462	11,333	18,184	16,895	33,953	85,096	80,818	74,556	61,441	79,300	90,852	131,852
A) Oil Exports (Excl.Bunker Oil)	93,623	66,665	76,271	75,440	89,965	149,649	162,764	173,752	144,202	142,401	162,593	202,638
B) Other Exports	5,601	7,864	10,379	15,620	16,005	16,056	15,317	14,082	14,134	16,761	24,320	24,181
Of Which Re-Exports	(2072)	(2612)	(2280)	(2392)	(2349)	(2414)	(2297)	(1545)	(1527)	(1312)	(1762)	(2321)
C) Imports	-73,762	-63,196	-68,466	-74,165	-72,017	-80,609	-97,263	-113,278	-96,895	-79,862	-96,061	-94,967
2. Services And Transfers	-72,317	-55,013	-54,788	-44,387	-69,729	-100,651	-184,320	-140,993	-126,109	-118,573	-110,795	-129,304
A) Receipts	58,188	51,642	49,104	47,961	48,748	46,435	44,023	41,102	35,979	28,062	32,201	30,192
I) Investment Income	44,978	41,771	39,458	39,148	39,074	34,452	32,585	27,629	23,250	15,101	18,678	19,200
II) Oil Sector (Bunker Oil)	312	222	230	228	271	634	544	491	434	428	490	610
III) Other	12,898	9,649	9,416	8,585	9,403	11,349	10,894	12,982	12,295	12,533	13,033	10,382
B) Payments	130,505	106,655	103,892	92,348	118,477	147,086	228,343	182,095	162,088	146,635	142,996	159,496
I) Freight And Insurance	11,802	7,584	6,847	7,417	7,202	9,673	11,671	11,328	8,721	7,587	9,126	9,012
II) Oil Sector	6,361	2,441	2,531	2,682	3,813	4,569	7,243	7,281	8,613	9,587	8,179	10,039
III) Other Private Services	38,263	29,362	26,853	20,857	27,083	37,878	42,087	45,511	43,437	25,848	23,385	38,146
IV) Other Govt. Services ⁽¹⁾	55,245	49,480	49,183	37,008	48,385	52,883	115,859	67,803	42,457	35,821	40,079	44,202
V) Private Transfers	18,834	17,788	18,478	24,384	31,994	42,083	51,483	50,172	58,860	67,792	62,227	58,097
3. Current Account Balance (1+2)	-46,855	-43,680	-36,604	-27,492	-35,776	-15,555	-103,502	-66,437	-64,668	-39,273	-19,943	2,548
4. Capital Movements And Reserves	46,855	43,680	36,604	27,492	35,776	15,555	103,502	66,437	64,668	39,273	19,943	-2,548
A) Oil Sector And Other Capital Transactions (Net)	1,783	3,578	-4,402	-1,232	-2,453	6,979	604	-296	5,127	1,310	-7,030	-4,228
B) Other Private Capital (net) ⁽²⁾	25,051	15,952	33,185	19,875	30,009	10,001	99,056	51,776	35,747	31,584	15,634	42,329
C) Commercial Banks (net)	-3,160	-9,881	-5,330	-8,299	1,772	-9,054	2,280	18,085	-1,364	15,297	704	-9,225
D) Official Capital & Reserves	23,181	34,031	13,151	17,148	6,448	7,629	1,562	-3,128	25,158	-8,918	10,635	-31,424
Average Exchange Rate (Rls Per \$)	3.623	3.704	3.745	3.745	3.745	3.745	3.745	3.745	3.745	3.745	3.745	3.745



Contd...4 TABLE 1(a): BALANCE OF PAYMENTS

(Million Riyals)

	1997	1998	1999	2000	2001	2002	2003 ⁽³⁾	2004
1. Merchandise Trade, F.O.B.	128,088	41,906	93,267	185,866	146,949	159,932	205,261	308,255
A) Oil Exports (Excl.Bunker Oil)	199,172	121,607	167,793	264,951	223,532	238,587	307,591	414,059
B) Other Exports	27,672	23,416	21,786	24,805	30,693	32,436	41,148	57,186
Of Which Re-Exports	(2471)	(1795)	(1868)	(1886)	(3635)	(4077)	(4929)	(9229)
C) Imports	-98,756	-103,117	-96,312	-103,890	-107,276	-111,091	-143,478	-162,990
2. Services And Transfers	-126,944	-91,151	-91,726	-132,176	-111,873	-115,408	-118,038	-123,399
A) Receipts	38,095	39,834	42,415	31,260	34,919	34,061	33,512	39,232
I) Investment Income	21,555	21,757	21,764	12,543	15,467	13,929	11,163	16,042
II) Oil Sector (Bunker Oil)	599	365	505	796	673	718	926	1,246
III) Other	15,941	17,712	20,147	17,921	18,779	19,414	21,423	21,944
B) Payments	165,039	130,985	134,141	163,437	146,792	149,468	151,550	162,631
I) Freight And Insurance	8,888	9,280	8,668	9,350	9,655	9,998	12,913	14,669
II) Oil Sector	11,127	11,389	10,811	10,745	17,415	14,718	16,040	14,250
III) Other Private Services	45,085	23,149	26,678	31,628	17,176	16,821	18,331	27,611
IV) Other Govt. Services ⁽¹⁾	43,635	31,164	35,640	54,002	45,847	48,480	48,829	55,269
V) Private Transfers	56,304	56,003	52,343	57,713	56,699	59,451	55,437	50,832
3. Current Account Balance (1+2)	1,144	-49,245	1,542	53,689	35,075	44,524	87,223	184,856
4. Capital Movements And Reserves	-1,144	49,245	-1,542	-53,689	-35,075	-44,524	-87,223	-184,856
A) Oil Sector And Other Capital Transactions (Net)	11,398	16,063	-2,921	-7,054	74	-2,303	-2,199	-1,254
B) Other Private Capital (net) ⁽²⁾	3,408	-6,137	-34,446	-5,048	-28,827	-47,540	-20,197	-60,751
C) Commercial Banks (net)	14,047	10,632	2,505	3,574	-2,990	-12,741	11,472	-6,031
D) Official Capital & Reserves	-29,997	28,687	33,320	-45,161	-3,332	18,060	-76,298	-116,820
Average Exchange Rate (SR Per \$)	3.745	3.745	3.750	3.750	3.750	3.750	3.750	3.750

(-- Not Available)

⁽¹⁾ Including official transfers and contributions or capital subscriptions to international and regional development agencies.⁽²⁾ Including valuation adjustments and net errors and omissions. ⁽³⁾ Revised.

(-) Payments in the current account items, and outflow in the capital account items.

Remark: Table No. 1(b) indicates balance of payments items as from 2005 in accordance with the IMF's Fifth Manual of the Balance of Payments.





TABLE 1(b): BALANCE OF PAYMENTS

(Million Riyals)

	2005	2006	2007	2008 ⁽¹⁾	2009 ⁽⁴⁾
I : Current Account Balance	337,463	371,003	349,985	496,208	85,368
A . Goods and Services	391,220	419,484	389,885	548,134	154,966
1 . Goods	472,571	551,979	564,869	795,101	394,523
1 . 1 General Merchandise	474,873	554,378	568,434	797,654	396,694
1 . 1 . 1 Exports	676,481	790,738	874,010	1,175,066	720,714
1 . 1 . 1 . 1 Oil Exports	605,881	705,811	769,933	1,053,860	611,490
1 . 1 . 1 . 2 Non Oil Exports	70,600	84,927	104,077	121,206	109,224
1 . 1 . 2 Imports	201,608	236,360	305,576	377,411	324,020
1 . 2 Nonmonetary Gold	-2,302	-2,399	-3,565	-2,553	-2,171
Credit	663	600	393	486	438
Debit	2,965	2,999	3,958	3,040	2,609
2 . Services	-81,351	-132,494	-174,984	-246,967	-239,557
2 . 1 Transportation	-11,134	-12,422	-27,518	-49,749	-35,973
Credit	6,821	8,614	6,879	8,960	7,044
Debit	17,955	21,036	34,397	58,709	43,016
2 . 2 Travel	-16,716	-30,746	-53,212	-34,571	-48,188
Credit	17,333	17,858	22,380	22,161	22,364
Debit	34,049	48,605	75,592	56,732	70,552
2 . 3 Communication Services	-566	-1,158	-2,078	-3,926	-6,195
Credit	722	916	922	833	770
Debit	1,288	2,074	3,000	4,760	6,965
2 . 4 Construction Services	-5,305	-11,826	-23,691	-16,842	-12,330
Credit				0	0
Debit	5,305	11,826	23,691	16,842	12,330
2 . 5 Insurance Services	-1,841	-2,204	-3,712	-6,289	-4,402
Credit				536	1,237
Debit	1,841	2,204	3,712	6,825	5,639
2 . 6 Financial Services	-13,236	-24,556	-9,472	-4,028	-1,075
Credit				1,626	3,380
Debit	13,236	24,556	9,472	5,654	4,455
2 . 7 Government Services ⁽²⁾	-49,484	-74,393	-61,911	-95,321	-103,788
Credit	865	855	915	905	1,205
Debit	50,349	75,248	62,826	96,226	104,993
2 . 8 Other Services ⁽³⁾	16,931	24,811	6,611	-36,241	-27,606
Credit	17,013	24,941	28,822	128	211
Debit	82	130	22,210	36,369	27,817
B . Income	1,618	14,362	23,970	34,368	32,298
1 . Compensation of Employees	-1,891	-2,095	-2,163	-2,004	-2,118
Credit	352	396	463	811	815
Debit	2,243	2,491	2,626	2,815	2,933
2 . Investment Income	3,509	16,457	26,133	36,373	34,416
2 . 1 Direct Investment	-10,440	-12,686	-16,066	-24,192	-27,386
Credit	4,650	9,714	14,067	11,630	8,586
Debit	15,090	22,400	30,133	35,822	35,972
2 . 2 Portfolio Investment	11,160	23,314	33,760	53,138	52,788
Credit	11,160	23,314	33,760	53,372	53,323
Debit				234	535
2 . 3 Other Investment	2,790	5,829	8,440	7,427	9,014
Credit	2,790	5,829	8,440	14,806	11,246
Debit				7,379	2,232



Contd... TABLE 1(b): BALANCE OF PAYMENTS

(Million Riyals)

	2005	2006	2007	2008 ⁽¹⁾	2009 ⁽⁴⁾
C . Current Transfers	-55,374	-62,844	-63,870	-86,294	-101,896
1 . General Government	-2,930	-4,380	-3,657	-6,824	-7,195
Credit					
Debit	2,930	4,380	3,657	6,824	7,195
2 . Other Sectors	-52,444	-58,464	-60,213	-79,470	-94,701
2 . 1 Workers' Remittances	-51,395	-57,295	-59,009	-78,546	-94,453
Credit					
Debit	51,395	57,295	59,009	78,546	94,453
2 . 2 Other Transfers	-1,049	-1,169	-1,204	-924	-248
Credit					
Debit	1,049	1,169	1,204	924	248
II : Capital and Financial Account (NET)	-207,250	-294,003	-291,446	-383,611	50,896
1 . Direct Investment	46,677	68,744	91,700	134,843	31,317
Abroad	1,312	145	506	-13,116	-8,055
In Saudi Economy	45,365	68,599	91,195	147,959	39,373
2 . Portfolio Investments	1,313	-44,748	-20,521	-6,115	-75,334
Assets	1,313	-44,748	-20,521	-14,428	-75,315
Liabilities				8,314	-20
3 . Other Investments	-16,659	-52,072	-63,231	1,503	-27,171
Assets	-16,579	-52,339	-63,141	-9,607	-35,586
Liabilities	-80	267	-89	11,110	8,415
4 . Reserve Assets	-238,581	-265,927	-299,395	-513,843	122,084
4 . 1. Monetary Gold	0	0	0	-867	0
4 . 2. Special Drawing Rights	-117	-339	-305	-52	-38,224
4 . 3. Reserve Position in the Fund	5,973	3,727	680	-2,448	-2,374
4 . 4. Other Reserve Assets	-244,437	-269,315	-299,770	-510,476	162,682
4 . 4. 1. Currency and Deposits	-71802	-13621	-134878	-146788	79977
4 . 4. 2. Securities	-172635	-255694	-164892	-363688	82705
III : Errors and Omissions	-130,214	-77,000	-58,539	-112,597	-136,265

(1) Revised.

(2) Not Included Elsewhere (n.i.e.)

(3) Other Services = Computer, Royalties, Personal & Cultural Services, and Business Services.

(4) Provisional.

(-) = Payments in the current account items, and outflow in the capital and financial account items.

TABLE 2(a): BALANCE OF PAYMENTS

(Million US\$)

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
1. Merchandise Trade, F.O.B.	653	705	775	692	748	972	1,006	1,012	1,037	1,353	1,844	2,876
A) Oil Exports (Excl.Bunker Oil)	897	995	1,070	1,052	1,207	1,545	1,594	1,780	1,839	2,155	2,583	3,892
B) Other Exports	3	5	7	10	12	14	16	19	22	26	7	15
Of Which Re-Exports	--	--	--	--	--	--	--	--	--	--	--	--
C) Imports	-248	-294	-302	-370	-471	-587	-604	-787	-824	-828	-746	-1,031
2. Services And Transfers	-429	-520	-653	-501	-632	-798	-838	-1,093	-1,129	-1,250	-870	-787
A) Receipts	100	88	90	120	143	157	195	218	233	293	345	471
I) Investment Income	--	--	8	16	25	28	49	51	38	61	67	105
II) Oil Sector (Bunker Oil)	22	26	25	29	36	40	51	59	60	90	126	148
III) Other	78	62	57	74	82	89	95	108	136	142	152	218
B) Payments	529	609	743	621	775	955	1,033	1,311	1,362	1,543	1,215	1,258
I) Freight And Insurance	24	28	29	36	46	37	58	78	81	81	74	103
II) Oil Sector	364	406	536	373	435	586	588	686	707	780	396	134
III) Other Private Services	71	87	72	85	92	131	138	144	158	235	189	274
IV) Other Govt. Services ⁽¹⁾	14	42	54	70	76	62	114	272	281	264	348	480
V) Private Transfers	56	47	51	56	125	139	134	131	135	183	208	267
3. Current Account Balance (1+2)	224	185	123	190	116	174	168	-81	-92	104	974	2,089
4. Capital Movements And Reserves	-224	-185	-123	-190	-116	-174	-168	81	92	-104	-974	-2,089
A) Oil Sector And Other Capital Transactions (Net)	15	33	-32	16	-75	-43	-96	10	33	-23	-111	75
B) Other Private Capital (net) ⁽²⁾	-155	-205	156	-111	70	-33	42	3	-27	-80	-33	-733
C) Commercial Banks (net)	-25	9	-10	-6	27	15	-49	12	-10	-23	-23	-179
D) Official Capital & Reserves	-59	-22	-237	-89	-138	-112	-65	56	96	22	-807	-1,252
Average Exchange Rate (SR Per \$)	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.500	4.471	4.150



Contd...2 TABLE 2(a): BALANCE OF PAYMENTS

(Million US\$)

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
1. Merchandise Trade, F.O.B.	4,075	30,068	23,628	28,386	28,137	19,598	37,101	75,156	81,941	39,439	12,441	8,868
A) Oil Exports (Excl.Bunker Oil)	5,849	32,587	27,174	35,510	40,228	36,847	57,861	100,563	110,956	72,935	44,626	36,161
B) Other Exports	27	80	119	121	122	144	150	156	873	956	1,032	1,263
Of Which Re-Exports	--	--	--	--	--	--	--	--	(713)	(786)	(758)	(711)
C) Imports	-1,801	-2,599	-3,665	-7,245	-12,213	-17,393	-20,910	-25,563	-29,888	-34,452	-33,217	-28,556
2. Services And Transfers	-1,545	-6,973	-9,319	-14,104	-16,231	-21,813	-25,075	-32,398	-40,813	-31,866	-29,291	-27,269
A) Receipts	779	2,602	3,201	4,567	6,011	6,467	7,717	11,267	16,021	18,955	20,220	17,598
I) Investment Income	206	1,218	1,859	2,911	3,988	4,301	4,915	7,443	10,956	14,062	15,867	13,365
II) Oil Sector (Bunker Oil)	216	737	499	580	615	542	762	858	590	328	203	121
III) Other	357	647	843	1,076	1,408	1,624	2,040	2,966	4,475	4,565	4,150	4,112
B) Payments	2,324	9,575	12,520	18,671	22,242	28,280	32,792	43,665	56,834	50,821	49,511	44,867
I) Freight And Insurance	182	260	550	1,449	2,442	2,957	3,555	4,602	5,380	6,201	5,979	5,140
II) Oil Sector	343	4,896	1,614	2,206	2,446	1,163	2,066	6,917	9,599	6,212	3,021	3,126
III) Other Private Services	531	730	1,716	2,736	3,838	7,159	8,789	6,693	11,623	11,165	10,443	9,061
IV) Other Govt. Services ⁽¹⁾	876	3,172	8,087	11,290	12,010	14,156	14,617	21,360	24,883	21,895	24,833	22,255
V) Private Transfers	392	517	553	990	1,506	2,845	3,765	4,093	5,349	5,348	5,235	5,285
3. Current Account Balance (1+2)	2,530	23,095	14,309	14,282	11,906	-2,215	12,026	42,758	41,128	7,573	-16,850	-18,401
4. Capital Movements And Reserves	-2,530	-23,095	-14,309	-14,282	-11,906	2,215	-12,026	-42,758	-41,128	-7,573	16,850	18,401
A) Oil Sector And Other Capital Transactions (Net)	-627	-3,731	1,866	-396	782	557	-1,269	-3,191	6,498	11,132	4,943	4,851
B) Other Private Capital (net) ⁽²⁾	-398	-1,550	1,179	-1,665	-1,289	665	-8,842	-9,701	-1,393	-7,884	2,860	-1,463
C) Commercial Banks (net)	14	-89	-132	-507	-950	442	-1,560	-3,713	-6,272	-3,133	-175	-1,053
D) Official Capital & Reserves	-1,519	-17,725	-17,222	-11,714	-10,449	551	-355	-26,153	-39,961	-7,688	9,222	16,066
Average Exchange Rate (Rls Per \$)	3.690	3.550	3.518	3.530	3.525	3.400	3.361	3.327	3.383	3.427	3.455	3.524



Contd...3 TABLE 2(a): BALANCE OF PAYMENTS

(Million US\$)

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
1. Merchandise Trade, F.O.B.	7,028	3,060	4,855	4,511	9,067	22,723	21,581	19,908	16,406	21,175	24,259	35,207
A) Oil Exports (Excl.Bunker Oil)	25,844	18,000	20,366	20,144	24,023	39,960	43,462	46,396	38,505	38,024	43,416	54,109
B) Other Exports	1,546	2,123	2,771	4,171	4,274	4,287	4,090	3,760	3,774	4,476	6,494	6,456
Of Which Re-Exports	(572)	(705)	(609)	(639)	(628)	(645)	(613)	(413)	(408)	(350)	(470)	(619)
C) Imports	-20,362	-17,063	-18,282	-19,804	-19,230	-21,524	-25,971	-30,248	-25,873	-21,325	-25,651	-25,358
2. Services And Transfers	-19,963	-14,855	-14,630	-11,852	-18,619	-26,876	-49,218	-37,647	-33,675	-31,662	-29,585	-34,527
A) Receipts	16,062	13,943	13,111	12,806	13,017	12,399	11,755	10,976	9,607	7,493	8,598	8,062
I) Investment Income	12,416	11,278	10,536	10,453	10,434	9,199	8,701	7,378	6,208	4,032	4,987	5,127
II) Oil Sector (Bunker Oil)	86	60	61	61	72	169	145	131	116	114	131	163
III) Other	3,560	2,605	2,514	2,292	2,511	3,031	2,909	3,467	3,283	3,347	3,480	2,772
B) Payments	36,025	28,798	27,741	24,658	31,636	39,275	60,973	48,623	43,282	39,155	38,183	42,589
I) Freight And Insurance	3,258	2,048	1,828	1,980	1,923	2,583	3,117	3,025	2,329	2,026	2,437	2,406
II) Oil Sector	1,756	659	676	716	1,018	1,220	1,934	1,944	2,300	2,560	2,184	2,681
III) Other Private Services	10,562	7,928	7,170	5,569	7,232	10,114	11,238	12,152	11,599	6,902	6,244	10,186
IV) Other Govt. Services ⁽¹⁾	15,250	13,360	13,133	9,882	12,920	14,121	30,937	18,105	11,337	9,565	10,702	11,803
V) Private Transfers	5,199	4,803	4,934	6,511	8,543	11,237	13,747	13,397	15,717	18,102	16,616	15,513
3. Current Account Balance (1+2)	-12,935	-11,795	-9,775	-7,341	-9,552	-4,153	-27,637	-17,739	-17,269	-10,487	-5,326	680
4. Capital Movements And Reserves	12,935	11,795	9,775	7,341	9,552	4,153	27,637	17,739	17,269	10,487	5,326	-680
A) Oil Sector And Other Capital Transactions (Net)	492	966	-1,175	-329	-655	1,864	161	-79	1,369	350	-1,877	-1,129
B) Other Private Capital (net) ⁽²⁾	3,931	4,147	8,761	5,175	7,963	2,611	26,438	13,848	9,352	8,502	4,093	11,545
C) Commercial Banks (net)	-872	-2,668	-1,423	-2,216	473	-2,418	609	4,829	-364	4,085	188	-2,463
D) Official Capital & Reserves	9,384	9,350	3,612	4,711	1,771	2,096	429	-859	6,912	-2,450	2,922	-8,633
Average Exchange Rate (Rls Per \$)	3.623	3.704	3.745	3.745	3.745	3.745	3.745	3.745	3.745	3.745	3.745	3.745



Contd...4 TABLE 2(a): BALANCE OF PAYMENTS

(Million US\$)

	1997	1998	1999	2000	2001	2002	2003 ⁽³⁾	2004
1. Merchandise Trade, F.O.B.	34,202	11,190	24,871	49,564	39,187	42,649	54,736	82,201
A) Oil Exports (Excl. Bunker Oil)	53,183	32,472	44,745	70,654	59,609	63,623	82,024	110,416
B) Other Exports	7,389	6,253	5,810	6,615	8,185	8,650	10,973	15,250
Of Which Re-Exports	(660)	(479)	(498)	(503)	(969)	(1087)	(1314)	(2461)
C) Imports	-26,370	-27,535	-25,683	-27,704	-28,607	-29,624	-38,261	-43,464
2. Services And Transfers	-33,896	-24,338	-24,460	-35,247	-29,833	-30,776	-31,475	-32,906
A) Receipts	10,173	10,637	11,311	8,336	9,312	9,083	8,937	10,462
I) Investment Income	5,756	5,810	5,804	3,345	4,125	3,714	2,977	4,278
II) Oil Sector (Bunker Oil)	160	97	135	212	179	191	247	332
III) Other	4,257	4,730	5,372	4,779	5,008	5,177	5,713	5,852
B) Payments	44,069	34,975	35,771	43,583	39,145	39,859	40,412	43,368
I) Freight And Insurance	2,373	2,478	2,311	2,493	2,575	2,666	3,443	3,912
II) Oil Sector	2,971	3,041	2,884	2,865	4,644	3,925	4,277	3,800
III) Other Private Services	12,039	6,181	7,114	8,434	4,580	4,486	4,888	7,363
IV) Other Govt. Services ⁽¹⁾	11,652	8,321	9,504	14,400	12,226	12,928	13,021	14,738
V) Private Transfers	15,034	14,954	13,958	15,390	15,120	15,854	14,783	13,555
3. Current Account Balance (1+2)	306	-13,148	411	14,317	9,353	11,873	23,261	49,295
4. Capital Movements And Reserves	-306	13,148	-411	-14,317	-9,353	-11,873	-23,261	-49,295
A) Oil Sector And Other Capital Transactions (Net)	3,044	4,289	-779	-1,881	20	-614	-586	-334
B) Other Private Capital (net) ⁽²⁾	1,140	-1,861	-9,455	-982	-7,661	-12,823	-4,773	-15,259
C) Commercial Banks (net)	3,751	2,839	668	953	-797	-3,398	3,059	-1,608
D) Official Capital & Reserves	-8,241	7,881	9,154	-12,407	-915	4,962	-20,961	-32,093
Average Exchange Rate (Rls Per \$)	3.745	3.745	3.750	3.750	3.750	3.750	3.750	3.750

(--) Not Available

⁽¹⁾ Including official transfers and contributions or capital subscriptions to international and regional development agencies.

⁽²⁾ Including valuation adjustments and net errors and omissions. ⁽³⁾ Revised.

(-) Payments in the current account items, and outflow in the capital account items.

Remark: Table No. 2(b) indicates balance of payments items as from 2005 in accordance with the IMF's Fifth Manual of the Balance of Payments.





