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)

**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 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)

Sources: Saudi Arabian authorities; and IMF staff estimates.