

# MEcon monthly updates Saudi Arabia, UAE and Qatar

January 2026

# Introduction



**Rohan Sawhney** | Partner  
Middle East Economic  
Advisory Lead

[rosawhney@deloitte.com](mailto:rosawhney@deloitte.com)



**Shargil Ahmad** | Partner  
Middle East Chief Strategy Officer  
and Public Policy Lead

[ssahmad@deloitte.com](mailto:ssahmad@deloitte.com)



**Ruth Steen** | Assistant Director  
MEcon Lead  
(Economic Advisory)

[rsteen@deloitte.com](mailto:rsteen@deloitte.com)

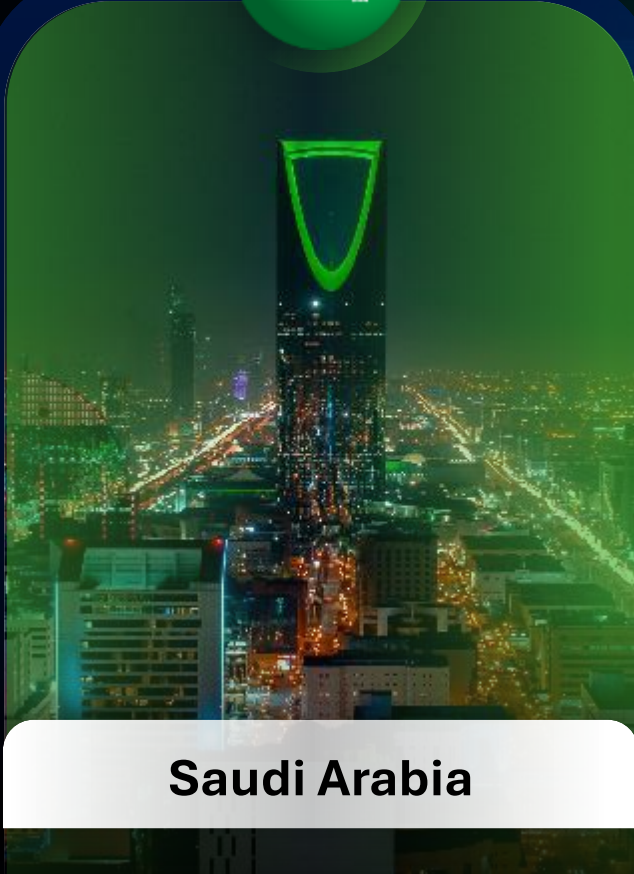


**Nour Rmeih** | Assistant Manager  
MEcon Coordinator  
(Economic Advisory)

[nrmeih@deloitte.com](mailto:nrmeih@deloitte.com)



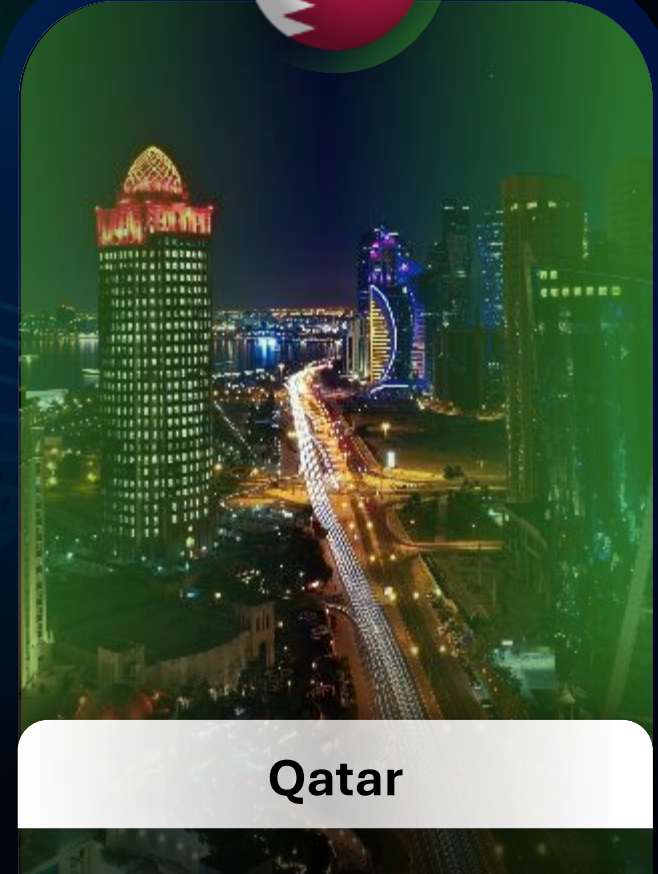
## Country profile | Overview



**Saudi Arabia**



**United Arab Emirates**



**Qatar**

Note: All data and news reported within this document for Saudi Arabia, United Arab Emirates and Qatar are up to date as of 2<sup>nd</sup> of February 2026

## Country profile | Saudi Arabia

# SAUDI ARABIA

الجمهورية العربية السعودية



**Saudi Arabia**



United Arab Emirates



Qatar



## Key highlights

## SAUDI ARABIA



01

Real GDP growth increased by 1.8 pp in 2025, reaching 4.5% YoY, according to preliminary estimates, with strong performance across all sectors. Oil activities led growth, rising by 5.6% YoY—a 10 pp increase from 2024—as KSA boosted production. The non-oil sector expanded by 4.8%, while government activities grew by 0.9% YoY. The strong performance in oil activities was especially notable in Q4 2025, growing by 10.4%, the highest growth rate since 2022, supporting GDP growth of 4.9% YoY. Conversely, government activities declined by 1.8% YoY in Q4 2025, reflecting slower output growth likely due to investment reprioritization and fiscal consolidation pressure.

02

The IMF has raised KSA's 2026 economic growth forecast to 4.5%, up from 4.0% in its October 2025 projections, supported by growth in the non-oil sector and a rebound in oil production following eased OPEC+ cuts. This outlook aligns with forecasts from the Saudi Ministry of Finance and agencies such as Fitch Ratings, all highlighting growth driven by economic diversification and improved fiscal management. Recent initiatives—including opening the stock market to foreign investment, Aramco bond sales to diversify funding sources, and scaling back spending on large real estate projects like the Mukaab skyscraper—further reinforce this positive trajectory.

03

Building on this economic momentum, KSA is prioritizing quality of life as a core driver of sustainable growth. Through initiatives such as the global Quality of Life Index, launched under its Quality of Life Program in partnership with UN-Habitat, KSA has reinforced its commitment to a human-centered 'Thriving-Lifestyle' economy that balances wellbeing with economic performance. This strategic focus not only supports Vision 2030 targets but also enhances the Kingdom's long-term competitiveness, innovation, and resilience by recognizing quality of life as both an outcome and catalyst of economic success.

