

Dubai global top spot for Greenfield FDI in H1 2025

Saudi rapidly growing re-exports; wider trade surplus

Weekly Insights 26 Sep 2025

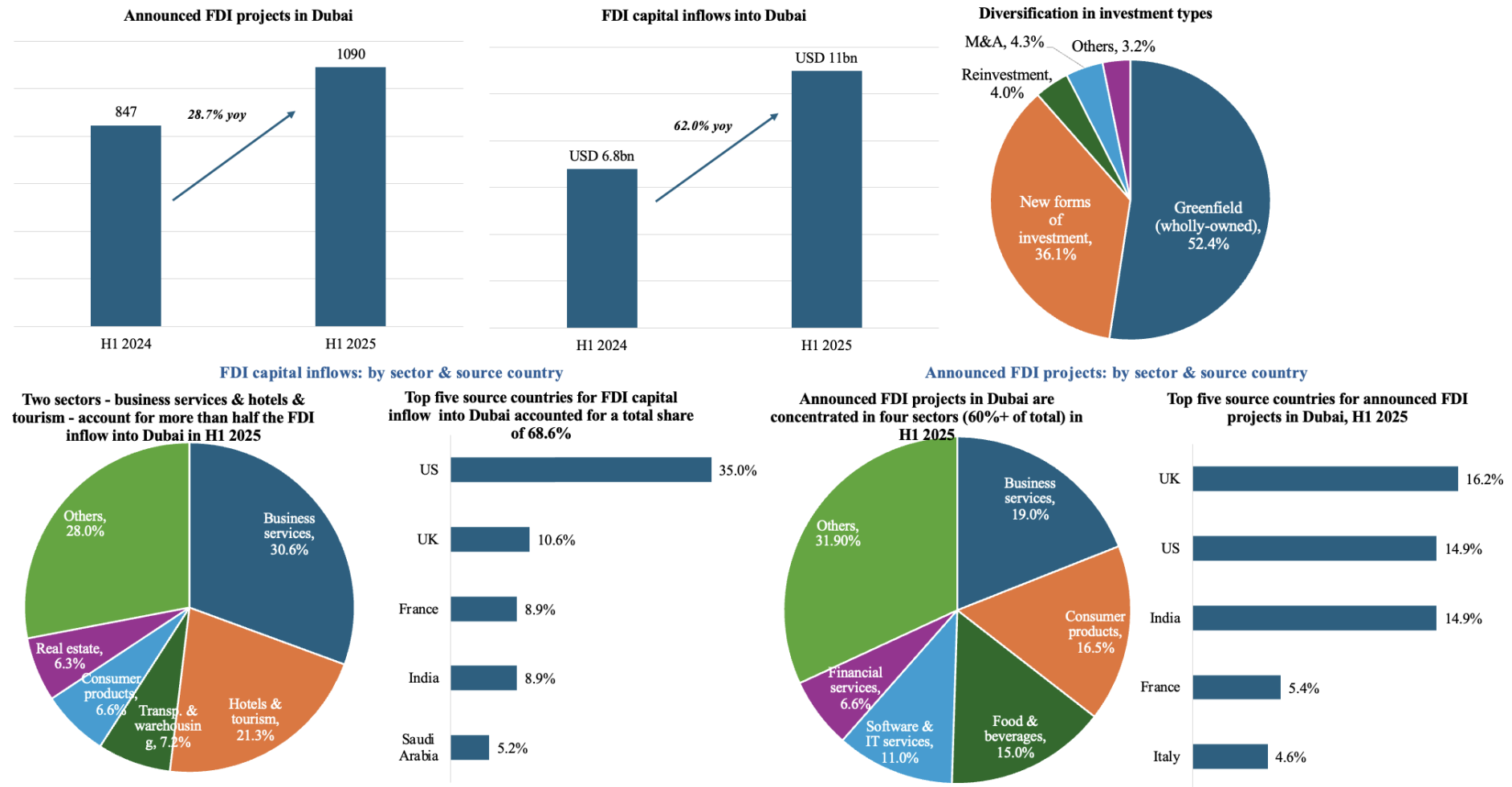
- *Dubai retained its spot as the world's top destination for attracting Greenfield FDI projects in H1 2025*
- *Saudi exports at a 14-month high in Jul; re-exports at a record high; wider trade surplus*
- *Qatar's real GDP grew by 1.9% yoy in Q2 2025, thanks to the 3.4% uptick in the non-hydrocarbon sector*
- *Oman's real GDP expanded by 2.1% yoy in Q2 2025, supported by services sector activity*
- *Middle East continues its robust post-pandemic rebound in tourist arrivals*

