

GCC Trading Activity Quarterly Report - Q1-2026

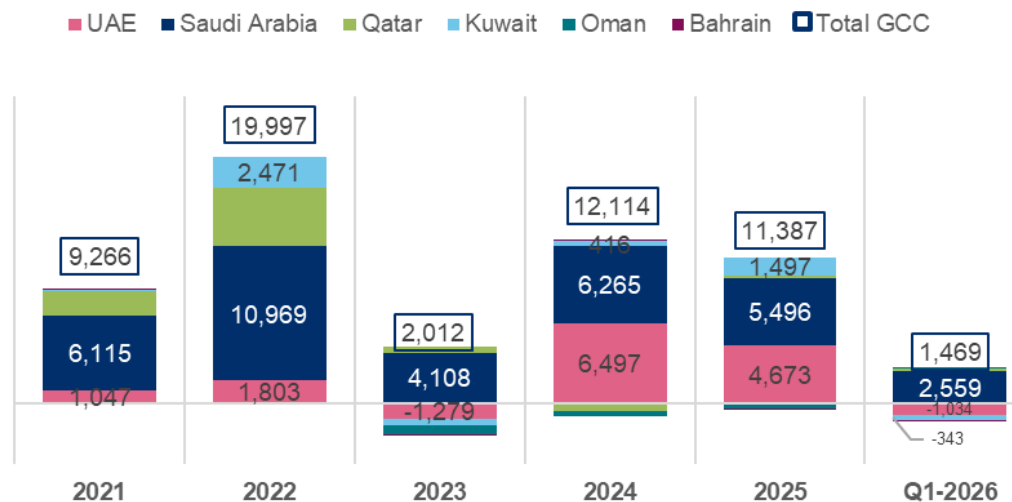
Foreign investors were back in GCC in Q1-2026...

Foreign investors, including institutional and retail investors, were net buyers on GCC stock markets during Q1-2026 with net buying at USD 1.47 Bn against USD 313.5 Mn in net selling during Q4-2025. The trend was positive at the start of the year with consecutive buying seen in the first two months followed by net selling during March-2026. The biggest buying was seen in Saudi Arabia with total net buying of USD 2.6 Bn followed by Qatar and Oman also seeing consecutive buying by foreigners that reached USD 232.5 Mn and USD 61.0 Mn, respectively in Q1-2026. Foreign investors were biggest sellers of Dubai stocks with net sales of USD 654.0 Mn during the quarter as compared to USD 1.2 Bn in net sell trades during the previous quarter. Abu Dhabi was next with net sales of USD 379.7 Mn by foreigners followed by Kuwait with USD 343.4 Mn.

In Q1-2026, Saudi Arabia advanced its Vision 2030 reform agenda by continuing to liberalize its investment framework. A key development was the opening of the Saudi capital market in February-2026, which removed Qualified Foreign Investor (QFI) restrictions and permitted direct participation by both institutional and individual foreign investors. In addition, a new real estate law that came into effect in January-2026 granted foreign nationals, the right to own property within designated zones, subject to regulatory approval by the relevant authorities. Foreign investment activity remained resilient during the period, with sustained net inflows into Saudi equities, indicating continued international confidence in the Kingdom's financial markets.

Meanwhile, the monthly trend indicated that Dubai, Abu Dhabi, Saudi Arabia, and Qatar witnessed consecutive foreign buying during the first two months of the quarter, followed by selling in the final month. In contrast, Oman recorded net foreign investor selling in the first month, followed by sustained net buying over the remaining months of Q1-2026. Kuwait, on the other hand, began the quarter with net selling, shifted to net buying in the second month, and reverted to selling in the final month of the quarter. In Q1-2026, foreign investment in Oman remained resilient, registering gradual growth amid continued economic reforms and diversification across sectors including energy, logistics, and manufacturing. Investor confidence stayed firm, reflected in sustained foreign participation in the country's expanding business landscape. Some of the key factors that affected the flow of foreign money in the region included regional geopolitical conflicts, disruptions around the Strait of Hormuz that influenced oil prices and seasonal factors such as Ramadan and Eid holidays that reduced trading activity.

