GCC Trading Activity Quarterly Report - Q2-2026

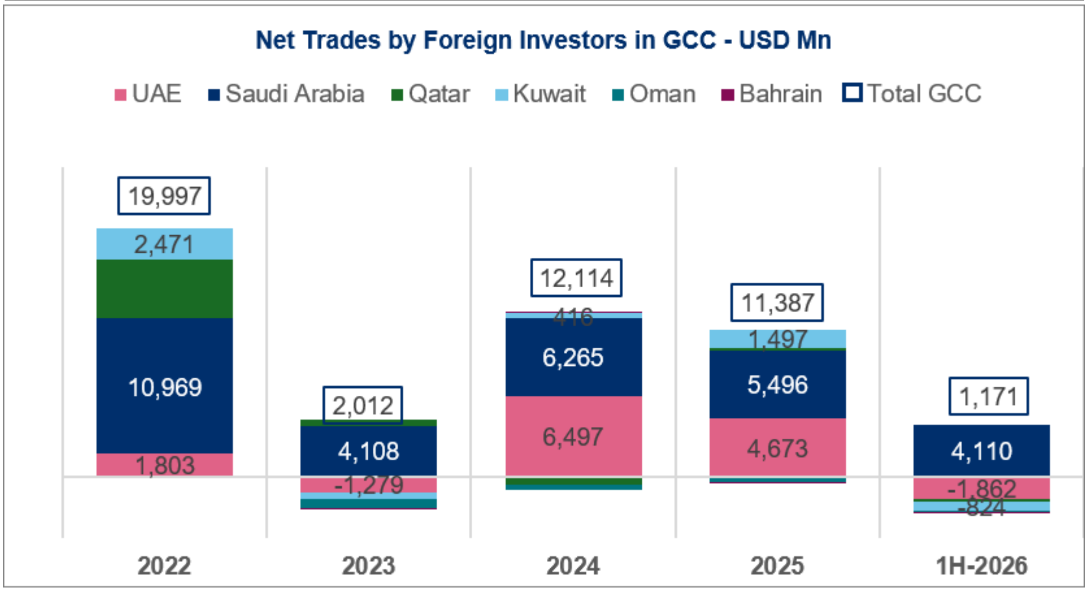
GCC foreign investors were net sellers in Q2-2026

Foreign investors, including institutional and retail investors, were net sellers on GCC stock markets during Q2-2026 with net selling of USD 298.3 Mn, after registering net purchases of USD 1.5 Bn in Q1-2026. However, for 1H-2026 , foreign investors recorded net buying activity in four out of six months despite intermittent selling pressure. Total net purchases stood at USD 1.2 Bn in 1H-2026, compared with USD 6.9 Bn in 1H-2025, reflecting an 83.1% y-o-y decline. Some of the key factors that affected foreign investment flows in the region included regional geopolitical conflicts, disruptions around the Strait of Hormuz that impacted oil price movements, global interest rate trends, and seasonal factors such as Eid holidays, which reduced market activity and trading volumes.

The quarterly data on trading activity on GCC exchanges showed all the exchanges recorded foreigners as net sellers during Q2-2026, barring Saudi Arabia that showed foreigners as net buyers to the tune of USD 1.6 Bn during the quarter, partially offsetting the overall net sales. Foreign investors remained the largest net sellers in the Dubai stock market during Q2-2026, recording net sales of USD 641.5 Mn, following net sales of USD 654.0 Mn in the previous quarter. Kuwait followed with foreign net sales of USD 480.3 Mn, while Qatar and Abu Dhabi exchanges recorded net selling of USD 375.4 Mn and USD 187.3 Mn, respectively. Oman and Bahrain witnessed relatively lower net selling, amounting to USD 161.3 Mn and USD 3.1 Mn, respectively.

Meanwhile, the monthly trading trend (excluding Bahrain due to the unavailability of data) showed that Saudi Arabia recorded consistent net foreign buying throughout all three months of Q2-2026. In contrast, the Dubai, Abu Dhabi, Qatar, Kuwait, and Oman exchanges experienced consistent net selling across each of the three months during the quarter.

Quarterly performance across GCC equity markets was mixed during Q2-2026, reflecting the geopolitical impact on market conditions, investor sentiment, corporate earnings, and sector trends across the region. 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 May-2026, reaching aggregate net inflows of USD 1.3 Bn. This was followed by a reversal in trend during April and June 2026, which together recorded net selling of USD 2.2 Bn.