TABLE 2(b): BALANCE OF PAYMENTS

(Million US\$)

	2005	2006	2007	2008 ⁽¹⁾	2009 ⁽⁴⁾
I : Current Account Balance	89,990	98,934	93,329	132,322	22,765
A . Goods and Services	104,325	111,863	103,969	146,169	41,324
1 . Goods	126,019	147,194	150,632	212,027	105,206
1 . 1 General Merchandise	126,633	147,834	151,582	212,708	105,785
1 . 1 . 1 Exports	180,395	210,863	233,069	313,351	192,190
1 . 1 . 1 . 1 Oil Exports	161,568	188,216	205,315	281,029	163,064
1 . 1 . 1 . 2 Non Oil Exports	18,827	22,647	27,754	32,321	29,126
1 . 1 . 2 Imports	53,762	63,029	81,487	100,643	86,405
1 . 2 Nonmonetary Gold	-614	-640	-951	-681	-579
Credit	177	160	105	130	117
Debit	791	800	1,055	811	696
2 . Services	-21,694	-35,332	-46,662	-65,858	-63,882
2 . 1 Transportation	-2,969	-3,312	-7,338	-13,267	-9,593
Credit	1,819	2,297	1,834	2,389	1,878
Debit	4,788	5,610	9,173	15,656	11,471
2 . 2 Travel	-4,457	-8,199	-14,190	-9,219	-12,850
Credit	4,622	4,762	5,968	5,910	5,964
Debit	9,080	12,961	20,158	15,129	18,814
2 . 3 Communication Services	-151	-309	-554	-1,047	-1,652
Credit	192	244	246	222	205
Debit	343	553	800	1,269	1,857
2 . 4 Construction Services	-1,415	-3,154	-6,318	-4,491	-3,288
Credit					0
Debit	1,415	3,154	6,318	4,491	3,288
2 . 5 Insurance Services	-491	-588	-990	-1,677	-1,174
Credit				143	330
Debit	491	588	990	1,820	1,504
2 . 6 Financial Services	-3,530	-6,548	-2,526	-1,074	-287
Credit				434	901
Debit	3,530	6,548	2,526	1,508	1,188
2 . 7 Government Services ⁽²⁾	-13,196	-19,838	-16,510	-25,419	-27,677
Credit	231	228	244	241	321
Debit	13,426	20,066	16,754	25,660	27,998
2 . 8 Other Services ⁽³⁾	4,515	6,616	1,763	-9,664	-7,362
Credit	4,537	6,651	7,686	34	56
Debit	22	35	5,923	9,698	7,418
B . Income	432	3,830	6,392	9,165	8,613
1 . Compensation of Employees	-504	-559	-577	-534	-565
Credit	94	106	123	216	217
Debit	598	664	700	751	782
2 . Investment Income	936	4,388	6,969	9,699	9,178
2 . 1 Direct Investment	-2,784	-3,383	-4,284	-6,451	-7,303
Credit	1,240	2,590	3,751	3,101	2,290
Debit	4,024	5,973	8,035	9,553	9,593
2 . 2 Portfolio Investment	2,976	6,217	9,003	14,170	14,077
Credit	2,976	6,217	9,003	14,232	14,219
Debit				62	143
2 . 3 Other Investment	744	1,554	2,251	1,981	2,404
Credit	744	1,554	2,251	3,948	2,999
Debit				1,968	595



Contd...TABLE 2(b): BALANCE OF PAYMENTS

(Million US\$)

	2005	2006	2007	2008 ⁽¹⁾	2009 ⁽⁴⁾
C . Current Transfers	-14,766	-16,758	-17,032	-23,012	-27,172
1 . General Government	-781	-1,168	-975	-1,820	-1,919
Credit					
Debit	781	1,168	975	1,820	1,919
2 . Other Sectors	-13,985	-15,590	-16,057	-21,192	-25,254
2 . 1 Workers' Remittances	-13,705	-15,279	-15,736	-20,945	-25,187
Credit					
Debit	13,705	15,279	15,736	20,945	25,187
2 . 2 Other Transfers	-280	-312	-321	-246	-66
Credit					
Debit	280	312	321	246	66
II : Capital and Financial Account (NET)	-55,267	-78,401	-77,719	-102,296	13,572
1 . Direct Investment	12,447	18,332	24,453	35,958	8,351
Abroad	350	39	135	-3,498	-2,148
In Saudi Economy	12,097	18,293	24,319	39,456	10,499
2 . Portfolio Investments	350	-11,933	-5,472	-1,631	-20,089
Assets	350	-11,933	-5,472	-3,848	-20,084
Liabilities	0	0	0	2,217	-5
3 . Other Investments	-4,442	-13,886	-16,861	401	-7,246
Assets	-4,421	-13,957	-16,838	-2,562	-9,490
Liabilities	-21	71	-24	2,963	2,244
4 . Reserve Assets	-63,622	-70,914	-79,839	-137,025	32,556
4 . 1. Monetary Gold	0	0	0	-231	0
4 . 2. Special Drawing Rights	-31	-90	-81	-14	-10,193
4 . 3. Reserve Position in the Fund	1,593	994	181	-653	-633
4 . 4. Other Reserve Assets	-65,183	-71,817	-79,939	-136,127	43,382
4 . 4. 1. Currency and Deposits	-19,147	-3,632	-35,967	-39,143	21,327
4 . 4. 2. Securities	-46,036	-68,185	-43,971	-96,983	22,055
III : Errors and Omissions	-34,724	-20,533	-15,610	-30,026	-36,337

(1) Revised.

(2) Not Included Elsewhere (n.i.e.)

(3) Other Services = Computer, Royalties, Personal & Cultural Services, and Business Services.

(4) Provisional.

(-) = Payments in the current account items, and outflow in the capital and financial account items.



SECTION (9)

NATIONAL ACCOUNT STATISTICS

TABLE	PAGE No.
1- Gross Domestic Product By Type Of Economic Activity (At Producers' Values At Current Prices)	337
2- Gross Domestic Product By Type Of Economic Activity (At Producers' Values At Constant Prices)	341
3- Gross Domestic Product And Expenditure (At Purchasers' Values At Current Prices)	345
4- Allocation Of Gross Domestic Product By Institutional Sectors (At Producers' Values At Current Prices)	346
5- Allocation Of Gross Domestic Product By Institutional Sectors (At Producers' Values At Constant Prices)	347
6- Gross Fixed Capital Formation By Type Of Capital Goods (At Purchasers' Values At Current Prices)	348
7- Gross Domestic Product By Sectors	350
7(a)- Annual Changes In Gross Domestic Product By Sectors	352
8- Gross Domestic Product Per Capita	354
9- Government Final Consumption Expenditure (At Purchasers' Values At Current Prices)	355
10- Contribution Of Services Sector To GDP At Current Prices	356

TABLE (1): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CURRENT PRICES)

(Million Riyals)

	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
A - Industries and Other Producers Except Producers of Government Services:											
1. Agriculture, Forestry & Fishing	930	993	1,025	1,064	1,128	1,218	1,347	1,528	1,788	3,066	4,195
2. Mining and Quarrying :	7,371	7,622	8,738	15,241	20,521	30,804	119,371	97,974	129,182	137,830	121,480
a) Crude Petroleum & Natural Gas	7,324	7,572	8,689	15,186	20,447	30,687	119,166	97,568	128,476	136,869	120,368
b) Other	47	50	49	55	74	117	205	406	706	961	1,112
3. Manufacturing:	1,460	1,556	1,997	2,194	2,392	2,918	7,866	8,301	10,462	11,232	12,445
a) Petroleum Refining	952	987	1,356	1,472	1,571	1,968	6,264	5,600	6,668	6,075	5,733
b) Other	508	569	641	722	821	950	1,602	2,701	3,794	5,157	6,712
4. Electricity, Gas and Water	2,063	2,310	2,557	2,724	2,812	2,936	2,424	1,578	1,340	1,596	2,081
5. Construction	798	848	829	922	1,249	1,983	4,354	10,358	18,421	24,691	28,307
6. Wholesale & Retail Trade, Restaurants and Hotels	894	1,016	1,091	1,175	1,410	2,008	3,230	5,289	7,842	10,665	13,548
7. Transport, Storage & Communication	866	979	1,085	1,241	1,471	1,949	2,074	2,589	4,493	6,983	9,491
8. Finance, Insurance, Real Estate & Business Services:	3,479	3,817	4,199	4,619	5,406	7,030	14,128	26,866	38,367	46,032	55,709
a) Ownership of Dwellings	3,031	3,341	3,692	4,075	4,767	6,167	12,288	23,285	33,181	39,511	47,498
b) Other	448	476	507	544	639	863	1,840	3,581	5,186	6,521	8,210
9. Community, Social & Personal Services	291	325	364	407	492	581	1,174	2,380	3,402	4,381	5,558
10. Less: Imputed Bank Services Charge	1,372	1,535	1,699	1,810	1,867	1,953	1,752	1,462	1,632	2,340	3,410
SUB - TOTAL	16,780	17,930	20,186	27,777	35,014	49,473	154,216	155,401	213,667	244,135	249,401
B - Producers of Govt. Services:	1,819	1,985	2,093	2,347	2,805	3,574	5,060	7,755	10,774	15,413	21,038
Total Except Import Duties	18,599	19,915	22,279	30,124	37,819	53,047	159,276	163,156	224,441	259,548	270,439
Import Duties	246	271	286	373	440	483	442	514	908	1,411	1,827
Gross Domestic Product (GDP)	18,845	20,186	22,565	30,497	38,259	53,530	159,718	163,670	225,349	260,959	272,266



Contd...2 TABLE (1): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CURRENT PRICES)

(Million Riyals)

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
A - Industries and Other Producers Except Producers of Government Services:											
1. Agriculture, Forestry & Fishing	4,601	5,399	6,255	8,372	9,643	11,620	13,789	15,861	18,312	20,895	22,650
2. Mining and Quarrying :	189,048	324,671	357,669	237,870	145,714	122,169	90,098	63,020	65,113	63,471	85,659
a) Crude Petroleum & Natural Gas	187,745	323,048	355,736	235,975	143,865	120,305	88,286	61,262	63,390	61,711	83,847
b) Other	1,303	1,623	1,933	1,895	1,849	1,864	1,812	1,758	1,723	1,760	1,812
3. Manufacturing:	19,067	22,412	30,150	25,841	28,162	32,679	30,029	25,069	29,247	30,180	31,346
a) Petroleum Refining	10,568	12,026	17,134	10,883	11,817	13,824	10,200	5,894	9,902	9,675	9,405
b) Other	8,499	10,386	13,016	14,958	16,345	18,855	19,829	19,175	19,345	20,505	21,941
4. Electricity, Gas and Water	2,380	3,191	4,037	1,273	1,770	1,002	2,654	4,611	6,004	6,365	6,612
5. Construction	33,412	41,073	49,233	49,156	44,914	38,483	33,160	29,090	28,457	27,408	27,791
6. Wholesale & Retail Trade, Restaurants and Hotels	17,434	21,911	26,864	29,868	31,155	31,276	31,108	29,924	28,612	27,587	26,842
7. Transport, Storage & Communication	11,943	13,666	15,917	17,541	18,490	18,995	18,896	18,150	17,596	18,169	18,419
8. Finance, Insurance, Real Estate & Business Services:	66,598	75,927	84,570	93,195	98,362	92,373	78,275	61,312	54,509	54,093	54,899
a) Ownership of Dwellings	56,414	62,780	66,777	70,589	73,579	68,790	55,842	41,609	34,235	31,954	31,839
b) Other	10,184	13,147	17,793	22,605	24,783	23,582	22,433	19,704	20,273	22,139	23,060
9. Community, Social & Personal Services	7,086	7,970	9,849	12,141	13,256	13,843	15,739	15,099	14,989	15,845	16,283
10. Less: Imputed Bank Services Charge	4,528	5,657	6,565	7,057	7,218	7,504	6,242	7,280	8,007	8,211	8,467
SUB - TOTAL	347,041	510,565	577,979	468,202	384,248	354,936	307,505	254,856	254,831	255,802	282,033
B - Producers of Govt. Services:	26,268	33,505	41,559	52,748	57,285	61,480	64,903	63,919	62,648	66,481	68,291
Total Except Import Duties	373,309	544,070	619,538	520,949	441,533	416,416	372,408	318,775	317,478	322,283	350,325
Import Duties	2,160	2,534	2,637	3,248	3,677	3,973	3,910	3,245	3,453	8,236	6,740
Gross Domestic Product (GDP)	375,469	546,604	622,175	524,197	445,210	420,389	376,318	322,020	320,931	330,519	357,065



**Contd...3 TABLE (1): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CURRENT PRICES)**

(Million Riyals)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
A - Industries and Other Producers Except Producers of Government Services:											
1. Agriculture, Forestry & Fishing	25,142	26,902	28,785	30,224	31,131	31,598	32,162	33,400	33,901	34,443	34,973
2. Mining and Quarrying :	140,462	158,830	176,878	149,716	149,088	165,891	202,493	203,256	131,865	175,566	262,399
a) Crude Petroleum & Natural Gas	138,650	156,964	174,942	147,703	146,984	163,777	200,321	200,941	129,480	173,102	259,847
b) Other	1,812	1,866	1,936	2,013	2,104	2,114	2,172	2,315	2,385	2,464	2,552
3. Manufacturing:	37,635	42,134	46,064	45,074	47,343	51,359	57,965	62,350	58,094	62,800	68,290
a) Petroleum Refining	14,471	16,654	18,673	15,765	15,689	17,014	18,867	19,852	15,554	18,021	21,084
b) Other	23,164	25,480	27,391	29,309	31,654	34,345	39,098	42,498	42,540	44,779	47,206
4. Electricity, Gas and Water	6,692	6,968	6,154	6,391	6,637	6,931	7,196	7,591	7,860	8,174	8,515
5. Construction	28,565	30,565	32,704	34,502	35,796	36,440	38,841	39,027	40,314	39,437	41,724
6. Wholesale & Retail Trade, Restaurants and Hotels	28,184	30,623	32,154	33,279	33,944	35,430	36,072	38,654	42,359	45,992	47,832
7. Transport, Storage & Communication	19,928	21,713	22,904	23,820	24,534	24,903	25,068	26,112	26,811	27,893	29,103
8. Finance, Insurance, Real Estate & Business Services:	56,028	58,586	60,923	62,924	65,122	65,226	68,730	71,185	70,172	73,824	76,204
a) Ownership of Dwellings	31,781	33,683	35,148	36,376	37,831	38,208	41,457	42,417	40,757	42,221	43,056
b) Other	24,247	24,903	25,775	26,548	27,291	27,018	27,273	28,768	29,415	31,603	33,148
9. Community, Social & Personal Services	17,062	17,346	17,930	18,468	19,022	19,307	19,713	20,447	20,864	21,377	22,176
10. Less: Imputed Bank Services Charge	8,575	9,100	9,005	9,614	10,216	10,529	10,460	10,860	11,523	12,340	13,334
SUB - TOTAL	351,123	384,567	415,492	394,785	402,402	426,557	477,780	491,162	420,717	477,166	577,884
B - Producers of Govt. Services:	79,211	100,285	85,867	90,845	92,364	99,447	104,093	117,640	115,918	116,789	119,123
Total Except Import Duties	430,334	484,853	501,359	485,630	494,766	526,004	581,873	608,802	536,635	593,955	697,007
Import Duties	7,000	7,000	9,100	9,277	8,289	7,500	8,875	9,100	10,013	9,634	9,650
Gross Domestic Product (GDP)	437,334	491,853	510,459	494,907	503,055	533,504	590,748	617,902	546,648	603,589	706,657



**Contd...4 TABLE (1): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CURRENT PRICES)**

(Million Riyals)

	2001	2002	2003	2004	2005	2006	2007	2008	2009*	% Share
A - Industries and Other Producers Except Producers of Government Services:										
1. Agriculture, Forestry & Fishing	35,708	36,101	36,454	37,187	38,280	39,373	40,154	41,136	41,419	2.9
2. Mining and Quarrying :	230,250	236,926	294,111	384,469	571,008	668,421	732,654	1,025,169	613,690	43.6
a) Crude Petroleum & Natural Gas	227,607	234,206	291,326	381,582	567,992	665,276	729,361	1,021,714	610,100	43.3
b) Other	2,643	2,720	2,785	2,886	3,016	3,145	3,292	3,455	3,590	0.3
3. Manufacturing:	69,206	72,975	86,267	95,827	110,706	123,912	136,509	147,873	146,673	10.4
a) Petroleum Refining	19,356	20,434	29,732	32,435	39,453	43,710	46,691	45,975	46,874	3.3
b) Other	49,850	52,541	56,535	63,392	71,253	80,202	89,818	101,898	99,799	7.1
4. Electricity, Gas and Water	8,928	9,303	9,870	10,406	11,020	11,664	12,419	13,095	13,722	1.0
5. Construction	43,185	44,739	47,137	51,141	54,946	59,139	65,017	68,099	71,092	5.0
6. Wholesale & Retail Trade, Restaurants and Hotels	49,793	51,735	53,856	58,132	62,759	67,868	73,990	81,263	85,261	6.1
7. Transport, Storage & Communication	30,559	31,934	33,224	35,667	38,429	41,367	45,934	52,752	56,858	4.0
8. Finance, Insurance, Real Estate & Business Services:	78,873	82,072	85,843	91,218	97,784	104,798	111,438	119,063	126,965	9.0
a) Ownership of Dwellings	43,935	44,989	45,979	47,950	50,012	52,223	54,776	58,915	63,545	4.5
b) Other	34,938	37,082	39,863	43,268	47,772	52,575	56,661	60,148	63,419	4.5
9. Community, Social & Personal Services	23,064	24,124	25,114	26,478	27,855	29,203	30,631	32,301	33,889	2.4
10. Less: Imputed Bank Services Charge	13,991	14,714	15,244	15,950	16,739	17,575	18,280	18,825	19,299	1.4
SUB - TOTAL	555,575	575,195	656,632	774,575	996,048	1,128,170	1,230,465	1,561,925	1,170,360	83.1
B - Producers of Govt. Services:	123,589	124,486	139,929	155,371	176,350	196,386	200,306	209,278	225,867	16.0
Total Except Import Duties	679,163	699,680	796,561	929,946	1,172,399	1,324,556	1,430,771	1,771,203	1,396,227	99.1
Import Duties	7,133	7,386	8,087	8,825	10,115	11,025	11,801	14,940	12,897	0.9
Gross Domestic Product (GDP)	686,296	707,067	804,648	938,771	1,182,514	1,335,581	1,442,572	1,786,143	1,409,124	100.0

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



TABLE (2): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CONSTANT PRICES)
(1999 = 100)

(Million Riyals)

	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
A - Industries and Other Producers Except Producers of Government Services:											
1. Agriculture, Forestry & Fishing	5,215	5,510	5,493	5,707	6,028	6,371	6,751	7,186	7,721	11,893	10,510
2. Mining and Quarrying :	70,272	74,038	87,360	109,606	138,667	174,729	195,363	160,085	198,289	212,021	191,410
a) Crude Petroleum & Natural Gas	69,822	73,595	86,935	109,129	138,048	173,824	194,041	158,521	196,811	210,521	189,954
b) Other	450	443	425	477	619	905	1,322	1,564	1,478	1,500	1,456
3. Manufacturing:	7,703	8,312	10,325	10,562	11,181	12,178	15,219	15,186	16,047	17,351	18,835
a) Petroleum Refining	5,055	5,345	6,982	6,792	6,897	7,288	7,350	6,534	7,978	8,273	8,787
b) Other	2,648	2,967	3,343	3,770	4,284	4,890	7,869	8,652	8,069	9,078	10,048
4. Electricity, Gas and Water	709	801	890	941	1,003	1,151	1,024	761	885	1,429	2,109
5. Construction	9,474	9,431	8,836	9,476	12,170	17,131	30,600	44,339	46,099	45,475	46,372
6. Wholesale & Retail Trade, Restaurants and Hotels	3,542	3,991	4,203	4,429	5,235	7,103	9,563	11,539	12,601	14,325	18,058
7. Transport, Storage & Communication	4,924	5,604	6,127	7,131	8,384	10,461	10,105	10,602	11,707	12,967	15,502
8. Finance, Insurance, Real Estate & Business Services:	15,719	16,715	17,746	18,988	21,240	25,518	43,395	56,321	58,685	58,664	67,827
a) Ownership of Dwellings	10,257	11,051	11,910	12,921	14,416	17,040	28,428	40,180	44,291	43,902	50,799
b) Other	5,462	5,664	5,836	6,067	6,824	8,478	14,967	16,141	14,394	14,762	17,028
9. Community, Social & Personal Services	4,142	4,510	4,916	5,399	6,261	6,549	11,953	12,633	9,644	9,977	11,272
10. Less: Imputed Bank Services Charge	24290	25571	27506	27469	27245	26781	21079	6408	3736	4120	5096
SUB - TOTAL	97,411	103,341	118,388	144,772	182,922	234,409	302,894	312,245	357,942	379,982	376,798
B - Producers of Govt. Services:	24,478	25,875	26,649	29,000	32,185	36,928	44,615	53,584	54,883	61,041	60,255
Total Except Import Duties	121,889	129,216	145,037	173,772	215,107	271,336	347,509	365,829	412,825	441,023	437,054
Import Duties	2,725	2,921	3,002	3,790	4,171	4,116	3,673	3,710	3,715	4,689	4,315
Gross Domestic Product (GDP)	124,613	132,137	148,039	177,562	219,278	275,452	351,181	369,539	416,540	445,713	441,369



Contd...2 TABLE (2): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CONSTANT PRICES)
(1999 = 100)

(Million Riyals)

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
A - Industries and Other Producers Except Producers of Government Services:											
1. Agriculture, Forestry & Fishing	9,207	10,386	10,888	11,716	12,734	15,146	17,865	20,551	23,919	26,498	28,356
2. Mining and Quarrying :	219,522	229,157	225,964	150,078	105,632	95,315	74,306	111,086	95,953	120,089	117,536
a) Crude Petroleum & Natural Gas	218,119	227,752	224,435	148,358	103,875	93,595	72,649	109,475	94,378	118,496	115,888
b) Other	1,403	1,405	1,529	1,720	1,757	1,720	1,657	1,611	1,575	1,593	1,648
3. Manufacturing:	20,777	22,081	24,624	26,821	28,902	32,350	35,565	37,439	37,534	38,940	38,657
a) Petroleum Refining	9,443	9,374	9,436	9,630	10,344	10,828	12,868	15,378	15,547	16,295	15,110
b) Other	11,334	12,707	15,188	17,191	18,558	21,522	22,697	22,061	21,987	22,645	23,547
4. Electricity, Gas and Water	2,349	2,552	2,635	892-	2,089-	658-	3,624	3,820	4,046	4,290	4,509
5. Construction	50,329	56,008	61,593	60,323	54,992	47,528	39,489	34,612	33,629	31,951	31,784
6. Wholesale & Retail Trade, Restaurants and Hotels	21,867	25,873	31,223	35,127	35,987	33,605	33,633	32,354	31,791	31,475	31,160
7. Transport, Storage & Communication	16,363	16,271	18,269	19,673	20,899	21,718	21,666	21,076	20,568	20,774	20,880
8. Finance, Insurance, Real Estate & Business Services:	75,293	81,263	88,325	94,680	96,170	89,372	81,509	68,888	67,415	68,604	69,437
a) Ownership of Dwellings	55,738	57,611	59,433	62,423	64,338	60,072	53,722	44,483	42,551	42,500	42,500
b) Other	19,555	23,652	28,892	32,257	31,832	29,300	27,787	24,405	24,864	26,104	26,937
9. Community, Social & Personal Services	12,946	12,360	14,609	15,668	15,281	15,485	17,604	16,891	16,687	17,217	17,482
10. Less: Imputed Bank Services Charge	6081	6885	8447	8578	8604	8838	7332	8542	9379	9505	9728
SUB - TOTAL	422,573	449,065	469,684	404,615	359,904	341,022	317,928	338,175	322,163	350,335	350,072
B - Producers of Govt. Services:	58,211	63,339	67,364	72,300	77,119	82,089	86,757	86,991	86,590	86,857	89,166
Total Except Import Duties	480,784	512,403	537,048	476,916	437,023	423,111	404,685	425,166	408,752	437,192	439,238
Import Duties	3,952	3,934	3,510	3,650	4,057	4,347	4,289	4,627	3,917	9,415	7,648
Gross Domestic Product (GDP)	484,736	516,337	540,558	480,566	441,080	427,458	408,974	429,792	412,670	446,608	446,887



Contd...3 TABLE (2): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CONSTANT PRICES)
(1999 = 100)

(Million Riyals)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
A - Industries and Other Producers Except Producers of Government Services:											
1. Agriculture, Forestry & Fishing	29,150	29,991	31,796	32,912	32,157	32,476	32,371	33,354	33,676	34,443	35,789
2. Mining and Quarrying :	148,381	187,485	192,896	185,957	186,132	185,748	188,126	185,677	191,916	175,566	188,252
a) Crude Petroleum & Natural Gas	146,733	185,760	191,176	184,155	184,186	183,599	185,913	183,332	189,476	173,102	185,735
b) Other	1,648	1,725	1,720	1,802	1,946	2,149	2,213	2,345	2,440	2,464	2,517
3. Manufacturing:	40,560	40,692	42,187	43,772	46,119	49,312	56,268	58,839	60,191	62,800	65,794
a) Petroleum Refining	17,392	16,029	16,781	17,007	17,094	16,400	18,612	17,921	18,101	18,021	18,660
b) Other	23,168	24,663	25,406	26,765	29,025	32,912	37,656	40,918	42,090	44,779	47,134
4. Electricity, Gas and Water	4,564	4,925	5,219	5,736	6,362	6,649	6,938	7,138	7,511	8,174	8,561
5. Construction	31,483	32,255	31,706	32,477	34,140	37,021	39,666	39,610	40,406	39,437	41,755
6. Wholesale & Retail Trade, Restaurants and Hotels	31,535	33,019	34,520	35,462	35,745	35,157	35,505	38,073	42,394	45,992	48,183
7. Transport, Storage & Communication	21,492	22,363	26,803	28,858	29,342	24,472	24,840	26,152	27,186	27,893	29,015
8. Finance, Insurance, Real Estate & Business Services:	68,491	67,032	69,099	67,573	66,707	65,261	68,093	70,354	70,020	73,824	76,545
a) Ownership of Dwellings	41,193	41,491	41,060	39,409	38,230	37,871	40,795	42,092	40,682	42,221	43,176
b) Other	27,298	25,541	28,039	28,164	28,477	27,390	27,298	28,262	29,338	31,603	33,369
9. Community, Social & Personal Services	17,648	17,597	17,830	18,353	18,935	19,100	19,511	20,218	20,620	21,377	22,478
10. Less: Imputed Bank Services Charge	9655	9333	9796	10199	10660	10674	10470	10669	11493	12340	13423
SUB - TOTAL	383,650	426,025	442,261	440,899	444,982	444,522	460,848	468,747	482,426	477,166	502,948
B - Producers of Govt. Services:	92,575	94,973	100,464	102,028	102,818	105,441	106,702	113,690	115,728	116,789	120,289
Total Except Import Duties	476,224	520,998	542,726	542,928	547,799	549,963	567,549	582,438	598,154	593,955	623,237
Import Duties	7,881	7,179	9,899	9,842	8,649	7,603	8,883	8,940	9,987	9,634	9,714
Gross Domestic Product (GDP)	484,106	528,178	552,625	552,769	556,448	557,566	576,433	591,378	608,141	603,589	632,951



Contd...4 TABLE (2): GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(AT PRODUCERS' VALUES AT CONSTANT PRICES)
(1999 = 100)

(Million Riyals)

	2001	2002	2003	2004	2005	2006	2007	2008	2009*	% Share
A - Industries and Other Producers Except Producers of Government Services:										
1. Agriculture, Forestry & Fishing	35,992	36,454	36,751	37,874	38,338	38,748	39,466	39,731	39,986	4.8
2. Mining and Quarrying :	179,936	164,901	195,055	207,742	221,374	218,993	210,140	219,065	201,829	24.0
a) Crude Petroleum & Natural Gas	177,388	162,311	192,452	205,088	218,648	216,195	207,257	216,104	198,793	23.6
b) Other	2,550	2,590	2,603	2,654	2,726	2,798	2,884	2,962	3,036	0.4
3. Manufacturing:	68,699	71,082	76,142	81,314	86,940	92,382	97,677	103,509	105,867	12.6
a) Petroleum Refining	18,515	18,063	19,914	21,634	22,332	22,170	21,549	22,354	22,381	2.7
b) Other	50,186	53,019	56,227	59,680	64,608	70,212	76,128	81,154	83,485	9.9
4. Electricity, Gas and Water	9,515	9,955	10,569	11,259	11,866	12,629	13,142	14,018	14,976	1.8
5. Construction	42,123	43,181	45,550	48,517	50,832	54,559	56,799	57,629	60,341	7.2
6. Wholesale & Retail Trade, Restaurants and Hotels	50,079	52,210	54,204	56,893	59,385	62,989	66,893	71,212	72,992	8.7
7. Transport, Storage & Communication	31,277	33,455	35,046	37,863	41,145	45,160	49,766	55,822	59,682	7.1
8. Finance, Insurance, Real Estate & Business Services:	79,113	82,560	84,793	88,490	94,176	98,539	102,320	104,781	108,691	12.9
a) Ownership of Dwellings	44,080	45,115	46,080	47,924	50,012	51,706	52,822	53,951	54,639	6.5
b) Other	35,033	37,445	38,713	40,566	44,164	46,833	49,498	50,829	54,052	6.4
9. Community, Social & Personal Services	23,481	24,792	25,552	26,754	28,106	29,502	30,297	31,028	32,267	3.8
10. Less: Imputed Bank Services Charge	14029	14859	14,804	14,954	15,194	15,395	15,508	15,528	16,019	1.9
SUB - TOTAL	506,186	503,731	548,857	581,752	616,968	638,106	650,992	681,268	680,612	80.9
B - Producers of Govt. Services:	123,075	126,040	129,326	132,148	136,565	139,142	141,821	145,210	150,744	17.9
Total Except Import Duties	629,265	629,772	678,182	713,899	753,532	777,249	792,813	826,478	831,356	98.8
Import Duties	7,152	7,459	7,854	8,274	8,745	9,100	9,398	9,655	9,828	1.2
Gross Domestic Product (GDP)	636,417	637,230	686,036	722,173	762,277	786,348	802,211	836,133	841,184	100.0

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.