# Latest data releases

# SAUDI ARABIA



**Real GDP growth<sup>1</sup>**

In Q4 2025, real GDP was estimated to have grown by 4.9% YoY, according to GASTAT’s preliminary figures, representing a 0.3 pp decline compared to Q4 2024. Growth was primarily driven by oil activities, which increased by 10.4%—the highest quarterly growth in 2025—followed by non-oil activities at 4.1% YoY. Conversely, government activities declined by 1.2% YoY. Overall, for 2025, GASTAT estimates GDP growth at 4.5% YoY, 1.8 pp higher than in 2024, supported by growth across all sectors, notably oil activities at 5.6%, non-oil activities at 4.9%, and government activities at 0.9% YoY.



**Headline inflation<sup>2</sup>**

The inflation rate reached 2.1% in December 2025, up 0.6 pp compared to December 2024, and 0.2 pp compared to November 2025. This YoY increase was driven by higher prices in housing, water, electricity, gas, and fuel (+4.1%), insurance and financial services prices (+4.1%), recreation and sports (+2.4%), transport (+1.5%); education (+1.5%); and food and beverage (+1.3%).



**Non-oil exports<sup>3,\*</sup>**

In November 2025, KSA’s total trade balance rose by 70.2% YoY to SAR 22.3 Bn, driven by a 10.0% increase in goods exports and a slight 0.2% decline in goods imports. Export growth was supported by a 20.7% YoY rise in non-oil exports, including chemical products, and re-exports such as machinery and electrical equipment, alongside a 5.4% increase in oil exports. On the import side, machinery and electrical equipment accounted for 30.7% of total imports, followed by transport equipment at 14.4%.

Sources: 1 [GASTAT – Real GDP](#) ; 2 [GASTAT Annual inflation](#) ; 3 [GASTAT Non-Oil Exports](#)  
Note: pp refers to percentage point



## Latest news (1/2)

# SAUDI ARABIA

### IMF upwardly revised KSA's growth forecast for 2026

The IMF raised its growth forecast to 4.5% in 2026, up from 4.0% in its October 2025 forecast, due to momentum in the non-oil sector and increased oil production following eased OPEC+ restrictions. This revision aligns with forecasts from the Saudi Ministry of Finance, the World Bank, and Fitch Ratings, all signaling growth driven by economic diversification and improved fiscal management. The positive outlook suggests enhanced investor confidence, increased government revenues, and a shrinking budget deficit, which collectively support economic stability and the long-term goals of Vision 2030. [Saudi Gazette – Read more.](#)

### Launch of a metals exchange to offer financing solutions for the mining sector

Saudi Arabia is in the final stages of launching a metals exchange to support its mining sector. The exchange will provide financing tools, aims to improve price stability, and integrate trading, valuation, and global expertise, addressing challenges like price volatility. With significant government incentives and foreign investment targets, the initiative aims to boost exploration and position Saudi Arabia among the top global producers of phosphate, copper, and gold. This development aligns closely with Vision 2030 by diversifying the economy, attracting investment, and strengthening the mining sector. [Arab News – Read more.](#)

### Saudi Arabia and UN-Habitat Launch Global Quality of Life Index

KSA's Quality of Life Program, in partnership with UN-Habitat, has launched a global Quality of Life Index. This framework helps cities measure and improve well-being across nine domains and moving beyond traditional economic indicators, including health, environment, and social cohesion. The Index aligns with UN Sustainable Development Goals and reflects Saudi Arabia's commitment to people-centered, sustainable urban development. This initiative promotes inclusive growth, enhances quality of life, and shares Saudi Arabia's transformative urban development experiences globally. [Zawya – Read more.](#)

### Saudi Arabia opens the stock market to direct foreign investment

From February, foreign investors will be able to invest directly in Saudi Arabia's stock market without qualification restrictions, following regulatory changes by the Capital Market Authority. This move aims to broaden and diversify the investor base, boost investment inflows, and enhance market liquidity. By simplifying access and removing barriers, Saudi Arabia is strengthening its capital markets to attract global investment, helping to advance economic diversification and reduce reliance on oil revenues. [Arab News – Read more.](#)

### Launch of national privatization strategy to expand public-private partnerships

KSA has launched a new National Privatization Strategy led by the National Center for Privatization & PPP (NCP) to expand public-private partnerships (PPP) and support economic diversification aligned with Vision 2030. This strategy seeks to attract long-term foreign investment to improve infrastructure and public services, strengthen the private sector's role, and enhance government oversight and fiscal sustainability. It marks a shift from foundational work completed under the 2018 Privatization Program to a focus on execution and accelerating project delivery. [Zawya – Read more.](#)

### Saudi Aramco raises USD 4 Bn in a multi-tranche bond sale

Saudi Aramco successfully raised USD 4 Bn through a multi-tranche bond sale, driven by strong investor demand with order books exceeding USD 21 Bn at the launch. The sale included four tranches ranging from three to thirty years, with coupons between 4.0% and 6.0%. Major global banks acted as coordinators with the bonds being listed on the London Stock Exchange. This issuance follows a series of significant debt offerings by Saudi state-backed entities in 2026, including the Kingdom's USD 11.5 Bn sovereign bond and the Public Investment Fund (PIF)'s USD 2 Bn sukuk, supporting Saudi Arabia's broader financial strategy. [Zawya – Read more.](#)

## Latest news (2/2)

# SAUDI ARABIA

### Commercial registrations surge to 1.86 Mn in Q4 2025

The Ministry of Commerce's efforts to simplify and modernize commercial registration processes are believed to have significantly contributed to the increase in business activity. Total registrations surpassed 1.86 Mn in Q4 2025, a 4.2% rise from the previous quarter. Notably, female-owned businesses made up 48.0% of the 123k new registrations in Q4. Most registrations were concentrated in Riyadh, Makkah, and the Eastern Province. By sector, construction led with 53.0% of new registrations, followed by wholesale and retail at 20.0%. [Sharikat Mubasher – Read more.](#)

### Lifetime residency available to investors who purchase property worth over SAR 4 Mn

A new law grants "lifetime" residency to foreign nationals who buy property worth over SAR 4 Mn. The aim is to attract wealthy expats and boost foreign investment. This is expected to boost demand for luxury property and could raise real estate's GDP share from 6.5% to nearly 10.0% within a few years. However, it may also push up prices in an already overheated property market, and direct capital into an asset that creates fewer jobs compared to business investment. [EIU – Read more.](#)

### Saudi Arabia launches integrated real estate business portal

Saudi Arabia's Real Estate Registry (RER) has launched a digital platform to streamline real estate services for the business sector, marking a step in the country's digital transformation and real estate governance. The portal offers integrated services such as rights and transaction management, interactive maps, e-billing, and secure user controls, aiming to improve efficiency and data reliability. The launch coincides with the new Non-Saudi Property Ownership Law and is expected to boost the PropTech industry by facilitating secure, transparent digital real estate investments. [Economy Middle East – Read more.](#)

