

Macro Roundup Article

Headline: [The Petrodollar Is Dead, Long Live the Petrodollar](#)

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| Publication | Bloomberg |
| Publication Date | June 27, 2024 |

Tweet: Saudi Arabia's current account surplus will be just 0.5% of GDP this year before shifting into deficit in 2025 and for the rest of the decade. "The country is borrowing heavily and selling assets to finance its grand economic plans."
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Summary: Saudi Arabia doesn't have a surplus to recycle at all. Instead, the country is borrowing heavily in the sovereign debt market and selling assets, including chunks of its national oil company, to finance its grand economic plans. From a peak of 50% of its GDP, the Saudi current account surplus will narrow to just 0.5% this year, according to the International Monetary Fund, before shifting into deficit as soon as 2025 and until the end of the decade. If confirmed, it would be the longest current-account deficit for the kingdom since Riyadh flooded the market in 1986, triggering a price collapse.

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Primary Topic: Savings Glut/Trade Deficit

Topics: Energy, GDP, Op-Ed/Blog Post, Savings Glut/Trade Deficit

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