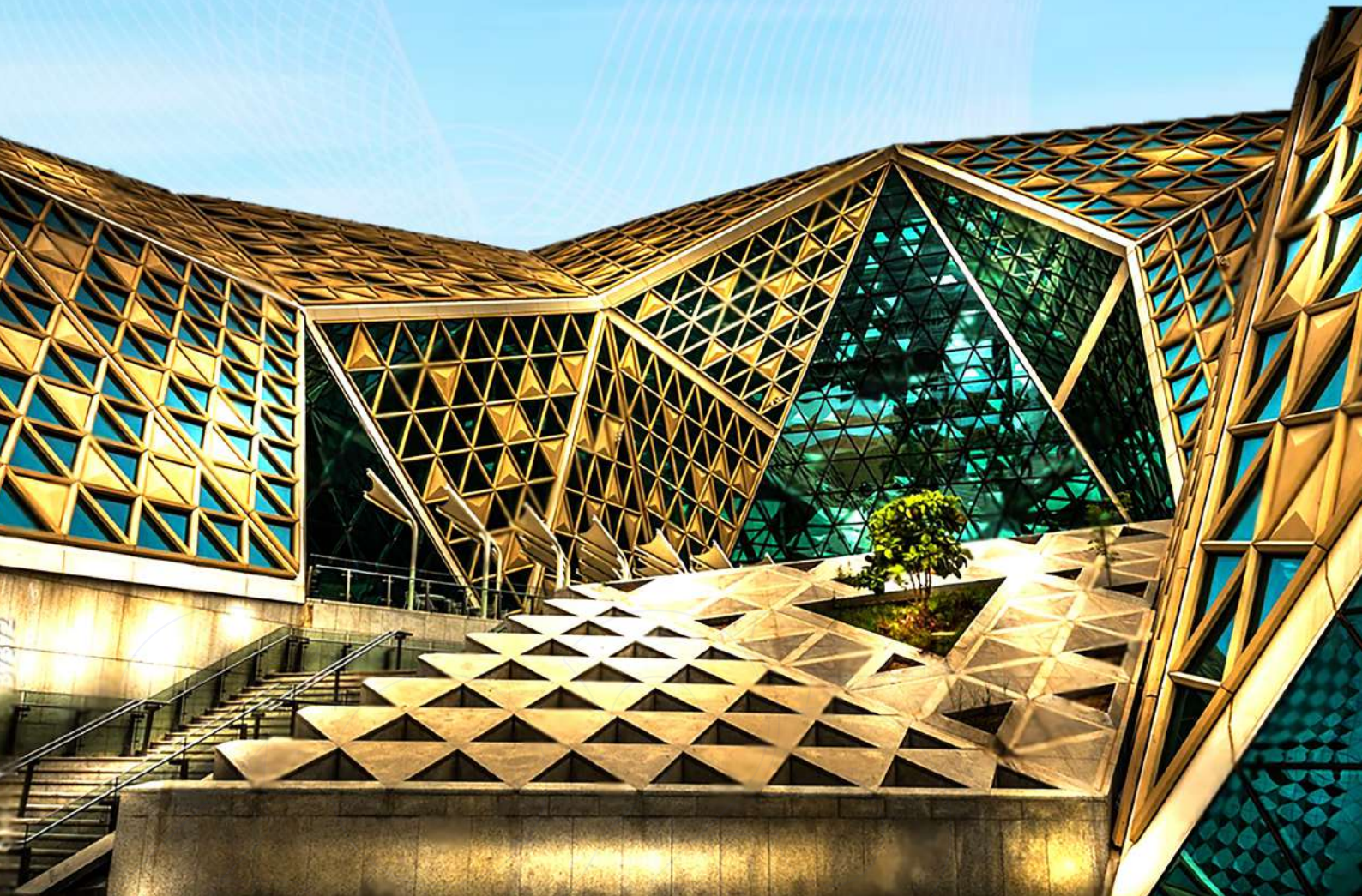


Saudi Budget

Brief

2025

Kingdom of Saudi Arabia







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2025

Foreword

Saudi Arabia's Budget for 2025 demonstrates fiscal discipline and forward-thinking planning, narrowing the deficit to SAR 101 billion (2.3% of GDP). With SAR 1,184 billion in projected revenues and SAR 1,285 billion in expenditures, the budget supports a 4.6% GDP growth, largely driven by the expansion of the non-oil sector, which is expected to reach 65% of GDP by 2030.

Economic diversification is progressing well, with non-oil exports growing by 9.4% in 2024 and FDI inflows reaching SAR 21.2 billion. Tourism has seen a 73% increase, with 17.5 million international visitors in 2024, reinforcing the goal of 150 million tourists by 2030.

The financial sector remains resilient, with SAR 4.4 trillion in banking assets and a 1.3% non-performing loan ratio. Public debt, forecasted at SAR 1,300 billion (29.9% of GDP), funds transformative projects like NEOM, King Salman Park, Qiddiya and Masar Makkah. The Public Investment Fund (PIF) is contributing SAR 150 billion annually, while the National Development Fund (NDF) targets SAR 570 billion in investments by 2030.

With SAR 265 billion allocated to healthcare and a focus on industrial exports and transport, inflation remains low at 1.9%, ensuring economic stability and continued growth toward Vision 2030.

“

Saudi Arabia's Budget 2025 is a testament to strategic foresight, balancing fiscal discipline with transformative ambition.

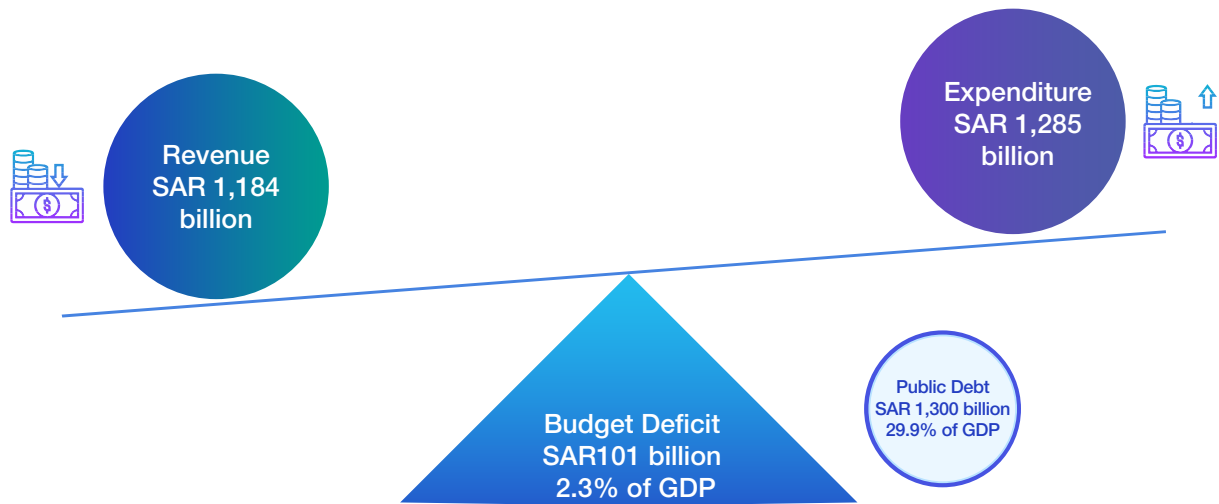
It signals a shift from oil dependency to a diversified, resilient economy. Each figure reflects the Kingdom's commitment to long-term sustainability, empowering its future through investments in innovation, people, and global competitiveness.

