

Economic Report

AlMadinah AlMunawarah

First Quarter 2024



In the name of Allah, the Merciful, the Compassionate

Introduction

The Chamber of Commerce & Industry in Madinah Munawarah has prepared this report with the aim to define the economy of Madinah Munawarah, contribution of each sector, volume of employment in each sector and to identify the most important activities needed in this region and the affiliated governorates. In preparing this report, the Chamber of Commerce & Industry has relied on:

- A database of members of the chamber within the scope of its work, which is (Madinah Munawarah, Al-Ula Governorate, Al-Hanakiyah Governorate, Al-Mahd Governorate, Khyber Governorate).
- Classification of the economic activities of its affiliates according to the International Standard of Industrial Classification (ISIC4)
- Statistics issued by the General Authority for Statistics.

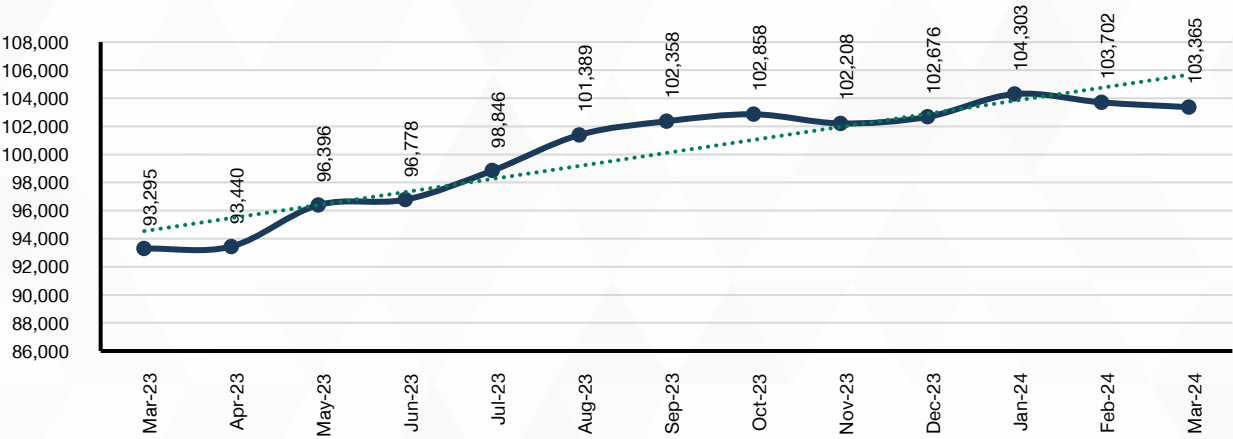
The Chamber seeks to determine the contribution of each sector to the economy of the region and to know the size of the income for each sector, through the data available with the Ministry of Finance represented by the zakat tax and customs authority. It will be included in the following reports as soon as this data becomes available.