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— & ASSOCIATES —

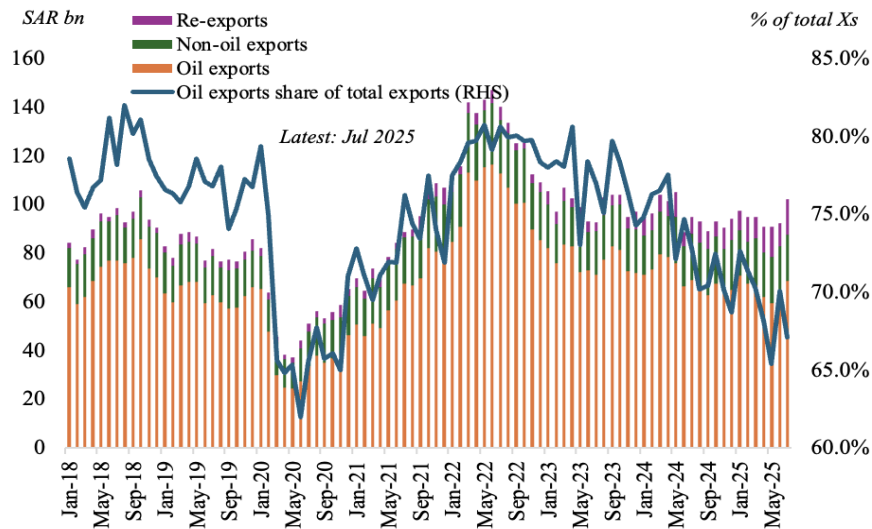
Dubai retained its spot as the world’s top destination for attracting Greenfield FDI projects in H1 2025, underscoring investor confidence in the Dubai story & business climate

Main points include: (a) **Dubai attracted a record 643 greenfield FDI projects in H1 2025**; total announced projects stood at 1090 (28.7% yoy), FDI **capital inflows** were up 62% to USD 11.0bn and estimated **jobs** stood at 38,433 (third highest globally, and up 47%); (b) **Diversified investment types & sectors: greenfield projects** accounted for 52.4% of total inflows; (c) **business services was top sector** in terms of both announced FDI projects and by capital inflow; (d) by value of FDI capital inflows, the **top 5 countries accounted for more than two-thirds of the total**, with US share alone at 35%; and (e) **UK, US and India invested in close to 50% of total number of projects** in H1 2025.



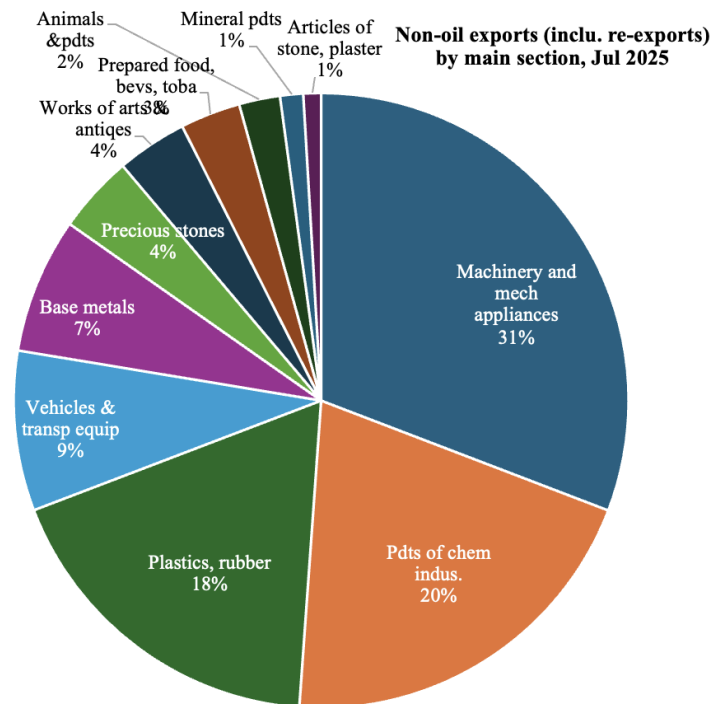
Source: WAM, fDi Markets, Dubai FDI Monitor. Charts by Nasser Saidi & Associates.