Net Trades by Foreign Investors in GCC - USD Mn



Sources : GCC Stock Exchanges, Bloomberg, Kamco Invest Research.

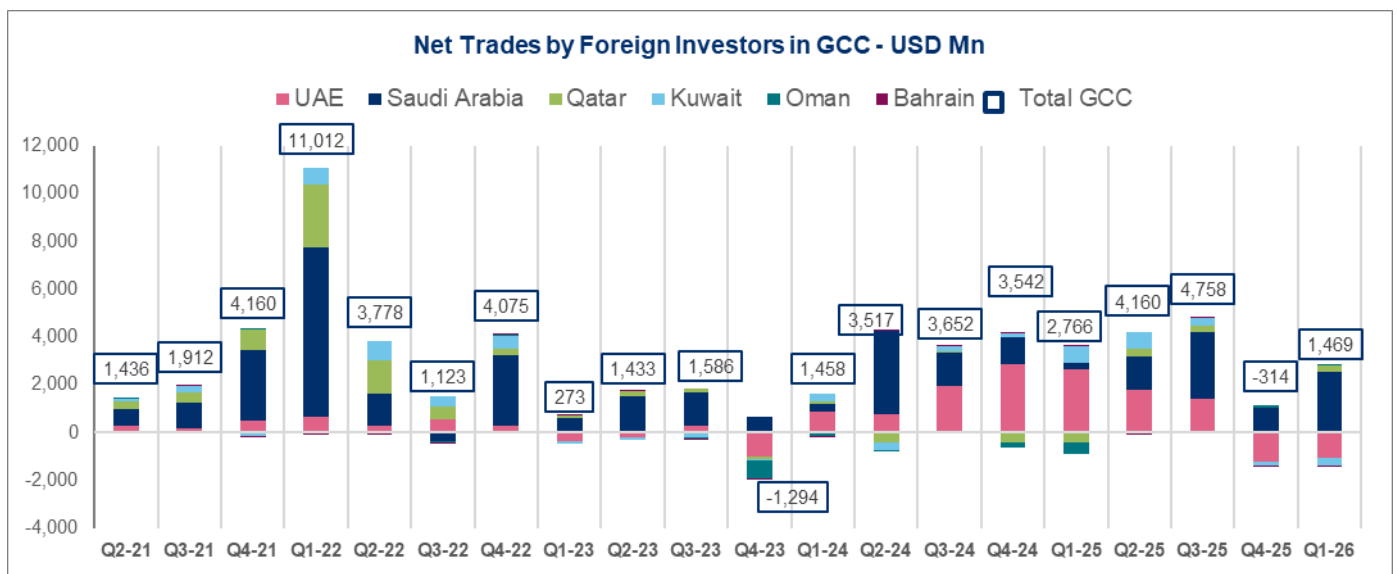
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The quarterly performance for the GCC indices were skewed towards decliners as five out of seven exchanges reported declines during Q1-2026. The seasonal selling pressure also resulted in a decline in the market. As a result, local investors were net sellers during the quarter and these shares were grabbed by foreign investors resulting in a broad-based net buy trades by the latter. In terms of m-o-m performance, net buying by local investors peaked in Jan-2026, reaching aggregate net inflows of USD 50.0 Mn. This was followed by a reversal in trend during February and March 2026, which together recorded net selling of USD 2.4 Bn.

Historical trends in foreign trading activity in GCC-listed equities indicate relatively resilient participation over the past five years, with declines observed in only two quarters. The strongest inflow occurred in Q1-2022, where net foreign purchases reached approximately USD 11.0 Bn, primarily driven by increased buying activity in Saudi Arabia and Qatar, supported by favorable oil price conditions, post-pandemic economic recovery, and improved global risk sentiment.