”

Mohammad Owais Zubair
Manager - Advisory Services

Budget Summary

Budget 2025



Fiscal Estimates	Estimated in 2024 (SAR billions)	Budgeted in 2025 (SAR billions)	Change YoY (%)
Total Revenue	1,230	1,184	3.7% ▼
Total Expenditures	1,285	1,345	4.5% ▼
Defecit	(101)	(115)	12.2 ▼
Public Debt	1,300	1,199	8.4% ▲
Public Reserve	390	390	0% ▬



Budget Summary

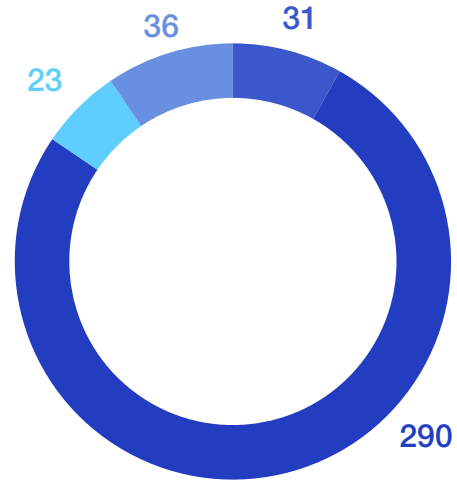
Total Revenues 2025

Total Revenues
SAR 1,184 billion



Tax Revenues

SAR 379 billion



- Taxes on international trade and transaction
- Taxes on good and services
- Taxes on income, profits and capital gains
- Other taxes

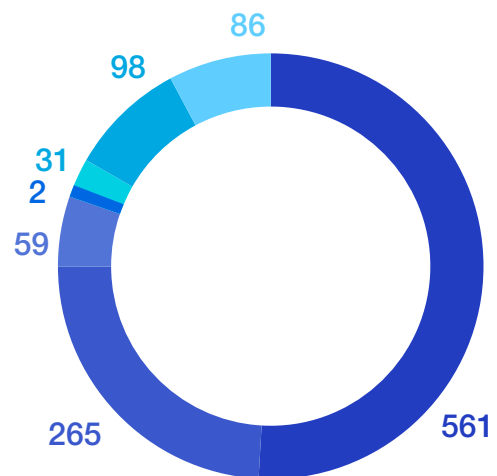
Total Expenditures 2025

Expenditures by sectors
SAR 1,285 billion



Expenditure by Components

SAR 1,285 billion



- Compensation of employees
- Goods and services
- Financing expenses
- Compensation of employees
- Subsidies
- Grants
- Social benefits
- Other expenditures

Budget Summary

Key Takeaways



Economic Diversification Progress

Saudi Arabia's government prioritizes expanding its non-oil economic base to reduce reliance on oil revenues. The economy is expected to sustain growth through structural reforms and private sector involvement, aiming to achieve fiscal stability and diversify income sources by leveraging promising sectors

Non-Oil Sector Growth

Non-oil activities recorded a 4.2% increase in FY 2024, showcasing the success of diversification efforts. The private sector plays a pivotal role in driving this growth, reducing the impact of fluctuations in the oil market on the overall economy



Positive GDP Outlook

Preliminary estimates for FY 2025 project a 4.6% increase in real GDP, driven by non-oil sector growth. The government's focus on empowering the private sector and improving the business environment will further enhance economic performance

Fiscal Policy and Budget Deficit Management

The FY 2025 budget targets a deficit of SAR 101 billion (2.3% of GDP), emphasizing expansionary spending to support economic growth. Public debt is projected to reach SAR 1,300 billion, with strategies in place to manage financing needs and maintain fiscal sustainability



Transformational Projects and Investments

Government spending focuses on transformational initiatives and strategic projects, such as infrastructure development and public service enhancements. These investments aim to achieve comprehensive development and improve citizens' quality of life

Global Economic Resilience Measures

Saudi Arabia's fiscal planning includes multiple revenue scenarios to address global risks, oil market volatility, and geopolitical challenges. This approach ensures flexibility and resilience in achieving economic stability amidst uncertain global conditions



Budget 2025



“ Saudi Arabia’s economy is growing at an accelerated pace, creating unprecedented opportunities while maintaining fiscal sustainability. With confidence in the capabilities of our people, we remain committed to achieving the goals of Vision 2030 for a vibrant society, a thriving economy, and an ambitious nation ”

HRH Mohammad Bin Salman Bin Abdul Aziz
Crown Prince and the Prime Minister of Saudi
Arabia
Cabinet Session
26th November 2024



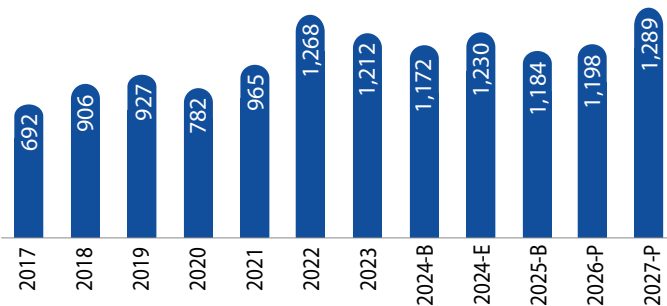
Budget 2025 Analysis

Commentary on Budget 2025

Revenues

The 2025 fiscal year budget statement estimates a 3.7% YoY drop in total revenues, to SAR1,184 billion compared to anticipated 2024 figures for FY 2023. In 2024, fiscal year, largely in line with a fall in international oil prices. The out-turn is nevertheless greater than the revenue estimate of SAR1,172 billion targeted in the 2024 fiscal year budget statement. This higher than budgeted total revenues estimate for 2024, even as international oil prices have weakened, reflects several factors.

Revenue (SAR billion)

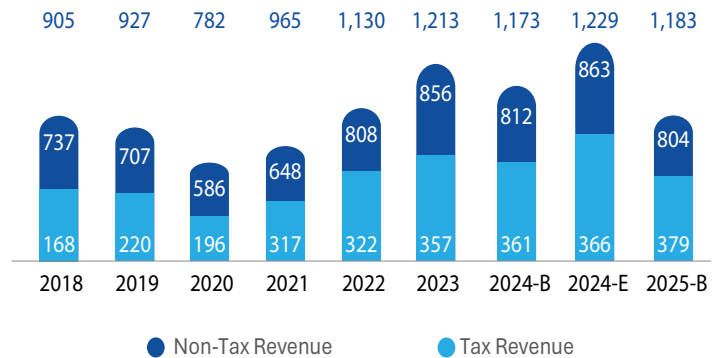


Source: MoF Budget Statement 2025

For FY 2025, tax revenue is projected to reach around SAR 379 billion, reflecting a 4% increase from the expected figures for FY 2024. This growth is attributed to sustained improvements in economic activity, the successful outcomes of ongoing reforms in tax administration, and the optimization of collection processes. These combined factors are driving the overall increase in tax revenues.

Regarding alternative revenue streams, which include oil revenues, government investment returns, sales of goods and services, as well as penalties and fines, the estimate for FY 2025 is approximately SAR 804 billion.

Revenue Components (SAR billion)

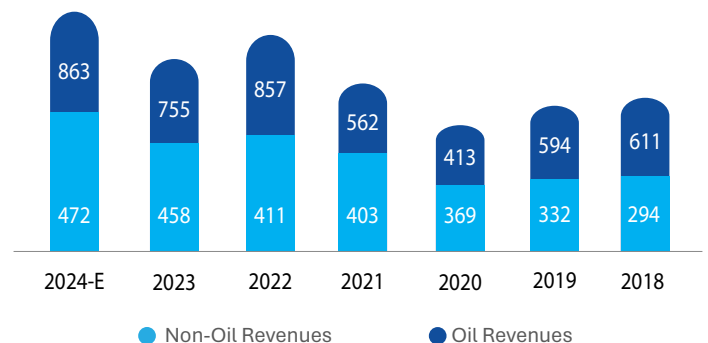


Source: MoF Budget Statement 2025

This represents a 6.8% decrease compared to the projected figures for FY 2024. The government's conservative approach in setting revenue estimates for the budget is based on anticipated uncertainties in both the domestic and global economic conditions.

To prioritize non-oil revenue streams, the Kingdom implemented voluntary production cuts since H2 2023, maintaining an average supply of 9.0 million barrels per day, a trend expected to continue into 2025 despite stable oil prices and increasing global demand. Non-oil activities will play a crucial role in bridging the gap, demonstrating the Kingdom's strong commitment to its 2030 vision.

Oil & Non-Oil Revenues (SAR billion)



Source: MoF Budget Statement 2025

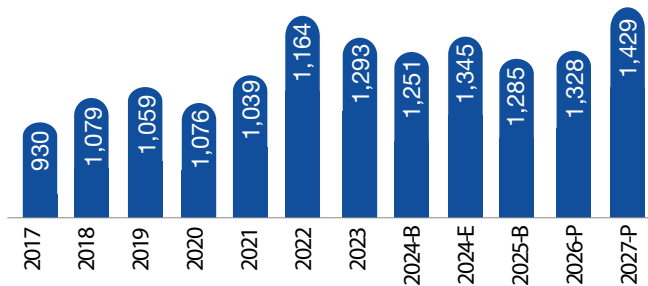
Budget 2025 Analysis

Commentary on Budget 2025

Expenditures

The government aims to sustain social expenditure through enhanced programs while improving service quality and infrastructure. As a result, the projected total expenditure for FY 2025 is around SAR 1,285 billion.