Exports climbed to a 14-month high of SAR 102.4bn in Jul (10.9% mom & 7.8% yoy) on record high re-exports (SAR 14.7bn); oil exports share of total exports stood at 67.1%

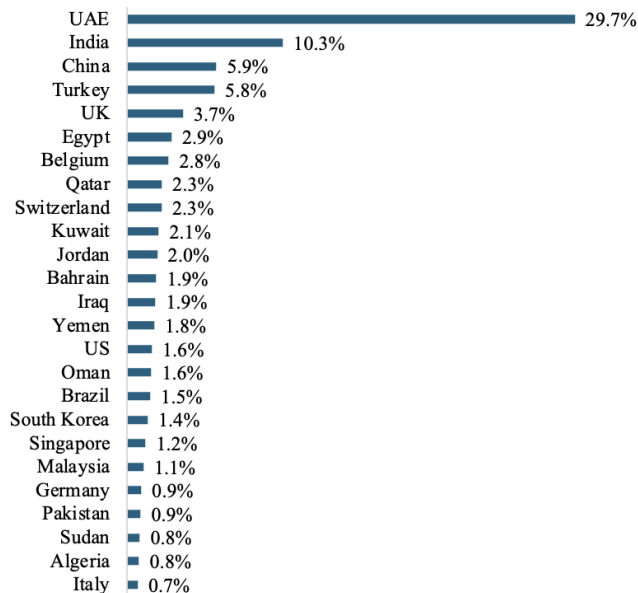


Saudi exports at 14-month high in Jul; re-exports at a record high; wider trade surplus

- **Saudi Arabia's overall exports increased to a 14-month high in Jul**, up 10.9% mom and 7.8% yoy to SAR 102bn. Oil exports was the highest this year: at SAR 68.7bn but was 0.7% lower vs Jul 2024. **Share of oil exports to overall exports dipped to 67.1% (Jun: 70.0%).**
- **Re-exports surged to a record-high SAR 14.7bn in Jul**, while domestic non-oil exports (i.e. excluding re-exports) grew by 5.1% mom and 0.6% yoy to SAR 19.0bn.
- **Imports fell by 2.5% yoy to SAR 75.5bn in Jul 2025** (but was up 3.7% mom). This resulted in a **wider trade surplus - SAR 26.9bn** vs Jun's SAR 19.5bn and Jul 2024's SAR 17.5bn.
- **Machinery was the largest segment of non-oil exports (31%)**, followed closely by chemicals & its products (20%) and plastics, rubber and their articles (18%). UAE the largest destination of overall non-oil export.