### Saudi Electric Vehicle (EV) production begins

Lucid Motors, which opened Saudi Arabia's first car manufacturing plant in 2023, will begin full-scale vehicle production in 2026. The company aims to reach an annual production capacity of 150,000 vehicles by 2029, supported by significant investment from PIF. Lucid's production growth, alongside other automakers like Hyundai and Ceer, highlight Saudi Arabia's push to develop a clean energy and automotive industry. This initiative aligns with Vision 2030's goal to establish the Kingdom as a regional auto export hub through incentives like tax exemptions and zero customs duties in Special Economic Zones. [Electrek – Read more.](#)

### US approves advanced Graphics Processing Units (GPU) exports to Saudi Arabia and UAE

The US has approved exporting advanced GPUs to KSA and the UAE, supporting their ambitions as regional AI hubs. Both are investing heavily in data centers and AI infrastructure, backed by sovereign wealth funds and global tech partnerships. This boosts non-oil productivity and diversification, but both nations face challenges related to limited technology access, energy constraints, and skilled talent shortages. Despite this, KSA and the UAE are well positioned to become leading AI and cloud providers in the Middle East, with domestic AI innovation steadily growing. [EIU – Read more.](#)

### Suspension of Mukaab skyscraper project amid Vision 2030 strategy shift

Saudi Arabia has suspended construction of the Mukaab, a cube-shaped skyscraper in Riyadh to reassess its financing and feasibility amid a broader shift in the Kingdom's Vision 2030 strategy. The USD 50 Bn project, originally planned for completion by 2030, is now delayed to 2040 as PIF prioritizes more immediately profitable initiatives like infrastructure for the World Expo 2030, the 2034 World Cup, and other cultural and tourism megaprojects. The suspension reflects rising fiscal pressures due to lower oil prices and a strategic pivot towards sectors such as logistics, AI, and mining. [Reuters – Read more.](#)



# Spotlight

## Towards a 'Thriving-Lifestyle' Saudi economy



**Enhancing quality of life has become a national priority in KSA following the launch of Vision 2030 and is regarded as central to the Kingdom's transformation...**

In 2018, KSA introduced the Quality of Life Program (QOL) as part of Vision 2030 to foster a more vibrant and engaged society. Its mission is to position KSA as a global hub for sports, culture, entertainment, and tourism while cultivating a society rich in opportunity and lasting wellbeing, thereby supporting the three pillars of the Vision: a vibrant society, a thriving economy, and an ambitious nation.<sup>2,3</sup>

Under QOL, KSA is focusing on six priority quality of life sectors with the greatest potential to drive impact and raise the Kingdom's standards of living for citizens, residents, and visitors. These sectors include culture and heritage, sports, entertainment and tourism, urban design, and safety and security. The underlying principle is that investments in these priority sectors enables healthier, happier and more active lifestyles while also contributing to sustainable prosperity by creating new markets, diversifying income streams, and enhancing global competitiveness. Collectively, these sectors contributed SAR 74.5 Bn to GDP and generated more than 368,000 jobs in 2024.<sup>1</sup>



**KSA has actively implemented, and continues to implement, initiatives and reforms to enhance quality of life, driving measurable improvements locally while positioning itself as a regional hub for urban development expertise...**

Reforms in healthcare and education have yielded tangible outcomes, with life expectancy rising from 74 years at the launch of Vision 2030 in 2016 to now just 0.3 years short of the 80-year target<sup>4,5</sup>. Similarly, the unemployment rate among Saudi nationals has declined from 12.3% in 2016 to 7.5% in Q3 2025, nearing the 7.0% 2030 target<sup>5,8</sup>. Meanwhile, the cultural and entertainment sectors are rapidly expanding, hosting festivals, concerts, and major sporting events such as the Formula 1 Grand Prix and the upcoming 2034 World Cup, underscoring Saudi Arabia's growing global profile. Saudi cities are also becoming smarter, safer, and more sustainable, with KSA ranking first among G20 countries in public safety perception—92.6% of the population feel safe walking alone at night, according to the 2023 Safety Index by the General Authority for Statistics (GASTAT).<sup>6</sup>

Building on these successes and continuing its commitment to quality of life, KSA's QOL launched a global Quality of Life Index in partnership with UN-Habitat. This framework enables KSA, as well as cities and countries worldwide, to measure and improve wellbeing across nine domains—moving beyond traditional economic indicators to include metrics such as health, environment, and social cohesion. Through this partnership, KSA is poised to strengthen its international credibility in quality of life advancements and reforms, while taking a leading role in global conversations by bringing together partners to promote sustainable urban development<sup>7</sup>.

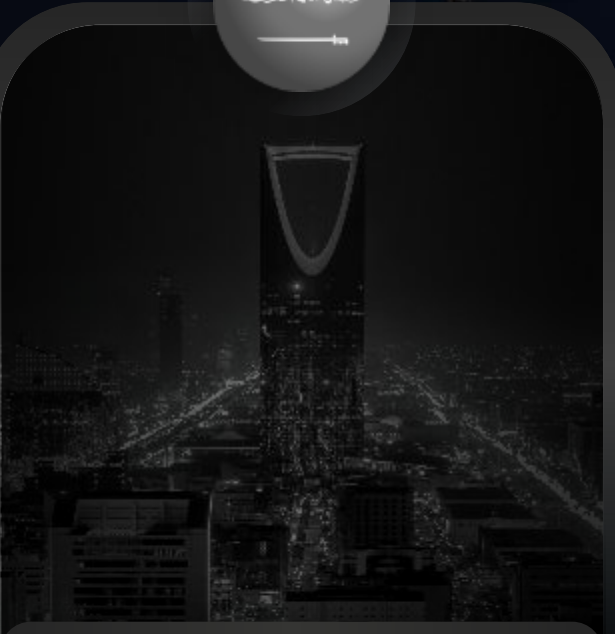
**KSA's increased prioritization of quality of life signals a transformation in its development model as it seeks to build a 'Thriving-Lifestyle' economy...**

Saudi Arabia's positioning of quality of life as a core economic input reflects a strategic shift towards a human-centered future, where economic growth and wellbeing mutually reinforce each other to drive sustainable prosperity. This marks a move beyond traditional growth sectors and a sole focus on GDP towards a people-first approach, in which quality of life is both an outcome and a key driver of economic performance. These improvements recognize that quality of life directly influences productivity, innovation, talent attraction, investment, long-term competitiveness, and economic resilience. These factors are essential not only for achieving Vision 2030 targets but also for supporting a more resilient, competitive, and diversified economy over the longer term<sup>1,7,9</sup>.

**Sources:** 1 Saudi Arabia's human-centred future ; 2 Cities of Possibility: Quality of Life Report ; 3 Saudi Vision 2030 - Quality of Life Program; 4 Saudi Arabia advances in Universal Health Coverage index ; 5 Saudi Vision 2030; 6 Saudi Arabia tops G20 Safety Index ; 7 Saudi Arabia and UN-Habitat launch the Quality of Life Index ; 8 GASTAT – Unemployment rate ; 9 It is Time to Rethink GDP: Why Quality of Life Matters More

Country profile | United Arab Emirates

UAE



Saudi Arabia



United Arab Emirates



Qatar



## Key highlights

UAE



01

The UAE's non-oil economy continued to expand in December, with the PMI holding steady at 54.2, through rising input costs are prompting businesses to take a more cautious approach to hiring and inventory management. Input costs rose at their fastest pace in 15 months, creating headwinds despite strong output growth. Meanwhile, Dubai's inflation eased to 2.8% in 2025, down from 3.3% the prior year, as housing inflation moderated slightly from 6.7% to 6.4% and food prices remained nearly flat at just 0.2% growth.