Expenditures (SAR billion)



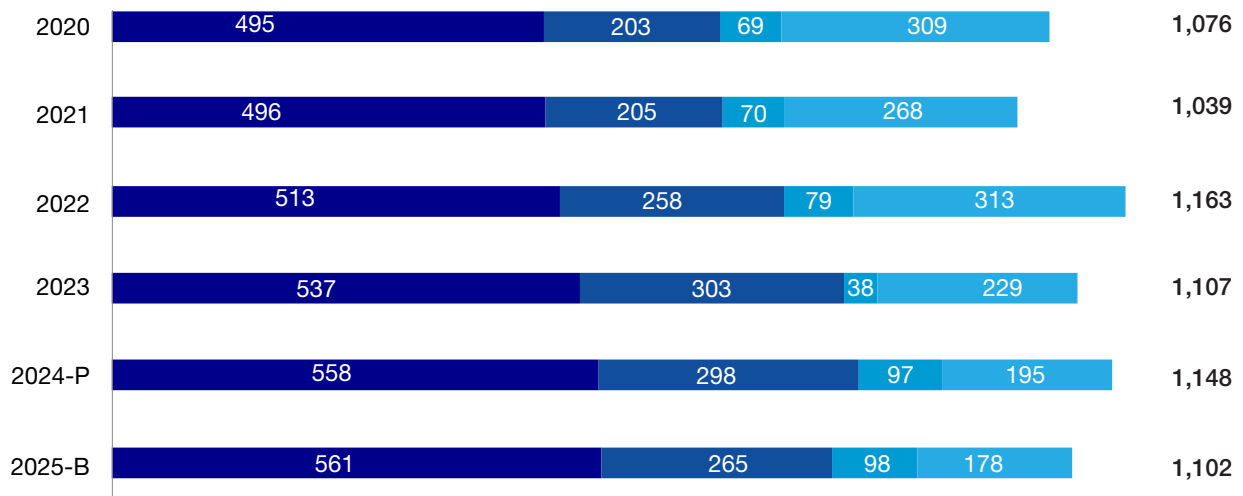
Source: MoF Budget Statement 2025

Operating expenditures (OPEX) are estimated at SAR 1,101 billion, with employee compensation at SAR 561 billion.

Financing expenses are projected at SAR 59 billion, marking a 34.1% increase due to the rise in the debt portfolio to support the acceleration of Saudi Vision 2030 goals. Subsidies are expected to reach SAR 31 billion, an 8.8% decrease from the 2024 forecast. Social benefits are estimated at SAR 98 billion. Expenditure on goods and services is projected to be around SAR 265 billion, reflecting an 11% decrease. Subsidy expenditure is expected to remain at SAR 31 billion due to the reclassification of some government agencies.

Capital expenditures (CAPEX) for FY 2025 are projected at SAR 184 billion, making up 14.3% of the total expenditure, which represents a 2.6% decrease compared to the FY 2024 budget. The government's strategy focuses on diversifying economic growth sources, prioritizing regional and sectoral initiatives, fast-tracking the implementation of mega projects and Vision 2030 programs, and enhancing the private sector's role to stimulate investment.

Expenditure Components (SAR billion)



- Compensation of employees
- Goods and services
- Social Benefits
- Subsidies + Grants + Financing Expenses + Other Expenses

Source: MoF Budget Statement 2025

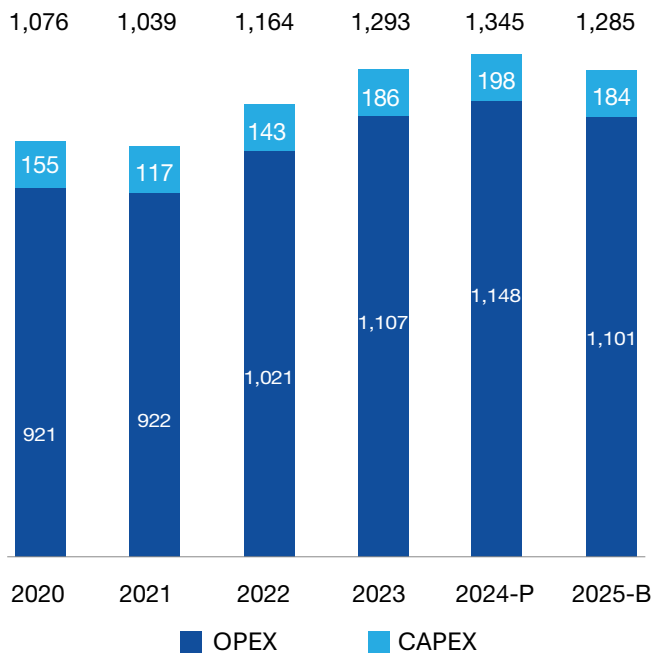
Budget 2025 Analysis

Commentary on Budget 2025

Capital expenditures (CAPEX) for FY 2025 are estimated at SAR 184 billion, accounting for 14.3% of total expenditure, which reflects a 2.6% decrease from the FY 2024 budget. The government’s strategy focuses on enhancing the effectiveness and efficiency of spending to foster sustainable economic growth. As part of this, efforts will continue to accelerate the implementation of key programs and projects aligned with Saudi Vision 2030, while empowering the private sector to stimulate investment and drive economic diversification.

By 2025, the government aims to raise the military industry's localization to 50% through targeted projects, policies, and legislation. This includes updating strategies and supporting localizing efforts to achieve this goal, along with enhancing human development within the military sector.

Expenditures Breakdown (SAR billion)

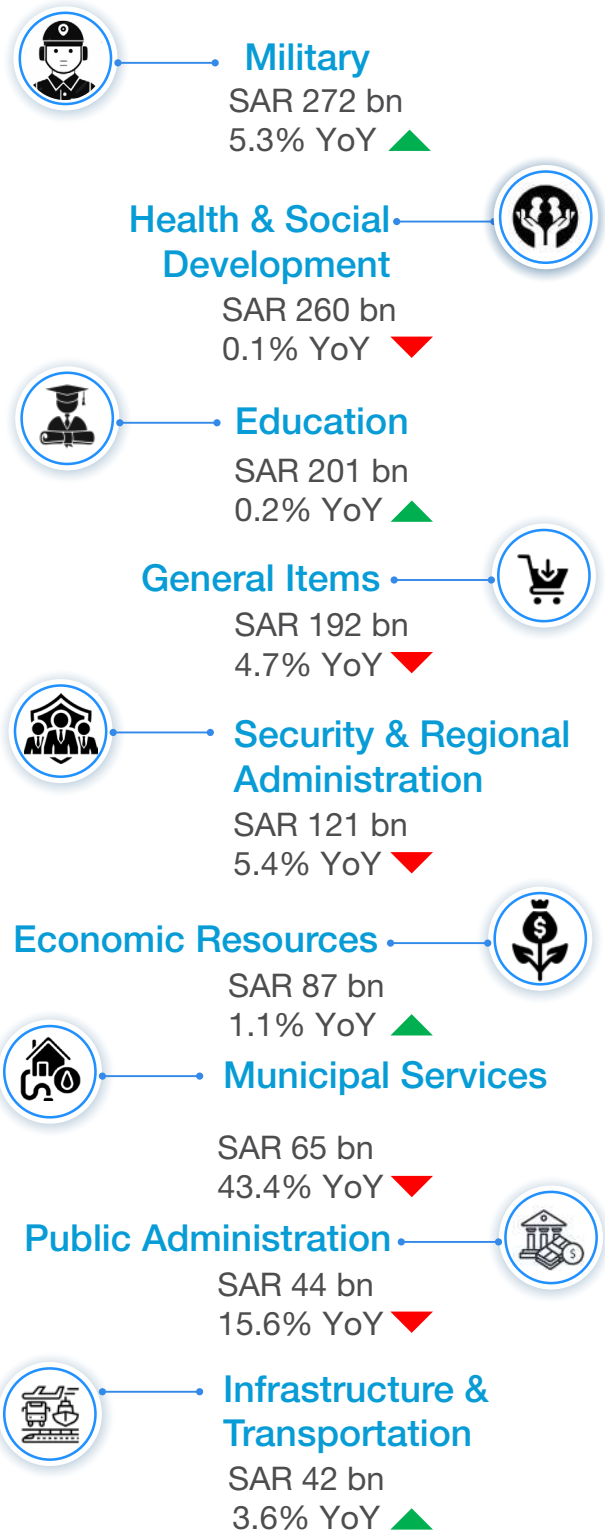


Source: MoF Budget Statement 2025

For FY 2025, the budget allocates approximately SAR 192 billion to social insurance, pensions, debt costs, international contributions, and essential services, along with subsidies and incentives for development and revenue growth.