Executive Summary

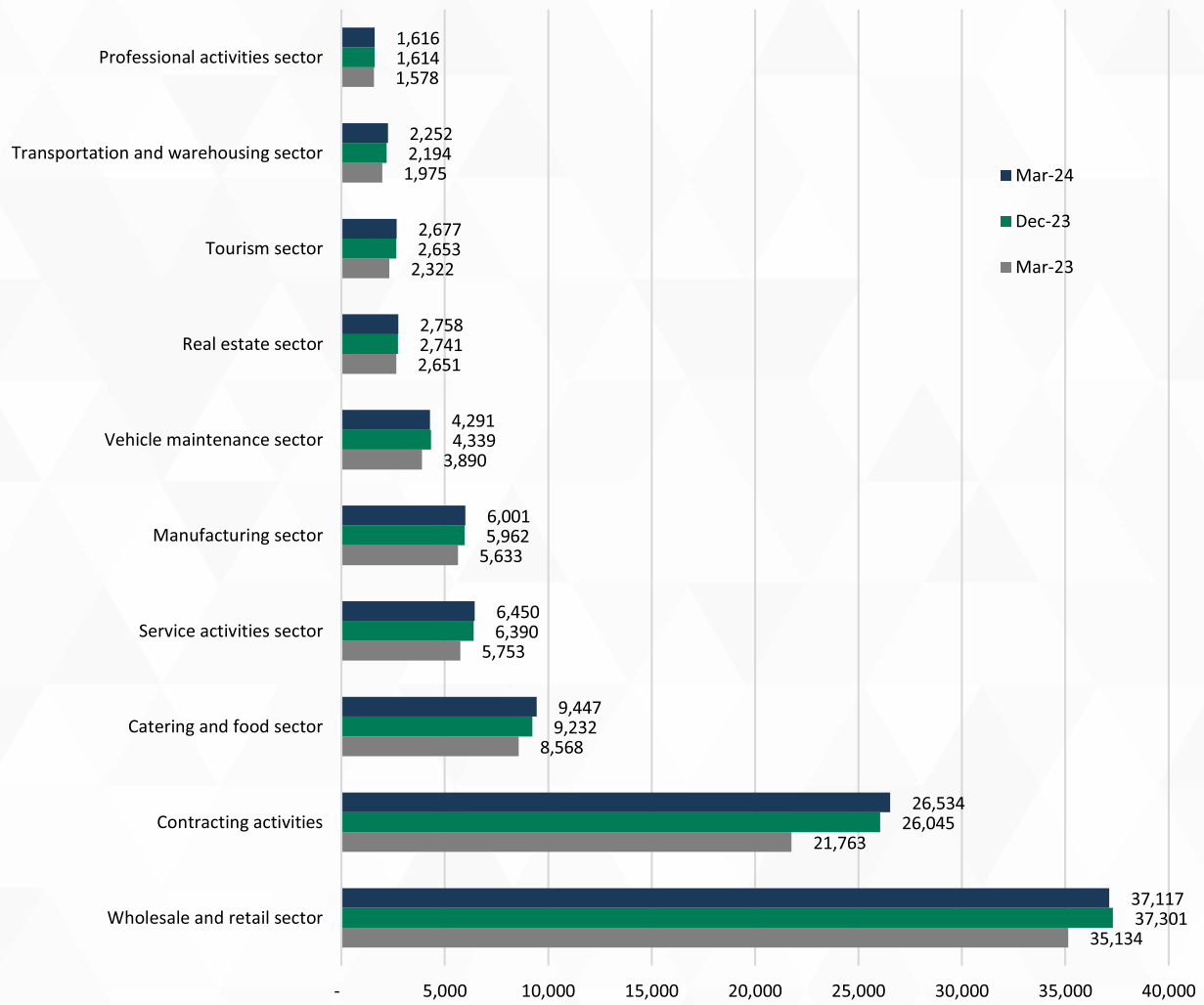
Economic Activities

According to the database of Chamber of Commerce & Industry members in Madinah Munawarah region, the number of economic activities (in the regions affiliated to the chamber) has reached 103,365 sub economic activities by the end of the first quarter of 2024. This represents 0.7% increase compared to the previous quarter of the year 2023, and an increase of 10.8% compared to the same quarter of the previous year.

From the attached figure, we find that the curve that represents the development of the number of economic activities in Madinah Munawarah (in the regions affiliated to Madinah Chamber) during the period (March 2023 – March 2024) is going through a growth phase during the period.