Saudi Arabia's top 15 destinations for non-oil exports (inclu re-exports) accounted for more than three-fourths of total non-oil exports; top 25 share was 88% (% share, Jul 2025)

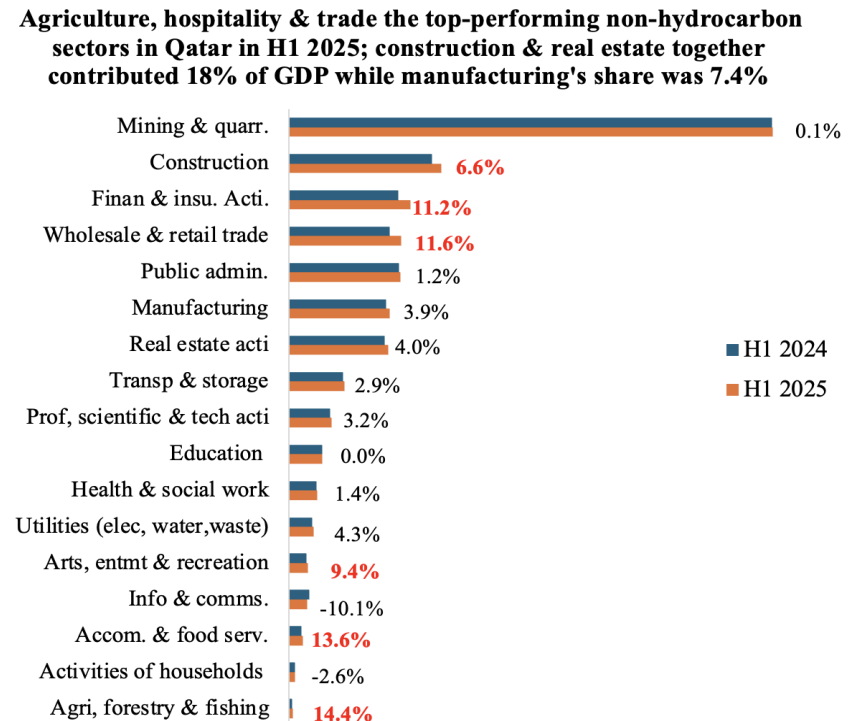
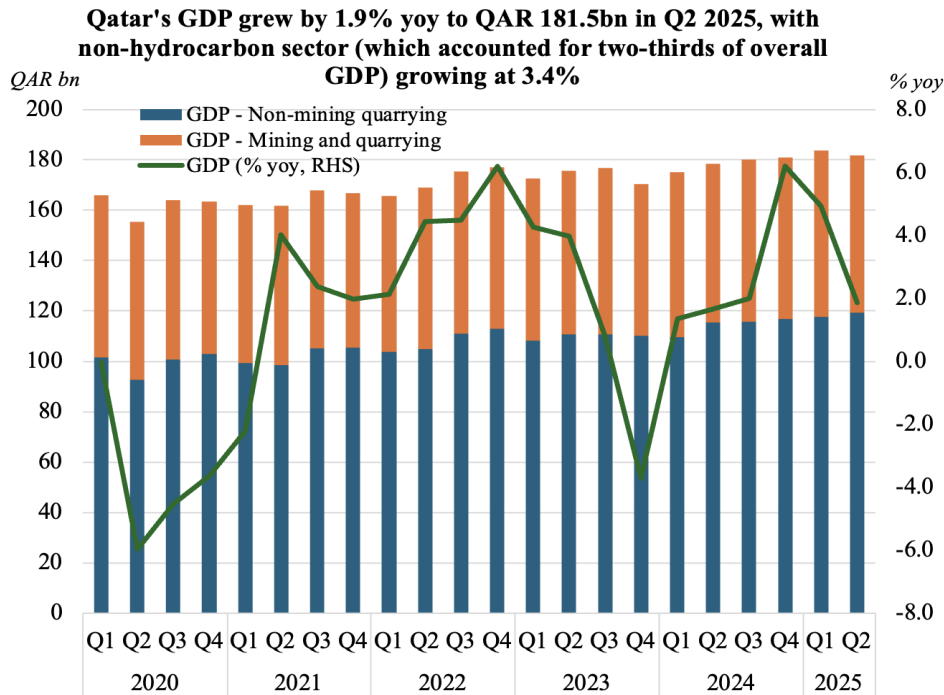


- **Eastern Asia was the largest destination region for exports from Saudi Arabia (31.6%).**
- **China was the largest trade partner for KSA in Apr:** it received 14.0% of Saudi exports and origin for ¼ of KSA imports.
- **From West Asia region, UAE was the top trade partner:** received 10.6% of Saudi's total exports and the source for 6.4% of Saudi imports.

