

Comments on UAE as a hub for hedge funds in AlEtihad newspaper, 1 Apr 2026

Dr. Nasser Saidi's comments appeared in an article in AlEtihad newspaper titled "[UAE emerges as major hub for global hedge funds](#)" published on 1st April 2026.

Dr. Saidi's comments are posted below:

Dr Nasser Saidi, President and Founder of Nasser Saidi & Associates and former Chief Economist at the DIFC Authority, said the UAE's financial free zones, regulatory infrastructure and access to sovereign wealth capital have created a strong foundation for the country's fast-growing hedge fund industry.

He noted that both DIFC and ADGM operate under independent English Common Law jurisdictions, providing global managers with a familiar legal framework distinct from the UAE's civil law system.

"These financial free zones have refined these frameworks to emphasise institutional governance and digital asset transparency, increasing their credibility globally," Saidi told **AlEtihad**.

The favourable tax environment, including 0% personal income tax and a targeted 9% corporate tax, allows fund principals and their teams to retain a significantly higher share of performance fees compared to London, New York or Singapore, he added.

Saidi also highlighted that long-term residency options, an attractive living environment and strong connectivity are

encouraging fund founders to relocate with their families rather than operate on a transient basis.

“The UAE also has a significant time zone advantage allowing for global coverage, meaning managers can catch the closing bell in Asia, trade the full session in Europe and remain active for New York in the afternoon,” he said.

Looking ahead, Saidi said the UAE’s hedge fund ecosystem is expected to expand further over the coming decade. “Given Dubai’s Virtual Assets Regulatory Authority (VARA), the UAE is becoming the global headquarters for hybrid funds, funds that manage traditional equity or macro strategies alongside significant digital asset portfolios, all within a single regulated jurisdiction,” he explained.

Over the next few years, Saidi expects regulatory developments to allow qualified retail investors to participate in private funds, potentially unlocking a significant new domestic capital pool.

“As seen in the latest Global Financial Centres Index, Dubai is already placed among the top 10 centres globally. With time, we expect the UAE to host the regional headquarters for major brokers, fund administrators and specialist legal firms, reducing reliance on London or New York for back-office support,” he added.

Proximity to institutional investors such as sovereign wealth funds and family offices is another key driver of growth in the hedge fund ecosystem.

Middle Eastern sovereign wealth funds have increased their hedge fund allocations by 11% to nearly \$500 billion as of late-2025, according to Saidi.

“Being located where the sovereign wealth funds are helps hedge funds provide face-to-face accountability, greater transparency and the ability to land co-investment

opportunities that offshore managers often miss,” he added.

He also pointed to the growing role of family offices in the region. “Single-family offices in the region average around \$900 million in assets under management and these entities are shifting from passive real estate investments to more sophisticated alpha-seeking hedge strategies,” he said.

Saidi said global economic conditions are also contributing to the expansion of the hedge fund industry. “The world is witnessing growing economic dislocation, deep global structural shifts driven by rapid technological change and the growth of the digital economy and digital finance; a shift towards China and Asia, and demographics with the rise of Africa,” he said.

Economic dislocation, deglobalisation, rising protectionism and economic nationalism in the US and Europe are also being reinforced by increasing geo-economic and geopolitical risks and uncertainty.

“The hedge fund industry will thrive, supporting investors in addressing the drivers of change and uncertainty, with the UAE offering a rare combination of geographic location, jurisdictional neutrality, institutional-quality regulation and immediate access to the world’s most active sovereign capital and institutional investors,” Saidi added.