Economic Report

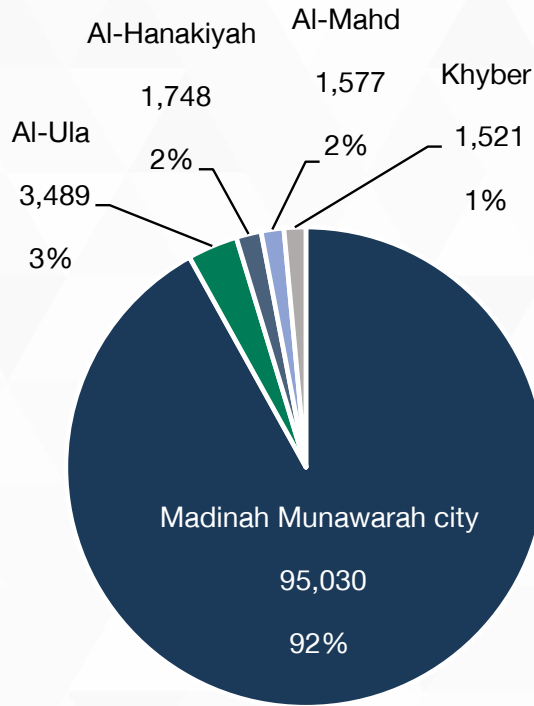


Economic activities at the end of the First quarter 2024 for the top 10 economic sectors compared to the previous quarter of the year 2023 and the same quarter of the previous year.r.

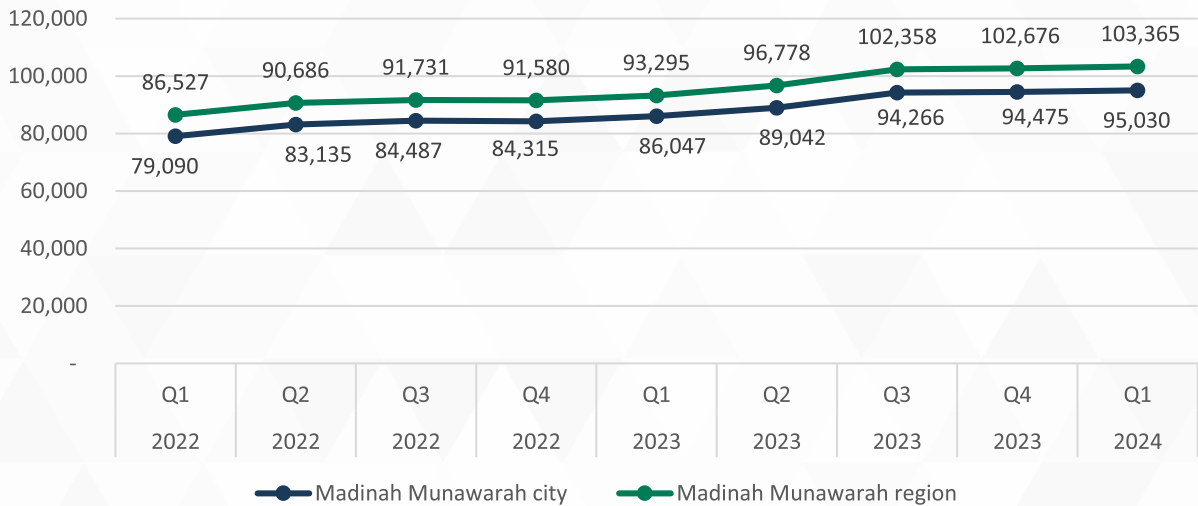
Active commercial registrations for members of Madinah Chamber during the first quarter of 2024 compared to the same quarter of the previous year.