**TABLE (3): GROSS DOMESTIC PRODUCT AND EXPENDITURE
AT PURCHASERS' VALUES AT CURRENT PRICES**

(Million Riyals)

YEAR	Government Final Consumption Expenditure	Private Final Consumption Expenditure	Change in Stock	Gross Fixed Capital Formation	Exports of Goods & Services	Imports of Goods & Services (-)	Expenditure on Gross Domestic Product
1968	3,055	6,245	2,422	2,785	8,995	4,658	18,845
1969	3,397	7,161	1,971	2,965	9,728	5,035	20,186
1970	3,837	7,867	718	3,069	12,293	5,218	22,565
1971	4,300	8,585	2,470	3,515	17,403	5,776	30,497
1972	5,098	9,533	1,386	4,892	24,668	7,319	38,259
1973	7,844	11,336	-17,046	7,745	55,240	11,588	53,530
1974	13,593	17,579	34,125	14,242	101,463	21,284	159,718
1975	23,908	27,098	-852	28,617	120,656	35,757	163,670
1976	38,076	38,190	20,565	48,358	134,953	54,794	225,349
1977	47,921	68,567	12,691	66,767	150,167	85,154	260,959
1978	66,217	86,572	16,578	81,836	134,571	113,508	272,266
1979	81,404	118,240	4,655	93,680	206,226	128,736	375,469
1980	86,981	137,089	11,187	113,438	347,345	149,437	546,604
1981	121,864	165,605	-1,556	132,262	391,591	187,591	622,175
1982	137,555	190,952	3,914	130,767	266,511	205,502	524,197
1983	132,834	201,245	31,986	120,238	171,681	212,775	445,210
1984	127,048	201,226	31,173	106,050	145,530	190,639	420,389
1985	120,051	200,264	-3,141	83,873	113,163	137,892	376,318
1986	111,633	176,974	-10,032	72,695	85,989	115,239	322,020
1987	113,040	171,154	-14,797	71,660	99,045	119,170	320,931
1988	102,240	176,027	2,518	62,556	103,531	116,352	330,519
1989	119,958	183,142	3,039	66,392	120,494	135,961	357,065
1990	127,824	204,131	-17,350	83,251	177,685	138,207	437,334
1991	169,128	217,589	-4,840	100,480	189,694	180,199	491,853
1992	152,692	226,782	11,004	103,955	200,772	184,746	510,459
1993	130,976	237,749	12,883	108,824	171,065	166,590	494,907
1994	122,552	240,477	6,876	93,002	172,123	131,976	503,055
1995	125,923	250,280	2,268	103,316	200,437	148,720	533,504
1996	144,783	259,486	4,058	102,848	237,812	158,239	590,748
1997	161,795	261,428	3,836	109,241	243,384	161,782	617,902
1998	155,192	251,418	9,596	112,959	163,099	145,616	546,648
1999	154,095	252,216	9,421	118,196	210,231	140,570	603,589
2000	183,804	258,126	8,903	123,324	308,473	175,973	706,657
2001	188,695	259,550	3,497	126,095	273,677	165,219	686,296
2002	184,517	260,400	11,043	128,066	291,155	168,114	707,067
2003	198,148	269,980	11,375	148,098	371,088	194,041	804,648
2004	221,798	285,706	23,809	156,347	494,433	243,322	938,771
2005	262,650	312,957	20,055	195,632	719,898	328,678	1,182,514
2006	311,082	354,913	17,037	233,065	844,522	425,038	1,335,581
2007	322,086	421,233	13,965	295,401	934,321	544,434	1,442,572
2008	345,098	496,951	47,950	348,011	1,210,701	662,568	1,786,143
2009*	348,469	537,414	20,764	347,510	757,363	602,396	1,409,124

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



**TABLE (4): ALLOCATION OF GROSS DOMESTIC PRODUCT
BY INSTITUTIONAL SECTORS AT PRODUCERS' VALUES
AT CURRENT PRICES**

(Million Riyals)

Year	Oil Sector	Non-Oil Private Sector	Non-Oil Government Sector	GDP Excluding Import Duties	Import Duties	GDP Including Import Duties	Growth rate %
1968	8,572	6,159	3,868	18,599	246	18,845	--
1969	8,885	6,753	4,277	19,915	271	20,186	7.1
1970	10,390	7,270	4,619	22,279	286	22,565	11.8
1971	17,031	8,016	5,078	30,124	373	30,497	35.2
1972	22,450	9,629	5,740	37,819	440	38,259	25.5
1973	33,217	12,935	6,896	53,047	483	53,530	39.9
1974	126,320	24,580	8,376	159,276	442	159,718	198.4
1975	104,876	46,879	11,401	163,156	514	163,670	2.5
1976	137,999	70,469	15,973	224,441	908	225,349	37.7
1977	146,758	90,227	22,562	259,548	1,411	260,959	15.8
1978	130,552	109,812	30,076	270,439	1,827	272,266	4.3
1979	203,623	132,474	37,212	373,309	2,160	375,469	37.9
1980	341,641	155,724	46,704	544,069	2,534	546,604	45.6
1981	380,798	181,436	57,303	619,538	2,637	622,175	13.8
1982	254,737	199,035	67,178	520,949	3,248	524,197	-15.7
1983	163,118	206,288	72,126	441,533	3,677	445,210	-15.1
1984	140,671	200,507	75,238	416,416	3,973	420,389	-5.6
1985	104,451	188,756	79,201	372,408	3,910	376,318	-10.5
1986	72,666	167,301	78,808	318,775	3,245	322,020	-14.4
1987	78,775	160,486	78,217	317,478	3,453	320,931	-0.3
1988	76,738	163,120	82,425	322,283	8,236	330,519	3.0
1989	98,652	167,118	84,554	350,325	6,740	357,065	8.0
1990	158,693	175,387	96,254	430,334	7,000	437,334	22.5
1991	179,572	186,754	118,527	484,853	7,000	491,853	12.5
1992	199,856	197,270	104,233	501,359	9,100	510,459	3.8
1993	170,012	205,637	109,980	485,630	9,277	494,907	-3.0
1994	169,438	213,191	112,137	494,766	8,289	503,055	1.6
1995	187,718	218,599	119,686	526,004	7,500	533,504	6.1
1996	226,476	230,509	124,888	581,873	8,875	590,748	10.7
1997	228,250	241,304	139,248	608,802	9,100	617,902	4.6
1998	152,829	245,603	138,202	536,635	10,013	546,648	-11.5
1999	198,988	255,200	139,767	593,955	9,634	603,589	10.4
2000	289,165	264,873	142,969	697,007	9,650	706,657	17.1
2001	255,509	275,118	148,536	679,163	7,133	686,296	-2.9
2002	263,511	285,682	150,487	699,680	7,386	707,067	3.0
2003	330,389	298,985	167,187	796,561	8,087	804,648	13.8
2004	424,104	321,299	184,543	929,946	8,825	938,771	16.7
2005	618,291	346,487	207,621	1,172,399	10,115	1,182,514	26.0
2006	720,664	373,991	229,901	1,324,556	11,025	1,335,581	12.9
2007	788,823	404,963	236,984	1,430,771	11,801	1,442,572	8.0
2008	1,081,226	440,263	249,715	1,771,203	14,940	1,786,143	23.8
2009*	671,131	456,237	268,859	1,396,227	12,897	1,409,124	-21.1

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



**TABLE (5): ALLOCATION OF GROSS DOMESTIC PRODUCT
BY INSTITUTIONAL SECTORS AT PRODUCERS' VALUES
AT CONSTANT PRICES
(1999 = 100)**

(Million Riyals)

Year	Oil Sector	Non-Oil Private Sector	Non-Oil Government Sector	GDP Excluding Import Duties	Import Duties	GDP Including Import Duties	Growth rate %
1968	76,360	17,366	28,162	121,888	2,725	124,613	--
1969	80,445	18,855	29,916	129,216	2,921	132,137	6.0
1970	95,362	18,753	30,922	145,037	3,002	148,039	12.0
1971	117,466	22,511	33,795	173,772	3,790	177,562	19.9
1972	146,886	30,385	37,835	215,107	4,171	219,278	23.5
1973	183,796	43,442	44,098	271,336	4,116	275,452	25.6
1974	205,987	88,400	53,121	347,508	3,673	351,181	27.5
1975	171,508	130,689	63,632	365,829	3,710	369,539	5.2
1976	211,494	135,643	65,687	412,825	3,715	416,540	12.7
1977	225,530	142,758	72,736	441,024	4,689	445,713	7.0
1978	205,812	157,504	73,737	437,054	4,315	441,369	-1.0
1979	235,341	172,677	72,766	480,784	3,952	484,736	9.8
1980	245,843	187,841	78,719	512,403	3,934	516,337	6.5
1981	243,580	209,124	84,344	537,048	3,510	540,558	4.7
1982	167,454	222,289	87,172	476,916	3,650	480,566	-11.1
1983	122,932	223,020	91,070	437,023	4,057	441,080	-8.2
1984	112,160	214,356	96,594	423,111	4,347	427,458	-3.1
1985	92,525	208,543	103,617	404,685	4,289	408,974	-4.3
1986	131,162	190,879	103,125	425,166	3,627	428,792	4.8
1987	116,103	190,081	102,568	408,752	3,917	412,670	-3.8
1988	140,769	193,481	102,942	437,192	9,415	446,608	8.2
1989	136,966	196,827	105,445	439,238	7,648	446,887	0.1
1990	170,076	197,041	109,108	476,225	7,881	484,106	8.3
1991	207,911	200,866	112,222	520,999	7,179	528,178	9.1
1992	214,109	208,908	119,709	542,726	9,899	552,625	4.6
1993	207,491	212,868	122,568	542,927	9,842	552,769	0.0
1994	207,889	215,719	124,191	547,799	8,649	556,448	0.7
1995	206,972	217,644	125,346	549,963	7,603	557,566	0.2
1996	211,879	228,397	127,274	567,550	8,883	576,433	3.4
1997	208,724	238,705	135,008	582,438	8,940	591,378	2.6
1998	215,357	244,891	137,905	598,154	9,987	608,141	2.8
1999	198,988	255,200	139,767	593,955	9,634	603,589	-0.7
2000	212,652	266,437	144,148	623,237	9,714	632,951	4.9
2001	204,365	276,254	148,646	629,265	7,152	636,417	0.5
2002	189,112	287,667	152,992	629,772	7,459	637,230	0.1
2003	221,545	298,970	157,668	678,183	7,854	686,037	7.7
2004	236,459	314,924	162,516	713,899	8,274	722,173	5.3
2005	251,191	333,307	169,034	753,532	8,745	762,277	5.6
2006	249,281	353,696	174,272	777,249	9,100	786,348	3.2
2007	240,224	373,075	179,513	792,813	9,398	802,211	2.0
2008	250,227	390,081	186,169	826,478	9,655	836,133	4.2
2009*	233,462	403,592	194,302	831,356	9,828	841,184	0.6

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.

**TABLE (6): GROSS FIXED CAPITAL FORMATION BY TYPE OF CAPITAL GOODS
AT PURCHASERS' VALUES AT CURRENT PRICES**

(Million Riyals)

Year	Residential Building Construction	Non-Residential Building Construction	Other Construction*	Transport Equip.	Machinery & Equipment	Capital Goods not Classified Elsewhere**	All Capital Goods				Change in Stock	Gross Fixed Capital Formation(1)
							TOTAL	(a) Govt.	(b) Non-Oil Private Sector	(c) Oil Sector		
1389/1390	623	235	1,111	309	319	--	2,597	1,214	1,056	327	1,971	4,568
1390/91	697	192	1,307	313	423	--	2,931	1,204	1,150	577	718	3,649
1391/92	799	228	1,568	335	477	--	3,404	1,443	1,290	671	2,470	5,874
1392/93	961	717	3,028	468	520	--	5,694	1,985	1,669	2,040	1,386	7,080
1393/94	1,398	632	4,184	757	1,429	--	8,399	3,416	2,351	2,632	-17,046	-8,647
1394/95	3,311	3,409	6,502	2,253	2,021	--	17,699	7,370	6,670	3,659	34,125	51,824
1395/96	4,912	8,539	13,439	3,539	2,798	--	33,540	17,491	10,627	5,422	-852	32,688
1396/97	7,347	10,993	19,345	5,491	7,546	--	51,191	27,352	16,523	7,316	20,565	71,756
1397/98	7,053	18,195	26,294	6,391	7,778	1,811	66,891	40,484	18,354	8,053	12,691	79,582
1398/99	6,431	24,710	32,271	6,756	5,926	560	76,654	49,031	19,401	8,222	16,578	93,232
1399/1400	--	--	--	6,997	11,601	666	97,069	61,598	23,207	12,264	4,655	101,724
1400/1401	--	--	--	7,449	16,059	1,398	106,376	66,874	28,691	10,811	11,187	117,563
1401/1402	8,747	46,594	36,886	7,988	20,003	2,097	122,315	73,881	35,830	12,604	-1,556	120,759
1402/1403	8,613	39,506	38,951	8,599	19,716	69	115,455	66,411	34,162	14,882	3,914	119,369
1403/1404	10,111	38,452	28,456	10,265	15,868	76	103,228	50,026	41,320	11,882	31,986	135,214
1404/1405	10,696	35,800	24,687	9,696	15,555	58	96,492	46,314	40,624	9,554	31,173	127,665
1405/1406	8,984	27,995	19,881	8,495	10,913	46	76,313	32,775	35,236	8,302	-3,141	73,172
1986	8,167	23,385	15,507	7,470	11,574	41	66,144	25,184	32,033	8,927	-10,032	56,112
1987	7,979	23,945	14,519	7,466	11,253	40	65,202	27,402	31,047	6,753	-14,797	50,405
1988	8,123	22,920	10,036	7,588	8,210	41	56,918	24,029	31,642	1,247	2,518	59,436



**Contd...2 TABLE (6): GROSS FIXED CAPITAL FORMATION BY TYPE OF CAPITAL GOODS
AT PURCHASERS' VALUES AT CURRENT PRICES**

(Million Riyals)

Year	Residential Building Construction	Non-Residential Building Construction	Other Construction*	Transport Equip.	Machinery & Equipment	Capital Goods not Classified Elsewhere**	All Capital Goods				Change in Stock	Gross Fixed Capital Formation (1)
							TOTAL	(a) Govt.	(b) Non-Oil Private Sector	(c) Oil Sector		
1989	8,366	24,322	11,529	7,775	8,375	42	60,409	26,285	32,590	1,534	3,039	63,448
1990	6,951	35,923	11,527	11,888	7,479	35	74,803	42,491	28,078	4,234	-17,350	57,453
1991	9,459	41,450	12,263	14,143	9,158	37	86,510	45,201	36,804	4,505	-4,840	81,670
1992	14,038	35,813	18,324	12,665	13,064	70	93,975	32,289	54,686	7,000	11,004	104,979
1993	15,510	37,180	18,254	13,669	13,759	78	98,450	30,029	60,421	8,000	12,883	111,333
1994	13,260	31,065	15,952	11,678	11,686	67	84,207	23,969	52,084	8,154	6,876	91,083
1995	13,764	32,368	16,697	12,142	12,170	69	93,555	25,168	53,619	14,768	2,268	95,823
1996	25,081	26,079	--	14,867	26,382	10,439	102,848	12,914	81,398	8,536	4,058	106,906
1997	25,675	28,099	--	16,015	28,955	10,497	109,241	16,102	83,846	9,293	3,836	113,077
1998	25,455	28,644	--	16,288	29,287	13,286	112,959	12,437	89,056	11,466	9,596	122,555
1999	25,712	24,820	--	20,640	34,167	12,857	118,196	12,958	92,091	13,147	9,421	127,617
2000	28,052	28,522	--	19,929	37,494	9,327	123,324	16,353	92,953	14,018	8,903	132,227
2001	28,302	29,607	--	21,004	37,472	9,710	126,095	17,508	94,347	14,240	3,497	129,593
2002	29,071	31,186	--	21,593	35,407	10,810	128,066	18,121	97,459	12,486	11,043	139,109
2003	28,894	36,284	--	23,962	45,990	12,968	148,098	23,291	103,676	21,131	11,375	159,471
2004	29,444	45,317	--	25,642	42,999	12,945	156,347	30,386	109,040	16,921	23,809	180,156
2005	31,973	61,647	--	28,804	55,922	17,286	195,632	54,940	118,461	22,231	20,055	215,687
2006	34,360	70,095	--	31,711	76,849	20,051	233,064	58,741	129,943	44,380	17,037	250,101
2007	37,823	100,804	--	35,168	87,504	24,944	295,401	84,042	146,405	64,954	13,965	309,366
2008	--	--	--	--	--	--	348,011	109,882	171,928	66,201	47,950	395,961
2009	--	--	--	--	--	--	347,510	119,663	168,180	59,667	20,764	368,274

* As from 1996, "other construction item was combined with non - residential building construction item"

** Includes Breeding Stock.



TABLE (7): GROSS DOMESTIC PRODUCT BY SECTORS

(Million Riyals)

Year	AT CURRENT PRICES					AT CONSTANT 1999 PRICES					Implicit Deflators: (1999=100)		
	GDP	Oil Sector	Non-oil Sector			GDP	Oil Sector	Non-oil Sector			GDP	Oil Sector	Non-oil Sector
			Total	a) Private	b) Govt.			Total	a) Private	b) Govt.			
1968	18,599	8,572	10,027	6,159	3,868	121,888	76,360	45,528	17,366	28,162	15.26	11.23	22.02
1969	19,915	8,885	11,030	6,753	4,277	129,216	80,445	48,771	18,855	29,916	15.41	11.04	22.62
1970	22,279	10,390	11,889	7,270	4,619	145,037	95,362	49,675	18,753	30,922	15.36	10.90	23.93
1971	30,124	17,031	13,094	8,016	5,078	173,772	117,466	56,306	22,511	33,795	17.34	14.50	23.26
1972	37,819	22,450	15,369	9,629	5,740	215,107	146,886	68,220	30,385	37,835	17.58	15.28	22.53
1973	53,047	33,217	19,831	12,935	6,896	271,336	183,796	87,540	43,442	44,098	19.55	18.07	22.65
1974	159,276	126,320	32,956	24,580	8,376	347,508	205,987	141,521	88,400	53,121	45.83	61.32	23.29
1975	163,156	104,876	58,280	46,879	11,401	365,829	171,508	194,321	130,689	63,632	44.60	61.15	29.99
1976	224,441	137,999	86,442	70,469	15,973	412,825	211,494	201,330	135,643	65,687	54.37	65.25	42.94
1977	259,548	146,758	112,789	90,227	22,562	441,024	225,530	215,494	142,758	72,736	58.85	65.07	52.34
1978	270,439	130,552	139,888	109,812	30,076	437,054	205,812	231,241	157,504	73,737	61.88	63.43	60.49
1979	373,309	203,623	169,686	132,474	37,212	480,784	235,341	245,443	172,677	72,766	77.65	86.52	69.13
1980	544,069	341,641	202,428	155,724	46,704	512,403	245,843	266,560	187,841	78,719	106.18	138.97	75.94
1981	619,538	380,798	238,739	181,436	57,303	537,048	243,580	293,468	209,124	84,344	115.36	156.33	81.35
1982	520,949	254,737	266,213	199,035	67,178	476,916	167,454	309,461	222,289	87,172	109.23	152.12	86.02
1983	441,533	163,118	278,414	206,288	72,126	437,023	122,932	314,090	223,020	91,070	101.03	132.69	88.64
1984	416,416	140,671	275,745	200,507	75,238	423,111	112,160	310,950	214,356	96,594	98.42	125.42	88.68
1985	372,408	104,451	267,957	188,756	79,201	404,685	92,525	312,160	208,543	103,617	92.02	112.89	85.84
1986	318,775	72,666	246,109	167,301	78,808	425,166	131,162	294,004	190,879	103,125	74.98	55.40	83.71
1987	317,478	78,775	238,703	160,486	78,217	408,752	116,103	292,649	190,081	102,568	77.67	67.85	81.57



Contd...2 TABLE (7): GROSS DOMESTIC PRODUCT BY SECTORS

(Million Riyals)

Year	AT CURRENT PRICES					AT CONSTANT 1999 PRICES					Implicit Deflators: (1999=100)		
	GDP	Oil Sector	Non-oil Sector			GDP	Oil Sector	Non-oil Sector			GDP	Oil Sector	Non-oil Sector
			Total	a)Private	b)Govt.			Total	a)Private	b)Govt.			
1988	322,283	76,738	245,545	163,120	82,425	437,192	140,769	296,423	193,481	102,942	73.72	54.51	82.84
1989	350,325	98,652	251,672	167,118	84,554	439,238	136,966	302,272	196,827	105,445	79.76	72.03	83.26
1990	430,334	158,693	271,641	175,387	96,254	476,225	170,076	306,149	197,041	109,108	90.36	93.31	88.73
1991	484,853	179,572	305,281	186,754	118,527	520,999	207,911	313,088	200,866	112,222	93.06	86.37	97.51
1992	501,359	199,856	301,503	197,270	104,233	542,726	214,109	328,617	208,908	119,709	92.38	93.34	91.75
1993	485,630	170,012	315,617	205,637	109,980	542,927	207,491	335,436	212,868	122,568	89.45	81.94	94.09
1994	494,766	169,438	325,328	213,191	112,137	547,799	207,889	339,910	215,719	124,191	90.32	81.50	95.71
1995	526,004	187,718	338,285	218,599	119,686	549,962	206,972	342,990	217,644	125,346	95.64	90.70	98.63
1996	581,873	226,476	355,397	230,509	124,888	567,550	211,879	355,671	228,397	127,274	102.52	106.89	99.92
1997	608,802	228,250	380,552	241,304	139,248	582,438	208,724	373,713	238,705	135,008	104.53	109.35	101.83
1998	536,635	152,829	383,805	245,603	138,202	598,154	215,357	382,796	244,891	137,905	89.72	70.97	100.26
1999	593,955	198,988	394,967	255,200	139,767	593,955	198,988	394,967	255,200	139,767	100.00	100.00	100.00
2000	697,007	289,165	407,842	264,873	142,969	623,237	212,652	410,585	266,437	144,148	111.84	135.98	99.33
2001	679,163	255,509	423,654	275,118	148,536	629,265	204,365	424,900	276,254	148,646	107.93	125.03	99.71
2002	699,680	263,511	436,169	285,682	150,487	629,772	189,112	440,660	287,667	152,992	111.10	139.34	98.98
2003	796,561	330,389	466,172	298,985	167,187	678,183	221,545	456,638	298,970	157,668	117.46	149.13	102.09
2004	929,946	424,104	505,842	321,299	184,543	713,899	236,459	477,440	314,924	162,516	130.26	179.36	105.95
2005	1,172,399	618,291	554,108	346,487	207,621	753,532	251,191	502,341	333,307	169,034	155.59	246.14	110.31
2006	1,324,556	720,664	603,892	373,991	229,901	777,249	249,281	527,968	353,696	174,272	170.42	289.10	114.38
2007	1,430,771	788,823	641,947	404,963	236,984	792,813	240,224	552,588	373,075	179,513	180.47	328.37	116.17
2008	1,771,203	1,081,226	689,978	440,263	249,715	826,478	250,227	576,250	390,081	186,169	214.31	432.10	119.74
2009*	1,396,227	671,131	725,096	456,237	268,859	831,356	233,462	597,894	403,592	194,302	167.95	287.47	121.28

* Provisional.

