# GCC & Global Markets - August 2026

Asset Management

**1st September 2026**

## Market Commentary - August 2026

GCC equities rebounded in August, with the S&P GCC Composite rising 3.8%, reversing July's decline and lifting the region's year-to-date return to 2.3%. Five of seven markets ended higher, with Saudi Arabia (+5.1%) and Oman (+4.5%) recording the sharpest gains, while Kuwait (+1.6%), Abu Dhabi (+0.9%) and Dubai (+0.7%) also advanced; Qatar (-1.1%) and Bahrain (-1.0%) were the only markets in negative territory. Saudi Arabia, the region's largest market by weight in the index, was the principal driver of the headline move, snapping four consecutive months of declines.

During the month, Brent crude was broadly flat, up 0.4% and ending at USD 90.5/bbl, though prices stayed volatile on geopolitics. Brent slid below the USD 80/bbl level at the start of the month on peace talks, before regaining the USD 90/bbl level on intermittent attacks and growing uncertainty.

In Qatar, the QE Index declined 1.1% in August to 9,806.9, a third consecutive monthly fall. Performance was weighed down by QFLS (-13.3%), QEWS (-7.9%) and IQCD (-5.2%), while QNNS (+5.9%), QGTS (+4.8%) and QNBK (+0.8%) were the positive index's movers.

Year-to-date, Oman leads at +29.6%, while Qatar remains the weakest market at -8.9%. Saudi Arabia, Abu Dhabi, Kuwait, Dubai and Bahrain recorded returns of +6.1%, +0.1%, -0.1%, -3.5% and -6.3% respectively, leaving the S&P GCC Composite 2.3% higher for the year. Globally, the MSCI World gained 2.5% in August and the MSCI Emerging Markets index 3.2%, both continuing to outpace GCC equities year-to-date at +12.1% and +22.4%, while Fed Chair comments on a possible September rate hike pushed global bond yields to their highest since 2008.

## Monthly Market Performance Summary

| Market | Index | Start Price (31-Jul-26) | End Price (31-Aug-26) | Change (pts) | MTD Var. % | YTD 2026 Var. % |
|---|---|---|---|---|---|---|
| **GCC MARKETS** | | | | | | |
| **Saudi Arabia** | SASEIDX Index | 10,589.7 | 11,127.1 | +537.4 | +5.1% | +6.1% |
| **Qatar** | DSM Index | 9,920.7 | 9,806.9 | -113.8 | -1.1% | -8.9% |
| **Abu Dhabi** | ADSMI Index | 9,914.6 | 10,007.4 | +92.8 | +0.9% | +0.1% |
| **Dubai** | DFMGI Index | 5,795.9 | 5,836.0 | +40.1 | +0.7% | -3.5% |
| **Kuwait** | KWSEAS Index | 8,756.7 | 8,897.4 | +140.7 | +1.6% | -0.1% |
| **Oman** | MSM30 Index | 7,277.2 | 7,604.0 | +326.8 | +4.5% | +29.6% |
| **Bahrain** | BHSEASI Index | 1,956.3 | 1,936.0 | -20.4 | -1.0% | -6.3% |
| **REGIONAL & GLOBAL BENCHMARKS** | | | | | | |
| **S&P GCC Composite** | SPGGCD Index | 146.3 | 152.0 | +5.6 | +3.8% | +2.3% |
| **MSCI World** | MXWO Index | 4,847.9 | 4,967.9 | +120.0 | +2.5% | +12.1% |
| **MSCI Emerging Mkts** | MXEF Index | 1,665.9 | 1,719.3 | +53.4 | +3.2% | +22.4% |
| **COMMODITY** | | | | | | |
| **Brent Crude** | CO1 Comdty | 90.1 | 90.5 | +0.4 | +0.4% | +48.7% |

***Source:*** *Bloomberg*

## Major GCC News - August 2026

- **Foreign direct investment into Qatar rises 3.3% to QAR 172.2bn in Q1**

  Inward FDI reached QAR 172.2bn (USD 47.2bn) at end-Q1, up 3.3% from Q4 2025, while outward FDI rose 3.5% to QAR 221.7bn, on the National Planning Council's survey with the QCB. Mining and quarrying accounts for 45.3% of inbound stock and financial and insurance activities 31.9%.

- **Saudi trade surplus widens 53% to SAR 154.7bn in H1 on stronger oil receipts**

  Saudi Arabia posted a merchandise trade surplus of SAR 154.7bn in H1 2026, up 53.17% from SAR 101.0bn a year earlier, as exports rose 7.3% and imports fell 2.7% on GASTAT data. Total foreign trade rose 2.82% to SAR 1.1tn, with the Q2 surplus at SAR 61.5bn.

- **Saudi non-oil PMI holds at 53.1; Kuwait returns to expansion at 50.8**

  Saudi Arabia's Riyad Bank PMI eased marginally to 53.1 in July from 53.3, a fourth consecutive month of improving conditions. Kuwait rebounded to 50.8 from 46.4 as reopened airspace lifted output and new orders for the first time in five months. Saudi Q2 real GDP contracted 4.8% year on year.

- **Fitch puts UAE debt market at USD 320bn as dollar issuance climbs 40%**

  The UAE's debt capital market grew 3% year on year to about USD 320bn outstanding at end-H1 2026, while US dollar issuance reached USD 24bn, up 40% from H2 2025, Fitch Ratings said. Fitch expects consolidated government debt to rise to 25% of GDP in 2026 from 22.7% in 2025.

- **Oman manufacturing contributes RO 3.7bn to GDP as re-exports jump 64.4%**

  Manufacturing contributed about RO 3.7bn (USD 9.6bn) to Oman's GDP at constant prices by end-2025 and RO 869mn in Q1 2026, with Industrial Strategy 2040 targeting RO 5.4bn by 2030, on NCSI data. Non-oil merchandise exports rose 1.5% to RO 2.74bn by end-May 2026, while re-exports surged 64.4% past RO 1bn.

## GCC Market Valuation

| Market | Market Cap. (USD Bn) | PE 2025 | PE 2026E | PB 2025 | Dividend Yield (%) TTM |
|---|---|---|---|---|---|
| S&P GCC | 3,552 | 13.8 | 12.9 | 1.8 | 3.8 |
| Saudi Arabia | 2,543 | 16.5 | 14.7 | 2.1 | 3.4 |
| Abu Dhabi | 683 | 11.1 | 9.7 | 2.3 | 2.5 |
| Dubai | 248 | 8.9 | 9.8 | 1.6 | 5.5 |
| Kuwait | 172 | 18.9 | 16.4 | 1.8 | 3.7 |
| Qatar | 143 | 11.9 | 11.8 | 1.2 | 4.2 |
| Bahrain | 20 | 15.3 | 7.6 | 1.3 | 4.4 |
| Oman | 46 | 13.9 | 11.1 | 1.6 | 4.0 |
| MSCI EM | 29,877 | 16.0 | 11.6 | 2.4 | 2.0 |
| MSCI World | 102,490 | 23.8 | 20.2 | 4.2 | 1.5 |

***Source:*** *Bloomberg: Market Cap as of 31st August 2026*

## Disclaimer