In healthcare, the government plans to expand the Prince Sultan Cardiac Center and Organ Transplant Center, aiming to become a global leader in advanced medical care, including 600 annual kidney transplants.

Expenditures by Sector



Budget 2025 Analysis

Commentary on Budget 2025

Budget Deficit & Public Debt

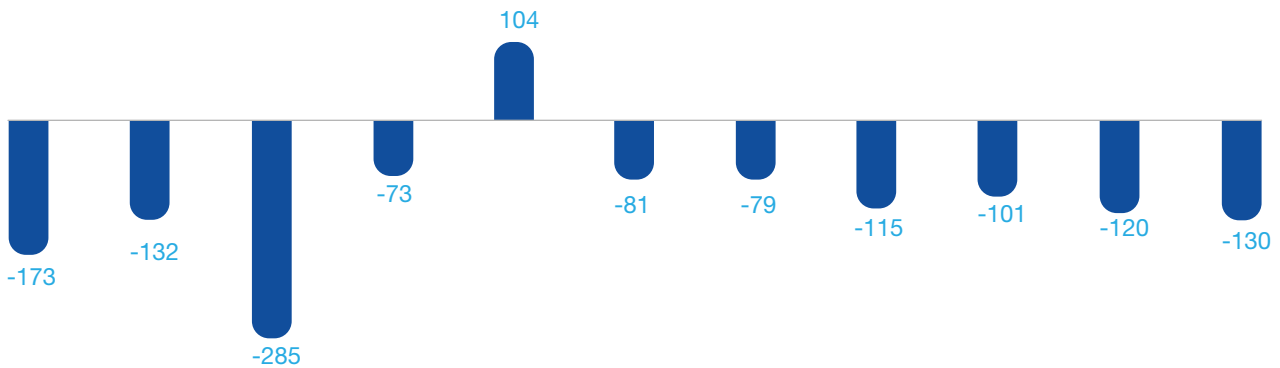
Saudi Arabia's fiscal policy remains focused on balancing economic growth, fiscal sustainability, and advancing non-oil revenue development, while also optimizing spending efficiency and enhancing private sector participation. In alignment with Vision 2030, the government continues to implement structural reforms and prioritize strategic projects to diversify the economy.

As a result of accelerating the execution of key social and economic programs, the 2024 fiscal year budget projects a deficit of approximately SAR 115 billion (2.8% of GDP), reflecting a 12% decline compared to the previous period.

The deficit is driven by increased spending on Vision 2030 initiatives and efforts to support critical sectors. Despite the deficit, the government remains committed to maintaining fiscal stability and ensuring long-term sustainability through proactive debt management and efficient use of public resources.

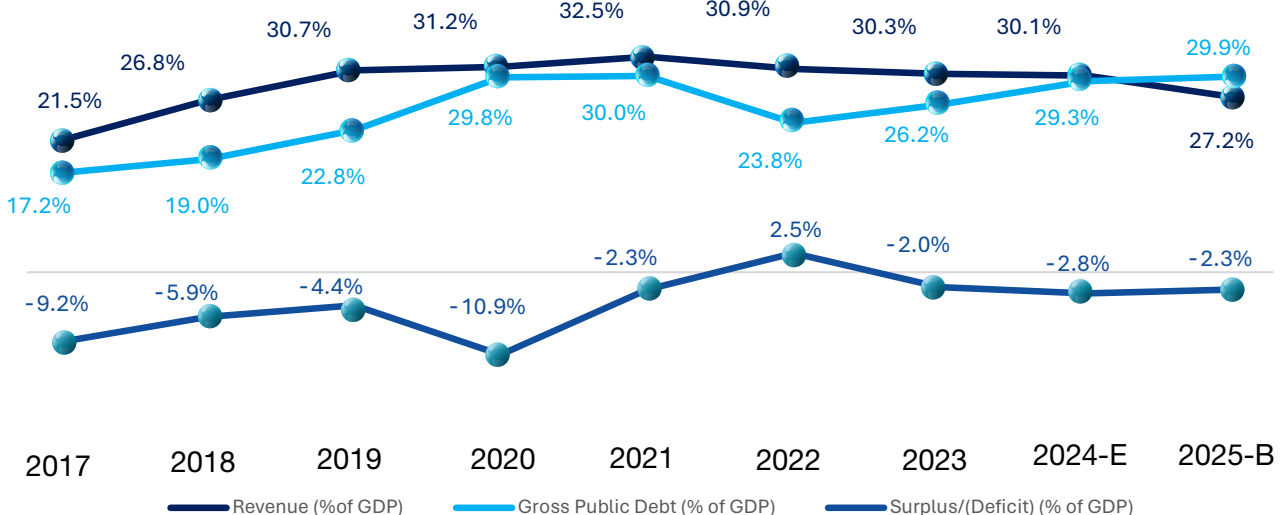
The public debt is expected to reach SAR 1,199 billion by the end of FY 2024, with a strategic focus on refinancing and managing risks, while government reserves are projected to remain robust at SAR 390 billion.

Surplus/Deficit (SAR billion)



Source: MoF Budget Statement 2025

Comparison as % of GDP



Source: MoF Budget Statement 2025

Budget 2025 Analysis

Commentary on Budget 2025

Gross Domestic Product

Key Economic Indicators	2022-A	2023-A	2024-E	2025-B	2026-P	2027-P
	Actual	Actual	Estimated	Budgeted	Projected	Projected
Nominal GDP (SAR Billion)	4,157	4,003	4,091	4,352	4,431	4,718
Real GDP (YoY)	8.7%	-0.8%	0.8%	4.6%	3.5%	4.7%
Inflation	2.5%	2.3%	1.7%	1.9%	1.9%	1.9%

FY 2024 assessments indicate a small 0.8% decline in Real GDP.

However, growth is projected for FY 2025, driven by the expansion of non-oil sectors and ongoing reforms.

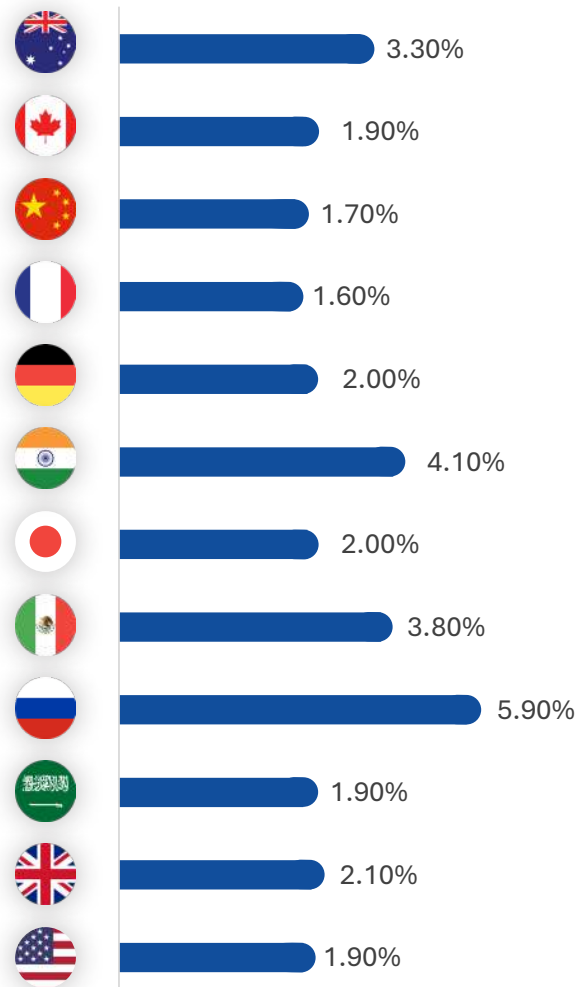
The private sector remains central to expansion, supported by government reforms and initiatives to boost labour market opportunities, including female workforce participation, all aligned with Vision 2030 goals.