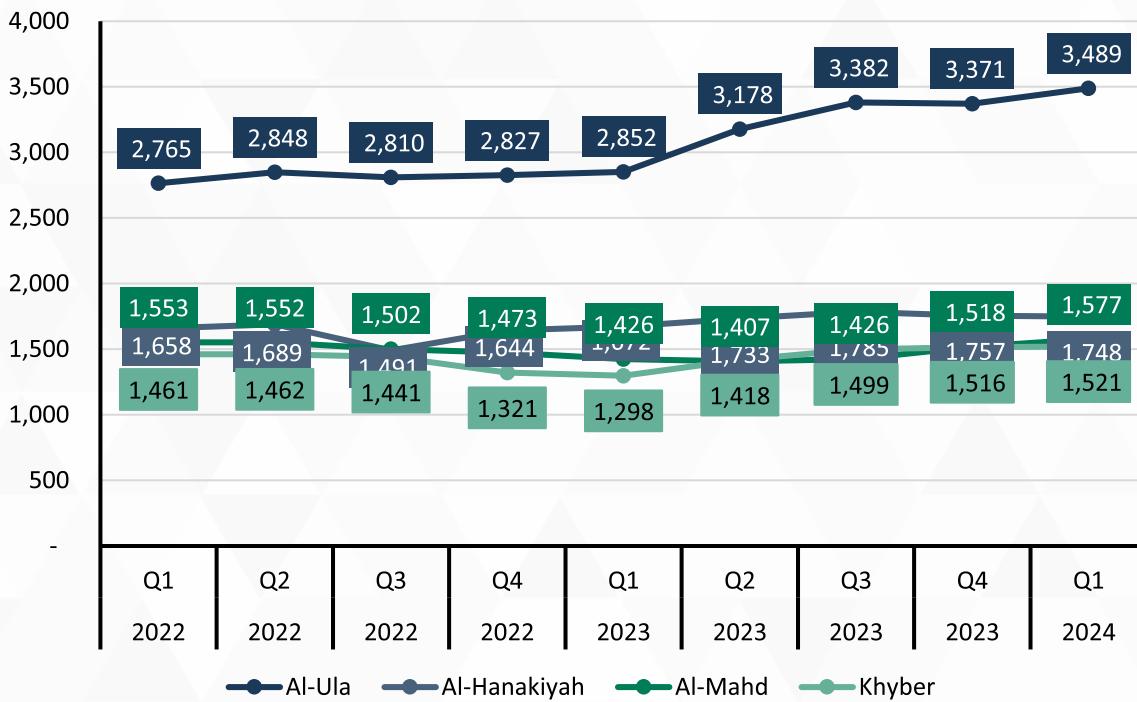
S	Sector	No. Active Registrations	Sub Economic Activities		
			Number	Percentage to total	Annual Change
1	Wholesale and Retail Sector	19,810	37,117	35.9%	▲2.6%
2	Contracting Sector	10,946	26,534	25.7%	▲21.9%
3	Catering and Food Sector	7,080	9,447	9.1%	▲10.3%
4	Service Activities Sector	5,239	6,450	6.2%	▲12.1%
5	Manufacturing Sector	4,515	6,001	5.8%	▲6.5%
6	Vehicle Maintenance Sector	2,579	4,291	4.2%	▲10.3%
7	Real Estate Sector	1,532	2,758	2.7%	▲4.0%
8	Tourism Sector	1803	2,677	2.6%	▲15.3%
9	Transportation and Warehousing Sector	1,438	2,252	2.2%	▲14.0%
10	Professional Activities Sector	1244	1,616	1.6%	▲2.4%
11	Leasing Activities Sector	773	919	0.9%	▲5.9%
12	Communication and Information Sector	462	661	0.6%	▲7.3%
13	Educational Activities Sector	353	622	0.6%	▲0.8%
14	Recreational Artistic Activities Sector	335	542	0.5%	▲8.8%
15	Agricultural Sector	330	473	0.5%	▲0.4%
16	Health Sector	288	413	0.4%	▼1.7%
17	Mining Sector	180	279	0.3%	▲27.4%
18	Social Service Sector	172	197	0.2%	▲7.7%
19	Financial Activities Sector	98	113	0.1%	▼15.0%
20	Business Services Sector	3	3	0.0%	0.0%
	Total	59,180	103,365	100.0%	▲10.8%

Source: Database of Madinah Chamber



Active commercial registrations in Madinah Munawarah region during the first quarter of 2024 by location





Development of active commercial registrations in the governorates of Madinah Munawarah Region

Through the report, it was possible to identify the following facts and indicators:

- The top five economic sectors that achieved positive growth are:
 - Mining sector (27.4%)
 - Contracting sector (21.9%)
 - Tourism sector (15.3%)
 - Transportation and warehousing sector (14.0%)
 - Service activities sector (12.1%)
- The most prominent sectors that declined during the first quarter of 2024 are:
 - Financial activities sector.
 - Health sector.

