



UAE and Saudi Arabia retain GEM fund allocations in a turbulent quarter

Fund Positioning Analysis

GCC Fund Insights, produced in partnership with Copley Fund Research, offers a snapshot of investor allocations. Based on data from 360+ active Global Emerging Market (GEM) funds representing over \$550 billion in assets, the report highlights which markets, sectors, and stocks are gaining or losing traction. Figures reflect the latest available fund disclosures as of 31 March 2026 and may be revised as additional filings are received.

Saudi Arabia demonstrated resilience since the outbreak of the Iran war, with funds invested slightly declining to 59% during 1Q 2026 (4Q 25: 60%) and an average fund weight of 1.19%. Fund overweight positions moderated to 10.2%.

The UAE retained its position as the most favoured GCC market, with a decline in funds invested settling at 64% (4Q 25: 65%) and average fund weight at 1.22%. The overweight positions remained at 39%.

Real Estate and Financials maintained their leadership as the sectors with the highest fund exposure. UAE Real Estate was held by 53.3% of GEM funds, while KSA Financials were held by 50.4%. At the individual stock level, overweight positions were led by industry leaders in the Financials and Real Estate sectors, with Emaar Properties and ADIB each recording a 1 percentage point increase in overweight positions. Aldar Properties retained the second position with a 24% overweight, followed by Al Rajhi and SNB at 20%.

Key takeaways for listed companies

Markets have swung quickly around Iran headlines, but GEM funds largely held exposure in Saudi Arabia and the UAE through 1Q. During the 1Q 26 earnings cycle, investors will focus on exposure to energy and freight costs, funding conditions, and knock-on effects on demand, margins, and working capital. Management teams should come prepared with ranges and sensitivities, not broad statements, and be explicit on what changes in 2026 plans under different oil price and interest rate paths. Investors will ask questions on guidance assumptions, capital allocation priorities, and balance-sheet limits, and management should be available to address them directly.

Saudi Arabia, Key Fund Positioning Metrics

GEM Funds Invested, %

59%

Average GEM Fund Weight, %

1.19%

GEM Funds Overweight, %

10.2%

United Arab Emirates, Key Fund Positioning Metrics

GEM Funds Invested, %

64%

Average GEM Fund Weight, %

1.22%

GEM Funds Overweight, %

39.1%

Untapped Potential across GCC markets

Saudi Arabia and the United Arab Emirates account for the bulk of GEM fund participation in the GCC, at 59% and 64% respectively, with the UAE recording the highest overweight exposure at 39.1%. Qatar (18%) and Kuwait (11%) remain underrepresented, reflecting persistent constraints in liquidity, market access, and the depth of institutional investor engagement.

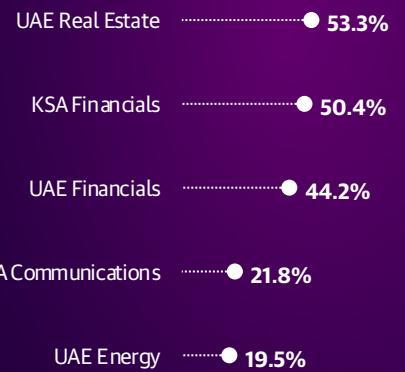
GCC Funds Overweight %



Sources: Copley Fund Research, Iridium Advisors Analysis

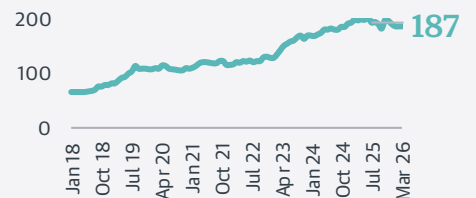
GCC Sector Exposure

% of GEM Funds Invested



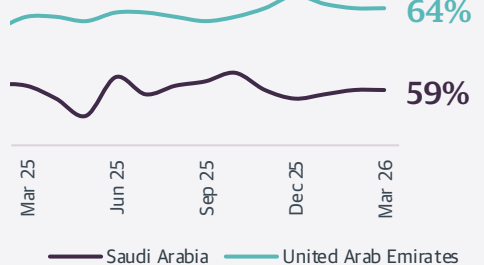
GEM Fund Positioning in GCC Markets

Number of Companies Invested, #



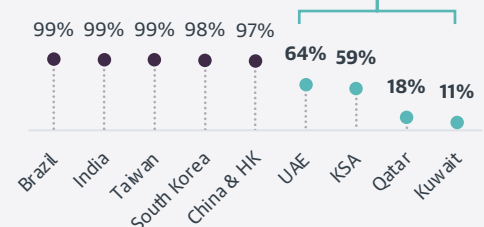
Saudi Arabia vs UAE

GEM Funds invested, %



GEM Country Exposure:

% of GEM Funds Invested





Sector Insights

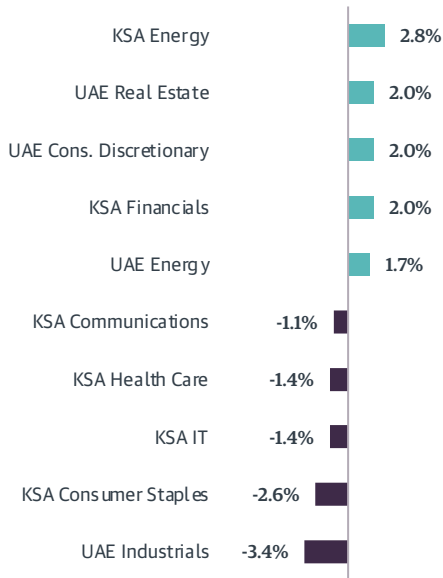
Over the past six months, invested funds rose the most in KSA Energy (+2.8%) followed by UAE Real Estate, Consumer Discretionary and KSA Financials (2.0%). In contrast, investments in UAE Industrials (-3.4%), KSA Consumer Staples (-2.6%) and KSA IT (-1.4%) declined.

In terms of absolute flows, KSA Financials (+\$340 million) attracted the largest inflows, led by UAE Financials (+\$276 million). UAE Healthcare (-\$110 million) and Saudi Communications (-\$70 million) recorded notable outflows.

The overweight positions are led by Real Estate and financials, as UAE Real Estate (+3.40%) and KSA Financials (+3.12%) registered notable increase in overweight holdings. While UAE Industrials (-3.68%), KSA Consumer Staples (-1.98%) showed declines.

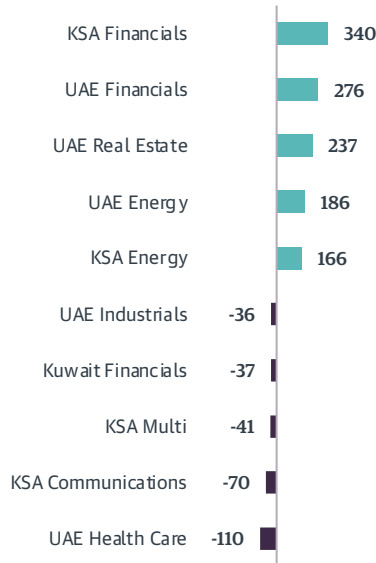
Top/ Bottom 5 GCC Sectors

6M Funds Invested Change, %



Top/ Bottom 5 GCC Sectors

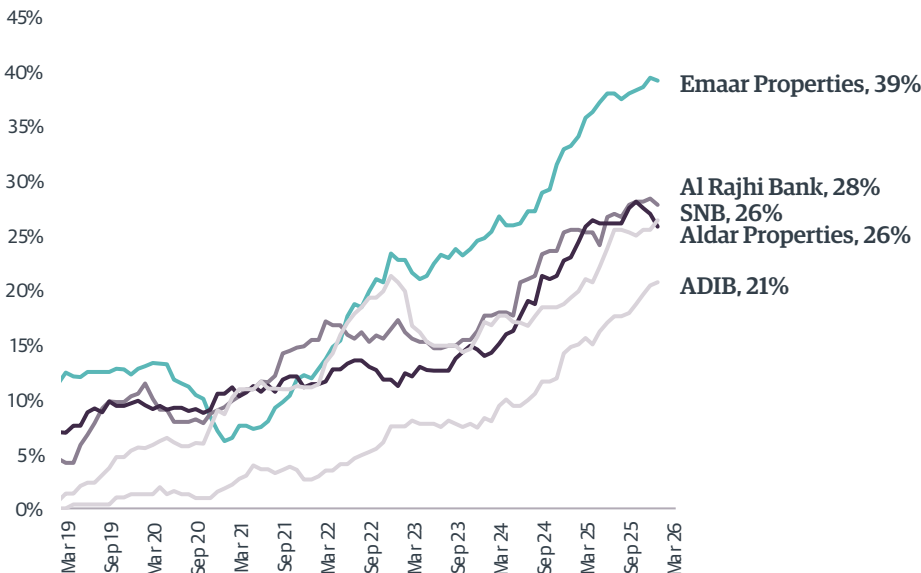
6M Fund Flows Change, USDmn



Company Insights

Emaar Properties led GCC stock ownership at 39% of GEM funds invested, gaining 1 percentage point over the period. Al Rajhi followed at 28% and Aldar Properties at 27%. SNB held at 26% while ADIB gained 1 percentage point to reach 21%.

GCC Stocks Reaching Peak GEM Fund Ownership Levels, %



Sources: Copley Fund Research, Iridium Advisors Analysis

GCC Average Fund Weight	Top 5
COUNTRY/SECTOR	% ↓
KSA Financials	0.67%
UAE Real Estate	0.52%
UAE Financials	0.39%
KSA Communications	0.15%
KSA Energy	0.12%

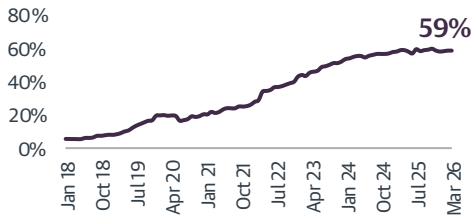
Top/Bottom 5 GCC Sectors	6M Δ% ↓
Funds Overweight/ Underweight	
UAE Real Estate	3.40%
KSA Financials	3.12%
KSA Energy	2.55%
KSA Materials	1.70%
UAE Cons. Discretionary	1.70%
KSA Communications	-0.57%
KSA Multi	-0.57%
UAE Communications	-1.42%
KSA Consumer Staples	-1.98%
UAE Industrials	-3.68%