Inflation

The expected inflation rate for FY2024 is approximately 1.7%, reflecting a relatively stable economic environment. Despite some global inflationary pressures, the Kingdom's inflation rates remain notably low in comparison to global trends.

Looking ahead, inflation is projected to remain stable at around 1.9% from FY2025 onwards. This forecast reflects the Kingdom's continued commitment to maintaining price stability as part of its broader economic strategy, which includes fostering growth in non-oil sectors and enhancing the overall economic environment in line with the objectives of Vision 2030.

Expected Inflation 2025 for prominent G20 countries



Source: IMF

Budget 2025 Analysis

Commentary on Budget 2025

Public Debt vs Public Reserves

Projected public debt balance for Saudi Arabia to reach SAR 1,199 billion by FY 2024, 29.3% of GDP, up from SAR 1,050 billion (26.2% of GDP) the previous year.

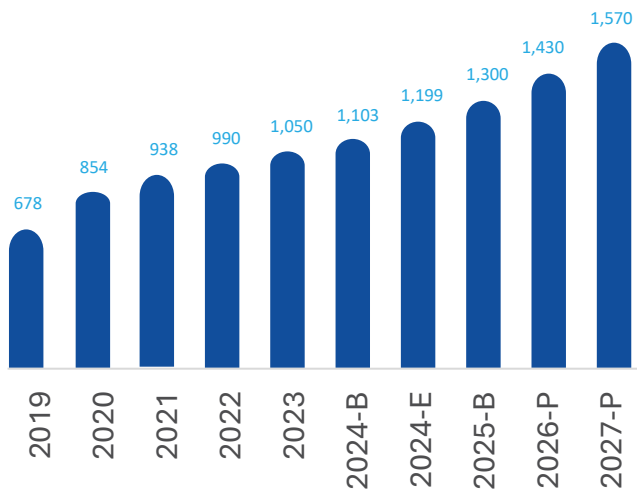
Annual bond issuances planned to finance the budget deficit and repay debt principal.

Proactive market activities will be used to manage debt obligations and fund strategic projects, including capital and infrastructure investments.

Proactive market activities will manage debt obligations and fund strategic projects, focusing on capital and infrastructure investments to support long-term economic growth and Vision 2030 objectives.

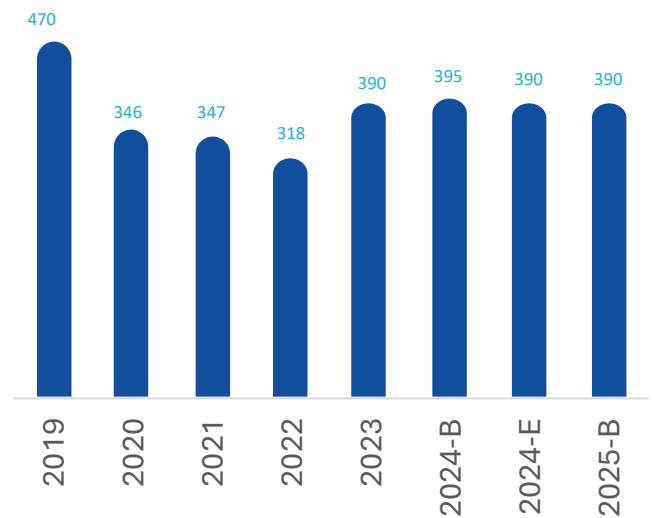
Fiscal policy aims to maintain Saudi Arabia's strong fiscal position and sustainability, with reserves projected at SAR 390 billion by FY 2025, ensuring economic stability and flexibility for future investments.

Gross Public Debt (SAR billion)



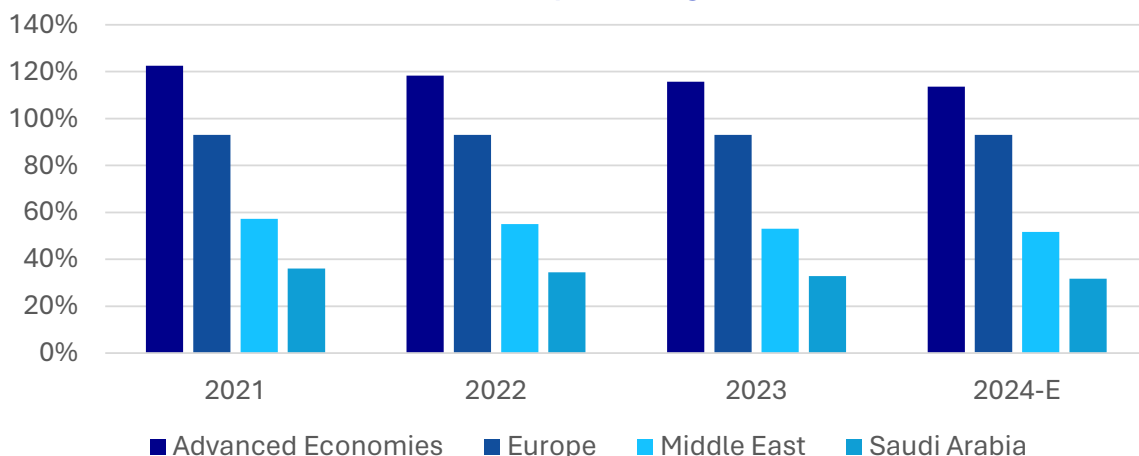
Source: MoF Budget Statement 2025

Government Reserves (SAR billion)



Source: MoF Budget Statement 2025

Public Debt as percentage of GDP



Source: MoF Budget Statement 2025

Risks & Challenges

Risks



Global Economic Risks

Geopolitical tensions, inflationary pressures, oil price volatility, and rising global debt levels pose significant risks to economic stability and financing costs.



Fiscal Risks

Expansionary spending, oil revenue fluctuations, public debt management, and potential tax revenue shortfalls challenge fiscal sustainability.



Domestic Economic Risks

Non-oil revenue growth, private sector investment, labor market imbalances, and Vision 2030 targets face uncertainty.



Domestic Economic Risks

Delays in mega-projects, public sector inefficiencies, cybersecurity threats, and supply chain disruptions threaten operations.



Risks & Challenges

Challenges



Economic Diversification

Reducing oil dependence, boosting private sector roles, fostering innovation, and attracting foreign investments are key challenges.



Fiscal Sustainability

Managing deficits, controlling public wages, optimizing spending, and maintaining debt sustainability are critical.



Social Development

Enhancing public services, creating jobs, increasing female workforce participation, and addressing inequality are priorities.



Infrastructure Development

Timely project completion, expanding transport networks, developing renewables, and upgrading digital infrastructure are essential.

Economic Indicators

Value in SAR unless stated

	2023	2024-E	2025-B	2026-P	2027-P
Key Statistics					
Nominal GDP	4,003	4,091	4,352	4,431	4,718
Real GDP (YOY)	-0.8%	0.8%	4.6%	3.5%	4.7%
Inflation	2.3%	1.7%	1.9%	1.9%	1.9%
Budget					
Revenue	1,212	1,230	1,184	1,198	1,289
Expenditures	1114	1,345	1,285	1,328	1,429
Surplus/(Deficit)	-81	-115	-101	-130	-140
Gross Public Debt	1,050	1,199	1,300	1,430	1,570
Government Reserve	390	390	390	390	390
Revenue (% of GDP)	30.2%	30.1%	27.2%	27.1%	27.3%
Gross Public Debt (% of GDP)	26.2%	29.3%	29.9%	32.3%	33.3%
Surplus/(Deficit) (% of GDP)	-2.0%	-2.8%	-2.3%	-2.9%	-3.0%

	2023	2024-E	2025-B
Revenue (SAR in Billion)			
Taxes on Goods and Service	262	280	290
Other non oil Revenue	856	863	804
Other Taxes	33	34	36
Taxes on Income, Profit and Capital Gains	39	30	31
Taxes on International trade and transactions	22	22	23

	2023	2024-E	2025-B
Expenditure by Sector			
Education	210	201	201
Military	254	259	272
Health and social development	256	260	260
General Items	208	202	192
Security and Regional Administration	114	128	121
Economic Resources	85	88	87
Infrastructure and Transformation	40	40	42
Municipal Services	77	115	65
Public Administration	48	53	44

	2023	2024-E	2025-B
Expenditure By Component			
Compensation of Employees	537	558	561
Non Financial Assets Capex	186	198	184
Use of Goods and Services	303	298	265
Other Expenses	104	113	86
Social Benefits	97	97	98
Financing Expenses	38	44	59
Subsidies	21	34	31
Grants	7	4	2
Total	1,293	1,345	1,285

Saudi Arabia's Vision 2030 Economic Transformation

The Kingdom aims to position itself as a leading destination for investment by continuing to enhance the regulatory and legislative environment, creating a competitive and transparent marketplace for both local and foreign investors.