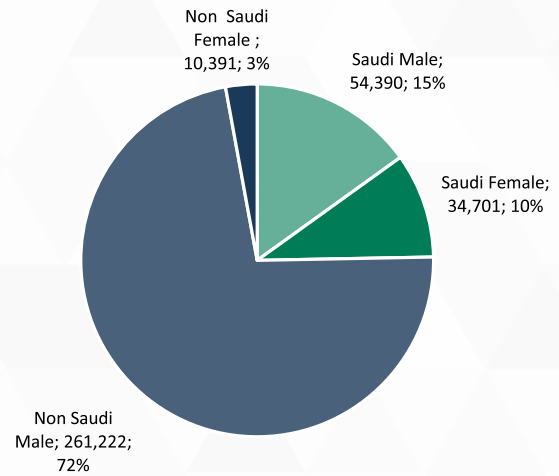
Labor Market in Madinah Region

With regard to employment in the private sector, the following indicators can be found:

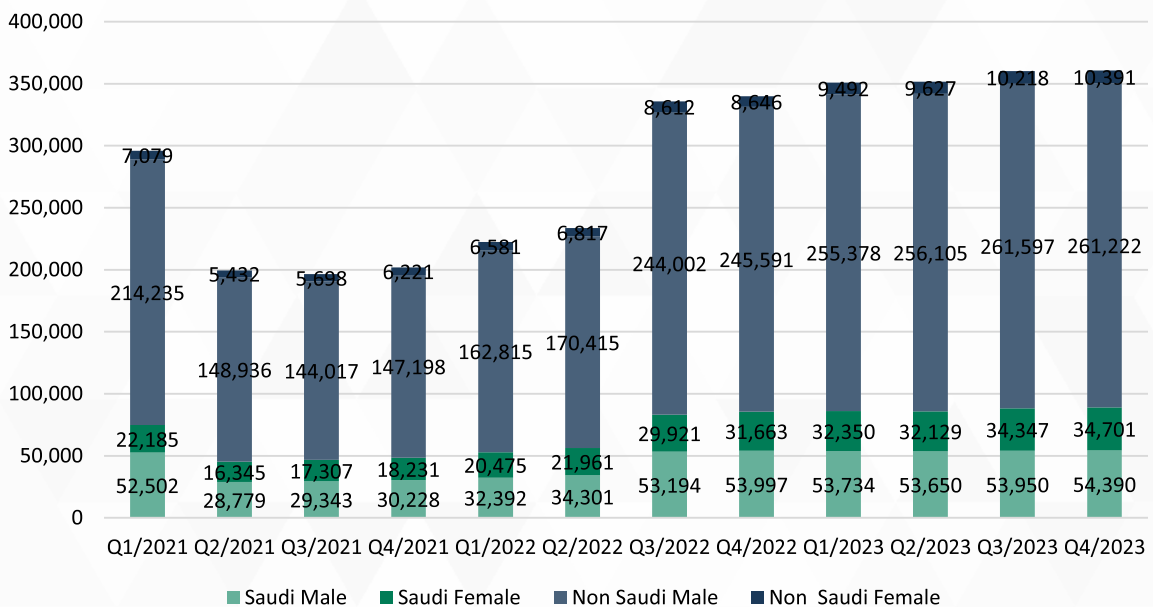
- Madinah Munawarah region occupies the fifth place among the regions of the Kingdom in terms of the total number of workers, as the number of workers in it reaches 430,081 employees, equivalent to 3.6% of the total workers in all regions of the Kingdom. This is according to the latest release of the labor market statistics in the fourth quarter of 2023 issued by the General Authority for Statistics.
- The percentage of workers' subject to the rules and regulations of social insurance (workers in the private sector) is about 83.87% of the total workers in Madinah Munawarah region.

