

Interview with Al Arabiya Business on the weaponisation of the dollar, 19 Feb 2026

In this TV interview with Al Arabiya aired on 19th February 2026, Dr. Nasser Saidi discussed the weaponization of the US dollar, sanctions, and “economic statecraft” leading to a gradual shift away from dollar assets, including treasuries and the potential competition from the euro and the renminbi.

Watch the interview [here](#). The Arabic comments and English translation are copied below.

Dr. Nasser Saidi, Chairman of Nasser Saidi & Partners, confirmed that the shifts in global currency markets indicate the beginning of a long race between the euro and the yuan to reduce the dominance of the US dollar in international trade. He pointed out that this race will not be achieved quickly, but may extend over decades.

In an interview with Al Arabiya Business, Saidi stated that approximately 57% of global reserves are held in dollars, while the euro represents only about 20.3%. Furthermore, 80% of global trade financing is conducted in dollars, compared to 6.7% in euros, and international payments represent about 50% in dollars, making its replacement with another currency a lengthy and complex process.

He added that the euro, despite its current role, is not widely traded globally, with the European bond market limited to approximately one trillion euros compared to over 30

trillion dollars in the US markets. This necessitates the establishment of a large, unified market for euro-denominated treasury bonds to enhance its usability in international trade.

Al-Saidi pointed to China's growing role, emphasizing that the country is striving to transform the yuan (renminbi) into a global currency by allowing capital inflows into the Chinese market and expanding the size of its domestic financial market. He considered the first step to be the use of the yuan in trade finance, particularly with oil-producing economies, before the euro gradually follows.

He explained that this shift reflects China's increasing dominance in global trade, as it has become illogical to price payments in dollars when China is the largest importer of oil and gas from the Gulf states. This solidifies the position of the "petro-yuan" as a first step towards transforming global trade finance.

انخفاض حيازات الأجانب من سندات الخزانة الأميركية في ديسمبر تراجع حيازات ا

وفي هذا السياق، أكد د. ناصر السعيد، رئيس شركة "ناصر السعيد وشركاه"، أن التحولات في أسواق العملات العالمية تشير إلى بداية سباق طويل بين اليورو واليوان لتقليص هيمنة الدولار الأميركي على التجارة الدولية، مشيراً إلى أن هذا السبق لن يتحقق بسرعة، بل قد يمتد لعقود.

وقال السعيد في مقابلة مع "العربية Business"، إن حوالي 57% من الاحتياطات العالمية بالدولار، بينما يمثل اليورو نحو 20.3% فقط، كما أن 80% من تمويل التجارة العالمية يتم بالدولار مقابل 6.7%

باليورو، فيما تمثل المدفوعات الدولية نحو 50% بالدولار، ما يجعل استبداله بعملة ثانية عملية طويلة ومعقدة.

وأضاف أن اليورو، رغم دوره الحالي، ليس متداولاً على نطاق عالمي واسع، حيث يقتصر حجم سوق السندات الأوروبية على نحو تريليون يورو مقابل أكثر من 30 تريليون دولار في الأسواق الأميركية، ما يفرض ضرورة إنشاء سوق موحد وكبير لسندات الخزنة باليورو لتعزيز قابليته للاستخدام في التجارة الدولية.

وأشار السعيدي إلى الدور المتنامي للصين، مؤكداً أن البلاد تسعى إلى تحويل اليوان الريمينيبي إلى عملة عالمية، عبر السماح بتدفقات رؤوس الأموال إلى السوق الصينية وتوسيع حجم السوق المالي المحلي، واعتبر أن الخطوة الأولى ستكون استخدام اليوان في تمويل التجارة، خاصة مع الاقتصادات النفطية، قبل أن يتبعها اليورو تدريجياً.

وأوضح أن هذا التحول يعكس الهيمنة المتزايدة للصين على التجارة العالمية، حيث أصبح من غير المنطقي تسعير المدفوعات بالدولار بينما أكبر مستورد للنفط والغاز من دول الخليج هي الصين، وهو ما يرسخ مكانة "البيetro يوان" كخطوة أولى نحو تحويل التمويل التجاري العالمي.

“Weaponisation of the dollar marks the end of an era”, Op- ed in Arabian Gulf Business Insight (AGBI), 17 Feb 2026

The opinion piece titled [“Weaponisation of the dollar marks the end of an era”](#) was published in Arabian Gulf Business Insight (AGBI) on 17th February 2025.

Weaponisation of the dollar marks the end of an era

Sanctions, quantitative instruments and the freezing of sovereign assets have destroyed the inherited order

For decades, the global financial system operated on a fundamental assumption: US debt assets are risk-free.