02

The World Bank projects UAE economic growth of 5.0% in 2026 and 5.1% in 2027, outpacing the broader Gulf region's expected 4.4% and 4.6% growth over the same period. Major initiatives are driving this momentum, including an AED 12.8 Bn expansion of Dubai Silicon Oasis to support AI, robotics, and quantum computing development. Abu Dhabi launched its fourth sovereign wealth fund, L'imad Holding, which will invest across infrastructure, technology, and real estate. The emirate also issued USD 870.8 Mn in green bonds to refinance the Al Dhafra Solar Plant, one of the world's largest solar facilities.

03

The UAE has recorded notable progress this month on the renewable energy front, with news highlighting it has doubled its renewable energy capacity from 3.1 GW in 2022 to 6.0 GW in 2024 and is targeting 14.2 GW by 2030 as part of its Energy Strategy 2050. Flagship projects like the Barakah nuclear plant now supply 25% of the country's electricity through clean sources. With an estimated AED 150 to 200 Bn allocated for clean energy infrastructure, the transition is expected to create 50,000 green jobs by 2030 and increase local clean energy capacity and encourage investments in the country's renewable and clean energy sector. The strategy also includes hydrogen production under the National Hydrogen Strategy 2050 which aims to establish the UAE as a major producer and exporter of low-emission hydrogen by 2031.

## Latest data releases



**54.2 (-0.6pts)**  
MoM Dec' 2025

### Non-oil PMI<sup>1</sup>

The UAE's non-oil sector showed robust expansion in December, with the PMI at 54.2. While output growth remained strong, business sentiment was tempered by significant cost pressures. Input costs rose at the fastest rate in 15 months, leading firms to reduce inventories and adopt a more cautious stance on hiring. The non-oil sector remains healthy but faces headwinds from rising costs and competition.



**2.8% (-0.5 pp)**  
YoY 2025

### Dubai Inflation<sup>2</sup>

Dubai's overall inflation eased from 3.3% in 2024 to 2.8% in 2025. Housing costs remained the main driver, though they moderated slightly from 6.7% to 6.4%. Food prices rose just 0.2% after climbing 2.3% the year before. Transport costs fell (-2.6%) for the second straight year. Education inflation dropped from 3.2% to 2.6%, while recreation prices picked up noticeably, swinging from -0.1% in 2024 to 2.5% growth in 2025.

Source: 1 [S&P Non-Oil PMI](#); 2 [Dubai Statistics Centre](#)

Note: pp refers to percentage point



## Latest news (1/2)

UAE

### World Bank forecasts UAE economy to grow 5.0% in 2026, 5.1% in 2027

The World Bank forecasts the UAE's economy to grow by 5.0% in 2026 and 5.1% in 2027, reflecting strong resilience amid global uncertainties. This growth rate surpasses the broader Gulf Cooperation Council (GCC) projection, which is expected to reach 4.4% in 2026 and 4.6% in 2027. The UAE's robust outlook highlights its economic strength within the region despite ongoing trade tensions and policy challenges. [Gulf News – Read more.](#)

### UAE records major gains in energy, housing and roads in 2025

In 2025, the UAE made major strides in energy, housing, infrastructure, maritime, and digital sectors. The Ministry of Energy and Infrastructure provided AED 2.5 Bn in housing support, pushing citizen homeownership to 91%. Sustainability efforts included launching the Global Alliance for Energy Efficiency and the National Program for Demand Management of Energy and Water 2050. Plans are underway to boost federal road efficiency by 73%, alongside maritime growth and new digital government services, all supporting Vision 2031 and Centennial 2071. [Gulf News – Read more.](#)

### UAE doubles renewable energy capacity from 2022 to 2024, targeting 14.2 gigawatts by 2030

The UAE has doubled its renewable energy capacity from 3.1 gigawatts (GW) in 2022 to 6 GW in 2024, on track to reach 14.2 GW by 2030. This progress comes in line with the country's aims to lead a global movement to redefine the renewable energy landscape. Landmark projects within the UAE, such as the Masdar/EWEC hybrid solar-plus-storage facility, exemplify this strategic energy transition, integrating AI and storage solutions for stable clean energy beyond solar expansion. [Economy Middle East – Read more.](#)

### UAE leads the 2026 Government Trust Index

The UAE ranked first globally in the Government Trust Index for 2026, according to the Edelman Trust Barometer, followed by China, India, Indonesia and KSA in within the top 5. Sheikh Mohammed bin Rashid Al Maktoum highlighted trust is built through credibility, integrity, and respect. The UAE maintained high confidence scores in both government (82%) and business (76%), surpassing global averages. Despite global challenges like misinformation and inflation. [Economy Middle East – Read more.](#)

### UAE ranks among global top 10 in Soft Power Index

The UAE ranked 10<sup>th</sup> globally in the 2026 Brand Finance Global Soft Power Index for the fourth consecutive year. The country scored highly in categories such as generosity, future economic growth potential, and diplomatic influence. The report highlighted the UAE's strengths in governance, security, sustainability, economic competitiveness, cultural openness, and investment appeal. This consistent performance underscores the UAE's balanced approach to economic growth, global engagement, and internal stability amid global changes. [Emirates News Agency – Read more.](#)

### Abu Dhabi launches Quality Policy to further enhance competitiveness

Abu Dhabi has launched the Abu Dhabi Quality Policy to enhance competitiveness and quality of life across sectors including healthcare, education, food, environment, transport, and housing. This initiative supports the government's vision to position the emirate among the world's leading cities for quality of life, innovation, and economic competitiveness. It aligns with efforts to build an inclusive, knowledge-based economy that empowers local talent and promotes environmental responsibility amid rising climate risks. [Arabian Business – Read more.](#)

## Latest news (2/2)

UAE

### AED 12.8 Bn strategic expansion projects launched for Dubai Silicon Oasis

Sheikh Mohammed bin Rashid Al Maktoum launched an AED 12.8 Bn expansion project at Dubai Silicon Oasis, a key knowledge and innovation hub under the Dubai Integrated Economic Zones Authority. The initiative supports Dubai's vision to become the world's best city to live, work, and invest by fostering advanced technologies and a sustainable knowledge economy. Dubai aims to remain open to talent, innovation, and high-value investments, strengthening its position as a future-ready global city. [Annahar – Read more.](#)

### UAE introduces new sugar levy as part of prevention-focused health strategy

The UAE introduces a new tiered sugar tax on soft drinks based on sugar content per 100ml, replacing the previous 50% flat tax. Drinks with 5–8g sugar/100ml are taxed at AED 0.79/liter, and those above 8g at AED 1.09/liter; drinks below 5g are exempt. Producers must obtain sugar conformity certificates or face the highest tax. This move aims to combat high obesity rates, encourage healthier choices, and aligns with the government's prevention-focused health strategy. [Economist Intelligence – Read more.](#)