Economic Report

- The number of Saudis employed in the private sector in Madinah Munawarah region reached 89,091 employees during the fourth quarter of 2023.
- The total percentage of Saudization in private sector jobs in Madinah Munawarah region (Saudi workers subject to social insurance laws compared to the total workers' subject to social insurance laws) during the fourth quarter of 2023 is about 24.7%.
- According to the Labor Market Bulletin for the fourth quarter of 2023, the number of Saudi workers in the private sector increased by 0.2% compared to the previous quarter of the same year, and increased by 5.9% compared to the same period of the previous year.



Distribution of workers in the private sector in Madinah Munawarah region during the fourth quarter of 2023



Development of workers in the private sector in Madinah Munawarah Region (2021-2023)

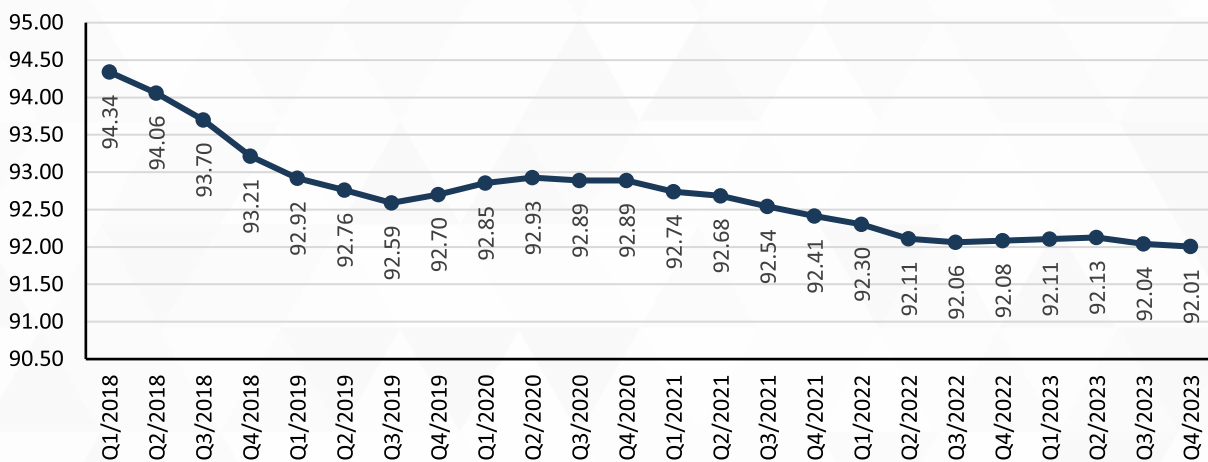
Real Estate Price Index

It is a statistical tool for measuring the relative change in real estate prices in the regions of the Kingdom of Saudi Arabia. It depends on a data set of real estate transactions available in the Ministry of Justice as the only official reference and source of data on the real estate sector in the Kingdom. This data set is the result of electronic registration and documentation processes that take place in the Ministry. It includes various variables in real estate transactions such as value, location, sector, and type.

