

# Comments on Gulf Sovereign Wealth Funds in uncertain times in Forbes Middle East, 29 Mar 2026

Dr. Nasser Saidi's comments appeared in a Forbes Middle East article titled "[How Gulf SWFs Are Driving Long-Term Investment Strategy](#)" published on 29 March 2026.

Dr. Saidi's comments are posted below:

*Periods of heightened uncertainty place immediate pressure on liquidity, but not at the expense of long-term positioning. SWFs are structurally designed to strike a balance between these two objectives. However, during periods of stress, that balance becomes more deliberate. Capital is often redirected toward more liquid and defensive assets, enabling governments to maintain spending if external revenues weaken.*

*"As part of good risk management, investments are re-routed towards hedge assets and safe havens—such as gold, precious metals, and highly liquid instruments," says Dr. Nasser Saidi, Founder and President of Nasser Saidi & Associates. "This allows for domestic counter-cyclical spending should oil export volumes remain low for an extended period."*

*Yet even the definition of a "safe" asset is shifting. "The weaponisation of finance—through sanctions or the freezing of reserves—has introduced political risk into the concept of liquidity," Saidi adds. "Sovereign investors now have to factor in the risk of economic warfare when constructing portfolios."*

The use of windfall revenues is also evolving. Historically, oil-driven surpluses were largely saved or recycled into global markets. Today, the approach is more strategic, particularly in a context where higher prices may be linked to supply constraints rather than demand strength. "Any revenue gain must be treated as a hedge against potential damage to critical infrastructure," Saidi noted, pointing to energy systems, power networks, and desalination facilities. As a result, windfalls are increasingly directed toward domestic priorities: industrial policy, infrastructure resilience, and reconstruction capacity where needed. Sovereign capital is also being deployed as long-term, low-cost funding for startups and SMEs in non-oil sectors, supporting broader economic diversification.

Diversification, long a central theme in sovereign investment, is also being redefined. Post-pandemic, Gulf governments have accelerated efforts to reduce dependence on hydrocarbons, with sovereign wealth funds playing a central role. This includes a shift toward domestic-focused investment vehicles such as ADQ and PIF, alongside globally oriented allocators like ADIA.

But diversification today extends beyond sectors. "One key lesson is that non-oil diversification must be accompanied by diversification in trade and export partners," Saidi says. "This requires investment in infrastructure and trade platforms across multiple geographies, particularly in the Global South, to ensure resilience." This includes logistics networks, alternative supply chains, and digital infrastructure. Sovereign funds are also allocating heavily to technology, artificial intelligence, and data centres, sectors less exposed to physical trade disruptions and capable of supporting long-term economic growth.

"Given their size, these funds are in the international spotlight," Saidi noted. "There is a clear intention not to be seen as destabilising or adding volatility." Rather than withdrawing from markets, sovereign investors tend to signal

*continuity—maintaining exposure and reinforcing confidence. “They act patiently,” Saidi added. “Instead of panic selling, they send a signal that volatility is temporary, not a structural shift in how they invest.”*

*At the same time, their capital can be redirected domestically when needed—supporting defence spending, supply chains, and essential goods—without necessarily triggering a significant retreat from global markets, particularly given the scale of previous windfalls.*