Key to this is the enactment of investment laws that seek to remove barriers and promote fair treatment between domestic and international investors, while also improving dispute resolution mechanisms. These efforts are expected to boost the private sector's contribution to GDP, with the goal of increasing its share to 65% by 2030.

PIF aims to inject SAR 150 billion annually by 2025 to boost growth in key sectors like tourism, entertainment, and industry, supporting the Vision 2030 economic transformation.

- Saudi Arabia aims to double FDI by 2025 and increase foreign investment by 5.7% of GDP.
- Unemployment target is 7% by 2030, with a focus on sustainable job creation.
- Key sectors like tourism, entertainment, and industry are targeted for growth and diversification.
- The National Industrial Strategy (NIS) aims to make Saudi Arabia a regional industrial hub.
- The National Transport and Logistics Strategy (NTLS) will boost connectivity and triple passenger numbers by 2030.
- The tourism sector exceeded 100 million tourists by 2023, with further growth expected.
- The sports sector is expanding with new infrastructure and international events.
- Vision 2030 drives economic reforms, expanding private sector participation and positioning Saudi Arabia as a global hub.



Key Fiscal Risks

For FY 2025 and the Medium Term

Global Economic Challenges

The IMF forecasts several risks to global economic growth in FY 2024 and 2025, including escalating political tensions, trade disputes, and protectionist industrial policies, which could hinder economic development, innovation, and slow growth.

Oil Price and Volatility

Global oil prices dropped to their lowest levels in 2024, averaging around USD 73 per barrel by September, primarily due to high interest rates set by central banks to combat inflation, impacting overall economic growth projections.

Kingdom's Resilient Strategy

Despite global challenges, the Kingdom has focused on stabilizing oil markets, promoting non-oil growth, and implementing sustainable fiscal and macroeconomic policies, which have helped mitigate oil price volatility and support continued economic growth.

Global Economic Uncertainty

Despite progress on inflation, global recovery is hindered by geopolitical tensions and inflation, with central banks pressured to keep interest rates high, affecting growth.

Kingdom's Response to Global Shocks

The Kingdom is mitigating global risks by increasing food reserves, capping gasoline prices, and supporting social programs to enhance resilience.

The Kingdom maintains moderate inflation, supporting growth in sectors like tourism and private consumption, ensuring continued economic activity.

Kingdom's Fiscal Policy and Economic Resilience

The Kingdom aims to maintain a strong fiscal position by achieving fiscal sustainability, managing public debt, and ensuring stable reserves, enhancing confidence in the Saudi economy.

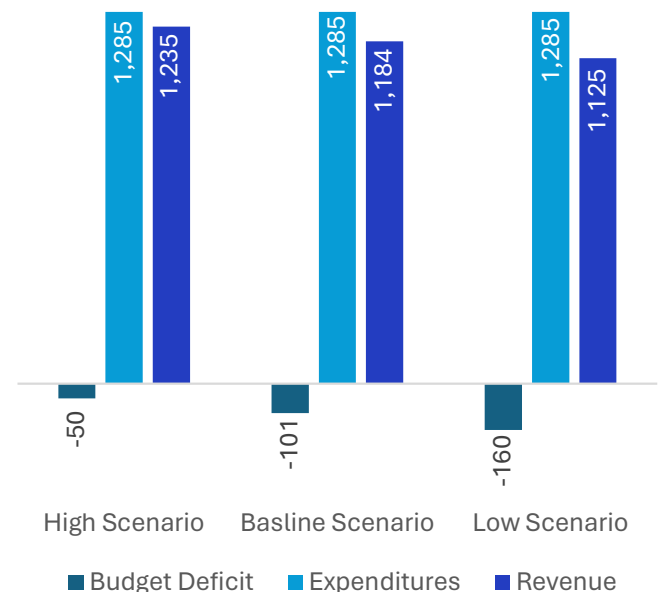
Fiscal Management and Debt Sustainability

The government is focusing on fiscal efficiency to manage increased borrowing and debt repayment while ensuring sustainability. Easing monetary policies and interest rate cuts aim to support growth and reduce borrowing costs.

Revenue Scenarios and Fiscal Flexibility

Three revenue scenarios for FY 2025 account for oil volatility, ensuring fiscal stability, with the baseline focused on managing lower revenues. The government is ready to adapt to global and domestic changes, maintaining fiscal sustainability amid risks.

Revenue Scenarios for FY2025 Budget (SAR bn)



Source: MoF Budget Statement 2025

2024 Roundup



“

We have currently reached non-oil revenues worth SR472 billion, which would not have happened without the current great economic diversification

”

