

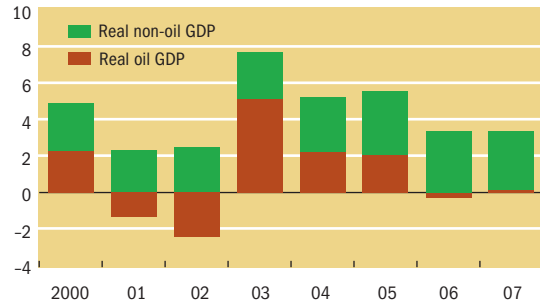


Saudi Arabia

Since the start of the oil boom in 2003, Saudi Arabia has achieved strong growth, aided by high oil revenues and a rapid expansion of the non-oil private sector. While inflationary pressures are easing, the global financial crisis poses new risks.

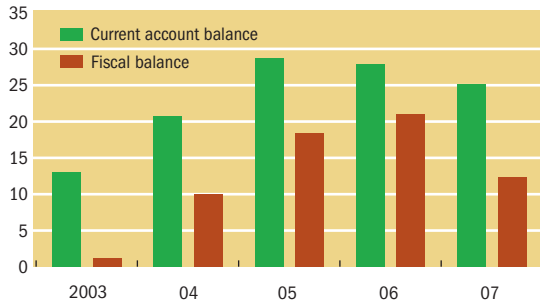
Since 2003, growth has averaged 4.3 percent, with a significant contribution from the non-oil sector.

(percent change)



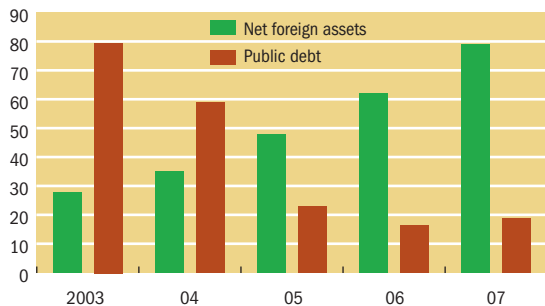
Rising oil revenues through mid-2008 have strengthened the fiscal and external positions . . .

(percent of GDP)



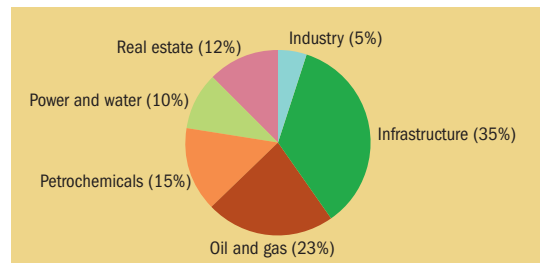
. . . through the accumulation of net foreign assets and the reduction of public debt.

(percent of GDP)



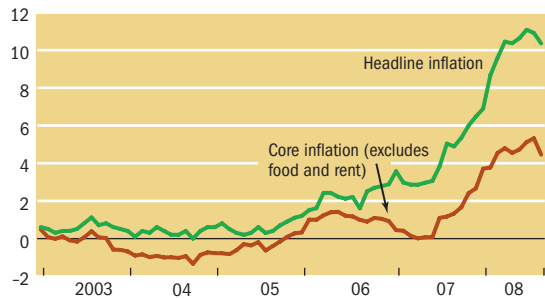
Oil wealth is being invested over the medium term to expand the non-oil sector and boost oil production capacity to support global oil market stability.

(percent of total investment, 2007-14)



The global economic slowdown has started to ease inflationary pressures.

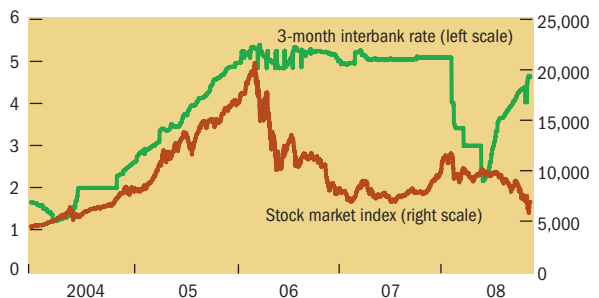
(year-on-year, percent change)



The key short-term challenge is to minimize the fallout from the global financial crisis, which has so far had a limited effect on the domestic banking system.

(percent)

(index)



Sources: Saudi Arabian authorities; and IMF staff estimates.