- GDP and its components are measured at Producers' values and exclude import duties.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



TABLE (7a): ANNUAL CHANGES IN GROSS DOMESTIC PRODUCT BY SECTORS

Year	AT CURRENT PRICES					AT CONSTANT 1999 PRICES				
	GDP	Oil Sector	Non-oil Sector			GDP	Oil Sector	Non-oil Sector		
			Total	a) Private	b) Govt.			Total	a) Private	b) Govt.
1968	-	-	-	-	-	-	-	-	-	-
1969	7.1	3.7	10.0	9.6	10.6	6.0	5.3	7.1	8.6	6.2
1970	11.9	16.9	7.8	7.7	8.0	12.2	18.5	1.9	-0.5	3.4
1971	35.2	63.9	10.1	10.3	9.9	19.8	23.2	13.3	20.0	9.3
1972	25.5	31.8	17.4	20.1	13.0	23.8	25.0	21.2	35.0	12.0
1973	40.3	48.0	29.0	34.3	20.1	26.1	25.1	28.3	43.0	16.6
1974	200.3	280.3	66.2	90.0	21.5	28.1	12.1	61.7	103.5	20.5
1975	2.4	-17.0	76.8	90.7	36.1	5.3	-16.7	37.3	47.8	19.8
1976	37.6	31.6	48.3	50.3	40.1	12.8	23.3	3.6	3.8	3.2
1977	15.6	6.3	30.5	28.0	41.3	6.8	6.6	7.0	5.2	10.7
1978	4.2	-11.0	24.0	21.7	33.3	-0.9	-8.7	7.3	10.3	1.4
1979	38.0	56.0	21.3	20.6	23.7	10.0	14.3	6.1	9.6	-1.3
1980	45.7	67.8	19.3	17.6	25.5	6.6	4.5	8.6	8.8	8.2
1981	13.9	11.5	17.9	16.5	22.7	4.8	-0.9	10.1	11.3	7.1
1982	-15.9	-33.1	11.5	9.7	17.2	-11.2	-31.3	5.4	6.3	3.4
1983	-15.2	-36.0	4.6	3.6	7.4	-8.4	-26.6	1.5	0.3	4.5
1984	-5.7	-13.8	-1.0	-2.8	4.3	-3.2	-8.8	-1.0	-3.9	6.1
1985	-10.6	-25.7	-2.8	-5.9	5.3	-4.4	-17.5	0.4	-2.7	7.3
1986	-14.4	-30.4	-8.2	-11.4	-0.5	5.1	41.8	-5.8	-8.5	-0.5
1987	-0.4	8.4	-3.0	-4.1	-0.7	-3.9	-11.5	-0.5	-0.4	-0.5



Contd...2 TABLE (7a): ANNUAL CHANGES IN GROSS DOMESTIC PRODUCT BY SECTORS

Year	AT CURRENT PRICES					AT CONSTANT 1999 PRICES				
	GDP	Oil Sector	Non-oil Sector			GDP	Oil Sector	Non-oil Sector		
			Total	a)Private	b)Govt.			Total	a)Private	b)Govt.
1988	1.5	-2.6	2.9	1.6	5.4	7.0	21.2	1.3	1.8	0.4
1989	8.7	28.6	2.5	2.5	2.6	0.5	-2.7	2.0	1.7	2.4
1990	22.8	60.9	7.9	4.9	13.8	8.4	24.2	1.3	0.1	3.5
1991	12.7	13.2	12.4	6.5	23.1	9.4	22.2	2.3	1.9	2.9
1992	3.4	11.3	-1.2	5.6	-12.1	4.2	3.0	5.0	4.0	6.7
1993	-3.1	-14.9	4.7	4.2	5.5	0.0	-3.1	2.1	1.9	2.4
1994	1.9	-0.3	3.1	3.7	2.0	0.9	0.2	1.3	1.3	1.3
1995	6.3	10.8	4.0	2.5	6.7	0.4	-0.4	0.9	0.9	0.9
1996	10.6	20.6	5.1	5.4	4.3	3.2	2.4	3.7	4.9	1.5
1997	4.6	0.8	7.1	4.7	11.5	2.6	-1.5	5.1	4.5	6.1
1998	-11.9	-33.0	0.9	1.8	-0.8	2.7	3.2	2.4	2.6	2.1
1999	10.7	30.2	2.9	3.9	1.1	-0.7	-7.6	3.2	4.2	1.4
2000	17.4	45.3	3.3	3.8	2.3	4.9	6.9	4.0	4.4	3.1
2001	-2.6	-11.6	3.9	3.9	3.9	1.0	-3.9	3.5	3.7	3.1
2002	3.0	3.1	3.0	3.8	1.3	0.1	-7.5	3.7	4.1	2.9
2003	13.8	25.4	6.9	4.7	11.1	7.7	17.2	3.6	3.9	3.1
2004	16.7	28.4	8.5	7.5	10.4	5.3	6.7	4.6	5.3	3.1
2005	26.1	45.8	9.5	7.8	12.5	5.6	6.2	5.2	5.8	4.0
2006	13.0	16.6	9.0	7.9	10.7	3.1	-0.8	5.1	6.1	3.1
2007	8.0	9.5	6.3	8.3	3.1	2.0	-3.6	4.7	5.5	3.0
2008	23.8	37.1	7.5	8.7	5.4	4.2	4.2	4.3	4.6	3.7
2009*	-21.2	-37.9	5.1	3.6	7.7	0.6	-6.7	3.8	3.5	4.4

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.





TABLE (8): GROSS DOMESTIC PRODUCT PER CAPITA

Year	GDP (In Million Rls)	Population (In Million)	GDP Per Capita (Rls)	GDP Per Capita (US\$)
1971	30,497	6.00	5,083	1,355
1972	38,259	6.28	6,092	1,625
1973	53,530	6.58	8,135	2,169
1974	159,718	7.01	22,784	6,076
1975	163,670	7.30	22,421	5,979
1976	225,349	7.67	29,381	7,835
1977	260,959	8.05	32,417	8,645
1978	272,266	8.45	32,221	8,592
1979	375,469	8.88	42,283	11,275
1980	546,604	9.32	58,648	15,640
1981	622,175	9.79	63,552	16,947
1982	524,197	10.28	50,992	13,598
1983	445,210	10.80	41,223	10,993
1984	420,389	11.33	37,104	9,894
1985	376,318	11.90	31,623	8,433
1986	322,020	12.50	25,762	6,870
1987	320,931	13.12	24,461	6,523
1988	330,519	13.77	24,003	6,401
1989	357,065	14.46	24,693	6,585
1990	437,334	15.19	28,791	7,678
1991	491,853	15.95	30,837	8,223
1992	510,459	16.95	30,118	8,032
1993	494,907	17.28	28,640	7,637
1994	503,055	17.70	28,421	7,579
1995	533,504	18.14	29,410	7,843
1996	590,748	18.58	31,795	8,479
1997	617,902	19.04	32,453	8,654
1998	546,648	19.50	28,033	7,476
1999	603,589	19.98	30,210	8,056
2000	706,657	20.47	34,522	9,206
2001	686,296	20.98	32,712	8,723
2002	707,067	21.49	32,902	8,774
2003	804,648	22.02	36,542	9,744
2004	938,771	22.53	41,668	11,111
2005	1,182,514	23.11	51,169	13,645
2006	1,335,581	23.68	56,401	15,040
2007	1,442,572	24.24	59,512	15,870
2008	1,786,143	24.81	71,993	19,198
2009*	1,409,124	25.37	55,535	14,809

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



**TABLE (9): GOVERNMENT FINAL CONSUMPTION EXPENDITURE
AT PURCHASERS' VALUES AT CURRENT PRICES**

(Million Riyals)

Year	General Public Service	Defence	Education	Health	Social Security & Welfare Services	Housing & Community Amenities	Other Community & Social Services	Economic Services	Other Purposes	Total
1985	21,041	47236	20,075	6872	359	4706	2739	11235	5788	120,051
1986	20,313	41392	19,453	6671	340	4519	2612	10576	5758	111,633
1987	20,718	41739	19,643	6926	349	4491	2725	9777	6672	113,040
1988	19,527	36474	18,998	6190	319	4361	2356	9417	4598	102,240
1989	24,769	42325	23,582	7241	320	5276	2351	9460	4634	119,958
1990	54,546	45590	14,906	1108	473	166	3276	7539	220	127,824
1991	42,282	59195	33,826	10317	677	1691	4228	10148	6765	169,128
1992	29,730	56359	28,055	10219	414	5549	3180	12019	7167	152,692
1993	24,984	51296	27,693	7587	400	4687	2899	8097	3333	130,976
1994	24,389	45503	26,476	7788	402	4612	2777	7450	3156	122,552
1995	25,765	46018	27,233	8233	533	4721	3018	7440	2962	125,923
1996	28,651	52708	29,096	9554	633	5505	3606	9939	5091	144,783
1997	31,703	59618	32,270	10830	823	6077	4104	10744	5627	161,795
1998	31,830	55747	30,723	10637	825	5790	4054	10193	5392	155,192
1999	30,546	42285	45,362	16921	583	7210	4439	5203	1545	154,095
2000	33,010	51357	49,649	21566	864	9691	5536	8571	3560	183,804
2001	34,705	51696	49,904	22349	860	10319	5663	9317	3881	188,694
2002	37,352	48652	48,351	21849	856	8813	5830	9132	3682	184,517
2003	36,150	51773	57,847	23306	962	10528	6379	6869	4336	198,148
2004	42,320	58669	60,856	24857	1150	10527	6087	6641	10691	221,798
2005	55,871	63949	69,429	30503	1149	12215	7461	5461	16613	262,650
2006	62,909	75206	83,273	37283	1252	14530	8084	7659	20888	311,082
2007*	68,902	80,157	81,279	39,086	1,465	15,685	9,406	7,319	18,788	322,087

* Provisional.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



Table (10): CONTRIBUTION OF SERVICES SECTOR TO GDP
(At current prices)

Year	Total GDP ⁽¹⁾ (Million Rls)	Services Activity ⁽²⁾ (Million Rls)	Share %	Change %
1968	18599	7349	39.51	--
1969	19915	8122	40.78	10.52
1970	22279	8832	39.64	8.74
1971	30124	9789	32.50	10.84
1972	37819	11584	30.63	18.34
1973	53047	15142	28.54	30.71
1974	159276	25666	16.11	69.50
1975	163156	44879	27.51	74.86
1976	224441	64878	28.91	44.56
1977	259548	83474	32.16	28.66
1978	270439	105344	38.95	26.20
1979	373309	129329	34.64	22.77
1980	544069	152979	28.12	18.29
1981	619538	178759	28.85	16.85
1982	520949	205493	39.45	14.96
1983	441533	218548	49.50	6.35
1984	416416	217967	52.34	-0.27
1985	372408	208921	56.10	-4.15
1986	318775	188404	59.10	-9.82
1987	317478	178354	56.18	-5.33
1988	322283	182175	56.53	2.14
1989	350325	184734	52.73	1.40
1990	430334	200413	46.57	8.49
1991	484853	228553	47.14	14.04
1992	501359	219778	43.84	-3.84
1993	485630	229336	47.22	4.35
1994	494766	234986	47.49	2.46
1995	526004	244313	46.45	3.97
1996	581873	253676	43.60	3.83
1997	608802	274038	45.01	8.03
1998	536635	276124	51.45	0.76
1999	593955	285875	48.13	3.53
2000	697007	294438	42.24	3.00
2001	679163	305878	45.04	3.89
2002	699679	314351	44.93	2.77
2003	796561	337965	42.43	7.51
2004	929946	366866	39.45	8.55
2005	1172399	403177	34.39	9.90
2006	1324556	439622	33.19	9.04
2007	1430771	462299	32.31	5.16
2008	1771203	494657	27.93	7.00
2009*	1396227	528840	37.88	6.91

⁽¹⁾ Excluding imports duties.

⁽²⁾ Services sector includes Wholesale and retail trade, restaurants and hotels; transport, telecommunications and storage; finance, insurance, real estate and business services; community, social and personal services; and providers of government services.

* Provisional. (--) : Not Available

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



SECTION (10)

OIL STATISTICS

TABLE	PAGE No.
1- Saudi Proven Crude Oil And Natural Gas Reserves	358
2- Saudi Crude Oil Production (Barrels)	359
3(a)- Saudi Exports Of Crude Oil By Destination (Barrels)	360
3(b)- Saudi Exports Of Refined Products By Destination (Barrels)	361
4- Production Of Refined Products (Barrels)	362
5- Domestic Consumption Of Refined Products, Crude Oil And Natural Gas	363
6- Saudi Aramco Production Of Natural Gas Liquids	365
7- Spot Prices Of Saudi Crude Oils (In U.S.\$ Per Barrel)	366
8- World Oil Production (Million Barrels Per Day)	367
9- Ratio Of Oil And Natural Gas To Total World Energy Consumption	368
10- Nominal And Real Oil Prices	370



Table (1): SAUDI PROVEN CRUDE OIL AND NATURAL GAS RESERVES

Year	CRUDE OIL (Billion Barrels)			NATURAL GAS (Billion Cubic Feet)		
	SAUDI ARAMCO CO.	Others	TOTAL	SAUDI ARAMCO CO.	Others	TOTAL
1962	56.90	2.60	59.50	--	--	12533
1963	57.80	3.30	61.10	--	--	15099
1964	59.10	3.30	62.40	--	--	18191
1965	63.70	3.30	67.00	--	--	21916
1966	74.70	3.30	78.00	--	--	26404
1967	77.00	3.40	80.40	--	--	34982
1968	132.60	3.40	136.00	--	--	42995
1969	133.30	3.40	136.70	--	--	49985
1970	135.00	3.70	138.70	--	--	49491
1971	134.72	3.54	138.26	--	--	53487
1972	133.83	3.24	137.07	--	--	53734
1973	133.68	3.15	136.83	--	--	54892
1974	136.85	4.19	141.04	--	--	58739
1975	141.25	3.33	144.58	--	--	71412
1976	147.85	3.56	151.41	--	--	70106
1977	165.68	3.80	169.48	--	--	87473
1978	163.35	3.71	167.06	--	--	96369
1979	164.77	3.62	168.39	65861	29837	95,698
1980	164.22	3.24	167.46	68800	43559	112,359
1981	161.90	2.92	164.82	70800	47313	118,113
1982	165.46	2.86	168.32	114000	7150	121,150
1983	166.22	2.80	169.02	119000	6103	125,103
1984	166.30	5.41	171.71	122700	4662	127,362
1985	166.50	4.99	171.49	126100	4051	130,151
1986	167.00	2.75	169.75	135800	6141	141,941
1987	167.40	2.19	169.59	141800	6107	147,907
1988	252.38	2.61	254.99	177294	3442	180,736
1989	257.50	2.55	260.05	180355	3840	184,195
1990	257.85	2.49	260.34	180526	4022	184,548
1991	258.47	2.46	260.93	180460	4014	184,474
1992	258.80	2.40	261.20	181478	3993	185,471
1993	259.02	2.34	261.36	181931	3974	185,905
1994	259.03	2.35	261.38	186085	3977	190,062
1995	259.05	2.40	261.45	191928	3989	195,917
1996	259.09	2.35	261.44	197442	3437	200,879
1997	259.15	2.39	261.54	204038	3448	207,486
1998	259.20	2.34	261.54	210832	3430	214,262
1999	259.22	3.57	262.79	213238	3789	217,027
2000	259.25	3.51	262.76	218690	3803	222,493
2001	259.27	3.43	262.70	224179	3767	227,946
2002	259.40	3.39	262.79	230623	4050	234,673
2003	259.43	3.30	262.73	234470	4022	238,492
2004	259.70	4.61	264.31	237010	4313	241,323
2005	259.78	4.43	264.21	239475	4173	243,648
2006	259.92	4.33	264.25	248452	4155	252,607
2007	259.94	4.27	264.21	253789	4165	257,954
2008	259.96	4.10	264.06	262969	4342	267311
2009	260.07	4.52	264.59	275177	4493	279670

(--): Not Available

Sources: Ministry of Petroleum & Mineral Resources, Saudi Aramco annual reports and ASB,OPEC.



Table (2): SAUDI CRUDE OIL PRODUCTION

(Million Barrels)

Year	Total	Percentage Change	Daily Average
1962	599.76	10.96	1.64
1963	651.71	8.66	1.79
1964	694.13	6.51	1.90
1965	804.94	15.96	2.21
1966	948.57	17.84	2.60
1967	1,023.84	7.94	2.81
1968	1,113.71	8.78	3.04
1969	1,173.89	5.40	3.22
1970	1,386.67	18.13	3.80
1971	1,740.68	25.53	4.77
1972	2,201.96	26.50	6.02
1973	2,772.61	25.92	7.60
1974	3,095.09	11.63	8.48
1975	2,582.53	-16.56	7.08
1976	3,139.28	21.56	8.58
1977	3,357.96	6.97	9.20
1978	3,029.90	-9.77	8.30
1979	3,479.15	14.83	9.53
1980	3,623.80	4.16	9.90
1981	3,579.89	-1.21	9.81
1982	2,366.41	-33.90	6.48
1983	1,656.88	-29.98	4.54
1984	1,492.90	-9.90	4.08
1985	1,158.80	-22.38	3.17
1986	1,746.20	50.69	4.78
1987	1,505.40	-13.79	4.12
1988	1,890.10	25.55	5.16
1989	1,848.50	-2.20	5.06
1990	2,340.50	26.62	6.41
1991	2,963.00	26.60	8.12
1992	3,049.40	2.92	8.33
1993	2,937.40	-3.67	8.05
1994	2,937.90	0.02	8.05
1995	2,928.54	-0.32	8.02
1996	2,965.45	1.26	8.10
1997	2,924.28	-1.39	8.01
1998	3,022.27	3.35	8.28
1999	2,761.10	-8.64	7.56
2000	2,962.60	7.30	8.09
2001	2,879.46	-2.81	7.89
2002	2,588.98	-10.09	7.09
2003	3,069.74	18.57	8.41
2004	3,256.30	6.08	8.90
2005	3,413.94	4.84	9.35
2006	3,360.90	-1.55	9.21
2007	3,217.77	-4.26	8.82
2008	3,366.34	4.62	9.20
2009	2,987.27	-11.26	8.18

Source: Ministry of Petroleum & Mineral Resources.



Table 3(a): SAUDI EXPORTS OF CRUDE OIL BY DESTINATION

(Million Barrels)

Year	North America	South America	Western Europe	Middle East	Africa	Asia and Far East	Oceania	Total
1962	--	--	180.92	--	--	--	--	501.30
1963	--	--	199.74	--	--	--	--	544.83
1964	--	--	247.71	--	--	--	--	587.21
1965	--	--	301.09	--	--	--	--	678.83
1966	--	--	404.54	--	--	--	--	829.31
1967	--	--	425.15	--	--	--	--	888.57
1968	46.19	36.33	472.25	64.75	28.91	289.01	28.34	968.30*
1969	41.62	34.44	496.04	67.66	45.43	306.59	28.27	1,020.05
1970	20.82	50.59	608.09	69.84	50.64	347.45	26.74	1,174.17
1971	70.30	91.29	814.52	75.07	67.43	389.01	20.57	1,528.19
1972	90.31	115.15	1,130.36	71.31	57.30	518.69	9.41	1,992.53
1973	137.14	247.29	1,332.90	77.10	80.77	670.94	14.20	2,560.34
1974	139.80	342.02	1,526.68	79.40	36.85	743.95	22.98	2,891.68
1975	117.00	344.88	1,113.12	66.97	40.20	699.69	27.53	2,409.39
1976	171.15	490.96	1,268.86	83.18	31.74	860.60	33.15	2,939.64
1977	359.68	369.21	1,296.05	114.34	21.19	938.37	43.21	3,142.05
1978	509.20	139.04	1,092.28	94.87	13.83	928.60	34.88	2,812.70
1979	641.74	116.38	1,337.21	104.27	31.44	947.43	40.00	3,218.47
1980	619.11	127.41	1,432.30	98.66	43.43	1,008.06	46.72	3,375.69
1981	508.28	142.81	1,396.69	114.48	55.82	1,024.16	49.30	3,291.54
1982	171.05	93.93	727.72	76.95	37.59	913.46	37.70	2,058.40
1983	128.06	67.64	364.53	67.83	25.96	753.49	23.57	1,431.08
1984	83.32	37.13	247.87	52.07	20.36	705.74	21.40	1,167.89
1985	47.11	44.33	218.50	36.52	14.31	410.84	9.11	780.72
1986	243.15	78.90	458.72	81.93	1.93	321.47	3.92	1,190.02
1987	--	--	--	--	--	--	--	973.12
1988	359.42	67.96	356.70	78.99	13.51	346.72	22.19	1,245.49
1989	380.48	35.59	320.92	69.86	4.61	388.96	17.08	1,217.50
1990	481.04	59.71	380.19	77.35	32.71	593.10	18.32	1,642.42
1991	663.89	72.35	623.10	78.80	61.44	861.78	20.75	2,382.11
1992	614.84	67.67	636.24	78.20	35.48	958.19	18.36	2,408.98
1993	487.75	61.51	628.37	74.69	33.96	986.40	24.24	2,296.92
1994	521.41	60.36	601.77	81.52	35.15	957.36	17.70	2,275.27
1995	504.02	53.30	598.37	80.54	34.96	1,006.31	18.63	2,296.13
1996	490.66	47.15	530.62	83.61	35.24	1,031.49	17.24	2,236.01
1997	488.73	33.16	591.13	77.69	38.57	1,010.81	17.24	2,257.33
1998	544.24	31.42	645.73	76.49	49.61	971.35	13.64	2,332.48
1999	534.20	26.95	454.33	68.97	73.66	921.77	7.80	2,087.68
2000	577.17	22.47	483.80	60.44	79.45	1,044.67	14.38	2,282.38
2001	560.06	36.76	405.86	57.44	64.62	1,067.98	10.38	2,203.10
2002	488.80	22.08	343.12	49.46	68.36	942.89	14.18	1,928.89
2003	596.92	23.84	434.86	72.69	96.34	1,149.87	6.33	2,380.85
2004	558.38	22.32	459.56	95.45	88.74	1,251.06	11.26	2,486.77
2005	530.93	23.79	440.67	112.87	86.02	1,435.34	1.62	2,631.24
2006	534.50	23.78	374.80	109.48	79.01	1,440.63	3.52	2,565.72
2007	571.78	22.34	306.04	113.06	71.76	1,453.23	2.95	2,541.16
2008	590.66	23.03	310.97	110.23	74.70	1,560.86	1.97	2,672.42
2009	386.12	23.01	228.45	104.25	60.33	1,482.61	2.89	2,287.66

* Including Petromin Exports .

(--): Not Available

Source: Ministry of Petroleum & Mineral Resources.



Table 3(b): SAUDI EXPORTS OF REFINED PRODUCTS BY DESTINATION*

(Million Barrels)

Year	North America	South America	Western Europe	Middle East	Africa	Asia and Far east	Oceania	Bunker Fuel oil	Total
1962	--	--	2.03	--	--	--	--	--	81.59
1963	--	--	2.77	--	--	--	--	--	88.33
1964	--	--	1.68	--	--	--	--	--	95.76
1965	--	--	1.69	--	--	--	--	--	110.43
1966	--	--	2.85	--	--	--	--	--	113.19
1967	--	--	4.03	--	--	--	--	--	122.16
1968	1.12	1.76	2.25	2.39	6.21	58.99	4.55	74.47	151.74
1969	0.87	3.64	1.28	1.98	4.32	63.63	4.38	78.11	158.21
1970	0.08	6.40	6.71	1.67	7.58	96.20	8.03	81.22	207.89
1971	2.92	7.46	9.12	2.23	6.48	74.75	4.41	86.58	193.95
1972	5.83	5.32	7.18	2.14	7.87	78.49	10.09	91.18	208.10
1973	7.87	9.04	19.83	1.49	7.39	69.77	5.66	91.95	213.00
1974	8.24	4.49	19.22	1.66	4.03	75.15	4.57	93.21	210.57
1975	8.91	10.35	12.71	0.86	3.51	75.95	8.42	54.55	175.26
1976	8.24	8.50	13.47	1.70	4.36	100.77	5.70	63.04	205.78
1977	2.63	6.11	12.26	1.85	2.21	96.20	3.34	63.79	188.39
1978	1.71	3.69	15.91	1.00	2.97	102.51	2.70	44.31	174.80
1979	6.57	2.48	21.16	1.21	1.45	102.47	1.74	38.05	175.13
1980	4.53	2.31	36.93	1.88	0.39	100.34	2.51	29.56	178.45
1981	9.00	6.74	50.98	7.29	0.25	100.79	0.98	17.72	193.75
1982	7.53	11.92	33.89	9.93	--	120.16	0.95	10.72	195.10
1983	7.35	6.67	21.02	0.60	0.13	103.24	1.03	6.63	146.67
1984	6.40	7.66	32.48	11.38	1.14	112.66	1.92	4.21	177.85
1985	12.21	1.79	26.95	19.71	7.06	122.52	4.99	1.37	196.90
1986	27.29	3.77	44.82	16.62	6.78	154.66	8.65	2.94	265.53
1987	--	--	--	--	--	--	--	--	248.11
1988	54.67	5.01	63.02	22.52	12.59	246.56	10.64	2.44	417.45
1989	30.32	4.84	48.27	25.32	11.34	259.13	12.21	7.49	398.92
1990	50.61	6.43	80.67	34.64	18.73	274.67	10.87	2.36	478.98
1991	36.37	8.02	67.82	48.39	16.08	255.13	15.72	2.70	450.23
1992	46.02	18.20	65.05	45.08	18.92	264.53	13.47	2.61	473.88
1993	47.54	45.52	76.28	60.14	17.37	246.87	12.07	10.26	516.05
1994	36.65	35.10	64.22	56.63	18.41	281.42	3.96	1.79	498.18
1995	24.10	17.29	33.54	53.19	14.88	323.92	15.46	--	482.38
1996	35.58	26.73	30.01	60.51	19.80	350.95	22.49	--	546.07
1997	27.29	25.54	29.95	67.68	29.73	311.23	17.00	--	508.42
1998	16.81	31.75	34.80	50.36	41.84	309.51	14.59	--	499.66
1999	10.43	16.44	22.83	33.75	33.20	335.66	14.77	--	467.08
2000	7.70	20.56	28.48	43.77	39.66	292.83	15.24	--	448.24
2001	5.76	13.55	29.52	44.93	37.02	252.25	12.10	--	395.13
2002	4.91	10.87	18.30	36.61	29.98	256.46	5.51	--	362.64
2003	10.61	11.43	29.76	45.93	34.25	276.82	3.14	--	411.94
2004	22.25	13.77	49.11	51.76	36.91	309.57	3.70	--	487.07
2005	18.55	12.12	55.57	56.75	41.40	317.22	4.06	--	505.67
2006	13.23	7.23	49.64	72.01	45.17	275.92	3.11	--	466.31
2007	11.04	9.36	36.28	61.04	45.31	249.66	2.97	--	415.66
2008	5.82	8.97	38.90	56.66	49.42	224.27	2.23	--	386.27
2009	4.67	7.48	31.32	71.77	40.03	211.71	1.08	--	368.06

* Including LPG and natural gas.

(--): Not Available

Source: Ministry of Petroleum & Mineral Resources.



Table (4): PRODUCTION OF REFINED PRODUCTS

(Thousand Barrels)

Year	Fuel Oil	Diesel Oil	Gasoline & Naphtha	LPG	Jet Fuel	Kerosene	Asphalt & Others	Total
1962	57,163	12,310	9,339	1,058	4,425	3,775	6,348	94,418
1963	56,274	15,174	11,265	2,117	4,487	3,804	6,648	99,769
1964	61,641	13,713	13,936	4,127	5,399	2,397	4,737	105,950
1965	67,520	16,533	17,958	4,032	9,632	2,134	2,531	120,340
1966	69,071	16,038	18,965	5,679	10,276	1,921	1,201	123,151
1967	74,739	16,322	22,517	6,683	9,438	2,885	1,036	133,620
1968	88,166	19,050	26,860	10,643	13,177	3,195	2,039	163,130
1969	90,753	19,010	28,329	13,259	13,962	3,370	3,793	172,476
1970	126,763	21,629	37,580	17,017	13,785	6,861	1,662	225,297
1971	124,401	22,905	34,373	17,895	13,194	5,311	1,099	219,178
1972	122,589	23,458	38,238	15,855	16,303	4,978	1,142	222,563
1973	113,993	27,247	48,063	25,672	13,166	5,549	1,482	235,172
1974	106,352	28,110	47,500	37,966	7,827	7,431	1,987	237,173
1975	86,977	24,941	44,301	39,780	3,590	8,781	2,465	210,835
1976	104,528	26,914	61,036	47,021	4,346	8,535	5,081	257,461
1977	98,279	32,116	61,592	57,571	2,054	8,569	6,793	266,974
1978	95,423	37,491	68,001	65,326	202	9,854	7,263	283,560
1979	97,997	34,991	72,566	79,523	248	9,913	9,497	304,735
1980	89,003	44,507	72,316	74,865	359	11,691	9,753	302,494
1981	85,513	54,152	71,149	69,510	190	12,020	11,966	304,500
1982	93,748	66,975	66,853	57,243	1,570	10,244	14,125	310,758
1983	100,855	84,411	75,363	41,334	3,782	11,429	16,610	333,784
1984	97,950	96,143	75,079	51,220	4,612	9,498	14,920	349,422
1985	122,125	110,553	89,546	51,225	9,935	14,223	17,648	415,255
1986	138,325	109,290	109,711	55,050	11,807	18,901	53,152	496,236
1987	152,577	149,129	130,102	7,949	20,572	26,913	14,442	501,684
1988	164,282	161,590	130,539	9,559	15,822	30,947	13,084	525,823
1989	148,348	145,670	124,104	7,909	18,214	29,918	13,437	487,600
1990	183,863	161,660	139,808	7,320	50,552 *	--	18,033	561,236
1991	161,700	147,439	128,594	8,380	48,642 *	--	22,501	517,256
1992	171,689	159,256	132,781	11,120	56,174 *	--	10,509	541,529
1993	177,596	161,154	132,849	9,925	57,986 *	--	9,299	548,809
1994	156,626	169,889	138,496	8,207	58,417 *	--	19,996	551,631
1995	159,052	166,766	129,204	12,733	57,028 *	--	4,428 **	529,211
1996	181,059	192,509	142,164	15,424	64,058 *	--	5,387 **	600,601
1997	165,375	191,948	138,740	14,447	60,844 *	--	6,934 **	578,288
1998	176,460	193,328	142,606	11,929	53,243 *	--	6,533 **	584,099
1999	164,032	188,848	148,853	12,533	60,638 *	--	6,625 **	581,529
2000	163,941	198,178	155,398	9,634	66,920 *	--	8,083 **	602,154
2001	169,527	193,768	152,232	13,225	60,053 *	--	8,650 **	597,455
2002	157,683	192,723	153,245	10,344	59,702 *	--	9,182 **	582,879
2003	169,376	215,593	171,718	10,148	65,550 *	--	10,236 **	642,621
2004	172,787	234,888	198,569	13,397	66,981 *	--	11,491 **	698,113
2005	177,971	236,371	198,872	12,739	80,908 *	--	13,781 **	720,642
2006	181,000	241,785	186,414	14,732	77,334 *	--	14,156 **	715,421
2007	174,385	238,496	188,644	11,521	67,282 *	--	15,041 **	695,369
2008	174,381	247,438	200,606	11,303	69,677 *	--	17,960 **	721,365
2009	181,613	227,686	194,983	12,692	63,502 *	--	17,035 **	697,511

* Including kerosene & aviation gasoline.