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Qatar's real GDP grew by 1.9% yoy in Q2 2025, thanks to the 3.4% uptick in the non-hydrocarbon sector

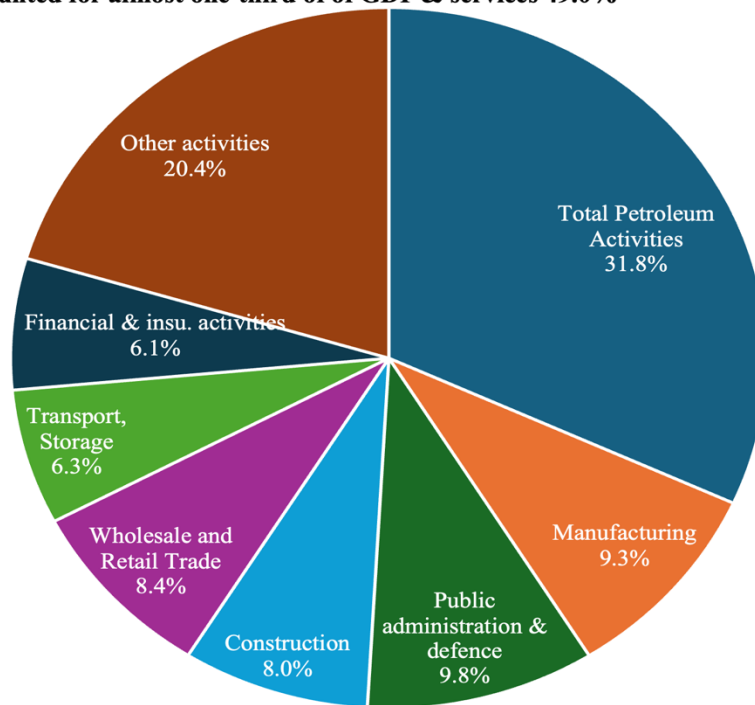
- **Qatar's real GDP grew by 1.9% yoy in Q2 2025**, thanks to gains in the non-mining and quarrying sector (+3.4% yoy) while the hydrocarbon sector edged down by 0.9%; meanwhile. **Compared to Q1 2025**, mining & quarrying fell sharply by 5.2% while non-mining & quarrying posted a 1.4% gain. The **non-mining & quarrying sector accounted for two-thirds of overall GDP** in Q2 (65.6%).
- Contribution of the **top five non-government, non-mining & quarrying sectors** (construction, financial & insurance, wholesale & retail trade, manufacturing and real estate) accounted for **43.4% of overall GDP in Q2** (and 42.8% in H12025) and two-thirds of non-mining and quarrying GDP in both Q2 and H1 2025.
- A breakdown by sector showed the **fastest upticks in agriculture, forestry and fishing** (15.7% yoy in Q1) followed by **accommodation & food services** activities (13.5%), arts & recreation (8.9%) and **wholesale & retail trade** (8.8%). The pattern was broadly similar in H1.
- **Qatar continues to be heavily reliant on its hydrocarbons sector:** accounting for **34.4% of overall GDP in Q2** and **56.8% of overall fiscal revenues in Q2**. GDP growth will be supported by **new LNG capacity expansions, increased public investment on infrastructure** and inbound **tourism**; **potential risks** could include geopolitical tensions, delays in energy projects coming online & lower gas prices.