### USD 870.75 Mn green bonds issued to refinance Al Dhafra Solar Plant

Abu Dhabi National Energy Company (TAQA) and partners issued USD 870.75 Mn in green bonds to refinance the Al Dhafra Solar PV Plant, enabling its certification as a 100% green asset. The plant, one of the world's largest single-site solar PV facilities, saves 2.4 Mn metric tons of CO<sub>2</sub> annually and powers 200,000 households. The refinancing supports Abu Dhabi's energy transition and sustainable finance goals, with TAQA targeting two-thirds renewable power capacity by 2030. [Economy Middle East – Read more.](#)

### ADQ Folded into L'imad, creating New Abu Dhabi Wealth Powerhouse

Abu Dhabi is consolidating its USD 263 Bn wealth fund ADQ into L'imad Holding Co., a new sovereign entity overseen by Crown Prince Sheikh Khaled bin Mohammed; creating a potentially USD 500 Bn investment platform with broad operational, industrial, and technological capabilities. L'imad has already made waves by backing Paramount Skydance Corp.'s bid for Warner Bros. Discovery Inc. and acquiring the owner of McLaren Automotive and a stake in Chinese EV maker Nio Inc. ADQ's portfolio includes a stake in auction house Sotheby's and Abu Dhabi's flagship airline. [Bloomberg – Read more.](#)

### Abu Dhabi Establishes Fourth Sovereign Investment Fund, L'imad

L'imad Holding, Abu Dhabi's 4<sup>th</sup> sovereign fund and investment pillar. Chaired by Crown Prince Sheikh Khaled bin Mohamed, it supports growth and boosts returns across sectors like infrastructure, technology, and real estate. L'imad has made key investments, including a 42.54% stake in Modon Holding and joining the Paramount consortium's Warner Bros Discovery bid, complementing existing funds – Abu Dhabi Investment Authority (ADIA), Mubadala, and Abu Dhabi Developmental Holding Company (ADQ). [Middle East Entrepreneur – Read more.](#)

### UAE and India sign agreements in LNG, space, defense during UAE President's visit

During UAE President Sheikh Mohamed bin Zayed Al Nahyan's visit to India, both countries signed multiple agreements to strengthen cooperation. Key deals included a sale and purchase agreement between ADNOC Gas and Hindustan Petroleum, a Strategic Defense Partnership, a joint space industry initiative, and an investment cooperation agreement for developing the Dholera Special Investment Region in Gujarat. The leaders showed commitment to expanding bilateral ties in AI, renewable energy, and food security [Economy Middle East – Read more.](#)



# Spotlight

## The UAE's strategic energy transition



**The UAE has embarked on a strategic journey to reduce its reliance on traditional hydrocarbon energy sources, pivoting towards a more sustainable and diversified energy mix...** This commitment is underscored by recent reports indicating that the nation has doubled its renewable energy capacity between from 3.1 GW in 2022 to 6.0 GW by 2024 and is on track to reach its 2030 target of 14.2 GW. These improvements are anchored in the broader "UAE Energy Strategy 2050" which aims to deploy renewable and nuclear energies, enhance energy efficiency, drive R&D and innovation in energy technologies, and boost local clean energy capacity and investments. The strategy's ambitious goals include tripling renewable energy capacity between 2022 and 2030, achieving a 30% clean energy mix by 2030, and reaching net-zero emissions by 2050. The strategy also aims to create 50,000 green jobs by 2030 and reduce grid emission factors below global averages, highlighting the potential socioeconomic benefits it could bring beyond the environmental ones.<sup>1,2,3</sup>



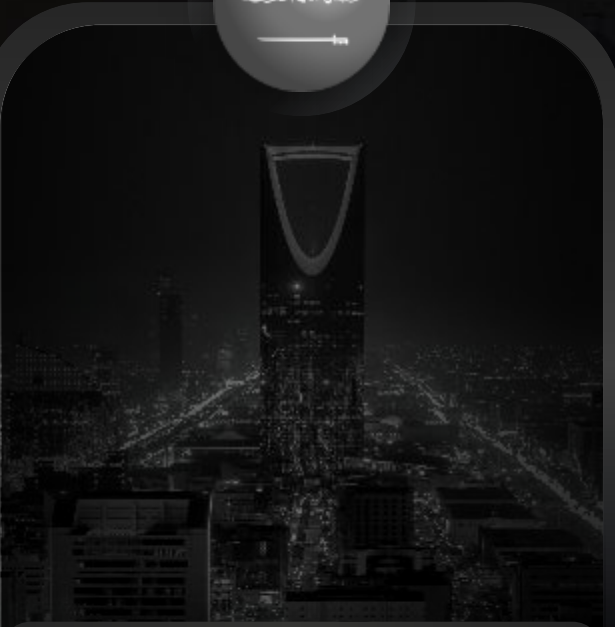
**The UAE is translating these ambitions into concrete achievements across large-scale renewable deployment. Installed renewable energy capacity in the country has recorded a growth of 117% between 2022 and 2025, supported by investments exceeding AED 190 Bn<sup>4</sup>...** This reflects the effectiveness of national policies and has positioned the country as the fastest-growing market for clean and renewable energy in the region.<sup>4</sup> Flagship projects include the Mohammed bin Rashid Al Maktoum Solar Park (~3.8 GW capacity), one of the world's largest single-site solar developments, and Noor Abu Dhabi (~1.2 GW capacity), both delivering cost-competitive clean electricity at scale.<sup>5,6,7,8</sup> Additionally, the UAE has launched large-scale wind power programs to further strengthen national decarbonization efforts and accelerate progress towards net zero goals.<sup>9</sup> These developments are reinforced by the Barakah Nuclear Power Plant, the first commercial nuclear facility in the Arab world, which now supplies 25% of the UAE's electricity, providing reliable low-carbon baseload power and strengthening energy security.<sup>10,11</sup> These investments illustrate a shift toward treating renewable energy as core infrastructure rather than supplementary capacity.

**Beyond meeting domestic energy needs, the UAE's energy transition strategies reflect its ambition to lead regionally and internationally in clean energy, potentially generating economic ripple effects...** As the first Arab country to commission a commercial nuclear power plant, the UAE is now accelerating its National Hydrogen Strategy 2050 to become a major producer and exporter of low-emission hydrogen by 2031. This reflects an effort to develop hydrogen as an export-oriented sector which can potentially support new trade flows and diversify revenue sources as global demand for low-emission fuels increases.<sup>12,13,14,15</sup> The Strategy also seeks to establish a dedicated research and development center for hydrogen technologies by 2031 and a globally recognized hydrogen innovation hub by 2050.<sup>13</sup> Such hydrogen-related innovation and infrastructure investments could support downstream industrial activity and attract international investment across production, logistics, and technology development.<sup>16,17</sup> Complementary clean energy and efficiency initiatives at the emirate level, notably in Dubai, also emphasize ambitions to lead global green energy transition and to establish the country as a global benchmark for energy efficiency.<sup>18,19</sup> Those initiatives suggest that the UAE's approach to the energy transition extends beyond national supply security, with the potential to inform regional pathways and contribute to emerging global clean energy value chains. This could in turn, have broader economic implications, supporting long-term diversification and resilience as global energy systems shift away from conventional hydrocarbons.