** asphalt only.

(--): Not Available

Source: Ministry of Petroleum & Mineral Resources.



Table (5): DOMESTIC CONSUMPTION OF REFINED PRODUCTS, CRUDE OIL AND NATURAL GAS

(Thousand Barrels)

Year	Consumption of LPG			Consumption of Natural gas		
	Public	Oil Industry	Sub-Total	Public	Oil Industry	Sub-Total
1969*	408	--	408	--	--	--
1970	489	--	489	--	10,621	10,621
1971	594	--	594	--	8,863	8,863
1972	745	--	745	--	10,045	10,045
1973	896	--	896	--	11,824	11,824
1974	1,050	--	1,050	--	14,962	14,962
1975	1,230	--	1,230	--	17,805	17,805
1976	1,399	129	1,528	--	19,220	19,220
1977	1,749	--	1,749	6,198	20,851	27,049
1978	2,263	--	2,263	13,183	24,116	37,299
1979	2,717	9	2,726	20,322	25,471	45,793
1980	3,328	52	3,380	31,198	32,691	63,889
1981	3,770	152	3,922	38,658	35,829	74,487
1982	4,588	41	4,629	41,392	37,555	78,947
1983	4,412	630	5,042	52,234	24,861	77,095
1984	3,978	646	4,624	68,218	25,703	93,921
1985	3,722	1,053	4,775	84,653	25,323	109,976
1986	4,066	881	4,947	94,563	26,659	121,222
1987	4,214	1,187	5,401	97,005	27,535	124,540
1988	4,566	1,143	5,709	108,696	31,948	140,644
1989	4,604	1,420	6,024	122,799	33,217	156,016
1990	6,461	1,722	8,183	128,992	33,705	162,697
1991	6,388	2,328	8,716	131,969	35,019	166,988
1992	7,703	2,627	10,330	151,450	45,263	196,713
1993	8,409	2,540	10,949	158,550	47,655	206,205
1994	8,847	2,310	11,157	166,828	53,083	219,911
1995	8,853	2,486	11,339	166,233	68,853	235,086
1996	9,083	2,474	11,557	172,122	72,781	244,903
1997	9,284	2,462	11,746	180,852	73,494	254,346
1998	9,959	2,518	12,477	190,404	71,944	262,348
1999	9,775	1,928	11,703	192,364	69,223	261,587
2000	10,111	1,800	11,911	205,976	75,284	281,260
2001	10,523	1,680	12,203	238,404	66,676	305,080
2002	10,980	2,110	13,090	254,730	72,278	327,008
2003	11,252	2,076	13,328	265,824	73,972	339,796
2004	11,613	1,300	12,913	310,537	65,603	376,140
2005	12,191	1,044	13,235	336,334	80,563	416,897
2006	11,864	1,274	13,138	345,883	77,022	422,905
2007	12,456	2,449	14,905	349,045	90,915	439,960
2008	13,005	2,565	15,570	381,347	96,318	477,665
2009	13,208	2,639	15,847	380,787	85,455	466,242

* Excluding amounts consumed by the oil industry.

Note: Public includes consumption of all sectors except the oil industry.

Source: Ministry of Petroleum & Mineral Resources.



Contd...2 Table (5): DOMESTIC CONSUMPTION OF REFINED PRODUCTS, CRUDE OIL AND NATURAL GAS

(Thousand Barrels)

Year	Consumption of Other Refined Products			Grand Total	% Change
	Public	Oil Industry	Sub- Total		
1969*	13,818	--	13,818	14,226	6.83
1970	15,023	1,103	16,126	27,236	91.45
1971	16,598	544	17,142	26,599	-2.34
1972	19,294	732	20,026	30,816	15.85
1973	24,003	1,152	25,155	37,875	22.91
1974	30,972	2,530	33,502	49,514	30.73
1975	41,568	3,443	45,011	64,046	29.35
1976	56,445	4,205	60,650	81,398	27.09
1977	61,392	2,227	63,619	92,417	13.54
1978	78,368	4,943	83,311	122,873	32.95
1979	96,525	6,571	103,096	151,615	23.39
1980	177,626	8,921	186,547	253,816	67.41
1981	215,092	6,429	221,521	299,930	18.17
1982	238,118	6,123	244,241	327,817	9.30
1983	269,135	7,437	276,572	358,709	9.42
1984	284,578	12,124	296,702	395,247	10.19
1985	272,971	16,335	289,306	404,057	2.23
1986	268,879	14,051	282,930	409,099	1.25
1987	260,187	20,325	280,512	410,453	0.33
1988	257,196	23,240	280,436	426,789	3.98
1989	233,663	16,324	249,987	412,027	-3.46
1990	289,334	20,681	310,015	480,895	16.71
1991	298,829	11,059	309,888	485,592	0.98
1992	286,180	31,142	317,322	524,365	7.98
1993	311,645	28,610	340,255	557,409	6.30
1994	329,842	26,825	356,667	587,735	5.44
1995	316,731	25,144	341,875	588,300	0.10
1996	337,803	31,215	369,018	625,478	6.32
1997	340,880	29,822	370,702	636,794	1.81
1998	366,313	32,711	399,024	673,849	5.82
1999	381,272	30,725	411,997	685,287	1.70
2000	389,832	28,701	418,533	711,704	3.85
2001	391,329	29,027	420,356	737,639	3.64
2002	397,349	34,994	432,343	772,441	4.72
2003	419,672	34,996	454,668	807,792	4.58
2004	437,920	36,889	474,809	863,862	6.94
2005	456,617	37,179	493,796	923,928	6.95
2006	488,140	32,132	520,272	956,315	3.51
2007	530,314	33,505	563,819	1,018,684	6.52
2008	578,459	39,009	617,468	1,110,703	9.03
2009	641,388	27,768	669,156	1,151,245	3.65

Source: Ministry of Petroleum & Mineral Resources.

(--): Not Available



Table (6): SAUDI ARAMCO PRODUCTION OF NATURAL GAS LIQUIDS

(Million Barrels)

Year	Annual Production	Change %	Average Daily Production
1962	1.06	--	0.00
1963	2.12	100.00	0.01
1964	4.03	90.09	0.01
1965	5.06	25.56	0.01
1966	5.68	12.25	0.02
1967	7.44	30.99	0.02
1968	14.08	89.25	0.04
1969	16.85	19.67	0.05
1970	19.02	12.88	0.05
1971	19.00	-0.11	0.05
1972	19.79	4.16	0.05
1973	35.45	79.13	0.10
1974	50.24	41.72	0.14
1975	51.62	2.75	0.14
1976	67.63	31.02	0.18
1977	80.10	18.44	0.22
1978	92.38	15.33	0.25
1979	112.88	22.19	0.31
1980	135.14	19.72	0.37
1981	163.58	21.04	0.45
1982	156.77	-4.16	0.43
1983	120.49	-23.14	0.33
1984	129.96	7.86	0.36
1985	115.45	-11.16	0.32
1986	111.03	-3.83	0.30
1987	125.90	13.39	0.35
1988	152.33	20.99	0.42
1989	153.65	0.87	0.42
1990	194.63	26.67	0.53
1991	214.16	10.03	0.59
1992	227.67	6.31	0.62
1993	233.51	2.57	0.64
1994	251.09	7.53	0.69
1995	267.12	6.38	0.73
1996	276.75	3.61	0.76
1997	280.12	1.22	0.77
1998	279.16	-0.34	0.76
1999	269.13	-3.59	0.74
2000	285.01	5.90	0.78
2001	292.38	2.59	0.80
2002	316.94	8.40	0.87
2003	345.08	8.88	0.95
2004	387.30	12.23	1.06
2005	400.38	3.38	1.10
2006	399.03	-0.34	1.09
2007	394.56	-1.12	1.08
2008	402.20	1.94	1.10

Source: Saudi Aramco annual reports.

(--) : Not Available



Table (7): SPOT PRICES OF SAUDI CRUDE OILS

(In U.S.\$ per Barrel)

Year	Type of crude			
	Berri 39 API	Arabian Light 34 API	Arabian Medium 31 API	Arabian Heavy 27 API
1985	27.74	27.52	26.52	25.85
1986	13.92	13.73	12.95	12.30
1987	17.51	17.23	16.57	16.10
1988	13.91	13.40	12.84	12.17
1989	17.09	16.21	15.39	14.93
1990	22.02	20.82	19.56	18.82
1991	18.71	17.43	15.72	13.96
1992	18.97	17.94	16.40	15.20
1993	16.68	15.68	14.19	13.03
1994	16.19	15.39	14.43	13.67
1995	17.17	16.73	16.10	15.59
1996	20.67	19.91	18.93	18.36
1997	19.71	18.71	18.06	17.26
1998	12.61	12.20	11.58	10.95
1999	17.86	17.45	16.92	16.41
2000	27.46	26.81	25.95	25.20
2001	23.97	23.06	22.60	21.90
2002	23.82	24.32	22.03*	23.37
2003	26.83	27.69	25.96*	26.51
2004	--	34.53	33.78*	31.09
2005	--	50.15	47.08*	43.02
2006	--	61.05	56.71*	56.80
2007	--	68.74	65.03*	64.19
2008	--	94.77	91.29*	87.75
2009	--	61.38	62.22	61.37

* Source: Bloomberg.

(--): Not Available

Source: OPEC publications.



Table (8): WORLD OIL PRODUCTION*

(Million barrels per day)

Year	OPEC	OECD	Major non-OPEC Producers							Total Non - OPEC	Total World
			FSU	U.S.A.	Mexico	China	Canada	UK	Norway		
1983	18.60	16.01	12.36	10.30	2.93	2.13	1.70	2.40	0.66	39.49	58.09
1984	18.79	16.74	12.26	10.55	2.94	2.29	1.78	2.61	0.74	40.91	59.70
1985	17.57	17.13	11.95	10.64	2.91	2.51	1.84	2.66	0.85	41.65	59.22
1986	19.89	16.87	12.35	10.29	2.75	2.62	1.82	2.68	0.90	42.06	61.96
1987	19.69	19.78	12.54	10.01	2.88	2.69	1.91	2.62	1.05	42.72	62.42
1988	21.81	19.63	12.51	9.82	2.88	2.74	2.00	2.42	1.20	42.94	64.76
1989	23.79	18.89	12.20	9.22	2.90	2.76	1.96	1.95	1.57	42.27	66.06
1990	25.06	18.97	11.48	8.99	2.98	2.77	1.97	1.94	1.72	41.86	66.92
1991	25.33	19.53	10.37	9.16	3.13	2.80	1.98	1.94	1.96	41.46	66.79
1992	26.48	19.76	8.93	9.00	3.12	2.84	2.07	2.00	2.22	40.76	67.24
1993	26.95	19.95	7.95	8.82	3.14	2.91	2.18	2.14	2.38	40.51	67.45
1994	27.36	20.84	7.25	8.64	3.14	2.84	2.27	2.70	2.69	41.27	68.63
1995	27.65	21.10	7.14	8.61	3.07	2.99	2.40	2.79	2.91	42.53	70.18
1996	28.41	21.72	7.09	8.59	3.28	3.12	2.46	2.81	3.23	43.63	72.04
1997	29.90	22.07	7.23	8.65	3.41	3.19	2.57	2.74	3.28	44.45	74.35
1998	30.79	21.88	7.30	8.37	3.50	3.19	2.67	2.84	3.14	44.68	75.47
1999	29.43	21.43	7.49	8.10	3.35	3.19	2.56	2.93	3.14	44.69	74.12
2000	30.80	21.93	7.92	8.11	3.45	3.23	2.74	2.71	3.32	46.07	76.87
2001	30.11	21.81	8.56	8.07	3.56	3.30	2.73	2.53	3.41	46.67	76.78
2002	28.55	21.88	9.37	8.06	3.59	3.39	2.86	2.50	3.33	47.97	76.52
2003	30.66	21.60	10.31	7.82	3.79	3.41	3.00	2.28	3.26	49.01	79.67
2004	32.97	21.25	11.22	7.66	3.83	3.48	3.09	2.06	3.19	50.12	83.07
2005	34.20	20.33	11.64	7.32	3.76	3.62	3.06	1.84	2.97	50.25	84.45
2006	34.34	19.97	12.25	7.34	3.68	3.67	3.19	1.66	2.78	51.09	85.43
2007	34.86	19.85	12.77	7.47	3.48	3.73	3.32	1.66	2.56	50.69	85.55
2008	35.63	19.33	12.82	7.52	3.16	3.79	3.25	1.56	2.46	50.75	86.38
2009	33.36	19.43	13.27	8.07	2.97	3.79	3.22	1.47	2.38	51.50	84.86

* Including Condensates and Natural gas liquids.

Source : International Energy Agency Review, Different Issues



Table (9): RATIO OF OIL AND NATURAL GAS TO TOTAL WORLD ENERGY CONSUMPTION

Year	World		OECD		U.S.A.		JAPAN	
	Oil	Natural Gas	Oil	Natural Gas	Oil	Natural Gas	Oil	Natural Gas
1965	41.0	16.9	44.2	18.9	42.3	33.3	63.1	1.3
1966	41.8	17.4	45.2	19.4	42.0	33.8	64.8	1.2
1967	43.6	18.1	46.6	19.8	42.1	34.5	67.5	1.1
1968	44.2	18.4	47.5	20.2	42.3	34.8	69.6	1.1
1969	45.1	19.0	48.3	20.8	42.2	35.5	71.5	1.0
1970	46.4	19.0	49.9	20.6	43.0	34.9	73.6	1.3
1971	47.2	19.6	50.9	21.4	43.5	35.3	76.7	1.3
1972	48.4	19.5	52.3	21.3	45.1	34.2	78.6	1.2
1973	49.6	19.1	53.6	20.4	46.7	32.1	79.9	1.6
1974	48.6	19.4	52.3	20.8	46.0	32.0	77.3	2.1
1975	45.7	18.2	51.6	20.5	44.7	29.1	73.8	2.3
1976	48.3	19.2	52.3	20.0	47.1	29.1	76.3	2.8
1977	48.2	19.1	52.3	19.6	48.1	27.7	77.2	3.2
1978	48.4	19.2	52.4	19.6	48.5	27.3	76.2	4.6
1979	47.4	19.8	51.2	20.1	46.8	27.9	73.8	5.7
1980	43.4	18.9	48.5	20.5	43.1	27.5	66.1	6.5
1981	42.3	19.3	47.0	20.8	41.3	27.8	63.3	6.8
1982	41.2	19.2	45.8	20.5	40.8	26.6	60.9	7.2
1983	40.3	19.1	45.2	19.9	41.0	25.3	60.5	7.4
1984	39.1	20.0	43.8	20.3	40.2	25.8	58.2	9.1
1985	37.9	20.1	42.8	19.9	40.2	24.7	55.1	9.9
1986	38.2	19.6	43.5	18.8	41.6	23.3	55.1	9.7
1987	37.6	19.9	43.0	19.0	41.3	23.4	55.1	9.6
1988	38.9	20.9	43.0	19.4	41.0	24.0	55.8	9.7
1989	38.8	21.3	42.2	19.9	40.4	24.8	55.5	10.0
1990	39.9	22.5	43.3	20.0	40.5	25.2	57.8	10.8
1991	40.0	22.8	43.2	21.2	39.8	25.7	56.9	11.1
1992	40.4	22.6	43.6	21.4	40.0	25.9	57.4	11.2
1993	39.7	23.3	43.8	21.9	39.6	26.3	55.5	11.1
1994	39.9	23.0	44.0	22.1	39.8	26.4	56.1	11.4
1995	39.8	23.2	43.0	21.9	39.0	27.0	54.6	11.2
1996	39.5	23.5	42.8	22.4	39.2	26.6	53.8	11.9
1997	39.9	23.5	43.1	22.3	39.5	26.5	52.6	11.6
1998	40.0	23.7	43.0	22.1	39.8	25.5	51.1	12.5
1999	39.3	23.7	41.7	22.4	39.4	25.7	50.6	13.2
2000	38.9	24.2	41.1	22.7	38.8	26.1	49.5	13.3
2001	38.6	24.2	41.3	22.7	39.7	25.5	48.1	13.8
2002	37.6	24.2	40.9	23.0	39.1	25.9	48.1	12.8
2003	37.2	32.9	41.1	23.1	39.7	25.3	49.3	13.6
2004	36.9	23.6	41.0	23.0	40.5	24.8	46.3	13.6
2005	36.3	23.6	41.0	23.1	40.5	24.5	46.7	13.6
2006	35.8	23.7	40.7	23.2	40.4	24.4	45.2	14.6
2007	35.5	23.9	40.3	23.9	39.9	25.2	44.5	15.7
2008	35.0	24.0	39.6	24.5	38.6	26.0	43.6	16.6
2009	34.8	23.8	39.7	25.0	38.6	27.0	42.6	17.0



**Contd...2 Table (9): RATIO OF OIL AND NATURAL GAS TO TOTAL
WORLD ENERGY CONSUMPTION**

Year	GERMANY		CANADA		FRANCE		ITALY		U.K.	
	Oil	Natural Gas	Oil	Natural Gas	Oil	Natural Gas	Oil	Natural Gas	Oil	Natural Gas
1965	34.0	1.0	54.5	20.3	49.8	4.6	71.5	10.0	37.7	0.4
1966	38.0	1.2	54.4	21.0	52.8	4.9	72.2	10.3	40.3	0.4
1967	39.5	1.6	55.1	21.3	55.8	5.0	73.2	10.0	43.2	0.6
1968	41.6	2.5	54.8	22.0	57.8	5.7	74.6	10.3	44.2	1.3
1969	43.2	3.3	54.3	23.3	60.5	6.2	75.3	10.9	45.6	2.5
1970	45.1	4.4	53.7	24.0	63.8	6.3	76.4	10.8	47.7	4.7
1971	46.6	5.8	53.6	24.7	66.6	7.2	77.8	10.4	48.9	7.7
1972	47.7	7.2	52.8	26.2	69.2	8.0	78.9	9.9	51.1	10.8
1973	48.0	8.8	52.3	26.1	70.6	8.7	79.0	11.0	49.9	11.1
1974	44.6	11.3	51.9	25.8	68.3	9.7	77.3	12.1	48.9	14.0
1975	44.8	12.4	51.5	26.7	67.4	10.4	74.8	14.2	45.3	15.5
1976	45.4	12.3	50.0	26.8	67.9	10.7	73.1	16.3	44.1	16.2
1977	44.9	13.0	47.8	25.7	65.1	11.6	72.3	16.3	43.5	16.8
1978	45.1	13.5	48.1	26.2	64.6	11.4	72.7	16.4	44.3	17.4
1979	44.1	14.2	48.7	27.1	63.5	12.5	72.7	16.1	42.6	18.2
1980	41.5	14.6	46.6	26.2	60.1	12.9	70.8	16.6	40.0	19.9
1981	45.5	16.0	37.2	21.7	53.1	13.1	66.4	15.8	38.1	21.6
1982	45.0	15.2	33.9	22.8	50.3	13.2	64.6	15.7	39.0	21.8
1983	44.1	15.6	32.2	22.3	49.1	12.2	64.4	16.3	37.3	22.7
1984	42.5	15.8	30.6	21.9	46.0	12.6	60.7	19.0	46.5	23.3
1985	42.2	15.4	30.7	20.1	44.7	12.4	60.5	19.5	38.3	23.9
1986	44.8	15.0	30.0	18.0	44.1	12.4	60.3	20.1	37.2	23.7
1987	43.0	16.7	29.9	17.8	43.8	12.7	60.7	21.8	36.6	24.3
1988	42.9	16.3	30.0	21.5	43.6	12.0	60.4	22.4	38.1	23.0
1989	34.6	15.2	30.9	23.2	43.7	12.1	60.9	24.0	39.1	22.7
1990	36.2	15.3	38.4	27.5	44.5	13.1	61.9	25.9	39.2	23.4
1991	38.9	16.5	36.4	27.6	40.7	11.8	60.4	27.1	38.5	24.6
1992	39.7	16.8	36.2	29.1	40.4	12.1	61.4	27.1	39.2	24.6
1993	40.7	17.8	35.9	28.8	38.7	12.3	61.5	28.2	38.4	26.4
1994	40.6	18.4	35.3	28.6	38.4	12.1	62.2	27.5	38.2	27.9
1995	40.4	20.0	34.8	29.1	37.5	12.5	61.0	28.9	37.3	29.9
1996	39.7	21.7	34.8	29.7	36.8	13.1	60.5	29.8	36.4	33.2
1997	40.1	21.0	36.4	29.9	37.6	12.8	60.1	30.4	36.2	34.3
1998	40.6	21.3	37.6	28.5	38.1	13.4	58.5	31.8	35.9	34.6
1999	40.0	21.8	36.9	29.1	38.1	13.4	56.9	33.8	35.5	37.1
2000	39.3	21.6	30.9	24.5	37.2	14.0	53.0	33.1	35.1	38.9
2001	39.2	22.2	31.0	26.1	37.0	14.6	52.7	32.6	34.2	38.3
2002	38.6	22.5	31.9	26.6	36.2	14.6	52.5	33.4	35.3	38.5
2003	37.7	23.2	31.7	27.4	35.9	15.0	50.9	35.1	35.0	38.1
2004	37.5	23.4	32.3	26.8	35.7	15.2	48.7	35.9	35.6	38.5
2005	37.6	23.9	31.6	26.0	35.4	15.7	47.0	38.4	36.3	37.4
2006	37.6	23.9	30.7	27.0	35.3	15.5	47.0	38.1	36.3	36.1
2007	36.4	24.1	31.5	26.7	35.8	15.0	47.1	39.2	36.9	38.1
2008	38.3	23.6	30.3	26.4	35.5	15.4	45.5	39.6	36.9	40.0
2009	39.3	24.2	30.4	26.7	36.2	15.9	46.0	39.5	37.4	39.2



Table (10): NOMINAL AND REAL OIL PRICES
(Base Year 1970)

(In U.S.\$ per Barrel)

Year	NOMINAL OIL PRICE		REAL OIL PRICE*	
	Arabian Light	North Sea (Brent)	Arabian Light	North Sea (Brent)
1970	1.30	2.23	1.30	2.23
1971	1.65	3.21	1.57	3.05
1972	1.90	3.61	1.73	3.28
1973	2.70	4.25	2.28	3.58
1974	9.76	12.93	7.27	9.63
1975	10.72	11.50	7.18	7.70
1976	11.51	13.14	7.11	8.11
1977	12.40	14.31	7.05	8.14
1978	12.70	14.26	6.73	7.56
1979	17.26	32.11	8.37	15.57
1980	28.67	37.89	12.40	16.39
1981	34.23	36.68	13.44	14.40
1982	31.74	33.42	11.58	12.19
1983	28.77	29.83	9.98	10.34
1984	28.06	28.80	9.29	9.54
1985	27.54	27.33	8.76	8.69
1986	13.73	14.50	4.26	4.50
1987	17.23	18.34	5.20	5.53
1988	13.40	14.97	3.91	4.37
1989	16.21	18.22	4.53	5.09
1990	20.82	23.99	5.54	6.38
1991	17.43	19.99	4.44	5.10
1992	17.94	19.33	4.44	4.79
1993	15.68	17.00	3.78	4.10
1994	15.39	15.80	3.63	3.72
1995	16.73	17.01	3.85	3.91
1996	19.91	20.70	4.48	4.65
1997	18.71	19.06	4.12	4.20
1998	12.20	12.71	2.61	2.72
1999	17.45	17.91	3.68	3.78
2000	26.81	28.44	5.53	5.87
2001	23.06	24.46	4.62	4.90
2002	24.32	25.03	4.79	4.93
2003	27.69	28.81	5.35	5.56
2004	34.53	38.23	6.54	7.24
2005	50.15	54.37	9.31	10.09
2006	61.05	65.14	11.10	11.84
2007	68.75	72.55	12.24	12.92
2008	95.16	97.37	16.31	16.69
2009	61.38	61.68	10.38	10.43

* Real prices have been calculated by using the Consumer Price Index in industrial countries.

Sources: 1- IMF, International Financial Statistics (IFS).

2- OPEC.



SECTION (11)

OTHER MISCELLANEOUS STATISTICS

TABLE

PAGE No.

EDUCATION

1-	General Education - Number of Students	373
2-	General Education - Number of Teachers	374
3-	General Education - Number of Schools	375
4-	Higher Education - Number of New Students	376
5-	Higher Education - Number of Enrolled Students	377
6-	Higher Education - Number of Graduates	378
7-	Higher Education - Number of Teaching Staff	379
8-	Technical Education And Vocational Training Total Number of Students	380
9-	Technical Education and Vocational Training No. of Graduates	381
10-	Technical Education and Vocational Training No. of Teaching Staff	382
11-	Technical Education and Vocational Training No. of Colleges and Institutes	383

TOTAL HEALTH FACILITIES AND MEDICAL STAFF

12-	Number of Health Care Centers and Private Dispensaries	384
13-	Number of Hospitals and Beds	385
14-	Number of Physicians and Nursing Staff	386
15-	Allied Health Personnel	387



AGRICULTURE AND ANIMAL PRODUCTS

TABLE **PAGE No.**

16- Cultivated Area	388
17- Agricultural Production	389
18- Indicators of Animal Products	390
19- Estimates of the number of livestock and poultry	391

INDUSTRY, ELECTRICITY AND CEMENT

20- No. of Operating Industrial Units	392
21- Total Finance of Operating Industrial Units	394
22- Number of Workers of Operating Industrial Units	396
23- Electric Power Generation Capacity and Number of Subscribers	398
24- Cement Production And Domestic Sales	399

ROADS AND AIR TRANSPORT STAT.