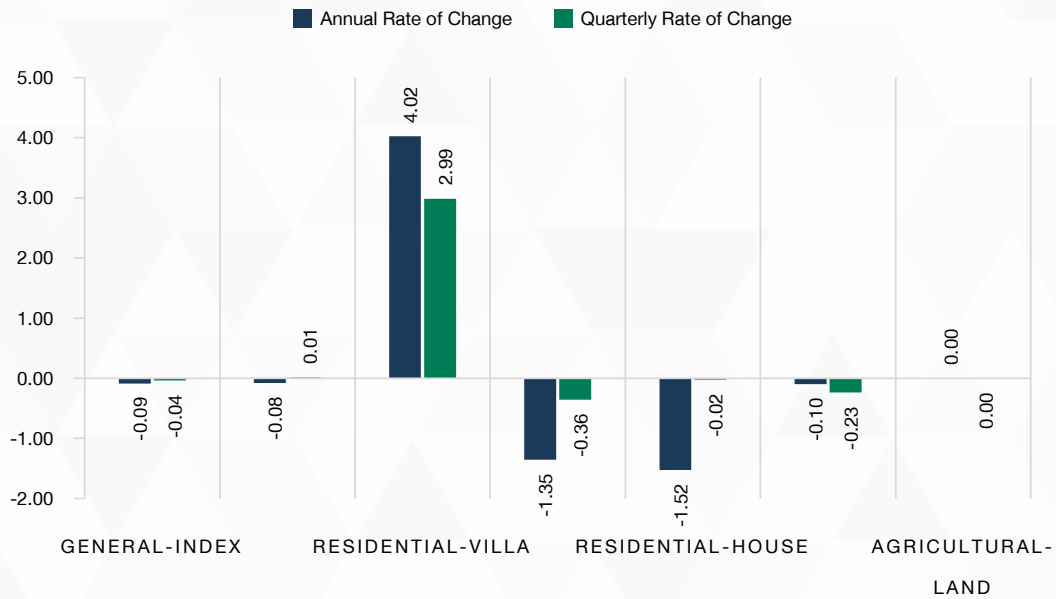
Accordingly, the General Authority for Statistics calculates the index on a quarterly basis by sector (residential, commercial, agricultural) and type of property (plot of land, building, villa, apartment, house, exhibition/shop, commercial center, agricultural land) for all administrative regions in the Kingdom. The base year for the index is 2014.

The published statistics indicate a decrease in the real estate price index in Madinah Munawarah region during the fourth quarter of 2023 by a slight rate of 0.04% compared to the third quarter of the same year, and a decrease of 0.09% compared to the same quarter of the previous year.

The Real Estate Price Index (2014 = 100): The indices of the Madinah Region, 2018-2023



Source: Real Estate Price Index Statistics - General Authority for Statistics

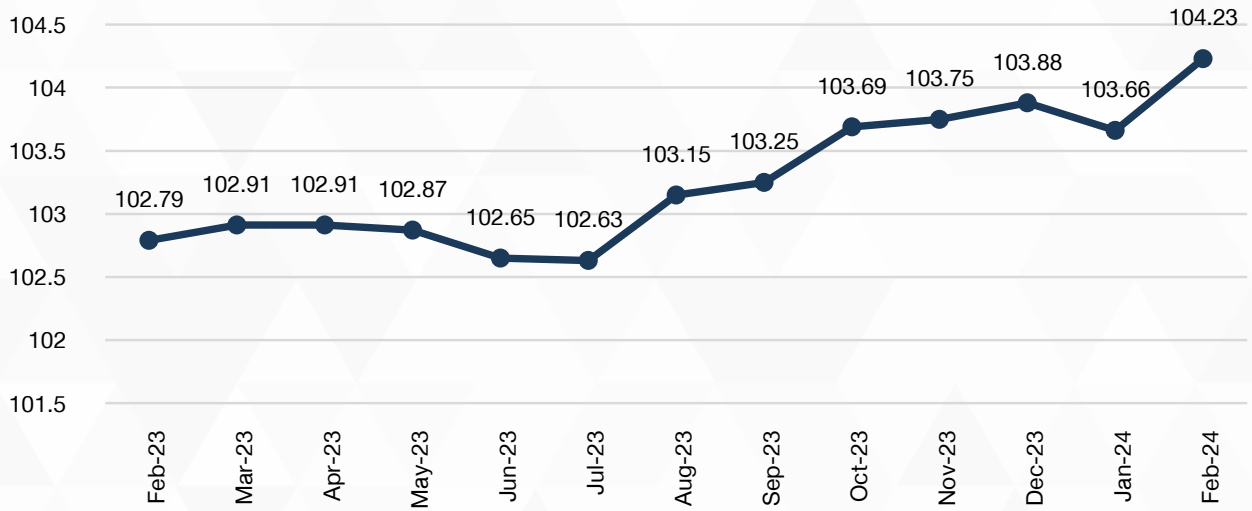


The annual and quarterly change of the real estate price index in Madinah Munawarah according to the sector and the type of real estate during the fourth quarter of 2023