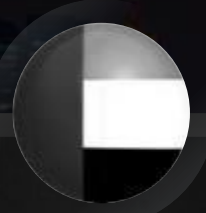
**Sources :** 1 [Economy Middle East](#); 2 [UAE Government](#); 3 [Ministry of Energy and Infrastructure](#); 4 [Trade Arabia](#); 5 [Sustainability and Innovation Centre](#); 6 [DEWA](#); 7 [NOOR Abu Dhabi](#); 8 [Noor Abu Dhabi](#); 9 [Masdar](#); 10 [EWEC](#); 11 [ENEC](#); 12 [Green Hydrogen Organization](#); 13 [Ministry of Energy and Infrastructure](#); 14 [UAE Government](#); 15 [International Energy Agency](#); 16 [OECD](#); 17 [European Investment Bank](#); 18 [Government of Dubai – Supreme Council of Energy](#); 19 [BNW Developments](#).

Country profile | Qatar

QATAR



Saudi Arabia



United Arab Emirates



Qatar



## Key highlights

QATAR



01

Qatar's regional positioning continues to strengthen, with Doha designated as the GCC Tourism Capital for 2026 following a strategic bid led by Qatar Tourism and Visit Qatar. The designation reflects Qatar's progress in building a competitive tourism ecosystem supported by global connectivity, diversified visitor experiences, and alignment with Vision 2030, reinforcing tourism as a core pillar of economic diversification.

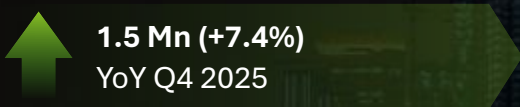
02

Qatar's tourism and events agenda gained further momentum in 2025, with international visitors reaching 5.1 Mn, up 3.7% YoY. Major enablers such as the Hayya e-visa platform and a robust calendar of international and flagship events underscored the importance of events-led tourism in driving visitor spend, hotel demand, and non-hydrocarbon activity.

03

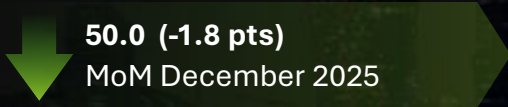
Qatar's economic and regional engagement deepened through a series of strategic developments, including the opening of the World Bank Group's first office in Doha, a first for the GCC region, and expanding international partnerships with countries such as Canada and Jordan.

# Latest data releases



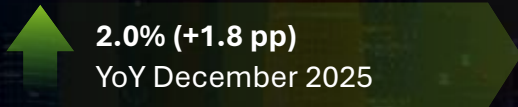
## International visitors<sup>1</sup>

International visitors in Q4 2025 reached 1.5 Mn visitors, representing an increase of 7.4% compared to Q4 2024. For 2025, Qatar received 5.1 Mn international visitors, marking an annual growth of 3.7%. The GCC continues to account for the largest share of international visitors (35%), followed by Europe (25%). Of the total visitors, 61% arrived by air, 32% by land and 7% by sea. Moreover, room nights sold in 2025 increased 8.6% compared to 2024, exceeding 10.8 Mn. Average hotel occupancy was 71.3% across 2025, representing an increase of 2.6 pp compared to 2024.



## Non-energy PMI<sup>2</sup>

The non-energy PMI fell by 1.8 pts in December 2025 to 50.0 from November's reading of 51.8, indicating a stagnation in non-energy business activity and marking a two-year low. The decline was driven by output and new orders slipping back into contraction, with lower incoming work recorded for the ninth time in 2025. The deterioration in operating conditions reflected weaker demand and reduced business volumes, although this was partly offset by continued growth in employment. Jobs and wages continued to increase during the month despite the slowdown in activity.



## Headline inflation<sup>3</sup>

Headline inflation stood at 2.0% in December 2025, compared to 0.2% in December 2024. This marked the highest inflation reading for 2025, and the highest since February 2024. Prices in eight out of the twelve expenditure categories increased YoY, led by miscellaneous goods and services (18.7%), clothing and footwear (3.3%) and education (2.0%); meanwhile, prices fell YoY in categories such as health (-0.8%), transport (-0.4%), and restaurants and hotels (-0.7%).

Sources: 1 [Qatar Tourism](#) ; 2 [S&P Global](#) ; 3 [NPC](#)

Note: pp refers to percentage point



## Latest news (1/2)

### World Bank Group opens its first office in Qatar

The World Bank Group officially opened its new office in Doha, marking a significant step in its growing partnership with Qatar and reinforcing the country's expanding role in global development and finance. The Doha office will serve as a regional hub for collaboration between the World Bank Group and Qatari institutions, with a focus on development financing, private-sector mobilization and support for countries facing fragility and conflict. The office is hosted at the Qatar Fund for Development (QFFD) headquarters, in cooperation with the Ministry of Finance. [Euronews - Read more.](#)

### Qatar and the US launch Pax Silica alliance for global AI and semiconductor supply chains

Qatar and the US have signed the "Pax Silica" Declaration to enhance cooperation in advanced technologies and secure supply chains, promoting global economic stability and resilience. The agreement reinforces a joint commitment to safeguarding critical resources and ensuring sustainable, reliable technology networks. This initiative aligns with Qatar's strategic goals to become a regional and global center for advanced technologies and digital economy development, in accordance with Vision 2030 and the Third National Development Strategy. [Middle East Economy - Read more.](#)

### Qatar registers two-fold jump in gas sector contracts reaching USD 12.3 Bn in 2025

The total value of contracts within Qatar's gas sector reached USD 12.3 Bn in 2025, a two-fold jump compared to USD 6.0 Bn in 2024. The gas sector constituted 53.2% of the total contracts awarded in the country in 2025. The ongoing North Field expansion project was one of the main drivers of contract activity in the gas sector in Qatar. The two-fold jump in the value of gas contracts is in stark contrast to declining contract activity in the oil sector, which recorded a 6.4% YoY decline to reach USD 6.0 Bn in 2025. [The Peninsula - Read more.](#)

### Hamad International Airport records sustained growth in 2025

54.3 Mn passengers travelled through Doha's Hamad International Airport (HIA) in 2025, reinforcing its position as a global gateway for Qatar. Overall passenger traffic grew by 3.0% compared to 2024, with the third quarter emerging as the busiest. Total aircraft movements also grew by 1.0% in 2025, compared to 2024. Passengers travelling to and from Doha reached 13.5 Mn in 2025, reflecting a 5.4% increase in point-to-point passengers compared to the previous year. Demand was driven by growth in tourism, trade, and major international events. [Doha Hamad Airport - Read more.](#)