GEM Funds Overweight, %	Top 10
COMPANY	% ↓
Emaar Properties	36%
Aldar Properties	24%
Al Rajhi Bank	20%
SNB	20%
ADIB	19%
Mobily	18%
ADCB	16%
Emirates NBD Bank	15%
Emaar Development	13%
Dubai Islamic Bank	10%

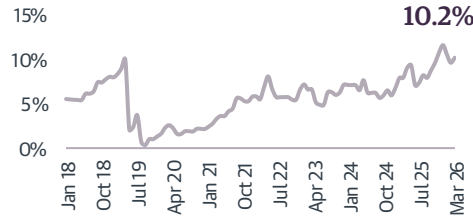


Saudi Arabia

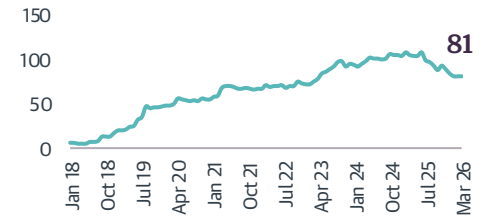
GEM Funds Invested %



GEM Funds Overweight %

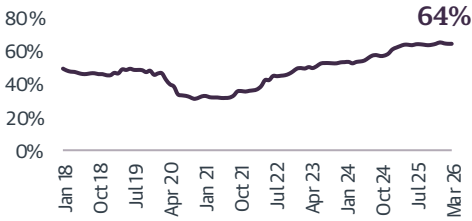


Number of Companies Invested #

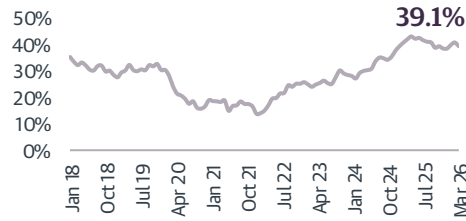


United Arab Emirates

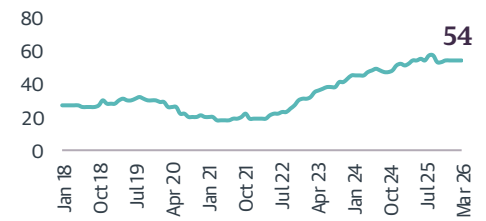
GEM Funds Invested %



GEM Funds Overweight %

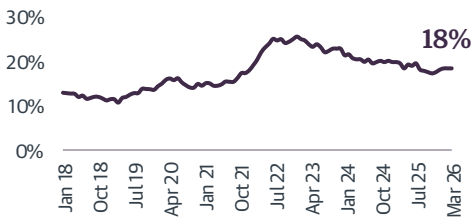


Number of Companies Invested #

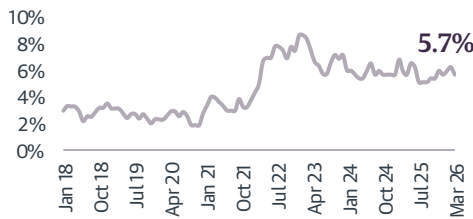


Qatar

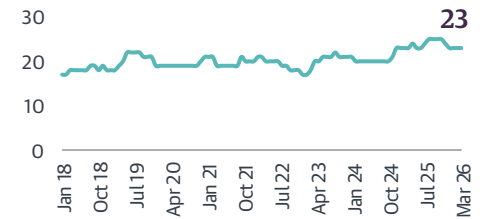
GEM Funds Invested %



GEM Funds Overweight %

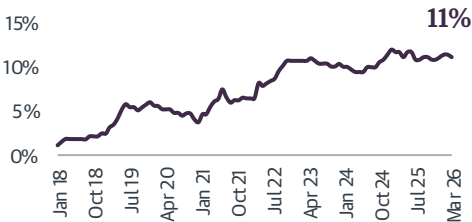


Number of Companies Invested #

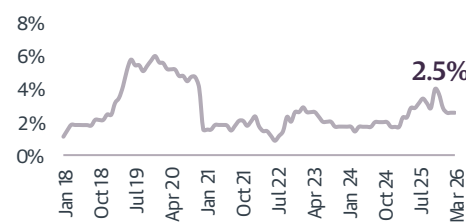


Kuwait

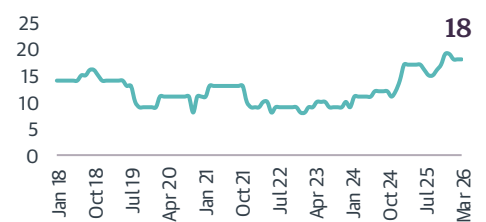
GEM Funds Invested %



GEM Funds Overweight %



Number of Companies Invested #



Sources: Copley Fund Research, Iridium Advisors Analysis

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