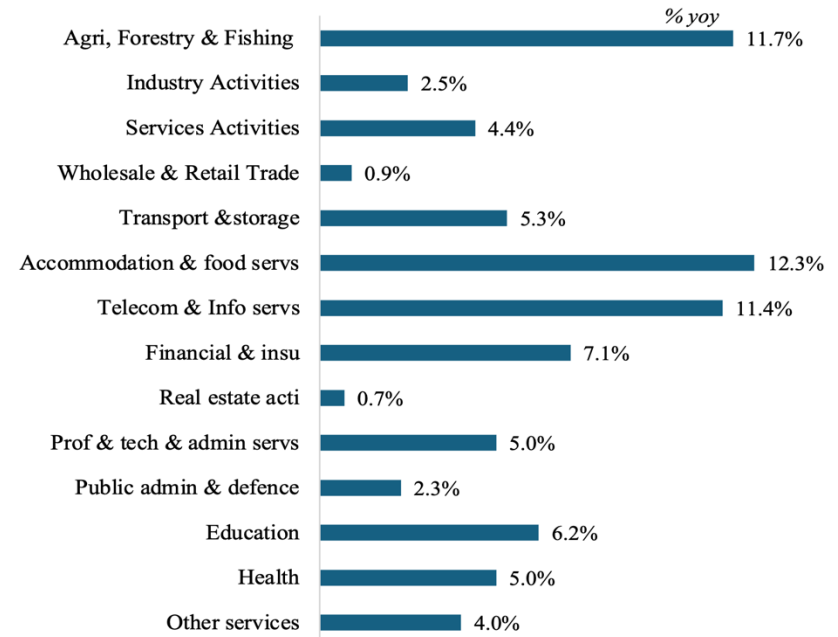
Oman's real GDP expanded by 2.1% yoy in Q2 2025, supported by services sector activity

- **Real GDP in Oman grew by 2.1% yoy to OMR 9.36bn in Q2 2025**, thanks to the non-oil sector growing at 3.8%. Among non-oil sector, services activities grew by 4.9% while industry activities inched up by just 0.2%. **Petroleum sector activity rose by 0.5% in Q2**, with a drop in natural gas sector (-1.5% yoy to OMR 482.6mn) while crude petroleum sector gained (0.5% to OMR 2.97bn).
- **The share of oil and gas sector in Oman's real GDP stood at 31.8% in Q2** while the contribution of government, manufacturing and wholesale & retail trade sectors stood at 9.8%, 9.3% and 8.4% respectively followed by construction (8.0%).
- **Services sector grew by 4.9% yoy in Q2**, given high growth rates across hospitality (12.8%), information & communication (11.4%) and transportation & storage (8.0%). About 2.16mn visitors arrived in Jan-Jul 2025, with visitors from the UAE topping the list (629k).
- **In H1 2025, hospitality grew the fastest (12.3%)** while **wholesale & retail trade was one of the slowest (0.9%)**. Goods trade had a relatively weak H1, especially given a 9.5% drop in exports (dragged down by oil and re-exports) alongside a 5.1% uptick in imports.

Oman's real GDP grew by 2.1% yoy in Q2 2025; oil sector accounted for almost one-third of GDP & services 49.0%