### Qatar, Canada explore ways to develop trade and investment ties

Qatar and Canada will establish a joint committee that will serve as a permanent platform for economic dialogue and a Joint Business Council between their chambers of commerce to strengthen business communication, identify investment opportunities, and boost trade and investment. Recent discussions during a bilateral visit by Canada's government focused on setting trade priorities, addressing regulatory and operational challenges, and exploring regional cooperation and partnerships in third-country markets between companies from both nations. [The Peninsula - Read more.](#)

### Qatar pledges USD 434 Mn to boost Lebanon's energy, security and education

Qatar has announced a comprehensive development and humanitarian support package for Lebanon, valued at over USD 434 Mn. It represents one of the largest single-state contributions to Lebanon in recent years, focusing on the country's energy, security, and human capital sectors. The cornerstone of this support package is a USD 400 Mn for the energy sector to help resolve chronic power shortages. The investment pledge reflects Qatar's ongoing engagement and economic assistance programs to countries in the Middle East. [Middle East Economy - Read more.](#)

## Latest news (2/2)

### **Qatar residential property sales jump 44% in 2025 as prices ease**

Qatar's residential property sales surged 43.5% in 2025 to QAR 26.6 Bn, driven by rising transaction volumes that offset softening housing prices, according to Knight Frank. The number of residential deals climbed 50.0% in 2025 from a year earlier to 6,831 transactions, signaling sustained liquidity in the market despite a more competitive pricing environment. In line with broader trends across the GCC, Qatar is seeking to strengthen its real estate sector as part of its economic diversification efforts. Rental rates also softened in Qatar in 2025; however, prime locations such as Doha continued to witness strong housing and commercial real estate demand. [Arab News - Read more.](#)

### **Web Summit 2025 generated in QAR 807 Mn in economic value**

A recent study on the Web Summit 2025 indicates that the event generated approximately QAR 807 Mn in economic value for Qatar, underscoring the summit's role in advancing Qatar's diversification and events tourism agenda. Total visitor spend exceeded QAR 303 Mn, alongside 66,000 hotel nights and 19,000 airline tickets booked. The average daily spend of QAR 2,294 per person over an average six day stay in Doha. The 2026 edition of the Web Summit is expected to take place from 1-4 February, convening more than 30,000 attendees from 124 countries. [The Peninsula - Read more.](#)

### **Jordan-Qatar trade jumps 55% as economic cooperation deepens**

Trade between Qatar and Jordan rose 55.0% in the first ten months of 2025, compared to the same period last year, to reach USD 268.3 Mn. Jordan's imports from Qatar included base metals, plastics and rubber products, chemicals and pharmaceuticals and transport equipment. Jordan's exports to Qatar comprised agriculture and plant-based products, food items, live animals and textiles. Qatar also has investment interests in Jordan, spanning key sectors such as finance, real estate, tourism, energy and industry. These investments are expected to support economic growth and job creation across both Qatar and Jordan and facilitate a transfer of technological expertise. [Arab News - Read more.](#)



# Spotlight

## Doha's outlook as the 2026 GCC Tourism Capital



**Doha has been designated the GCC Tourism Capital for 2026, following a strategic bid led by Qatar Tourism and Visit Qatar...** The bid from Qatar Tourism and Visit Qatar emphasized Doha's modern infrastructure, and this designation helps validate the investments in critical infrastructure assets like the Doha Metro, Hamad International Airport and hotel rooms that were constructed in the lead up to the 2022 World Cup. The designation may be seen as a strategic lever to transition Qatar's tourism economy towards a more sustainable, high-yield service sector that integrates regional policy shifts, mitigates seasonality and secures a long-term return on its World Cup investments.<sup>1</sup>



**Qatar's tourism calendar for 2026 relies on a diversified multi-pillar model that mitigates seasonal demand through high profile events in sports, culture and business...** In addition to annual flagship sports events such as the F1 and MotoGP, Doha will also play host to the finale of the Finalissima, an intercontinental football tournament, in March 2026. Additionally, Art Basel, the world's premier modern and contemporary art fair, is set to make its Middle East debut in Doha in February 2026. The Meetings, Incentives, Conferences and Exhibitions (MICE) sector, targeting high-spending corporate travelers, is also expected to play a key role in 2026, led by events such as Web Summit 2026 and LNG2026, typically held at the Qatar National Convention Centre.<sup>2</sup> Luxury and wellness focused offerings are also under construction to focus on the high-spending luxury traveler, supported by major projects such as the QAR 20 Bn Simaisma coastal development<sup>3</sup> and the ultra-luxury Corinthia Gewan island project<sup>4</sup>, featuring theme parks, private golf courses and beach clubs. Additionally, the Michelin Guide Doha 2026 will also be unveiled, further cementing Doha's luxury offering.

**The forthcoming GCC tourism visa is expected to boost tourism throughout the region, whilst also making regional diversification more important ...** The Schengen-style unified "GCC Grand Tours" tourist visa is expected to increase regional travel and establish the region as a cohesive travel bloc.<sup>5</sup> Whilst this integration can enhance Doha's positioning as a gateway hub, it can also increase competition with regional peers such as Dubai or Riyadh, thereby increasing the importance of having a well-diversified tourism proposition. Qatar currently targets 6.0 Mn foreign tourists and raising the sector's GDP contribution to 10-12% of GDP by 2030. The country welcomed 5.1 Mn foreign tourists in 2025, up 3.7% YoY, with GCC travelers accounting for the largest share.<sup>7</sup> Qatar's current strategy is premised on expanding beyond singular high-profile events and establishing a holistic and diversified tourism ecosystem that can compete regionally and globally.

Sources: 1 Visit Qatar ; 2 Discover Qatar ; 3 QatarDiar ; 4 Corinthia Hotels ; 5 GCC Visa ; 6 Qatar Tourism ; 7 Qatar Tourism

# Acronyms and explanations of key terminologies



## Acronyms and explanations of key terminologies (1/4)

1

### GDP – Gross Domestic Products<sup>1</sup>

Total value of all final goods and services produced within a country over a specific period.

2

### Real GDP – Real Gross Domestic Products

Inflation-adjusted measure of the value of all final goods and services produced within a country's borders during a specific period, reflecting actual changes in output without the influence price fluctuations.

3

### Non-Oil PMI – Non-Oil Purchasing Managers' Index<sup>2</sup>

Measures the performance and business conditions of the non-oil private sector. A PMI reading over 50 represents non-oil sector expansion, and below 50 represents contraction compared to the month prior.

4

### CPI – Consumer Price Index<sup>3</sup>

Measures changes in the prices of goods and services for specific household groups, calculated as weighted averages of price changes for a specified basket of consumer products.

5

### Inflation Rate<sup>4</sup>

Change in the price of basket of selected goods and services typically purchased by specific groups of household over one year. Often derived from changes in the CPI.