HE Mohammad Al-Jaadani
Saudi Finance Minister

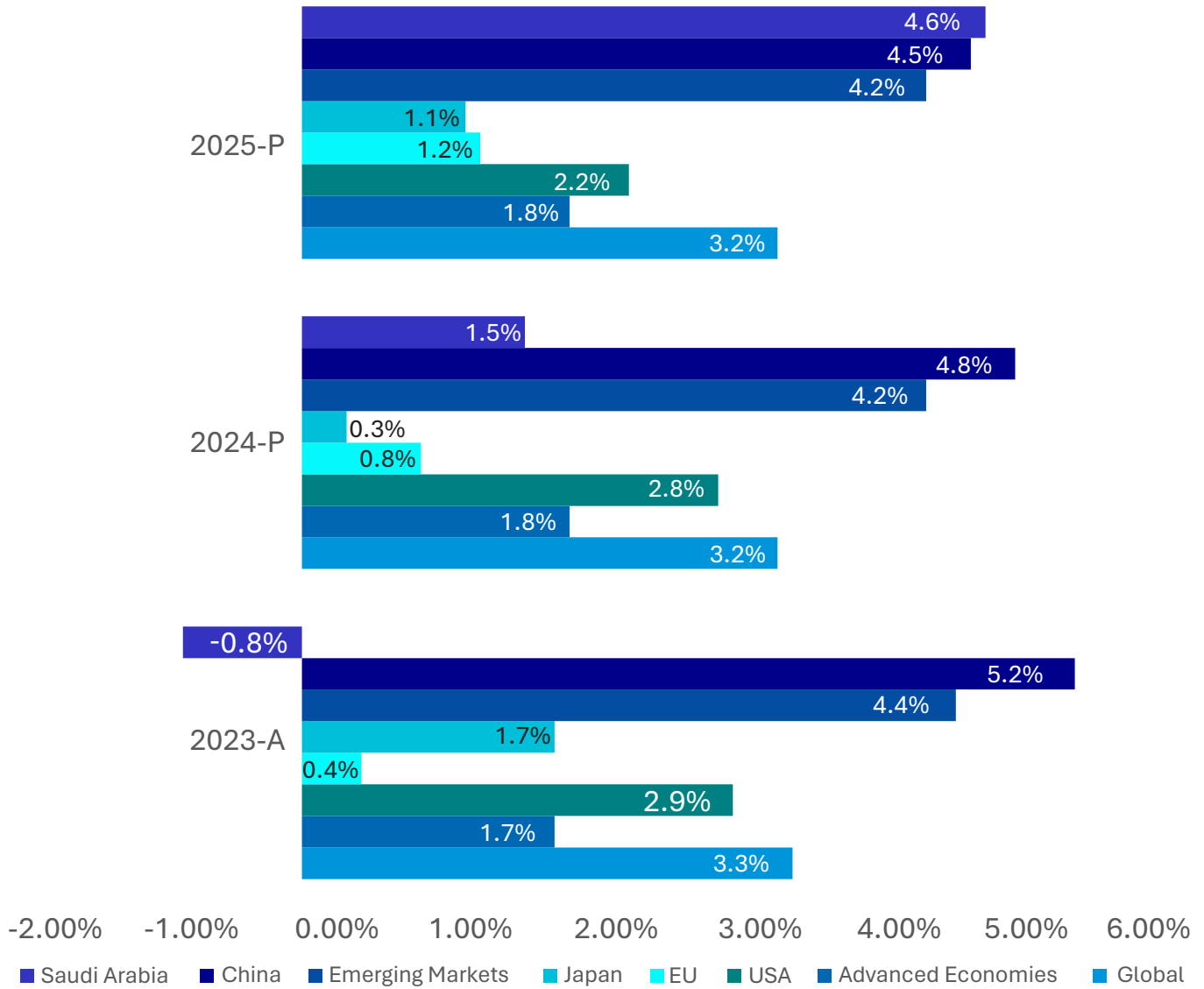


2024 Roundup

Economic Developments And Outlook

Global Economic Growth

Economic Growth Projections



Source: MoF Budget Statement 2025

The global economy faces challenges from escalating geopolitical conflicts and trade disputes, particularly in the Middle East. Rising inflation, especially in advanced economies, is a result of tightening monetary policies, which have led to high interest rates. Despite these pressures, central banks, including the US Federal Reserve, have made efforts to manage inflation and reduce interest rates, contributing to global economic recovery.

The IMF predicts global economic growth will be 3.2% in 2024 and 2025, with a decline in global inflation rates. Advanced economies are expected to see inflation drop to 4.3% in 2025, while emerging markets and developing economies will experience a decrease in inflation to 5.9%. Despite ongoing geopolitical uncertainties, inflation is expected to slow in the medium term.

2024 Roundup

Domestic Economic Developments

Positive Economic Developments in KSA

- Significant growth in non-oil sector, reducing unemployment and increasing household income.
- Ongoing efforts to diversify income sources and promote growth, enhancing the private sector's role.

Non-Oil Growth and Economic Expansion

- Non-oil sector registered 4.4% growth in FY 2023, reflecting continued positive performance.
- Economic growth driven by key sectors like tourism, entertainment, logistics, and transport.
- Oil sector down by 6.8% due to OPEC+ cuts, while non-oil sector grew by 4.2%

Boost Employment and Economic Competitiveness

- Saudi government committed to advancing Vision 2030, creating jobs and empowering the private sector.
- Labor market improvements, including a decline in unemployment rates to historic low of 7.1% in Q2 24 and increased female participation.
- The female participation has reached 35.4% in Q2 2024 compared to 19.3% in Q4 2016. This surpasses the Saudi Vision 2030 of 30% female participation.

Tourism and Infrastructure Enhancements

- Saudi Arabia's tourism sector grew significantly, with the number of international visitors increasing by 10%.
- Government initiatives, including the launch of eVisa, enhance the tourism infrastructure and attract more visitors.

Inflation Trends and Economic Stability

- Inflation rate increased by 1.6% through October 2024FY, with energy prices as a key driver.
 - Fuels, gas, electricity, water, and housing saw the highest price increases (8.8%).
 - Education (2.2%), restaurants and hotels (1.3%), and clothing (2.4%) also experienced price rises.
 - Household equipment (3.6%), furnishings (2.4%), and transportation (3.5%) saw the largest price declines.
- Saudi government policies helped mitigate global inflation impacts, stabilizing prices.
- Preliminary estimates indicate the CPI will reach around 1.7% in FY 2024.

Trade Balance and Economic Growth

- Saudi Arabia recorded a surplus in trade balance, driven by growth in non-oil exports.
- Import growth, particularly in capital and intermediate goods, supports a positive outlook for non-oil sectors.

Foreign Investment Growth

- Foreign direct investment inflows reached SAR 21.2 billion in the first half of 2024FY, reflecting a positive investment climate.
- Increased number of investment licenses issued, supporting the diversification and growth goals of Vision 2030. By 2030, National Investment Strategy (NIS) targets increasing investment contribution to 30% of GDP, up from 22% in 2019.

2024 Roundup

Financial Sector Developments

Financial Developments in the Banking Sector

- The banking sector demonstrated strength, with total bank assets growing by 12.2% to reach SAR 4.4 trillion by the end of September 2024 (FY), surpassing safe levels.
- Bank credit grew by 12.2%, with loans to the private sector increasing by 11.7%, and consumer loans rising by 4.0% by the end of FY 2024.



Consumer Loans

grew by 4% YoY in Q3 2024



Real Estate Loans

grew by 11.4% YoY in Q2 2024



Bank Claims on Public sector

grew by 10.4% YoY in Q3 2024



Ratio of Non-Performing Loans

reached historic low of 1.3% in Q2 2024



Capital Adequacy

Ratio remained at 19.4% by Q2 2024



Money Supply

increased by 10.5% YoY bases in Q3 2024

Market Financial Developments

Tadawul Stock Exchange

- The Tadawul All-Share Index (TASI) increased by 10.6%, closing at 12,226 points by the end of Q3 2024, despite high interest rates.
- The total traded value on Tadawul grew by 50.8% compared to the same period in the previous year, with institutional investors accounting for 43.7% of transactions.

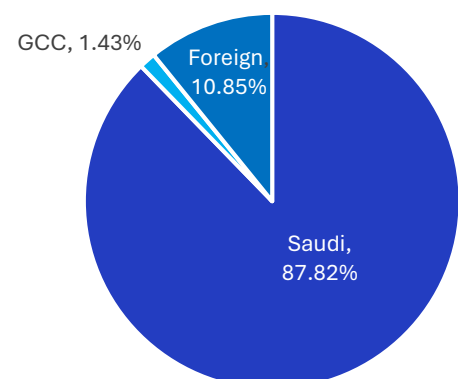
Nomu (Parallel Market) Developments

- The Nomu Index rose by 12.1%, closing at 25,442 points by the end of Q3 2024, with traded volumes increasing by 14.2%.
- The number of transactions on the Nomu market grew by 41.7%, reaching over 654,600 transactions by Q3 2024.

Debt Market Performance

- The Bond/Sukuk Market Index showed modest growth of 4%, closing at 920.5 points by Q3 2024, with a 231% increase in the traded value.
- The number of listings in the national market reached 66, contributing to a 1.6% decrease in the total number of transactions by Q3 2024.

Ownership by Nationality (Tadawul)



2024 Roundup

Commentary on 2024

The government aims to improve fiscal performance and support economic development through strategies that ensure sustainability. For FY 2024, the budget deficit is estimated at SAR 115 billion (2.8% of GDP), due to expansionary spending policies. These efforts focus on maintaining fiscal sustainability while supporting economic growth and managing public debt.

Revenues

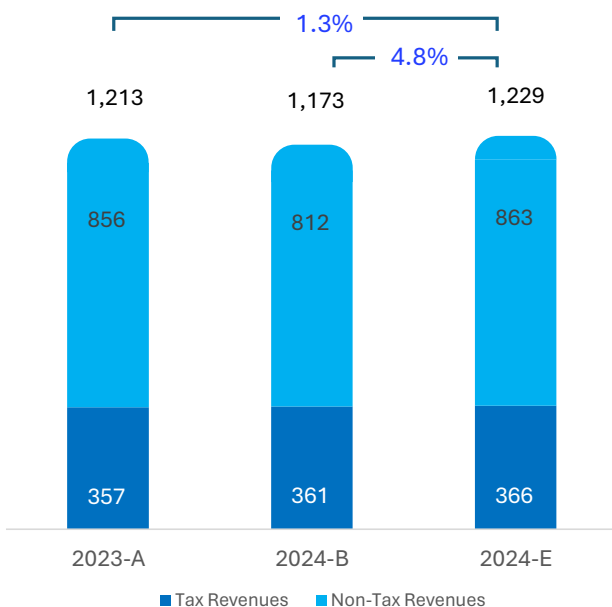
Since the launch of Saudi Vision 2030, reforms have boosted non-oil sector growth, with total revenues for FY 2024 expected at SAR 1,230 billion, up 4.9%. This growth is driven by both oil and non-oil sectors.

Tax revenues for FY 2024 are projected to reach SAR 366 billion, with a 2.7% increase from last year. Corporate income tax will decline, while VAT and other taxes rise by 6.6%.