25- Cumulative Length of Road Network of The Kingdom Implemented By Ministry Of Transport	400
26- Aviation Operations - Saudi Arabian Airlines	401
27- Total Aviation Operations of All Airlines	402

POPULATION AND LABOUR FORCE

28- Population	403
29- Labour Force and Unemployment Rate	404
30- Number of Employees in the Government Sectors	405
31- Expenditure on Outbound Tourist Trips by Purpose of Visit	406
32- Expenditure on Inbound Tourist Trips by Purpose of Visit	407
33- Expenditure on Domestic Tourist Trips by Purpose of Visit	408



Table (1): GENERAL EDUCATION - NUMBER OF STUDENTS

Year	Primary			Intermediate			Secondary			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
1389/1390	119789	277364	397153	5305	55890	61195	1487	14058	15545	473893
1390/1391	132277	295520	427797	8645	60926	69571	1856	18178	20034	517402
1391/1392	153964	321043	475007	13546	70802	84348	2979	20440	23419	582774
1392/1393	174194	346928	521122	20518	78924	99442	4009	23242	27251	647815
1393/1394	197448	380286	577734	29478	86247	115725	6412	26774	33186	726645
1394/1395	223304	420194	643498	38544	98739	137283	10206	31333	41539	822320
1395/1396	246606	439502	686108	47817	107052	154869	13856	34970	48826	889803
1396/1397	266425	459638	726063	55493	122428	177921	17518	42415	59933	963917
1397/1398	278338	474639	752977	64201	132991	197192	20384	49978	70362	1020531
1398/1399	298876	503934	802810	71037	149305	220342	24565	59151	83716	1106868
1399/1400	325369	536891	862260	80087	165107	245194	28957	64627	93584	1201038
1400/1401	360039	570397	930436	88157	168567	256724	34150	65873	100023	1287183
1401/1402	397416	600891	998307	97362	176641	274003	41819	74270	116089	1388399
1402/1403	436411	637117	1073528	108414	193084	301498	49525	80756	130281	1505307
1403/1404	490323	676281	1166604	123317	212042	335359	58772	88209	146981	1648944
1404/1405	542708	720245	1262953	137582	235552	373134	67255	96931	164186	1800273
1405/1406	587535	759886	1347421	150458	251660	402118	74508	105632	180140	1929679
1407	649509	810774	1460283	170456	266701	437157	84554	113895	198449	2095889
1408	710623	867664	1578287	187000	278843	465843	94124	123454	217578	2261708
1409	770367	924027	1694394	202458	292391	494849	106349	137957	244306	2433549
1410	820703	980362	1801065	224204	314010	538214	118114	150468	268582	2607861
1411	857208	1019708	1876916	247257	322823	570080	132586	156976	289562	2736558
1412	893076	1028978	1922054	269362	347198	616560	143772	169804	313576	2852190
1413	950998	1074883	2025881	303170	390028	693198	151949	188537	340486	3059565
1414	997081	1117655	2114736	336766	434073	770839	173615	212138	385753	3271328
1415/1416	1033092	1135545	2168637	371557	462091	833648	202016	232882	434898	3437183
1416/1417	1069526	1178716	2248242	394558	493316	887874	232168	266407	498575	3634691
1417/1418	1081774	1174411	2256185	416919	516786	933705	267519	299821	567340	3757230
1418/1419	1078235	1165378	2243613	444795	538011	982806	306529	335576	642105	3868524
1419/1420	1084293	1175556	2259849	471739	564126	1035865	338445	366661	705106	4000820
1420/1421	1095964	1189364	2285328	491311	582490	1073801	365559	390418	755977	4115106
1421/1422	1107862	1200598	2308460	494281	589654	1083935	387001	407178	794179	4186574
1422/1423	1114765	1201401	2316166	507183	606069	1113252	408734	433438	842172	4271590
1423/1424	1122645	1219569	2342214	504772	589174	1093946	413324	442201	855525	4291685
1424/1425	1143661	1241840	2385501	504021	574005	1078026	426309	465822	892131	4355658
1425/1426	1518695	1578909	3097604	670281	671235	1341516	574364	608067	1182431	5621551
1426/1427	1532030	1599788	3131818	696027	724011	1420038	606130	680457	1286587	5838443
1427/1428	1547555	1626252	3173807	702060	730548	1432608	616451	697391	1313842	5920257
1428/1429	1562795	1648592	3211387	709173	740508	1449681	626662	711751	1338413	5999481
1429/1430	1583377	1671867	3255244	741832	776559	1518391	648203	715348	1363551	6137186

Note : Data from year 1425/1426 to year 1429/1430 is Revised by the source.

Source: Ministry of Education, and Central Department of Statistics & Information.



Table (2): GENERAL EDUCATION - NUMBER OF TEACHERS

Year	Primary			Intermediate			Secondary			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
1389/1390	4330	12851	17181	189	3292	3481	14	504	518	21180
1390/1391	4716	12719	17435	348	3017	3365	21	636	657	21457
1391/1392	5466	14111	19577	669	3548	4217	127	824	951	24745
1392/1393	6467	15663	22130	1035	4260	5295	190	1155	1345	28770
1393/1394	7653	18731	26384	1383	4812	6195	294	1356	1650	34229
1394/1395	8364	21392	29756	1771	5668	7439	449	1683	2132	39327
1395/1396	10570	23913	34483	2377	6432	8809	653	1963	2616	45908
1396/1397	11911	26166	38077	3002	7593	10595	977	2280	3257	51929
1397/1398	13060	26247	39307	3501	9043	12544	1196	2671	3867	55718
1398/1399	14773	27225	41998	4382	10302	14684	1780	3056	4836	61518
1399/1400	17263	28841	46104	5203	11239	16442	2215	3377	5592	68138
1400/1401	19645	30365	50010	5718	11050	16768	2329	3633	5962	72740
1401/1402	23040	31975	55015	6769	11492	18261	3058	3844	6902	80178
1402/1403	26320	33524	59844	8046	11981	20027	3622	4254	7876	87747
1403/1404	28736	44321	73057	9239	15068	24307	4517	5435	9952	107316
1404/1405	31492	47087	78579	10516	16393	26909	5025	6048	11073	116561
1405/1406	39563	48037	87600	12244	17704	29948	5938	6186	12124	129672
1407	41235	49300	90535	12643	17946	30589	6406	6425	12831	133955
1408	45091	53432	98523	14178	19879	34057	7241	7164	14405	146985
1409	49915	56022	105937	15600	21214	36814	8060	7978	16038	158789
1410	53587	59228	112815	16884	23031	39915	9048	9305	18353	171083
1411	56990	62891	119881	18285	24845	43130	9884	10134	20018	183029
1412	61452	65968	127420	20456	26960	47416	11238	10889	22127	196963
1413	67408	71026	138434	23266	29527	52793	12887	11702	24589	215816
1414	74511	75392	149903	27578	31950	59528	15266	12671	27937	237368
1415/1416	80734	80198	160932	30112	35165	65277	16970	14598	31568	257777
1416/1417	86260	83060	169320	32627	36737	69364	19091	16703	35794	274478
1417/1418	90668	84790	175458	35965	38600	74565	22275	19197	41472	291495
1418/1419	96282	86252	182534	40199	40407	80606	26792	21010	47802	310942
1419/1420	100527	88481	189008	44588	42105	86693	30688	22972	53660	329361
1420/1421	100770	89800	190570	43565	43184	86749	30516	24803	55319	332638
1421/1422	102176	93025	195201	44907	46685	91592	32089	28170	60259	347052
1422/1423	103693	96048	199741	47585	48842	96427	34678	30597	65275	361443
1423/1424	101806	96375	198181	48052	49079	97131	35820	32572	68392	363704
1424/1425	107619	98417	206036	54393	46710	101103	39154	35567	74721	381860
1425/1426	109629	103726	213355	52784	51891	104675	42365	37389	79754	397784
1426/1427	111851	104171	216022	54058	52302	106360	45374	39324	84698	407080
1427/1428	113828	107227	221055	57531	54034	111565	46715	41108	87823	420443
1428/1429	116792	112894	229686	61412	54937	116349	46888	43603	90491	436526
1429/1430	107884	107828	215712	54299	55842	110141	47861	43745	91606	417459

Source: Ministry of Education.



Table (3): GENERAL EDUCATION - NUMBER OF SCHOOLS

Year	Primary			Intermediate			Secondary			Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
1389/1390	378	1446	1824	22	333	355	6	110	116	2295
1390/1391	390	1518	1908	27	371	398	6	118	124	2430
1391/1392	488	1666	2154	69	418	487	15	127	142	2783
1392/1393	587	1880	2467	95	465	560	18	135	153	3180
1393/1394	721	1990	2711	98	490	588	19	141	160	3459
1394/1395	881	2147	3028	117	532	649	26	156	182	3859
1395/1396	1008	2489	3497	136	584	720	35	177	212	4429
1396/1397	1147	2731	3878	164	660	824	48	209	257	4959
1397/1398	1270	3174	4444	198	792	990	58	273	331	5765
1398/1399	1471	3512	4983	273	937	1210	85	322	407	6600
1399/1400	1655	3658	5313	350	1027	1377	113	343	456	7146
1400/1401	1877	3867	5744	430	1109	1539	138	375	513	7796
1401/1402	2204	4083	6287	515	1212	1727	175	463	638	8652
1402/1403	2515	4277	6792	604	1318	1922	220	497	717	9431
1403/1404	2836	4423	7259	710	1388	2098	270	533	803	10160
1404/1405	3200	4517	7717	819	1502	2321	308	583	891	10929
1405/1406	3310	4502	7812	875	1512	2387	335	593	928	11127
1407	3370	4642	8012	899	1557	2456	366	624	990	11458
1408	3619	4807	8426	1027	1744	2771	448	722	1170	12367
1409	3754	4877	8631	1103	1843	2946	499	763	1262	12839
1410	3832	4976	8808	1135	1975	3110	520	735	1255	13173
1411	3930	5167	9097	1194	2095	3289	581	773	1354	13740
1412	4194	5296	9490	1358	2224	3582	685	852	1537	14609
1413	4674	5556	10230	1600	2409	4009	795	937	1732	15971
1414	5014	5697	10711	1822	2609	4431	875	1040	1915	17057
1415/1416	5164	5707	10871	1955	2643	4598	948	1054	2002	17471
1416/1417	5379	5838	11217	2099	2799	4898	1064	1254	2318	18433
1417/1418	5576	5933	11509	2223	2931	5154	1171	1347	2518	19181
1418/1419	5847	6011	11858	2437	3071	5508	1361	1482	2843	20209
1419/1420	6086	6148	12234	2637	3267	5904	1497	1622	3119	21257
1420/1421	6206	6209	12415	2716	3391	6107	1571	1721	3292	21814
1421/1422	6318	6267	12585	2814	3516	6330	1650	1804	3454	22369
1422/1423	6452	6363	12815	2935	3631	6566	1784	1920	3704	23085
1423/1424	6494	6386	12880	3069	3666	6735	1869	1980	3849	23464
1424/1425	6540	6454	12994	3198	3654	6852	1974	1996	3970	23816
1425/1426	6637	6526	13163	3324	3762	7086	2079	2136	4215	24464
1426/1427	6714	6603	13317	3452	3839	7291	2189	2200	4389	24997
1427/1428	6766	6688	13454	3576	3927	7503	2266	2250	4516	25473
1428/1429	6785	6694	13479	3667	4025	7692	2408	2323	4731	25902
1429/1430	6855	6771	13626	3729	4097	7826	2391	2425	4816	26268

Source: Ministry of Education.

Table (4): HIGHER EDUCATION - NUMBER OF NEW STUDENTS

Year	Ph.D.			Master			Higher Diploma			Bachelor degree			Intermediate Diploma			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
1416/1417	396	93	489	1,764	615	2,379	131	119	250	31,775	36,014	67,789	6,112	6,356	12,468	40,178	43,197	83,375
1417/1418	159	97	256	1,038	461	1,499	516	221	737	35,250	32,777	68,027	7,024	6,199	13,223	43,987	39,755	83,742
1418/1419	138	110	248	844	500	1,344	100	29	129	36,969	49,438	86,407	6,841	6,961	13,802	44,892	57,038	101,930
1419/1420	250	98	348	1,086	585	1,671	367	73	440	38,817	46,726	85,543	7,499	7,291	14,790	48,019	54,773	102,792
1420/1421	49	129	178	979	339	1,318	1,060	207	1,267	41,531	55,137	96,668	11,855	9,080	20,935	55,474	64,892	120,366
1421/1422	360	167	527	993	548	1,541	608	114	722	36,478	56,877	93,355	16,182	9,272	25,454	54,621	66,978	121,599
1422/1423	242	171	413	1,208	678	1,886	735	103	838	40,800	66,987	107,787	22,484	3,315	25,799	65,469	71,254	136,723
1423/1424	326	197	523	1,537	774	2,311	638	110	748	47,762	122,769	170,531	30,274	6,721	36,995	80,537	130,571	211,108
1424/1425	265	256	521	1,533	1,169	2,702	1,256	311	1,567	56,745	112,933	169,678	33,423	7,513	40,936	93,222	122,182	215,404
1425/1426	292	281	573	1,690	1,169	2,859	901	203	1,104	56,648	95,350	151,998	35,685	8,314	43,999	95,216	105,317	200,533
1426/1427	324	287	611	1,792	1,466	3,258	1,293	295	1,588	64,255	99,908	164,163	37,444	10,717	48,161	105,108	112,673	217,781
1427/1428	489	205	694	2,081	1,310	3,391	981	177	1,158	63,943	128,692	192,635	17,709	10,139	27,848	85,203	140,523	225,726
1428/1429	508	213	721	2,160	1,360	3,520	1,018	184	1,202	66,373	133,582	199,955	18,382	10,524	28,906	88,441	145,863	234,304
1429/1430	580	310	890	4,533	3,043	7,576	1,355	908	2,263	113,160	91,795	204,955	14,847	12,304	27,151	134,475	108,360	242,835

Source: Ministry of Higher Education.



Table (5): HIGHER EDUCATION - NUMBER OF ENROLLED STUDENTS

Year	Ph.D.			Master			Higher Diploma			Bachelor degree			Intermediate Diploma			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
1416/1417	831	460	1,291	3,689	1,564	5,253	258	67	325	104,212	93,486	197,698	13,832	15,401	29,233	122,822	110,978	233,800
1417/1418	781	386	1,167	3,811	1,674	5,485	358	228	586	120,210	105,135	225,345	14,000	13,142	27,142	139,160	120,565	259,725
1418/1419	759	417	1,176	3,877	1,934	5,811	617	234	851	125,609	138,875	264,484	13,369	13,806	27,175	144,231	155,266	299,497
1419/1420	864	552	1,416	4,199	2,406	6,605	882	230	1,112	143,958	155,498	299,456	13,626	14,164	27,790	163,529	172,850	336,379
1420/1421	977	462	1,439	3,586	2,188	5,774	1,041	539	1,580	143,925	180,498	324,423	19,783	18,469	38,252	169,312	202,156	371,468
1421/1422	1,107	707	1,814	3,587	2,418	6,005	1,069	337	1,406	153,797	213,715	367,512	35,492	20,119	55,611	195,052	237,296	432,348
1422/1423	960	601	1,561	3,819	2,605	6,424	1,026	259	1,285	144,205	233,233	377,438	46,509	11,583	58,092	196,519	248,281	444,800
1423/1424	1,290	711	2,001	4,674	2,868	7,542	1,255	145	1,400	153,946	291,473	445,419	58,191	10,791	68,982	219,356	305,988	525,344
1424/1425	1,006	791	1,797	4,922	2,914	7,836	1,640	321	1,961	164,332	318,704	483,036	64,974	14,132	79,106	236,874	336,862	573,736
1425/1426	1,139	893	2,032	5,562	3,579	9,141	1,351	319	1,670	178,450	327,482	505,932	67,049	17,943	84,992	253,551	350,216	603,767
1426/1427	1,293	1,117	2,410	5,551	4,217	9,768	1,548	405	1,953	187,489	340,857	528,346	72,199	21,769	93,968	268,080	368,365	636,445
1427/1428	1,907	894	2,801	6,530	4,643	11,173	1,943	439	2,382	198,178	331,322	529,500	82,597	13,836	96,433	291,155	351,134	642,289
1428/1429	1,930	905	2,835	6,608	4,699	11,307	1,966	444	2,410	200,556	335,298	535,854	83,588	14,002	97,590	294,648	355,348	649,996
1429/1430	2,285	1,299	3,584	9,970	8,458	18,428	2,124	2,014	4,138	232,638	395,443	628,081	24,232	28,406	52,638	271,249	435,620	706,869

Source: Ministry of Higher Education.



Table (6): HIGHER EDUCATION - NUMBER OF GRADUATES

Year	Ph.D.			Master			Higher Diploma			Bachelor degree			Intermediate Diploma			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
1415/1416	84	101	185	494	218	712	354	119	473	14,639	17,172	31,811	3,770	4,986	8,756	19,341	22,596	41,937
1416/1417	193	96	289	683	304	987	306	156	462	16,414	19,103	35,517	3,821	6,217	10,038	21,417	25,876	47,293
1417/1418	114	47	161	493	188	681	324	192	516	20,229	21,221	41,450	2,760	6,580	9,340	23,920	28,228	52,148
1418/1419	92	16	108	477	135	612	121	468	589	18,885	25,041	43,926	3,179	6,222	9,401	22,754	31,882	54,636
1419/1420	171	85	256	630	287	917	508	179	687	21,058	27,249	48,307	4,675	7,766	12,441	27,042	35,566	62,608
1420/1421	164	67	231	671	289	960	809	182	991	22,932	34,158	57,090	6,958	8,276	15,234	31,534	42,972	74,506
1421/1422	197	66	263	694	298	992	690	161	851	22,625	36,280	58,905	8,482	4,114	12,596	32,688	40,919	73,607
1422/1423	86	85	171	567	312	879	610	125	735	24,076	38,303	62,379	13,368	4,154	17,522	38,707	42,979	81,686
1423/1424	63	97	160	540	309	849	782	111	893	21,519	40,213	61,732	15,844	3,525	19,369	38,748	44,255	83,003
1424/1425	103	125	228	812	479	1,291	769	199	968	23,538	47,753	71,291	15,435	5,624	21,059	40,657	54,180	94,837
1426/1427	298	97	395	1,049	543	1,592	937	188	1,125	23,217	52,123	75,340	12,043	4,858	16,901	37,544	57,809	95,353
1427/1428	312	102	414	1,099	569	1,668	982	197	1,179	24,326	54,613	78,939	12,618	5,090	17,708	39,337	60,571	99,908
1428/1429	235	181	416	1,210	835	2,045	1,619	1,240	2,859	33,682	53,473	87,155	3,301	5,565	8,866	40,047	61,294	101,341

Source: Ministry of Higher Education.





Table (7): HIGHER EDUCATION - NO. OF TEACHING STAFF

Year	Professor	Associate Professor	Assistant Professor	Lecturer	Teaching Assistant	Others	Total
1416/1417	1,084	1,778	4,547	2,576	2,970	346	13,301
1417/1418	1,122	1,780	4,751	2,884	3,178	606	14,321
1418/1419	1,248	1,932	5,189	2,964	3,585	1,750	16,668
1419/1420	1,219	1,906	5,258	3,255	3,960	1,695	17,293
1420/1421	1,300	2,084	5,586	3,607	4,222	2,126	18,925
1421/1422	1,320	2,134	5,977	4,267	4,595	2,388	20,681
1422/1423	1,355	2,220	6,544	4,518	4,509	2,772	21,918
1423/1424	1,413	2,254	7,006	4,977	4,500	3,209	23,359
1424/1425	1,482	2,339	7,895	5,495	4,605	3,344	25,160
1425/1426	1,504	2,428	8,447	6,123	4,580	3,755	26,837
1426/1427	1,687	2,550	9,011	6,135	5,682	2,899	27,964
1427/1428	5,410	5,395	5,517	5,641	3,808	1,849	27,620
1428/1429	1,878	3,028	9,334	4,848	8,416	919	28,423
1429/1430	2,141	4,007	9,913	5,675	8,808	1,082	31,626

Source: Ministry of Higher Education.



**Table (8): TECHNICAL EDUCATION AND VOCATIONAL TRAINING
TOTAL NUMBER OF STUDENTS**

Year	Technological Colleges	Industrial** Secondary Institutes	Commercial** Secondary Institutes	Agricultural** Institutes	Technical** Inspectors' Institutes	Vocational Training Institutes	Total
1404/1405	254	4,027	6,352	153	333	9,294	20,413
1405/1406	241	3,960	6,548	169	346	9,941	21,205
1407	332	4,653	7,383	266	480	7,378	20,492
1408	887	5,362	7,755	422	682	9,242	24,350
1409	1,403	6,243	7,980	370	930	9,534	26,460
1410	2,247	6,815	7,198	399	989	9,431	27,079
1411	3,379	7,375	7,025	408	1,050	9,564	28,801
1412	4,119	7,929	7,351	506	1,131	8,842	29,878
1413	5,703	8,245	8,501	702	1,498	9,512	34,161
1414/1415	6,648	8,672	10,335	774	1,660	8,878	36,967
1415/1416	7,214	8,558	10,995	737	1,738	8,841	38,083
1416/1417	6,999	8,045	10,916	821	1,956	8,282	37,019
1417/1418	7,629	7,816	9,554	839	2,073	7,458	35,369
1418/1419	8,880	7,766	8,228	670	2,178	9,573	37,295
1419/1420	13,998	9,561	7,294	639	2,308	12,387	46,187
1420/1421	19,635	9,470	6,909	449	2,430	11,111	50,004
1421/1422	22,835	11,006	7,179	321	2,693	11,651	55,685
1422/1423	30,060	11,590	7,794	303	2,987	13,332	66,066
1423/1424	33,876	11,890	7,660	311	3,171	13,847	70,755
1424/1425	39,539	12,264	7,212	259	3,145	13,441	75,860
1425/1426	40,586	12,001	6,052	253	2,748	12,461	74,101
1426/1427	40,360	7,819	3,342	134	1,835	13,909	67,399
1427/1428*	54,672	3,836	1,623	41	887	15,403	76,462
1428/1429	65,917	--	--	--	--	17,430	83,347
1429/1430	69,068	--	--	--	--	17,607	86,675

* As from 1427/1428H, Technological Colleges Include the number of female students of the Girl Higher Technological Institutes.

** Their Programs have been developed into Technological colleges programs effective from 1427/ 1428H.
Source: Technical and Vocational Training Corporation.



Table (9): TECHNICAL EDUCATION AND VOCATIONAL TRAINING
NO. OF GRADUATES *

Year	Technological Colleges	Industrial** Secondary Institutes	Commercial** Secondary Institutes	Agricultural** Institutes	Technical** Inspectors' Institutes	Vocational Training Institutes	Total
1404/1405	62	1,112	1,647	34	133	6,394	9,382
1405/1406	71	852	1,683	46	112	6,991	9,755
1407	63	1,051	1,474	29	120	5,545	8,282
1408	100	916	1,735	42	-	5,734	8,527
1409	447	1,138	1,930	64	174	7,089	10,842
1410	479	1,489	1,856	133	259	6,797	11,013
1411	590	1,735	1,949	79	302	6,124	10,779
1412	1,248	1,960	1,797	90	297	5,911	11,303
1413	1,354	1,834	1,553	133	278	6,355	11,507
1414/1415	1,706	1,954	1,895	150	336	6,198	12,239
1415/1416	1,967	2,069	2,425	119	478	6,060	13,118
1416/1417	1,909	2,060	2,556	205	519	5,251	12,500
1417/1418	1,916	1,819	2,649	195	487	5,544	12,610
1418/1419	1,890	1,635	2,862	194	561	4,749	11,891
1419/1420	1,760	1,420	1,971	203	576	5,994	11,924
1420/1421	2,242	1,734	1,730	116	646	5,667	12,135
1421/1422	3,845	2,301	1,775	124	659	5,518	14,222
1422/1423	4,784	2,243	1,782	74	711	6,606	16,200
1423/1424	7,310	2,751	1,885	49	810	6,555	19,360
1424/1425	10,964	3,174	2,030	86	956	6,313	23,523
1425/1426	10,056	3,539	2,160	88	880	7,796	24,519
1426/1427	11,267	3,854	1,586	90	928	7,675	25,400
1427/1428	12,426	--	--	--	--	10,707	23,133
1428/1429	12,750	--	--	--	--	7,966	20,716

* Provisional.

** Their Programs have been developed into Technological colleges programs effective from 1427/ 1428H.

(-) There are no graduates this year in view that the study period was extended from two to three years at the Technical Inspectors' Institutes

Source: Technical and Vocational Training Corporation.



**Table (10): TECHNICAL EDUCATION AND VOCATIONAL TRAINING
NO. OF TEACHING STAFF**

Year	Technological Colleges	Industrial** Secondary Institutes	Commercial** Secondary Institutes	Agricultural** Institutes	Technical** Inspectors' Institutes	Vocational Training Institutes	Total
1404/1405	77	690	541	42	83	1,058	2,491
1405/1406	78	760	554	41	85	1,069	2,587
1407	91	776	551	44	82	1,108	2,652
1408	196	784	560	47	91	1,308	2,986
1409	334	811	486	42	113	1,303	3,089
1410	403	834	494	39	116	1,288	3,174
1411	510	882	501	40	130	1,171	3,234
1412	573	964	525	50	145	1,258	3,515
1413	951	1,127	608	83	222	1,418	4,409
1414/1415	913	1,126	660	94	240	1,479	4,512
1415/1416	1,134	1,180	722	114	283	1,467	4,900
1416/1417	1,120	1,247	650	117	315	1,482	4,931
1417/1418	1,118	1,243	674	121	324	1,474	4,954
1418/1419	1,322	1,166	632	122	363	1,471	5,076
1419/1420	1,467	1,167	587	121	375	1,509	5,226
1420/1421	1,638	1,144	577	125	381	1,349	5,214
1421/1422	1,617	1,171	551	132	388	1,362	5,221
1422/1423	1,987	1,201	542	54	385	1,398	5,567
1423/1424	2,215	1,332	560	63	427	1,524	6,121
1424/1425	2,429	1,277	525	59	400	1,526	6,216
1425/1426	2,842	1,208	457	56	338	1,474	6,375
1426/1427	4,489	--	--	--	--	2,882	7,371
1427/1428*	3,954	--	--	--	--	3,091	7,045
1428/1429	4,395	--	--	--	--	2,703	7,098
1429/1430	3,888	--	--	--	--	2,497	6,385

* As from 1427/1428H, Technological Colleges Include the number of female students of the Girl Higher Technological Institutes.