6

### Unemployment Rate<sup>5</sup>

Unemployment rate is the share of the labour force without work. Unemployed people are those of a working age who do not have a job, are available for work and have taken steps to find a job in the past four weeks.

7

### FDI – Foreign Direct Investment<sup>6</sup>

Investment from a party in one country into a business or corporation in another country with the intention of establishing a lasting interest

8

### Budget Balance<sup>7</sup>

The difference between a government's revenues and expenditure.

9

### IMF – International Monetary Fund<sup>8</sup>

International organization that promotes financial stability and economic cooperation among its 190 member countries.

10

### GCC – Gulf Cooperation Council<sup>9</sup>

Political and economic alliance of six Arab States of the Gulf that was established in 1981. It includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates.

Sources: 1 GDP ; 2 PMI ; 3 CPI ; 4 Inflation ; 5 Unemployment rate; 6 FDI ; 7 Budget Balance ; 8 IMF ; 9 GCC

## Acronyms and explanations of key terminologies (2/4)

11

### OPEC - Organization of the Petroleum Exporting Countries<sup>1</sup>

Multinational organization that was established to coordinate the petroleum policies of its members, among others. OPEC+ includes OPEC members plus 10 additional oil-producing countries, including Russia.

12

### S&P Global – Standard & Poor Global<sup>2</sup>

Leading global financial services company that provides credit ratings, research, and analysis on various financial instruments and entities, helping investors, businesses and governments make informed decisions.

13

### PIF - Public Investment Fund<sup>3</sup>

KSA's sovereign wealth fund, established to invest in projects and initiatives globally and locally. It is a key driver of KSA Vision 2030.

14

### Mubadala - Mubadala Investment Company<sup>4</sup>

A sovereign investor managing a diverse portfolio in the UAE and internationally to generate sustainable financial returns for its shareholder, the Government of Abu Dhabi.

15

### QIA – Qatar Investment Authority<sup>5</sup>

Qatar's sovereign wealth fund which was founded in 2005 to strengthen the country's economy by diversifying into new asset classes.

16

### KSA Vision 2030<sup>6</sup>

Government program launched by KSA in 2016 to achieve the goal of increased diversification economically, socially and culturally.

17

### We the UAE 2031<sup>7</sup>

National plan launched in 2022 aimed at enhancing the UAE's position as a global partner and an attractive economic hub for the next 10 years. It focuses on social, economic, investment and development aspect.

18

### QNV 2030 – Qatar National Vision 2030<sup>8</sup>

Development plan launched in 2008 to achieve sustainable development and prosperity through four interconnected pillars: Human, Social, Economic and Environmental.

19

### NDS3 – Third National Development Strategy<sup>9</sup>

Development plan launched in 2024 that outlines the strategic priorities and framework for the next final phase of Qatar's development journey towards realizing the Qatar National Vision 2030 (QNV 2030).

20

### OECD - Organization for Economic Co-operation and Development<sup>10</sup>

An international organization with 60+ years' experience shaping policies that promote prosperity, equality, and wellbeing.

Sources: 1 OPEC; 2 S&P Global ; 3 PIF ; 4 Mubadala; 5 QIA; 6 KSA Vision ; 7 We the UAE 2031; 8 Qatar Vision ; 9 NPC ; 10 OECD



## Acronyms and explanations of key terminologies (3/4)

21

### MoU – Memorandum of Understanding<sup>1</sup>

*An agreement between two or more parties outlined in a formal document. It is generally seen as a starting point for negotiations and often found in international relations.*

22

### FTA – Free Trade Agreement<sup>2</sup>

*A treaty between two or more countries that aims to reduce or eliminate trade barriers, facilitating easier exchange of goods and services*

23

### LNG– Liquified Natural Gas<sup>3</sup>

*Natural gas that has been cooled to liquid form for ease and safety of non-pressurized storage or transport.*

24

### AI – Artificial Intelligence<sup>4</sup>

*Technology that enables computers and machines to simulate human learning, comprehension, problem solving, decision making, creativity and autonomy.*

25

### PPP – Public-Private Partnership<sup>5</sup>

*A long-term contract between a private party and government for delivering a public asset or service, where the private party assumes significant risk and management, with payment linked to performance.*

26

### Government Bond<sup>6</sup>

*A government bond is a debt instrument issued by federal, state, and local governments to raise capital to support public spending.*

27

### SDGs – Sustainable Development Goals<sup>7</sup>

*The United Nations SDGs are 17 goals adopted in 2015 to tackle global challenges like poverty, inequality, climate change, and environmental degradation, promoting prosperity by 2030.*

28

### UN-Habitat – United Nations Human Settlements Program <sup>8</sup>

*The UN-Habitat is the United Nations agency dedicated to promoting socially and environmentally sustainable towns and cities, aiming to provide adequate shelter for all.*

29

### SAR – Saudi Riyal<sup>9</sup>

*Represents the official currency of Saudi Arabia, pegged to the USD at a fixed exchange rate of approximately 3.75 SAR to 1 USD.*

30

### AED – Arab Emirates Dirham<sup>10</sup>

*Represents the official currency of the United Arab Emirates, pegged to the USD at a fixed exchange rate of approximately 3.67 AED to 1 USD.*

Sources: 1 MoU ; 2 FTA ; 3 LNG ; 4 AI ; 5 PPP ; 6 Bond ; 7 SDGs; 8 UN-Habitat; 9 SAR ; 10 AED

## Acronyms and explanations of key terminologies (4/4)

31

### QAR – Qatari Riyal<sup>1</sup>

*Represents the official currency of Qatar, pegged to the USD at a fixed exchange rate of approximately 3.64 QAR to 1 USD.*

32

### YoY – Year-on-Year

*Measures the difference or percentage change between the value in the current year and the value in the previous year.*

33

### QoQ – Quarter-on-Quarter

*Measures the difference or percentage change between the value in the current quarter and the value in the previous quarter.*

34

### MoM – Month-on-Month

*Measures the difference or percentage change between the value in the current month and the value in the previous month.*

35

### PP – Percentage Points

*Unit of measurement used to describe the difference between two percentages.*

36

### PTS – Points

*Unit of measurement used to describe the difference between two scores, levels, or other quantifiable metrics*

37




### MICE – Meetings, Incentives, Conferences, and Exhibitions

*A component of the tourism industry focusing on organized events for professional, commercial, or networking purposes.*



# Key contributors

## Key contributors

	Saudi Arabia	<p><b>Analysis led by:</b> Ruth Steen Kristine Nostdahl</p> <p><b>Analysis produced by:</b> Nour Rmeih, Imogen Turner, Zainab Abu Deeb</p>
	UAE	<p><b>Analysis led by:</b> Dr. Samuel Smithers</p> <p><b>Analysis produced by:</b> Yara Al Tawil, Victor Sukeerth Munagala, Noora Alozaibi</p>
	Qatar	<p><b>Analysis led by:</b> George Michalas</p> <p><b>Analysis produced by:</b> Romit Mookerjee, Yassmin Hussein, Ghassan Hammoud</p>





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