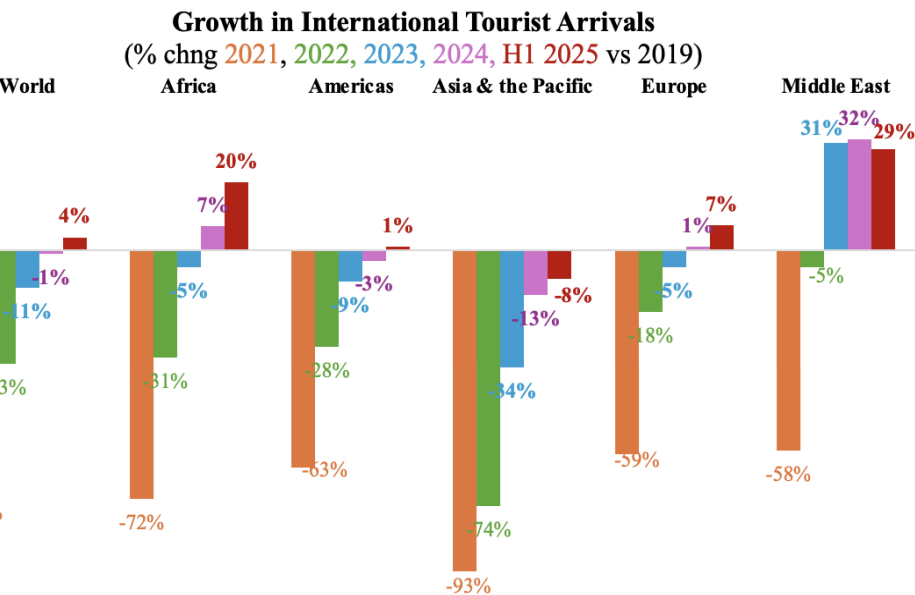


Oman's H1 2025 GDP: services sector grew by 4.4%; hospitality sector grew by a robust 12.3% and financial sector activity is up by a strong 7.1%

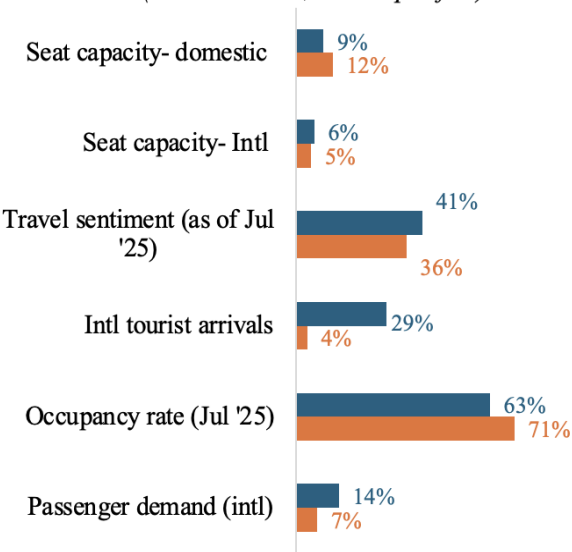


Middle East continues its robust post-pandemic rebound in tourist arrivals

- UNWTO: **International tourist arrivals grew by 5% globally in H1 2025**, with all regions except Asia & the Pacific posting gains. **Middle East remains the strongest region when comparing to 2019**, though in yoy terms arrivals were down by 4.0%.
- **Tourism has been rising in the region despite ongoing conflicts**; inflows into Qatar and Saudi Arabia have been surging. South Asia has been the top destination for passenger traffic from the Middle East, partly due to the immigration links. **UAE-India corridor** alone handled 4mn passengers, up 16.7% yoy in Q2.
- A survey of a **panel of tourism experts ranks as risk factors** high transport and accommodation costs, other economic factors, low consumer confidence, geopolitical risks & trade tariff hikes. Despite global uncertainty, some 50% of panel experts expressed **better (44%) or much better (6%) prospects for Sep-Dec** vs 33% expecting similar performance as was seen in 2024.



Tourism Indicators: Middle East vs Global (H1 '25 vs 2019, unless specified)



International Tourist Arrivals in Middle East, by country (vs 2019)										
	2020	2021	2022	2023	2024	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Middle East	-73%	-57%	-5%	30%	41%	47%	28%	12%	-4%	44%
Bahrain	79%	-43%	-4%	43%	72%	4%	1%			
Egypt	-72%	-38%	-9%	16%	23%	48%	26%			
Jordan	-76%	-55%	-5%	19%	16%	62%	-8%	34%	66%	23%
Lebanon	-79%	-54%	-24%	-14%	-42%	-23%	-56%	-44%		
Oman	-75%	-81%	-16%	14%	11%	13%	-1%	6%	27%	4%
Qatar	-73%	-71%	20%	90%	138%	195%	66%	111%	167%	157%
Saudi Arabia	-76%	-80%	-5%	57%	70%	111%	81%	-2%	-64%	162%
Syria	-80%	-69%	-26%	-17%	-12%	-67%	-73%	-69%	-44%	-39%

Source: UNWTO World Tourism Barometer (Sep 2025). Charts created by Nasser Saidi & Associates.

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