Central banks and sovereign wealth funds relied on US treasuries as the ultimate safe haven, supported by deep capital markets and the stability of the post-World War II international order.

That era is over. The weaponisation of the dollar, unsustainable US fiscal policy, and the dismantling of rules-based institutions have fundamentally altered the risk-return profile of holding the US dollar.

For a central bank governor in the GCC or Beijing, holding US treasuries is no longer about yield and liquidity – it's a question of national security.

This poses significant challenges for the Gulf. Regional exchange rate policies are tied to the dollar, creating direct exposure to American monetary policy and geopolitical decisions.

Can they continue to anchor their currencies and park their wealth in a system where the rules no longer apply equally, where assets can be frozen on political grounds and where inflation may be used to erode debt obligations?

The unravelling of the rules-based order

The post-World War II order is being dismantled in a disorderly manner. The US has launched military intervention

in [Venezuela](#), imposed [additional tariffs](#) on countries “doing business” with Iran, threatened sanctions on EU nations that opposed its stance on Greenland (since walked back), and formed a [“board of peace”](#) in Gaza – all while issuing threats to Cuba, Colombia and Iran.

This undermines the multiple alliances and multilateral institutions that underpinned global economic growth and stability for decades. The foundation – symbolised by Bretton Woods (the system that required countries to guarantee their currencies’ convertibility to the US dollar), the United Nations and the World Trade Organization – is crumbling.

The growing militarisation of external relations has been especially evident in [President Trump’s](#) second term.

The expanding use of sanctions, quantitative instruments and the freezing of sovereign assets have destroyed the inherited order and accountability. If the US dollar can be weaponised, it ceases to be a risk-free store of value.

Ongoing threats to [Federal Reserve independence](#) further undermine the credibility of US monetary policy and regulated institutions. For the GCC, whose currencies move with the dollar, this creates a dangerous dependency on increasingly erratic American policy.

Simultaneously, the US fiscal trajectory is becoming unsustainable. The International Monetary Fund predicts its debt-to-GDP ratio will climb to 143 percent by 2030, a level historically associated with wartime and deep recessions. Debt service costs alone – more than \$1 trillion annually – now rival the defence budget.

The government in Washington has four options: grow real GDP (difficult in a mature economy), undertake fiscal reform to raise revenue (politically toxic), repudiate debt (catastrophic) or inflate the debt away. Given the political gridlock in the US, the likelihood is higher inflation and

fiscal dominance, with monetary policy geared to accommodate government borrowing requirements.

The structural shift has begun

The consequence is a structural shift out of the US dollar. The share of dollar holdings in total foreign exchange reserves slipped to 57 percent in the third quarter of 2025 (down from 70 percent at the start of the century).

Central bank gold purchases have surged, averaging 60 tonnes per month – more than triple the pre-2022 pace – with gold overtaking the euro as the second-largest reserve asset globally. Lower participation from domestic and foreign buyers of US treasuries has raised yields on 10-year+ bonds, reflecting a higher risk premium demanded by the market.

A multipolar international trade and financial infrastructure is emerging, reflecting a shifting centre of gravity towards Asia and a pivot to China. This transition will require deep, global structural shifts.

In Europe, the pressure for an EU fiscal union will intensify. Europe must create a unified, broad, deep and liquid eurobond market to create a safe asset rivalling the dollar. China is accelerating the development of the yuan market.

China's Cross-Border Interbank Payment System (known as CIPS) is expanding as an alternative to Swift, enabling trade to bypass Western chokepoints. While the yuan is not yet fully convertible, it is being increasingly used in bilateral trade, especially for oil and commodities.

Nations are increasingly settling trade in national currencies – rupees, dirhams, riyals – bypassing the dollar as the vehicle. The fragmentation reduces efficiency but protects sovereignty.

Technology accelerates the transition

Technological innovation is acting as an accelerant. E-finance, digital asset markets and [central bank digital currencies](#) (CBDCs) are creating new avenues independent of the US banking system.

A wholesale CBDC network such as the [mBridge project](#) – connecting central banks from Asia to the Middle East – allows instantaneous cross-border settlement without involving a US correspondent bank, neutralising America's ability to sanction financial flows.

As US assets become riskier, non-US assets – particularly in emerging market economies, China, India, the Brics+ bloc and the GCC – become relatively more attractive. [Sovereign wealth funds](#) in the Middle East and Asia are already diversifying their portfolios.

For the GCC, this implies diversifying asset holdings and the underlying currencies used in trade and financial transactions. Regional currencies, such as the dirham and riyal, could eventually become reserve assets for their trade partners.

Nasser Saidi is the president of Nasser Saidi and Associates. He was formerly chief economist at the DIFC Authority, Lebanon's economy minister and a vice governor of the Central Bank of Lebanon