** Their Programs have been developed into Technological colleges programs effective from 1427/ 1428I
Source: Technical and Vocational Training Corporation.



**Table (11): TECHNICAL EDUCATION AND VOCATIONAL TRAINING
NO. OF COLLEGES AND INSTITUTES**

Year	Technological Colleges	Industrial** Secondary Institutes	Commercial** Secondary Institutes	Agricultural** Institutes	Technical** Inspectors' Institutes	Vocational Training Institutes	Total
1404/1405	1	8	11	1	3	24	48
1405/1406	1	8	11	1	3	24	48
1407	1	8	11	1	3	25	49
1408	4	8	11	1	3	28	55
1409	4	8	11	1	3	29	56
1410	6	8	11	1	3	29	58
1411	6	8	11	1	3	30	59
1412	6	8	11	1	5	30	61
1413	6	8	15	2	5	30	66
1414/1415	6	8	15	3	5	30	67
1415/1416	6	9	15	3	5	30	68
1416/1417	6	10	16	3	5	30	70
1417/1418	6	11	16	4	5	30	72
1418/1419	10	12	16	4	5	30	77
1419/1420	11	12	16	4	5	30	78
1420/1421	12	10	16	4	5	30	77
1421/1422	12	10	16	4	5	30	77
1422/1423	17	10	16	4	5	31	83
1423/1424	20	10	16	3	5	32	86
1424/1425	24	10	16	3	5	34	92
1425/1426	28	10	16	3	5	34	96
1426/1427	33	10	16	2	5	47	113
1427/1428*	38	9	12	1	5	52	117
1428/1429	44	--	--	--	--	57	101
1429/1430	35	--	--	--	--	62	97

* As from 1427/1428H, Technological Colleges Include the number of female students of the Girl Higher Technological Institutes.

** Their Programs have been developed into Technological colleges programs effective from 1427/ 1428H

Source: Technical and Vocational Training Corporation.



Table (12): NUMBER OF HEALTH CARE CENTERS AND PRIVATE DISPENSARIES

Year	Health Care Centers of Ministry of Health	Private dispensaries	Total
1399	824	--	824
1400	889	--	889
1401	935	64	999
1402	973	105	1,078
1403	1,084	164	1,248
1404	1,119	184	1,303
1405	1,306	224	1,530
1406	1,431	226	1,657
1407	1,438	274	1,712
1408	1,477	313	1,790
1409	1,639	350	1,989
1410	1,668	392	2,060
1411	1,692	409	2,101
1412	1,702	464	2,166
1413	1,707	--	1,707
1414	1,719	552	2,271
1415	1,725	591	2,316
1416	--	598	598
1417	1,737	611	2,348
1418	1,751	622	2,373
1419	1,756	706	2,462
1420	1,766	708	2,474
1421	1,786	744	2,530
1422	1,792	1,059	2,851
1423	1,804	973	2,777
1424	1,824	1,041	2,865
1425	1,848	1,043	2,891
1426	1,905	1,055	2,960
1427	1,925	1,057	2,982
1428	1,925	1,152	3,077
1429	1,986	1,871	3,857

(--) Not Available.

Source: Ministry of Health.



Table (13): NUMBER OF HOSPITALS AND BEDS

Year	Ministry of Health		Other government agencies		Private Sector		Total	
	Hospitals	Beds	Hospitals	Beds	Hospitals	Beds	Hospitals	Beds
1399	67	10,978	--	--	--	--	67	10,978
1400	69	11,968	--	--	--	2,483	69	14,451
1401	70	13,066	--	--	28	2,685	98	15,751
1402	72	14,333	--	-	31	3,264	103	17,597
1403	74	15,387	--	5,055	32	3,440	106	23,882
1404	86	17,961	--	5,432	31	3,412	117	26,805
1405	105	20,796	--	6,170	40	3,993	145	30,959
1406	141	23,862	--	6,283	41	4,474	182	34,619
1407	157	25,902	--	6,437	43	5,019	200	37,358
1408	162	26,315	--	6,577	55	5,956	217	38,848
1409	162	25,918	--	6,592	61	6,445	223	38,955
1410	163	25,835	--	6,937	64	6,680	227	39,452
1411	166	26,866	--	7,129	66	6,680	232	40,675
1412	170	26,878	--	7,285	72	6,988	242	41,151
1413	174	26,974	--	7,338	75	7,477	249	41,789
1414	173	26,878	--	8,357	72	6,592	245	41,827
1415	175	26,737	39	8,563	74	6,616	288	41,916
1416	180	27,058	39	8,794	75	6,876	294	42,728
1417	182	27,428	39	8,970	84	8,185	305	44,583
1418	186	27,794	39	9,119	87	8,491	312	45,404
1419	188	27,864	39	9,169	89	8,766	316	45,799
1420	188	27,864	39	9,169	91	8,886	318	45,919
1421	190	28,140	39	9,376	94	9,106	323	46,622
1422	193	28,268	39	9,413	99	9,337	331	47,018
1423	195	28,522	39	9,604	105	8,954	339	47,080
1424	200	28,751	40	10,300	110	10,133	350	49,184
1425	200	28,751	38	9,975	113	11,135	351	49,861
1426	213	30,317	38	10,156	123	12,547	374	53,020
1427	218	30,617	39	10,257	127	12,590	384	53,464
1428	225	31,420	39	10,828	123	11,271	387	53,519
1429	231	31,720	39	10,806	123	11,362	393	53,888

(--) Not Available.

Source: Ministry of Health.



Table (14): NUMBER OF PHYSICIANS AND NURSING STAFF

Year	Ministry of Health		Other government agencies		Private Sector		Total	
	Physicians	Nursing	Physicians	Nursing	Physicians	Nursing	Physicians	Nursing
1399	--	--	--	--	--	--	--	--
1400	3,793	6,859	--	--	--	--	3,793	6,859
1401	4,618	9,051	--	--	1,436	2,062	6,054	11,113
1402	--	--	--	--	1,966	3,422	1,966	3,422
1403	6,453	12,367	2,308	4,255	2,634	4,548	11,395	21,170
1404	7,490	14,919	3,369	8,171	3,034	4,722	13,893	27,812
1405	9,257	20,707	2,873	5,630	2,942	3,424	15,072	29,761
1406	10,359	24,528	3,575	8,381	3,594	5,166	17,528	38,075
1407	11,326	25,986	3,654	8,551	3,551	5,983	18,531	40,520
1408	11,940	27,169	4,214	9,200	4,330	7,594	20,484	43,963
1409	12,617	28,266	4,298	9,255	4,992	8,319	21,907	45,840
1410	12,959	29,124	4,658	10,245	5,460	8,697	23,077	48,066
1411	14,082	30,799	4,839	10,654	5,788	8,490	24,709	49,943
1412	13,900	32,229	4,721	11,422	6,657	10,216	25,278	53,867
1413	14,554	33,373	5,076	12,485	8,135	11,232	27,765	57,090
1414	15,125	35,687	6,176	15,622	7,926	9,937	29,227	61,246
1415	15,476	35,219	6,539	15,534	8,291	9,983	30,306	60,736
1416	15,266	34,947	6,796	15,679	8,482	10,588	30,544	61,214
1417	14,717	34,739	6,806	16,447	8,891	10,800	30,414	61,986
1418	14,407	36,101	6,853	17,080	9,021	11,609	30,281	64,790
1419	14,786	36,340	6,891	16,920	9,825	12,266	31,502	65,526
1420	14,970	37,126	7,199	17,212	9,053	12,610	31,222	66,948
1421	14,950	36,495	7,588	17,664	9,445	13,262	31,983	67,421
1422	16,111	37,666	7,439	17,349	8,906	13,326	32,456	68,341
1423	16,645	37,918	8,406	19,487	10,717	13,913	35,768	71,318
1424	17,623	38,019	9,331	20,142	11,542	15,953	38,496	74,114
1425	18,621	41,356	8,856	19,421	12,788	17,810	40,265	78,587
1426	20,219	42,628	9,343	19,913	13,786	17,453	43,348	79,994
1427	21,265	44,395	10,233	20,488	14,091	18,985	45,589	83,868
1428	22,643	51,188	10,808	21,462	14,468	21,085	47,919	93,735
1429	24,802	55,429	11,592	23,536	16,444	22,333	52,838	101,298

(--) Not Available.

Source: Ministry of Health.



Table (15): ALLIED HEALTH PERSONNEL

Year	Ministry of Health	Other Government Agencies	Private Sector	Total
1400	2,644	--	--	2,644
1401	5,137	--	--	5,137
1402	--	--	--	--
1403	5,588	--	1,624	7,212
1404	7,963	3,928	1,899	13,790
1405	10,086	3,133	--	13,219
1406	11,513	4,216	2,333	18,062
1407	12,793	4,284	2,591	19,668
1408	14,013	5,942	2,756	22,711
1409	15,125	6,518	3,549	25,192
1410	15,329	6,696	3,704	25,729
1411	17,383	7,345	3,811	28,539
1412	17,195	6,806	4,319	28,320
1413	18,528	7,659	5,653	31,840
1414	19,325	8,958	3,884	32,167
1415	19,973	9,197	3,877	33,047
1416	20,250	10,014	4,013	34,277
1417	20,131	9,302	6,540	35,973
1418	20,615	10,457	7,628	38,700
1419	22,188	10,502	9,073	41,763
1420	23,073	10,722	6,627	40,422
1421	22,255	9,867	6,397	38,519
1422	23,061	10,946	9,865	43,872
1423	23,289	11,639	5,407	40,335
1424	23,369	14,041	7,148	44,558
1425	22,969	13,843	8,041	44,853
1426	24,239	14,673	7,061	45,973
1427	26,075	15,192	7,872	49,139
1428	27,958	16,162	7,168	51,288
1429	30,281	17,183	8,462	55,926

(--) Not Available.

Source: Ministry of Health.



Table (16): CULTIVATED AREA
(Thousand Hectares)

Year	Total Grain, of which							Total Vegetables, of which			Total Fruits, of which Dates	Total Green Fodder	Total
	Wheat	Sorghum	Millet	Corn	Barley	Sesame	Total	Tomato	Water Melon	Total			
							1			2	3	4	1+2+3+4
1971	30	8	253	0	10	0	301	10	0	34	43	41	419
1972	39	15	81	4	15	2	156	11	0	29	36	32	254
1973	31	17	139	1	6	7	201	7	0	18	38	29	286
1974	83	36	276	6	10	3	414	17	0	55	68	63	601
1975	62	36	237	3	7	2	347	21	0	56	64	45	511
1976	74	33	302	10	10	4	432	16	0	48	72	34	586
1977	72	32	273	6	8	3	394	18	0	53	64	46	557
1978	60	34	302	1	8	1	406	16	0	44	69	41	561
1979	67	33	319	5	9	2	434	17	0	52	71	42	601
1980	67	30	350	2	4	2	455	18	0	53	72	29	609
1981	74	12	173	8	8	2	276	13	0	45	73	41	435
1982	151	11	96	1	3	2	264	20	0	100	78	155	597
1983	245	10	59	1	1	4	320	19	1	69	70	273	731
1984	404	3	38	0	1	4	450	27	1	89	73	171	783
1985	587	2	37	1	2	3	634	25	1	93	75	145	946
1986	566	3	38	2	32	3	643	24	2	87	78	139	947
1987	602	5	67	2	38	4	718	23	2	99	82	163	1062
1988	726	6	115	2	45	3	898	23	2	98	82	168	1245
1989	780	6	121	2	54	4	968	22	2	105	88	166	1326
1990	771	8	138	2	56	4	978	25	3	109	91	201	1379
1991	896	6	124	2	61	1	1090	23	4	106	96	227	1520
1992	924	6	127	2	62	3	1125	25	6	124	103	219	1571
1993	764	6	146	3	212	3	1133	26	9	125	113	226	1596
1994	582	7	162	3	316	2	1071	25	13	134	118	273	1596
1995	369	8	181	3	145	3	708	28	19	159	130	305	1302
1996	274	8	184	3	95	3	566	28	18	156	139	313	1173
1997	403	8	182	3	59	2	659	30	19	162	146	297	1263
1998	385	8	180	3	46	2	624	20	16	120	148	239	1131
1999	484	6	155	4	41	2	693	11	16	92	190	251	1227
2000	419	7	159	6	26	2	619	12	15	94	193	214	1120
2001	424	7	178	5	45	2	661	19	13	114	191	245	1212
2002	499	7	166	8	25	2	707	18	14	113	193	211	1224
2003	517	7	142	9	23	2	699	18	14	114	198	205	1216
2004	523	5	130	14	10	3	685	17	15	111	209	168	1173
2005	489	4	103	24	7	3	632	17	18	115	217	143	1107
2006	468	4	100	22	5	3	603	14	19	111	224	137	1074
2007	450	3	96	24	5	3	582	15	19	112	229	151	1075
2008	326	3	104	29	4	3	469	15	18	109	233	161	972

Source: Ministry of Agriculture.



Table (17): AGRICULTURAL PRODUCTION

(Thousand Tons)

Year	Total Grain, of which							Total Vegetables, of which			Total Fruits, of which Dates	Total Green Fodder	Total
	Wheat	Sorghum	Millet	Corn	Barley	Sesame	Total 1	Tomato	Water Melon	Total 2			
1971	42	6	124	--	9	--	180	98	--	683	362	493	1718
1972	39	8	53	1	9	--	110	111	1	653	240	355	1358
1973	64	10	27	1	11	--	113	182	--	399	355	344	1212
1974	153	11	115	4	15	1	300	201	2	674	434	456	1864
1975	132	11	128	2	17	--	289	301	--	884	458	322	1953
1976	93	17	153	7	12	2	284	165	1	597	360	541	1782
1977	125	13	139	4	14	2	296	197	--	744	389	474	1903
1978	120	13	152	1	15	1	303	167	5	546	529	601	1979
1979	141	15	167	4	13	2	341	195	4	705	525	611	2182
1980	142	9	109	1	5	2	268	200	3	756	470	388	1882
1981	187	8	91	1	6	1	295	232	4	718	497	542	2052
1982	417	5	61	1	5	1	489	300	3	1292	509	2358	4648
1983	817	7	47	1	2	2	877	264	9	1089	577	2398	4941
1984	1402	4	35	1	2	4	1448	328	8	1313	658	2518	5937
1985	2135	4	43	1	4	3	2191	331	25	1443	687	2134	6454
1986	2290	6	43	1	121	2	2463	327	28	1281	714	2036	6494
1987	2649	7	117	3	154	5	2935	427	36	1911	781	2405	8032
1988	3267	9	125	4	285	4	3695	401	36	1953	818	2395	8860
1989	3452	11	129	4	350	4	3950	397	37	1895	849	2294	8988
1990	3580	9	171	4	372	2	4138	387	64	1901	804	2106	8948
1991	4035	9	118	5	407	1	4576	368	77	1904	834	2514	9827
1992	4124	10	147	5	417	2	4705	417	97	2074	899	2426	10103
1993	3430	11	175	6	1421	2	5045	433	167	2182	951	2435	10613
1994	2646	12	185	6	2011	2	4861	442	238	2289	988	2784	10922
1995	1648	13	207	6	794	2	2671	479	375	2693	1053	3069	9485
1996	1200	14	211	7	500	2	1934	458	349	2631	1092	3157	8814
1997	1795	13	209	6	315	2	2341	478	331	2600	1151	2929	9020
1998	1735	12	199	7	250	2	2205	419	347	2137	1150	2900	8391
1999	2057	7	205	23	193	3	2488	271	412	1896	1133	3601	9117
2000	1788	9	212	41	118	3	2172	310	381	1927	1188	3263	8550
2001	2082	11	248	20	231	2	2594	396	316	2107	1210	3091	9001
2002	2436	9	240	29	138	3	2856	409	315	2137	1241	2708	8942
2003	2524	9	242	36	138	2	2951	424	318	2214	1331	2652	9149
2004	2775	9	284	53	67	5	3194	480	331	2479	1454	2633	9760
2005	2648	7	205	91	47	5	3004	496	364	2571	1554	2463	9592
2006	2630	7	242	126	31	5	3042	480	384	2617	1549	2368	9576
2007	2559	6	233	135	28	5	2967	478	393	2596	1582	2688	9833
2008	1986	7	252	163	24	5	2438	522	364	2696	1616	2984	9734

(--) : Not Available.

Source: Ministry of Agriculture.



Table (18): INDICATORS OF ANIMAL PRODUCTS

(Thousand Tons)

Year	Red meat	Chickens	Fish	Total Meat	Milk	Table eggs
1971	22	7	18	47	172	5
1972	25	8	19	52	189	6
1973	73	8	20	101	217	7
1974	56	11	20	87	225	9
1975	47	14	20	81	206	12
1976	47	21	19	87	234	16
1977	44	23	17	84	253	21
1978	36	26	18	80	309	27
1979	38	30	19	87	343	30
1980	34	40	20	94	349	41
1981	49	57	33	139	235	49
1982	65	86	37	188	311	71
1983	75	124	40	239	361	98
1984	101	143	43	287	374	104
1985	126	177	45	348	414	132
1986	140	240	46	426	432	137
1987	150	246	48	444	450	114
1988	157	266	50	473	451	103
1989	133	267	52	452	475	113
1990	134	270	52	456	516	113
1991	140	270	52	462	520	113
1992	140	288	49	477	548	120
1993	146	324	50	520	587	123
1994	150	361	52	563	633	127
1995	154	390	48	592	698	132
1996	155	397	51	603	749	125
1997	157	451	54	662	816	131
1998	157	395	55	607	883	136
1999	159	418	52	629	937	136
2000	160	483	55	698	1039	129
2001	160	521	56	737	1067	138
2002	162	467	57	686	1139	138
2003	165	468	67	700	1200	137
2004	167	522	67	756	1232	145
2005	169	537	75	781	1338	169
2006	170	535	81	786	1381	174
2007	171	508	91	770	1436	188
2008	170	446	93	709	1690	170

Source: Ministry of Agriculture.



Table (19): ESTIMATES OF THE NUMBER OF LIVESTOCK AND POULTRY

(Thousand Heads)

Year	Goats	Sheep	Cows	Camels	Total livestock	Poultry*
2002	5594	10315	322	814	17045	425
2003	5478	10646	332	824	17280	424
2004	5654	11621	361	865	18501	475
2005	5643	12112	352	862	18969	536
2006	5002	11787	382	879	18050	532
2007	4853	11548	413	869	17683	506
2008	4393	10420	429	825	16067	444

* Million chickens

Source: Ministry of Agriculture

Table (20): NO. OF OPERATING INDUSTRIAL UNITS

Year	Food & beverages	Textiles products	Cloth products	Leather products	Wood industry and products	Paper industry and its products	Printing press and copying of recorded multi-media	Refined petroleum and nuclear fuel products	Chemical materials and products	Rubber and plastic products	Other nonmetal products
1990	357	29	22	22	23	62	77	48	165	186	416
1991	381	32	27	26	25	63	79	49	177	204	431
1992	409	44	37	28	29	70	84	51	189	245	453
1993	446	47	42	31	32	77	86	52	210	272	483
1994	476	52	42	36	35	91	93	55	224	290	516
1995	493	58	45	36	39	97	98	56	238	304	537
1996	516	68	49	38	40	105	105	63	263	318	556
1997	536	71	52	38	43	108	107	64	282	336	564
1998	552	72	56	42	48	114	109	64	299	350	573
1999	568	72	58	42	50	117	110	68	318	370	586
2000	583	77	61	42	51	126	112	68	337	384	596
2001	594	79	63	43	51	134	115	70	353	392	610
2002	612	80	66	45	51	134	115	71	362	411	619
2003	618	81	66	45	51	135	115	71	369	419	632
2004	630	82	66	45	53	137	115	73	378	427	642
2005	635	82	67	45	53	137	115	74	385	434	644
2006	641	82	72	45	53	139	115	74	394	435	655
2007	647	82	72	45	53	139	115	74	394	435	658
2008	668	84	71	45	52	138	117	75	422	444	679
2009	720	87	75	47	53	152	117	80	475	489	749



Contd...2 Table (20): NO. OF OPERATING INDUSTRIAL UNITS

Year	Basic metal products	Construction metal products	Machines and Equipment industry	Office and accounting terminals as well as computers	Electric machines and terminals (unclassified elsewhere)	Radio, TV and telecommunication equipment and terminals	Medical terminals, optic tools and all types of watches	Engine and trailer motors	Other transportation equipment	Furniture and products unclassified elsewhere	Recycling	Total
1990	166	151	104	3	48	12	8	59	5	147	3	2113
1991	178	161	114	3	50	14	8	61	5	157	3	2248
1992	191	176	118	3	53	15	9	65	7	168	3	2447
1993	201	186	133	3	59	15	9	71	7	182	3	2647
1994	212	197	148	3	62	15	9	76	7	201	3	2843
1995	224	206	153	3	70	16	9	82	7	214	3	2988
1996	237	223	162	3	75	17	11	84	7	229	3	3172
1997	246	234	174	3	78	17	11	90	7	238	3	3302
1998	252	241	178	3	83	17	11	96	9	252	3	3424
1999	263	249	184	3	84	18	11	99	10	261	3	3544
2000	272	254	192	4	87	20	11	103	10	269	3	3662
2001	273	257	200	4	89	20	11	105	12	275	3	3753
2002	274	263	201	4	90	20	11	109	13	281	3	3835
2003	279	273	205	5	93	20	11	112	13	285	3	3901
2004	282	275	207	5	94	20	11	114	13	286	3	3958
2005	286	278	211	5	94	20	11	115	13	290	3	3997
2006	287	280	212	5	95	20	12	117	13	290	3	4039
2007	287	280	212	5	95	20	12	117	13	290	3	4048
2008	296	288	217	5	99	20	12	125	14	293	3	4167
2009	312	313	228	5	109	21	13	138	15	312	3	4513

Source: Ministry of Commerce and Industry.



Table (21): TOTAL FINANCE OF OPERATING INDUSTRIAL UNITS

(Million Riyals)

Year	Food & beverages	Textiles products	Cloth products	Leather products	Wood industry and products	Paper industry and its products	Printing press and copying of recorded multi-media	Refined petroleum and nuclear fuel products	Chemical materials and products	Rubber and plastic products	Other nonmetal products
1990	15665	1713	390	435	365	2470	2157	125962	17864	6216	37146
1991	17255	2002	430	501	418	2490	2178	126046	18443	6631	37367
1992	17773	2535	504	510	517	3135	2223	127213	26047	7624	37721
1993	19504	2600	522	538	562	3564	2254	127222	28125	8678	39601
1994	23840	2857	522	565	584	4217	2999	128848	28457	8802	40010
1995	24683	3162	535	565	793	4300	3171	128879	28680	9172	40905
1996	24978	3262	578	574	802	4588	3309	129318	29160	9331	41178
1997	25239	3326	586	574	812	4610	3313	136808	29566	9698	41281
1998	25442	3421	596	612	844	4693	3378	136808	29684	9862	41427
1999	25609	3421	600	612	851	4700	3636	136855	29896	9997	41511
2000	26544	3431	606	612	855	5516	3645	136855	30286	10047	42002
2001	26755	3435	631	616	855	5629	3666	136871	30500	10092	42263
2002	27029	3465	638	621	855	5629	3666	136880	30536	10882	42297
2003	27057	3469	638	621	855	5632	3666	136880	30560	10918	44980
2004	27474	3470	638	621	864	5689	3666	136886	30598	10935	46236
2005	27532	3470	642	621	864	5689	3666	136891	30697	10969	46239
2006	31524	3470	654	621	864	5698	3666	136891	30731	10972	46310
2007	35117	4164	716	618	784	6209	3733	145174	37927	11532	48170
2008	35117	4164	716	618	784	6209	3733	145174	37927	11532	48170
2009	39206	4368	733	658	843	7006	3722	153814	47893	12750	52684



Contd...2 Table (21): TOTAL FINANCE OF OPERATING INDUSTRIAL UNITS

(Million Riyals)

Year	Basic metal products	Construction metal products	Machines and Equipment industry	Office and accounting terminals as well as computer	Electric machines and terminals (unclassified elsewhere)	Radio, TV and telecommunication equipment and terminals	Medical terminals, optic tools and all types of watches	Engine and trailer motors	Other transportation equipment	Furniture and products unclassified elsewhere	Recycling	Total
1990	27386	4593	3246	409	5049	857	33	1373	85	3318	40	256772
1991	27656	4843	3412	409	5061	864	33	1428	85	3812	40	261402
1992	28022	5211	3430	409	5289	883	47	1479	94	3883	40	274589
1993	28881	5447	3828	409	6234	883	47	1516	94	3984	40	284534
1994	29906	5575	4098	409	6271	883	47	1543	94	4241	40	294808
1995	33000	5652	4318	409	7528	910	47	1697	94	4382	40	302922
1996	33463	5757	4383	409	7669	918	53	1735	94	4522	40	306119
1997	33528	6011	4506	409	7693	918	53	1778	94	4588	40	315429
1998	33624	6113	4524	409	7734	918	53	1825	141	4712	40	316861
1999	33776	6209	4624	409	7743	937	53	1855	145	4767	40	318248
2000	34227	6232	4778	413	7754	942	53	1912	145	4817	40	321712
2001	34230	6239	4849	413	7764	942	53	1927	148	4837	40	322757
2002	34232	6448	4857	413	7985	942	53	1949	252	4909	40	324579
2003	34823	6474	4878	660	8039	942	53	1982	252	5053	40	328472
2004	34840	6493	4884	660	8043	942	53	1987	252	5056	40	330327
2005	34856	6501	4899	660	8043	942	53	2000	252	5071	40	330597
2006	34865	6508	4906	660	8045	942	54	2019	252	5071	40	334762
2007	35349	7247	5026	660	8261	963	54	2294	273	5221	40	359533
2008	35349	7247	5026	660	8261	963	54	2294	273	5221	40	359533
2009	36814	8294	5110	660	9344	964	83	2399	294	6449	40	394128

Source: Ministry of Commerce and Industry.