During Q1-2026, the Saudi equity market experienced mixed investor flows. Overall, Saudi investors were net sellers, recording net sales of SAR 9.6 Bn, compared with SAR 4.9 Bn in net selling in Q4 2025. Within domestic participation, Saudi institutions registered net purchases of SAR 3.8 Bn; however, this was offset by net selling from retail investors amounting to SAR 13.4 Bn. On the other hand, buying was seen in trades by non-GCC foreigners and GCC investors to the tune of SAR 8.2 Bn and SAR 1.4 Bn, respectively. The highest level of foreign purchase occurred in Jan-2026, reaching SAR 5.0 Bn followed by Feb-2026 to reach SAR 3.7 Bn. March 2026 recorded the sharpest decline in retail investor activity, with net selling reaching approximately SAR 7.1 Bn, reflecting heightened market volatility.



Sources : GCC Stock Exchanges, Bloomberg, Kamco Invest Research.

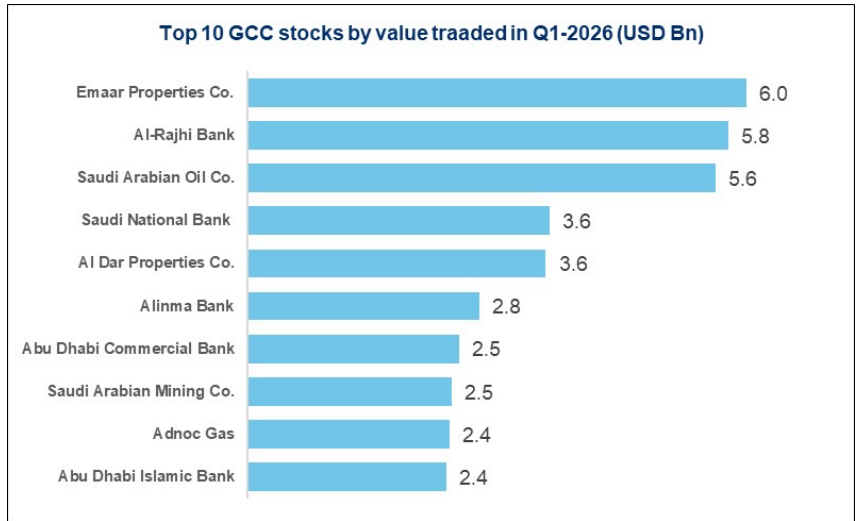
Trading by GCC investors (Excluding Bahrain due to unavailability of data) in GCC exchanges showed net selling during Q1-2026. During Q1-2026, GCC investors recorded net selling of USD 269.0 Mn, against a net buying of USD 336.0 Mn in Q4-2025, reflecting a shift from a net purchase position in the previous quarter. Saudi Arabia witnessed the biggest net buying by GCC investors during Q1-2026 at USD 238.2 Mn followed by Kuwait exchanges at USD 16.9 Mn. In contrast, the Qatar, Abu Dhabi, Dubai, and Oman exchanges recorded net selling by GCC investors in Q1-2026, which largely offset the overall regional buying activity by GCC investors during the same period.

In terms of the aggregate trading activity, total GCC volume traded declined by 23.4% q-o-q to reach 77.1 Bn shares in Q1-2026 as compared to 100.7 Bn shares in Q4-2025. During Q1-2026, four out of seven GCC exchanges recorded a q-o-q decline in trading volumes, with the exceptions of Saudi Arabia, Dubai, and Qatar. The volume of shares traded in Dubai increased by 1.4% to 14.8 Bn shares in Q1 2026, compared with 14.6 Bn shares in Q4 2025. Similarly, Saudi Arabia recorded a 4.1% increase, reaching 14.3 Bn shares versus 13.7 Bn shares in the previous quarter. Qatar also registered strong growth, rising by 20.0% to 8.8 Bn from 7.4 Bn shares. In contrast, trading activity declined in several markets. Kuwait and Abu Dhabi fell by 63.4% and 2.8%, respectively, while Oman and Bahrain experienced more pronounced declines, falling by 33.4% and 66.2%, respectively.

Similarly, the total value of shares traded during Q1-2026 also reported a marginal gain and was largely broad based. Abu Dhabi, Kuwait and Bahrain declined in value traded while the rest of the markets gained during Q1-2026. Aggregate value traded reached USD 145.0 Bn in Q1-2026 vs. USD 144.8 Bn in Q4-2025. Saudi Arabia reported the biggest increase in trading activity with value traded increasing from USD 75.1 Bn in Q4-2025 to USD 77.5 Bn in Q1-2026 resulting a share of 53.5% vs. 51.9% in Q4-2025. Trading activity on the Kuwait Exchange declined q-o-q from USD 23.5 Bn in Q4-2025 to USD 12.14 Bn in Q1-2026.