Oil revenues are projected to remain strong, with production averaging 9 million barrels per day. Brent crude prices are expected to average USD 81.8 per barrel by Q3 2024.



Revenues (SAR billion)



2024 Roundup

Commentary on 2024

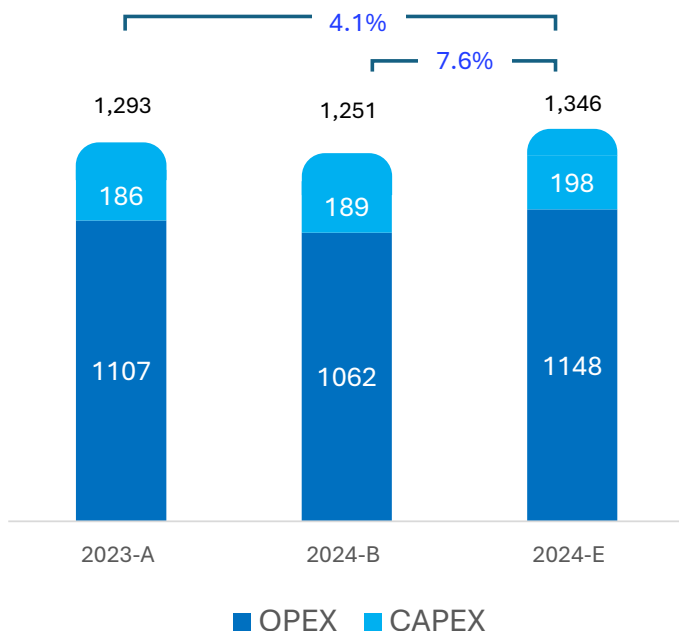
Expenditures

The government continues to advance Saudi Vision 2030 through structural reforms and sectoral strategies, focusing on economic growth, social benefits, and sustainable spending. Efforts are aimed at mitigating economic changes, stimulating the private sector, and improving public services for residents.

For FY 2024, total expenditures are expected to reach SAR 1,345 billion, with a 4.0% increase. Operational expenses will rise 3.7%, driven by higher employee compensation and social insurance costs. Public debt and financing expenses will also grow, with other expenditures increasing by 9.0%.

Capital expenditures (CAPEX) for FY 2024 are expected to rise 43.8%, driven by major projects like the third expansion of Holy Mosque, King Salman Park, Riyadh Green and Red Sea Global, supporting the private sector and Vision 2030's development goals.

Expenditures (SAR billion)



Source: MoF Budget Statement 2025

Expenditures by Sector



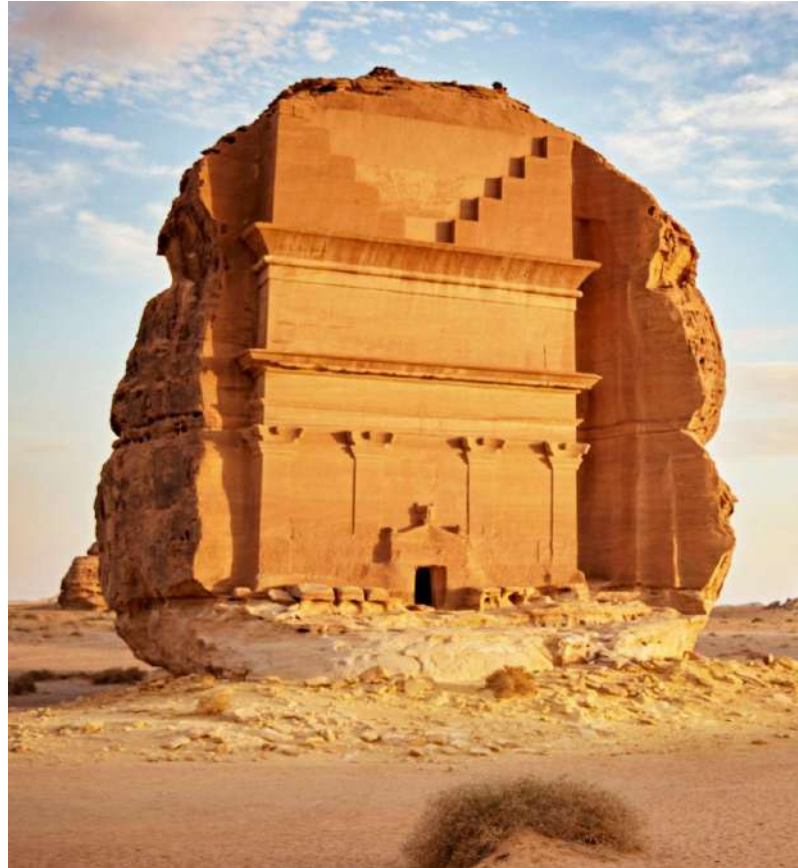
2024 Roundup

Commentary on 2024

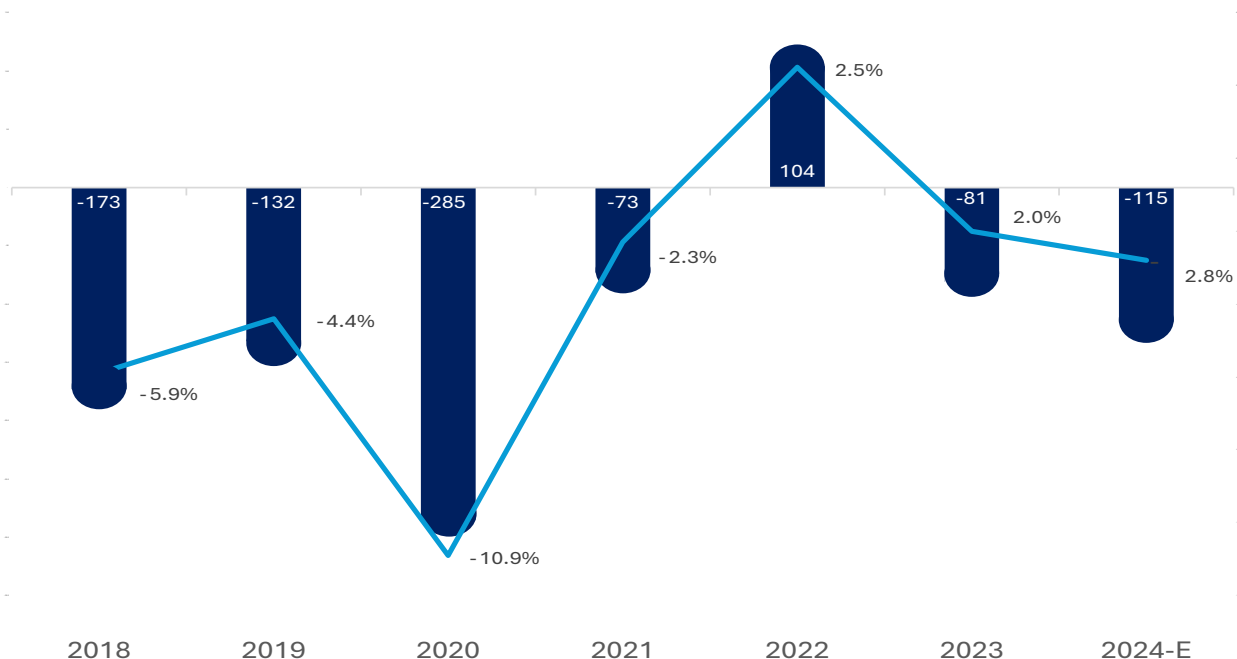
Budget Deficit/Surplus and Public Debt

The Kingdom's government continues to align its fiscal and economic reforms with Saudi Vision 2030, aiming to diversify revenue sources, enhance public finance, and maintain fiscal sustainability. The FY 2024 budget is expected to have a deficit of approximately SAR 115 billion (2.8% of GDP), driven by increased spending on projects and programs to support economic growth.

Public debt is expected to grow in FY 2024, with a focus on maintaining sustainability while managing refinancing risks. Domestic debt will account for 59% of the total debt portfolio, with significant efforts to manage maturing instruments and support ongoing Vision 2030 projects. Government reserves are expected to remain stable, helping preserve fiscal sustainability.



Surplus/Deficit (SAR billion) and as % of GDP



Source: MoF Budget Statement 2025



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