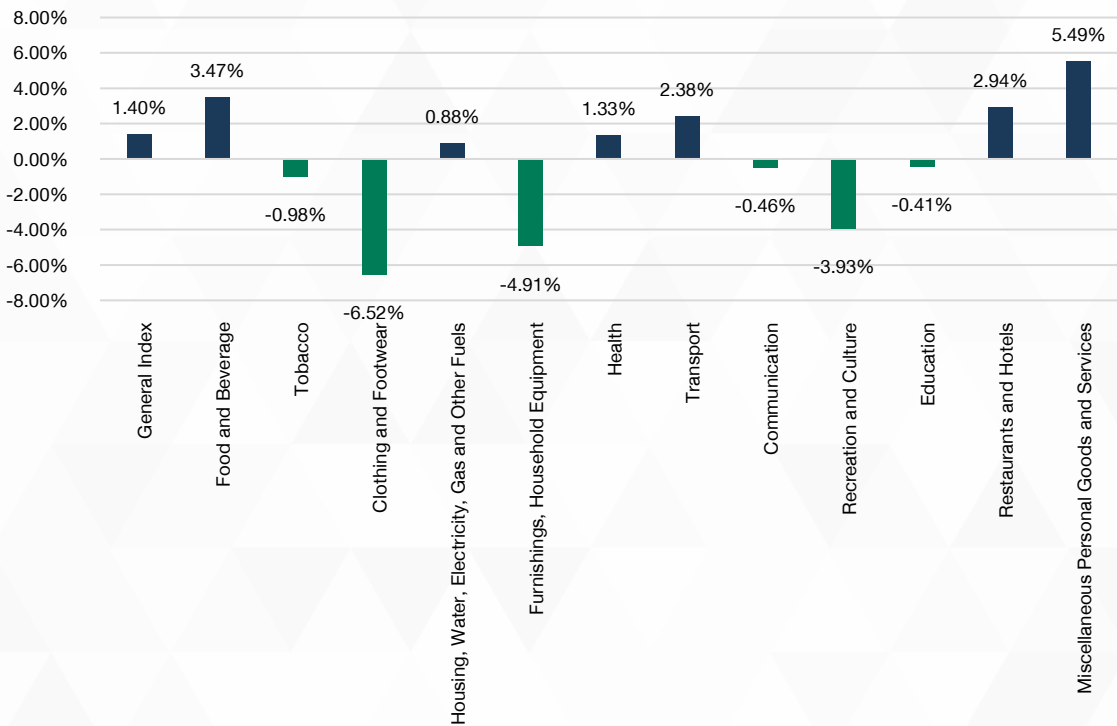
Consumer Price Index

The Consumer Price Index (CPI) reflects changes in the prices paid by consumers for a fixed basket of goods and services consisting of 490 items. This basket was chosen based on the results of the expenditure and income survey conducted in 2018 (the base year), in the light of which items and their weights were determined, and prices were collected through field visits to points of sale. The General Authority for Statistics publishes the index on a monthly basis for the population of the Kingdom and its main cities. The index includes 12 main spending groups, from which a number of sub-groups branch out.

The published statistics indicate an increase in the consumer price index in Madinah during February 2024 by a rate of 0.55% compared to the previous month of the same year, and an increase of 1.40% compared to February of the previous year 2023.



Development of the General Consumer Price Index for Madinah Munawarah (February 2023- February 2024)



The annual change of the consumer price index in Madinah Munawarah according to the main expenditure groups (February 2023- February 2024)

Source: Consumer Price Index Statistics - General Authority for Statistics.

This report was prepared and developed by
the Research and Studies Center in Al Madinah Al Munawarah Chamber