Top 10 GCC Stocks by Trading value

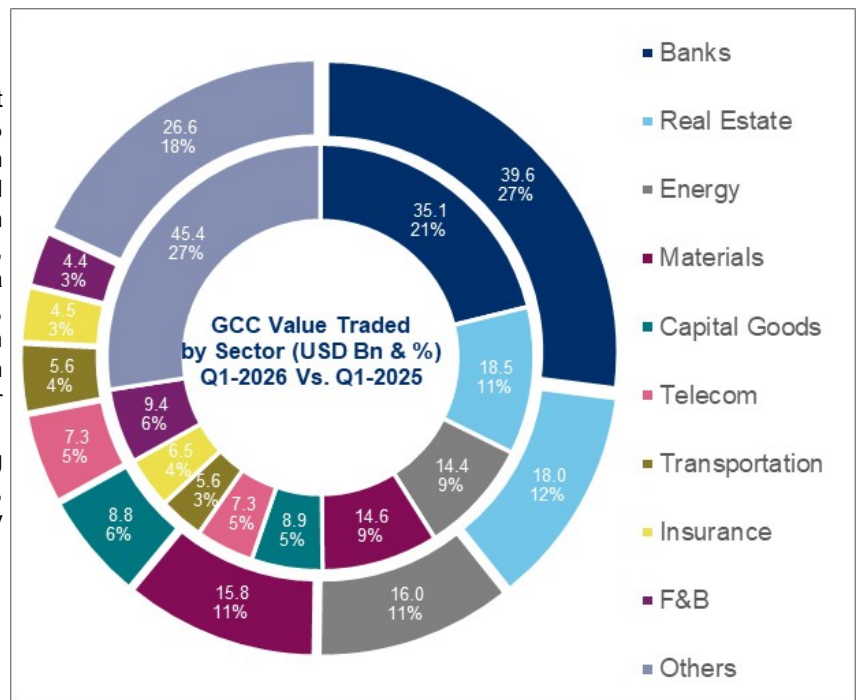
Five Saudi-listed companies ranked among the top 10 most traded GCC stocks by trading value in Q1-2026, emphasizing Saudi Arabia's continued dominance in regional equity markets. They were followed by four companies listed in Abu Dhabi and one listed in Dubai, highlighting the UAE's strong but secondary contribution to overall GCC trading activity. Aggregate traded value of the top 10 listed stocks in the GCC stood at USD 37.2 Bn, accounting for 25.6% of the total value traded on the GCC exchanges during the quarter. Al-Rajhi Bank topped the list by recording USD 6.3 Bn in trades followed by Oula Fuel Marketing Co. at USD 5.2 Bn and Saudi Arabian Oil Co. (Aramco) at USD 4.4 Bn. In addition to the Saudi stocks, the most actively traded stocks during the quarter included Adnoc Gas, Ahli Bank (ABOB), and Emaar Properties Co.



Sources : Bloomberg, Kamco Invest Research.

GCC Value Traded - Key Sector Contribution

The Banking sector accounted for the largest share of value traded, recording a surge of 13.0% to reach USD 39.6 Bn in Q1-2026, compared with USD 35.1 Bn in Q1-2025. Within the sector, Al Rajhi Bank led trading activity with USD 5.8 Bn worth of shares traded during the quarter, followed by Saudi National Bank and Alinma Bank, with USD 3.6 Bn and USD 2.8 Bn, respectively. The Energy, Materials and Telecom sectors also contributed to overall growth in traded value during the quarter. Sector performance was skewed towards decliners in Q1-2026, with six out of ten sectors recording declines. Among the decliners, the Real Estate, Capital Goods, and Transportation sectors fell by 2.9%, 1.0%, and 0.4%, respectively.



Sources : Bloomberg, Kamco Invest Research.

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