Table (22): NO. OF WORKERS OF OPERATING INDUSTRIAL UNITS

Year	Food & beverages	Textiles products	Cloth products	Leather products	Wood industry and products	Paper industry and its products	Printing press and copying of recorded multi-media	Refined petroleum and nuclear fuel products	Chemical materials and products	Rubber and plastic products	Other nonmetal products
1990	46256	6938	3461	2132	2398	6298	6947	19564	18418	23850	46911
1991	48467	7534	4184	2526	2656	6488	7072	19674	19678	25653	47903
1992	51457	9246	4849	2603	3167	7877	7320	20339	22050	28498	49985
1993	57197	9443	5072	2832	3269	8812	7422	20364	24581	30341	52811
1994	63040	9966	5072	3064	3397	10439	8135	20524	25213	31291	54491
1995	65742	10938	5247	3064	3725	10720	8601	20641	25974	32233	56302
1996	66743	11669	5777	3141	3766	11364	9326	21640	27502	32944	57354
1997	67666	11767	5895	3141	3863	11453	9400	22508	28504	34433	57985
1998	68523	12292	6047	3380	4092	11824	9488	22508	29312	34850	58574
1999	69852	12292	6122	3380	4163	11947	9908	22665	29992	35717	59351
2000	71293	12506	6212	3380	4228	13987	10012	22665	31229	36201	60037
2001	72048	12586	6641	3415	4228	14620	10143	22721	32200	36471	60765
2002	73252	12665	6851	3480	4228	14620	10143	22756	32446	37430	61070
2003	73679	12676	6851	3480	4228	14635	10143	22756	32751	37719	63547
2004	74898	12716	6851	3480	4298	14703	10143	22806	32995	37938	65337
2005	75193	12716	6891	3480	4298	14703	10143	22841	33333	38142	65432
2006	75409	12716	7491	3480	4298	14748	10143	22841	33611	38182	65842
2007	76999	12716	7491	3480	4298	14748	10143	22841	33611	38182	65942
2008	86515	14244	7994	3801	3932	15894	10381	23316	36540	39740	69478
2009	95894	14829	8199	4014	4052	17277	10344	24539	39827	42429	76688



Contd...2 Table (22): NO. OF WORKERS OF OPERATING INDUSTRIAL UNITS

Year	Basic metal products	Construction metal products	Machines and Equipment industry	Office and accounting terminals as well as computer	Electric machines and terminals (unclassified elsewhere)	Radio, TV and telecommunication equipment and terminals	Medical terminals, optic tools and all types of watches	Engine and trailer motors	Other transportation equipment	Furniture and products unclassified elsewhere	Recycling	Total
1990	25866	14983	14086	1907	10703	1333	144	6998	254	17423	123	276993
1991	26676	15849	14731	1907	10773	1507	144	7156	254	18568	123	289523
1992	28212	17238	14864	1907	11563	1627	244	7496	322	19147	123	310134
1993	29210	18463	16297	1907	13389	1627	244	7731	322	19663	123	331120
1994	31064	20075	17771	1907	13504	1627	244	7930	322	20658	123	349857
1995	33767	20628	18470	1907	15379	1716	244	8626	322	21461	123	365830
1996	35755	21394	18810	1907	15773	1763	304	8809	322	22436	123	378622
1997	36191	22180	19565	1907	15889	1763	304	9157	322	23054	123	387070
1998	36669	22677	19723	1907	16082	1763	304	9418	517	24221	123	394294
1999	37355	22968	20151	1907	16182	1809	304	9533	530	24566	123	400817
2000	38816	23428	20668	1921	16277	1851	304	10064	530	24967	123	410699
2001	38840	23521	21408	1921	16355	1851	304	10172	566	25164	123	416063
2002	38884	23982	21458	1921	16855	1851	304	10366	1166	25459	123	421310
2003	39769	24317	21591	2046	17064	1851	304	10675	1166	26102	123	427473
2004	39864	24395	21631	2046	17089	1851	304	10730	1166	26127	123	431491
2005	39989	24470	21788	2046	17089	1851	304	10830	1166	26264	123	433092
2006	40019	24545	21863	2046	17114	1851	332	10905	1166	26264	123	434989
2007	40019	24545	21863	2046	17114	1851	332	10905	1166	26264	123	436679
2008	42377	26230	22411	2704	18031	1942	332	11952	1330	27394	123	466661
2009	45205	28499	23466	2704	19169	1983	379	12809	1473	29567	123	503469

Source: Ministry of Commerce and Industry.





**Table (23): ELECTRIC POWER GENERATION CAPACITY
AND NUMBER OF SUBSCRIBERS**

Year	Power Generation Capacity (MW)*	Peak Load (MW)	Number of Subscribers (in thousands)	Power Sold (Million kwh)
1970	344	300	216	1690
1971	418	345	233	1902
1972	512	438	248	2202
1973	657	577	265	2678
1974	938	722	304	3400
1975	1141	848	346	3826
1976	1749	1140	400	5298
1977	2368	1633	465	6353
1978	3213	2161	583	8465
1979	4129	2955	725	13456
1980	5913	3986	872	17452
1981	7355	5227	1054	21173
1982	8953	6309	1212	27144
1983	10720	7708	1393	31152
1984	11857	8503	1586	36111
1985	13939	9424	1762	40320
1986	14763	10252	1902	45796
1987	14910	10690	2043	48906
1988	15212	11202	2154	51531
1989	16471	11573	2259	55201
1990	16459	12173	2367	58972
1991	16849	12889	2461	63632
1992	17051	14389	2588	67437
1993	17627	15674	2687	74113
1994	17544	17387	2815	82198
1995	17494	16907	2926	85908
1996	18805	17706	3036	89641
1997	19351	17995	3151	92228
1998	20266	19326	3257	97050
1999	20647	20236	3372	105612
2000	22060	21673	3622	114161
2001	23230	23582	3792	122944
2002	25457	24519	4029	128629
2003	27017	26272	4247	142194
2004	27710	27847	4492	144385
2005	29051	29913	4727	153283
2006	30668	31240	4956	163151
2007	32955	33583	5182	169303
2008	34958	35240	5421	181097
2009	38681	40858	5702	193472

* Excluding energy generated by desalination plants until 1999.

Source: Ministry of Water and Electricity.



Table (24): CEMENT PRODUCTION AND DOMESTIC SALES

(In thousand tons)

Year	All companies	
	Production	Domestic Sales
1970	94	93
1971	58	58
1972	540	548
1973	659	704
1974	715	702
1975	722	845
1976	758	756
1977	896	862
1978	1103	1096
1979	2673	2702
1980	3001	2976
1981	4538	4437
1982	6522	7587
1983	8203	8230
1984	7919	7767
1985	9851	9841
1986	9260	9161
1987	8771	8842
1988	11402	11314
1989	12961	12955
1990	12143	11577
1991	12285	11060
1992	14521	15126
1993	15366	16573
1994	15814	16989
1995	15278	15583
1996	16574	16186
1997	17266	14980
1998	17488	15024
1999	18307	15773
2000	18232	17110
2001	20994	19493
2002	23332	20479
2003	24560	22585
2004	26197	25113
2005	26536	25613
2006	27913	26121
2007	31058	28225
2008	29656	28136
2009	31976	31145

Source: Cement production and domestic sales of ten companies.



**Table (25): CUMULATIVE ROAD NETWORK OF THE KINGDOM
IMPLEMENTED BY MINISTRY OF TRANSPORT**

(Length in Kilometers)

Year	Asphalted Main Roads	Asphalted Secondary Roads	Asphalted Feeder Roads	Total Asphalted Roads	Paved Agricultural Roads	Total Roads
1390/1395	--	12,200	--	12,200	8,500	20,700
1395/1400	--	25,100	--	25,100	15,700	40,800
1400/1405	--	29,655	--	29,655	54,352	84,007
1410/1415	--	37,646	--	37,646	78,865	116,511
1415/1416	22,377	14,631	5,241	42,249	95,941	138,190
1416/1417	22,416	14,669	5,607	42,692	99,024	141,716
1416/1417	13,966	8,400	20,648	43,014	101,263	144,277
1417/1418	14,750	8,330	21,060	44,140	102,384	146,524
1418/1419	14,757	8,268	22,175	45,200	104,443	149,643
1419/1420	15,071	8,430	21,837	45,338	106,270	151,608
1420/1421	15,116	9,017	23,221	47,354	107,882	155,236
1421/1422	14,946	8,322	25,080	48,349	111,770	160,119
1422/1423	14,876	8,587	25,648	49,110	114,505	163,615
1423/1424	14,162	8,739	26,624	49,526	117,237	166,763
1424/1425	14,936	11,161	25,845	51,942	118,854	170,796
1425/1426	13,822	9,011	23,678	46,511	121,137	167,648
1426/1427	15,548	9,098	25,931	50,577	123,852	174,429
1427/1428	14,368	9,007	28,748	52,123	126,823	178,946
1428/1429 *	14,871	9,181	29,716	53,768	130,157	183,925
1430/1431 *	14,956	9,472	30,547	54,975	132,585	187,560

(--) Not Available. * Provisional.

Source: Ministry of Transport.



**Table (26): AVIATION OPERATIONS OF
SAUDI ARABIAN AIRLINES**

Year	Passengers (in million)	No. of flights	Cargo carried (thousand tons)
1970	0.6	29220	4
1971	0.7	28725	6
1972	0.9	29100	8
1973	1.0	29581	6
1974	1.3	33995	17
1975	1.8	40653	20
1976	3.1	54194	29
1977	4.9	72129	38
1978	6.5	81284	49
1979	8.0	90754	61
1980	9.5	100103	73
1981	9.4	107166	100
1982	10.3	106950	139
1983	11.4	108752	163
1984	11.6	109814	172
1985	10.9	109102	172
1986	10.4	102775	168
1987	10.5	98520	177
1988	10.1	100122	179
1989	10.3	97180	193
1990	10.6	100999	198
1991	9.8	87208	160
1992	11.6	103099	195
1993	12.4	106956	201
1994	12.5	110168	223
1995	12.0	105369	225
1996	12.2	108521	232
1997	12.2	107734	251
1998	12.2	108566	253
1999	12.7	115347	160
2000	13.0	117249	259
2001	13.4	117993	240
2002	14.2	120505	259
2003	14.5	121133	262
2004	15.8	127798	293
2005	16.9	130942	295
2006	17.8	141964	296
2007	18.2	132637	326
2008	17.7	157944	345
2009	18.3	165253	308

Source: Saudi Arabian Airlines.



Table (27): AVIATION OPERATIONS OF ALL AIRLINES*

Year	Passengers (in million)	No. of flights	Cargo carried (thousand tons)
1975	3	75228	39
1976	6	101536	47
1977	10	145409	58
1978	13	169528	76
1979	17	197720	110
1980	20	232294	137
1981	20	271776	181
1982	22	271969	257
1983	24	278623	328
1984	24	275609	351
1985	23	266843	346
1986	21	229300	335
1987	21	213395	333
1988	20	213181	334
1989	20	202284	351
1990	21	197806	365
1991	19	169869	397
1992	23	204571	362
1993	25	214945	378
1994	26	221905	401
1995	25	212413	399
1996	26	218016	411
1997	26	218100	450
1998	26	218973	451
1999	27	229078	464
2000	28	230303	467
2001	28	226946	440
2002	31	261905	473
2003	30	228618	456
2004	32	238540	492
2005	34	248991	494
2006	36	284687	475
2007	40	390892	520
2008	42	365686	565
2009	42	420873	531

* Including Saudi Arabian Airlines and foreign airlines operating in the Kingdom.

Source: General Authority of Civil Aviation .



Table (28): POPULATION*

Year	Saudi	Non-Saudi	Total
1974	6218361	791105	7009466
1975	6439433	861165	7300598
1976	6712799	953161	7665960
1977	6995020	1054588	8049608
1978	7286107	1166348	8452455
1979	7586044	1199420	8785464
1980	7894779	1424862	9319641
1981	8212228	1573821	9786049
1982	8538266	1737530	10275796
1983	8872728	1917327	10790055
1984	9215407	2114642	11330049
1985	9566049	2331019	11897068
1986	9924354	2568111	12492465
1987	10289972	2827686	13117658
1988	10662502	3111636	13774138
1989	11041493	3421979	14463472
1990	11426440	3760866	15187306
1991	11816787	4130576	15947363
1992	12310053	4638335	16948388
1993	12540190	4736745	17276935
1994	12848034	4853025	17701059
1995	13163436	4972161	18135597
1996	13486580	5094220	18580800
1997	13817657	5219276	19036933
1998	14218860	5285403	19504263
1999	14567914	5415153	19983067
2000	14925536	5548087	20473623
2001	15291937	5684285	20976222
2002	15667333	5823827	21491160
2003	16051945	5966794	22018739
2004	16421436	6107906	22529342
2005	16854157	6264837	23118994
2006	17270181	6408668	23678849
2007	17691336	6551242	24242578
2008	18115550	6691723	24807273
2009	18543246	6830266	25373512

* Mid year estimates.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



Table (29): LABOUR FORCE AND UNEMPLOYMENT RATE

Year	Total Labour Force* (On-the-job)	Unemployment Rate %		
		Saudi**	Non-Saudi**	Total**
1999	5592854	8.10	0.84	4.35
2000	5713345	8.15	1.11	4.57
2001	5808615	8.34	0.93	4.62
2002	5913009	9.66	0.79	5.27
2003	5875041	10.35	0.79	5.56
2004	5411795	11.00	0.80	5.82
2005	6145564	11.52	0.80	6.10
2006	6384403	12.00	0.80	6.30
2007	6656841	11.00	0.40	5.60
2008	7121658	9.80	0.40	5.00
2009	--	10.50	0.30	5.40

* Total Labour Force in the Public and Private Sectors, The source of data for the period 2003 - 2008 is the Ministry of Labour, and the Ministry of Civil Service.

** Unemployment Rates for the years 2003, 2004 and 2005 are estimates.

(--) Not Available.

Source: Central Department of Statistics & Information, Ministry of Economy and Planning.



**Table (30): Number of Employees in the Government Sectors
(Saudis and Non-Saudis)***

Year	Number of Employees in Government sector				Total
	Saudis		Non-Saudis		
	Male	Female	Male	Female	
1970	97002		20276		117278
1971	110453		23629		134082
1972	120765		28288		149053
1973	127658		31106		158764
1974	131667		34748		166415
1975	142341		42400		184741
1976	140807		47055		187862
1977	148062		50976		199038
1978	154789		57252		212041
1979	165056		64182		229238
1980	183501		69397		252898
1981	195604		72867		268471
1982	247978		86243		334221
1983	258124		106124		364248
1984	274459		121331		395790
1985	299738		129281		429019
1986	316629		140494		457123
1987	336456		144523		480979
1988	356307		147552		503859
1989	369093		150116		519209
1990	386760		147938		534698
1991	396891		151658		548549
1992	420653		159612		580265
1993	444364		144934		589298
1994	460845		133014		593859
1995	480313		128698		609011
1996	506577		109714		616291
1997	379025	181653	51827	44151	656656
1998	383996	195419	49736	39272	668423
1999	387779	203879	46956	35940	674554
2000	408640	204682	45776	35672	694770
2001	416803	214221	45644	34191	710859
2002	438023	214912	43400	31653	727988
2003	452555	224965	41698	27748	746966
2004	463487	231007	41342	27429	763265
2005	472727	240108	41436	29005	783276
2006	490109	243757	39779	30018	803663
2007	508006	252989	36851	32139	829985
2008	552718	275128	35807	36058	899711

* The Statistics include men and women working under the following ladders: (Public Ladder of Employee Salaries, Ladder of Health Jobs, Ladder of Educational Jobs, Ladder of the Teaching staff, lecturers and teaching assistants, Judge Ladder, Ladder of Investigation staff and public prosecutors, and Ladder of Wage - earners).

Source: Ministry of Civil Service.



**TABLE (31) : EXPENDITURE ON OUTBOUND TOURIST TRIPS
BY PURPOSE OF VISIT**

(Million Riyals)

Year	Holidays and Shopping	Visits To Relatives And Friends	Business and Conferences	Other Purposes	Total Expenditure	No. of Visitors (Thousands)
2002*	18,719	2,520	3,755	2,590	27,584	8,519
2003	8,806	1,252	4,321	1,218	15,597	4,845
2004	11,213	1,905	2,084	758	15,960	4,235
2005	10,148	1,344	1,986	668	14,146	5,009
2006	5,111	507	858	291	6,767	2,336
2007	14,327	1,621	1,296	1,055	18,299	4,817
2008	15,572	1,071	1,962	1,048	19,653	4,087
2009**	19,816	1,935	1,308	2,232	25,292	5,071

* Tourist Trips In 2002 Include The Foundation And Earlier Period.

** Provisional.

Source : General Commission For Tourism & Antiquities.



**TABLE (32) : EXPENDITURE ON INBOUND TOURIST TRIPS
BY PURPOSE OF VISIT**

(Million Riyals)

Year	Holidays and Shopping	Visits To Relatives And Friends	Business and Conferences	Religious Purposes	Other Purposes	Total Expenditure	No. of Visitors (Thousands)
2004	429	1,334	4,591	17,325	642	24,321	11,070
2005	514	769	4,607	14,050	384	20,324	10,417
2006	353	836	2,974	14,192	225	18,580	10,962
2007	389	1,145	3,538	14,340	179	19,592	13,479
2008	2,378	3,903	11,325	17,727	1,117	36,450	14,757
2009 *	2,754	4,406	5,639	16,901	442	30,141	1,089

* Provisional.

Source : General Commission For Tourism & Antiquities.



**TABLE (33) : EXPENDITURE ON DOMESTIC TOURIST TRIPS
BY PURPOSE OF VISIT**

(Million Riyals)

Year	Holidays and Shopping	Visits To Relatives And Friends	Business and Conferences	Religious Purposes	Other Purposes	Total Expenditure	No. of Visitors (Thousands)
2002	19,502	8,964	9,111	9,536	3,609	50,723	57,500
2003	14,362	8,223	9,329	6,225	2,669	40,808	57,234
2004	12,138	8,213	9,686	5,492	790	36,320	35,283
2005	12,304	6,913	7,826	4,122	802	31,968	30,237
2006	14,354	8,367	4,897	4,066	578	32,262	27,080
2007	8,100	4,817	4,058	14,213	582	31,770	28,549
2008	19,226	9,081	2,737	5,698	848	37,590	28,775
2009 *	20,502	8,292	948	4,649	910	35,302	32,910

* Provisional.

Source : General Commission For Tourism & Antiquities.



SECTION (12)

ANNUAL BALANCE SHEET OF SAMA

TABLE

PAGE No.

1- Auditors' Report	410
2- Balance Sheet as at 30 June 2009	411
3- Profit and Loss Account	413
4- Notes to The Final Accounts	414
5- Balance Sheet as at 30 June 2010	416



INDEPENDENT AUDITORS' REPORT

**To: H.E. the Governor and Members of the Board of Directors:
Saudi Arabian Monetary Agency**

Scope of audit

We have audited the accompanying balance sheets of the Saudi Arabian Monetary Agency (SAMA) as at June 30, 2009 and the statement of revenue and expenses for the year then ended, and the Notes from 1 to 4, which form an integral part of these financial statements. These financial statements were prepared by SAMA in accordance with the accounting principles approved by the Board of Directors and submitted to us together with all the information and explanation which we required. We conducted our audit in accordance with auditing standards generally accepted in Saudi Arabia. An audit includes examining the accounting records and other procedures we considered necessary to obtain a reasonable degree of assurance to enable us to express opinion on the financial statements.

Basis of Preparation of the Financial Statements

As explained in Note 2, these financial statements were prepared in accordance with accounting principles approved by SAMA's Board of Directors.

Opinion

In our opinion, the financial statements mentioned above taken as a whole present fairly the financial position of SAMA as at June 30, 2009 and its revenue and expenses for the year then ended, in accordance with the accounting principles approved by SAMA's Board of Directors as explained in note 2.

for Ernst & Young.

Abdulaziz A. Al-Sowailim
Certified Public Accountant
Registration No. 277

for PricewaterhouseCoopers Al Juraid

Rashid S. Al-Rashoud
Certified Public Accountant
Registration No. 366



SAUDI ARABIAN MONETARY AGENCY (SAMA)

BALANCE SHEET

AS AT JUNE 30, 2009

ASSETS

(Million Riyals)

	30/6/2009	30/6/2008
ISSUANCE DEPARTMENT		
CURRENCY COVER:		
Gold (Note 2-e)	1,623	1,623
Investment in securities abroad	118,963	106,510
	120,586	108,133
BANKING OPERATION DEPARTMENT		
Cash in Hand:		
Saudi Bank notes	24,831	19,438
Metal coins	7	8
	24,838	19,446
Deposits in Banks Abroad	252,668	200,975
Deposits with Local Banks	2,500	---
Investment in Securities Abroad	1,094,035	1,118,475
Investment in Local Securities	8,743	8,743
Other Miscellaneous Assets	10,296	10,385
	1,393,080	1,358,024
CONTRA ACCOUNTS		
Documentary Credits and Other	16,382	8,686
INDEPENDENT ORGANIZATIONS' AND INSTITUTIONS' DEPARTMENT		
Deposits with Banks Abroad	6,844	23,845
Investment in Foreign Securities	230,486	215,553
Deposits with Local Banks	19,375	1,665
Investment in Local Securities	337,537	385,342
Deposits with Banking Operations Department	1,446	3,276
	595,688	629,681

The accompanying notes from NO. 1 to NO. 4 form an integral part of these financial statements.



SAUDI ARABIAN MONETARY AGENCY(SAMA)

**BALANCE SHEET
AS AT JUNE 30, 2009**

LIABILITIES

(Million Riyals)

	30/6/2009	30/6/2008
ISSUANCE DEPARTMENT		
<u>NOTES ISSUED</u>		
In Circulation	95,513	88,459
In Banking Operation Department	24,831	19,438
	120,344	107,897
<u>METAL COINS ISSUED</u>		
In Circulation	235	228
In Banking Operation Department	7	8
	242	236
	120,586	108,133
BANKING OPERATION DEPARTMENT		
Government Deposits	842,605	705,584
Foreign Organizations Deposits	10,281	14,613
Government Agencies' and Institutions' Deposits	61,215	86,026
Banks' and Insurance Companies' Deposits	48,707	64,133
Other Miscellaneous Liabilities	430,272	487,668
	1,393,080	1,358,024
CONTRA ACCOUNTS		
Liabilities For Documentary Credits and Other	16,382	8,686
INDEPENDENT ORGANIZATIONS' AND INSTITUTIONS' DEPARTMENT		
Public Pension Agency	309,023	318,484
General Organization for Social Insurance	126,280	145,329
Development Funds	118,809	124,173
Other Institutions	41,576	41,695
	595,688	629,681



SAUDI ARABIAN MONETARY AGENCY (SAMA)
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2009

(Million Riyals)

	30/6/2009	30/6/2008
Revenues	3,042	1,979
Expenses		
General and Administration	1,079	996
SAMA's contribution to the Public Pension Agency (Note 4)	23	25
	1,102	1,021
Surplus transferred to reserve for land and construction of new premises for SAMA and its branches	1,940	958
	3,042	1,979

The accompanying notes from NO. 1 to NO. 4 form an integral part of these financial statements.



**SAUDI ARABIAN MONETARY AGENCY(SAMA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
7 Rajab 1430 H (30 JUNE 2009)**

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS:

In accordance with its charter, the Saudi Arabian Monetary Agency ("SAMA") acts as the bank of the Government of the Kingdom of Saudi Arabia (the "Government") and also maintains accounts for the Government.

a. Banking Operations Department:

SAMA accepts deposits from Government organizations and others, and invests such deposits on their behalf. The costs of the financing and the income earned are recorded directly in the Government's accounts shown in the Banking Operation Department balance sheet without recording them in SAMA's statement of revenues and expenses.

b. Independent Organizations' and Institutions' Department:

The balances relating to independent organizations and institutions, managed by SAMA on their behalf, and the deposits received from them, are shown in a separate balance sheet to highlight them separately.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Preparation of the Financial Statements:

These financial statements have been prepared in accordance with the accounting policies described below, which are consistent with those followed in the previous year. The financial statements are approved by SAMA's Board of Directors.

b. Basis of Accounting:

SAMA follows the cash basis of accounting in recording its transactions. The financial statements are prepared under the historical cost convention.

c. Investments:

Investments are carried at cost. In accordance with policies followed by SAMA, gains or losses are recorded in the beneficiaries' accounts when realized.

d. Foreign Currencies:

SAMA records its foreign currency transactions and shows closing balances in foreign currency in Saudi Riyals using book rates fixed by management in 1406H (corresponding to 1980G) and the subsequent amendment for Euro rate that was approved by management in 1420H (corresponding to 1999G).



e. Gold held as currency cover:

In accordance with Royal Decree No. 38 dated 13 Rajab 1393 H (corresponding to 12 August 1973G), gold held as currency cover is valued at a rate of one Saudi Riyal 0.20751 grams per. Gold shown in the Issue Department's balance sheet includes SR 67,390,878 paid by SAMA as part of the Kingdom's subscription to the International Monetary Fund ("IMF"), which is denominated in Special Drawing Rights with the IMF.

f. Furniture, equipment and motor vehicles:

The cost of furniture, equipment and motor vehicles is expensed on purchase, and a nominal value for motor vehicles is included in other miscellaneous assets in the Banking Operations Department's balance sheet.

g. Land and buildings:

land and building are stated at cost and included in other miscellaneous assets. The cost of buildings is depreciated at 5% annually. Cost is presented on the Banking Operation Department's balance sheet net of accumulated depreciation.

h. Revenue and expenses:

In accordance with Article 2 of its charter, SAMA earns fees for services rendered in order to cover its expenses. It also sets aside the excess of revenue over expenditure to finance the purchase of land and the construction of new premises for SAMA and its branches.

SAMA records the income arising from the investment of the balance reserved for the purchase of land and the construction of new premises for the head office and branches under other miscellaneous liabilities on the Banking Operation Department's balance sheet, and it is not shown in the statement of revenues and expenses.

3. FINANCIAL STATEMENTS PERIOD:

These financial statements are prepared for the period from 27 Jumada Al Thani 1429H to 7 Rajab 1430H (corresponding to July 1, 2008 to June 30, 2009).

4. CONTRIBUTION TO THE PUBLIC PENSION AGENCY:

Contributions to the Public Pension Agency are made in accordance with Article 13 of the Civil Retirement Regulations issued by Royal Decree No. M/41 dated 29 Rajab 1393H (corresponding to August 28, 1973).



THE SAUDI ARABIAN MONETARY AGENCY
BALANCE SHEET AS OF 18 RAJAB, 1431 H (30 JUNE 2010) *

(Million Riyals)

ASSETS		LIABILITIES	
<u>ISSUANCE DEPARTMENT</u>			
		<u>NOTES ISSUED</u>	
1,624	Gold	103,863	In Circulation
		22,025	In the Banking Department
		125,888	
		<u>METAL COINS ISSUED</u>	
		245	In Circulation
124,518	Investments in securities abroad	9	In the Banking Department
		254	
126,142		126,142	
<u>BANKING OPERATIONS DEPARTMENT</u>			
<u>Cash in Hand</u>			
22,025	Saudi Bank-notes		
9	Metal coins		
22,034			
		860,301	Government Deposits
295,714	Deposits with Banks Abroad	10,314	Deposits by Foreign Organizations
1,144,319	Investment in Securities Abroad	103,989	Government Agencies' and Institutions' Deposits
8,743	Investment in Local Securities	52,015	Banks' and Insurance Companies' Deposits
10,830	Other Miscellaneous Assets	455,021	Other Miscellaneous Liabilities
1,481,640		1,481,640	
<u>CONTRA ACCOUNTS</u>			
17,529	Documentary Credits and Others	17,529	Liabilities for Documentary Credits and others
<u>INDEPENDENT ORGANIZATIONS' AND INSTITUTIONS' DEPARTMENT</u>			
8,024	Deposits with Banks Abroad	310,450	Public Pension Agency
274,936	Investments in Foreign Securities	124,865	General Organization for Social Insurance
300,656	Investments in Local Securities	114,743	Development Funds
5,478	Deposits with Banking Operations Department	39,036	Other Institutions
589,094		589,094	

* Unaudited Preliminary .