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

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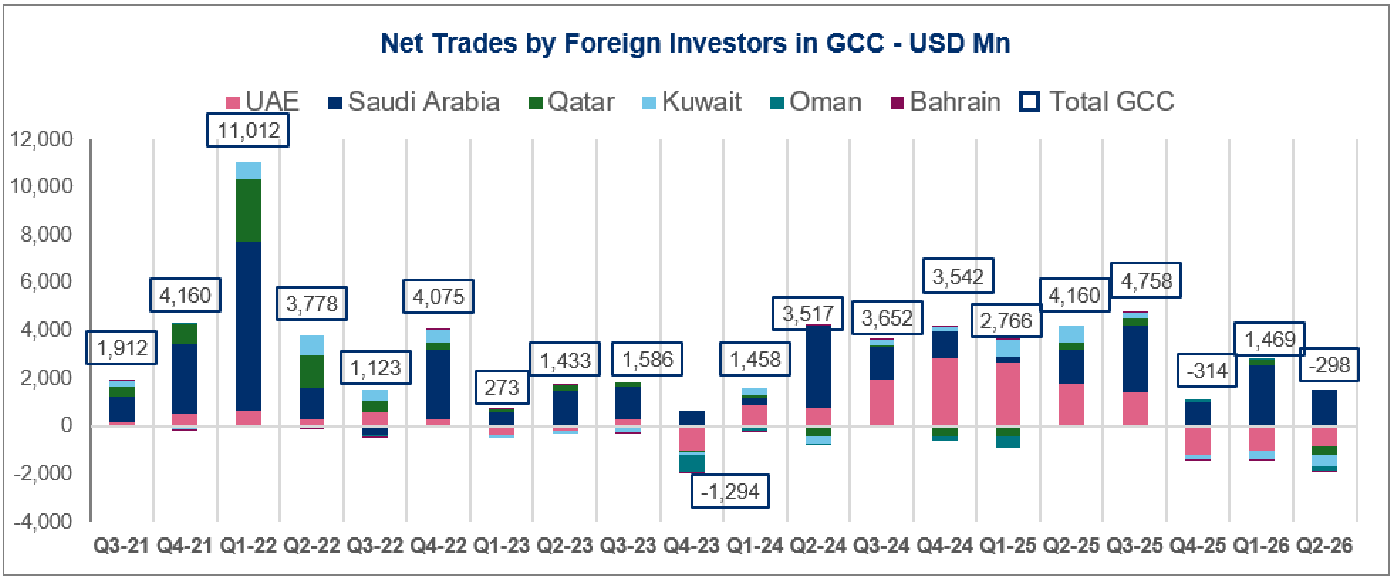
Trading by GCC investors (excluding Bahrain due to the unavailability of data) across GCC exchanges shifted to net buying during Q2-2026. GCC investors recorded net purchases of USD 62.4 Mn, against net sales of USD 269.0 Mn in Q1-2026, indicating a reversal in investor sentiment from the previous quarter. Saudi Arabia recorded the highest net buying by GCC investors during the quarter, with USD 220.7 Mn, followed by Oman at USD 127.2 Mn. Meanwhile, the Dubai, Qatar, Abu Dhabi, and Kuwait exchanges registered net selling by GCC investors during Q2-2026, partially offsetting the strong buying activity recorded by GCC investors during the same period.

In the Saudi stock market, local Saudi investors remained net sellers during Q2-2026, recording net sales of SAR 5.8 Bn, compared with SAR 9.6 Bn in net selling during Q1-2026. Saudi individual investors were net sellers during the Q2-2026, with net sales amounting to SAR 9.0 Bn. In contrast, Saudi institutional investors were net buyers, recording net purchases of SAR 3.2 Bn. On the other hand, buying was seen in trades by non-GCC foreigners and GCC investors to the tune of SAR 4.6 Bn and SAR 1.2 Bn, respectively.

During 1H-2026, foreign investors were net buyers in the Saudi market, with total net purchases of SAR 12.7 Bn, representing a 75.4% increase compared to SAR 7.3 Bn recorded in 1H-2025 supported by broader market access for foreign investors. Investor sentiment was further boosted by the Capital Market Authority's decision to open the Saudi stock market to all foreign investors effective 1-Feb-2026, expanding market participation. Although foreign investors turned net sellers in March and May 2026, primarily due to heightened geopolitical tensions in the region, net buying resumed in the subsequent months during 1H-2026.

Foreign purchases reached their highest level in January-2026, totaling SAR 5.0 Bn. During 1H-2026, the highest weekly net buying by foreign investors was recorded in the third week of April-2026 at SAR 2.3 Bn, while the highest weekly net selling of SAR 1.1 Bn occurred in the first week of May-2026. Meanwhile, Saudi individual investors recorded net selling of SAR 22.3 Bn during 1H-2026, against net buying recorded in SAR 7.1 Bn in the corresponding period last year. Retail investors recorded their highest net purchases in March-2026, reaching SAR 7.3 Bn.



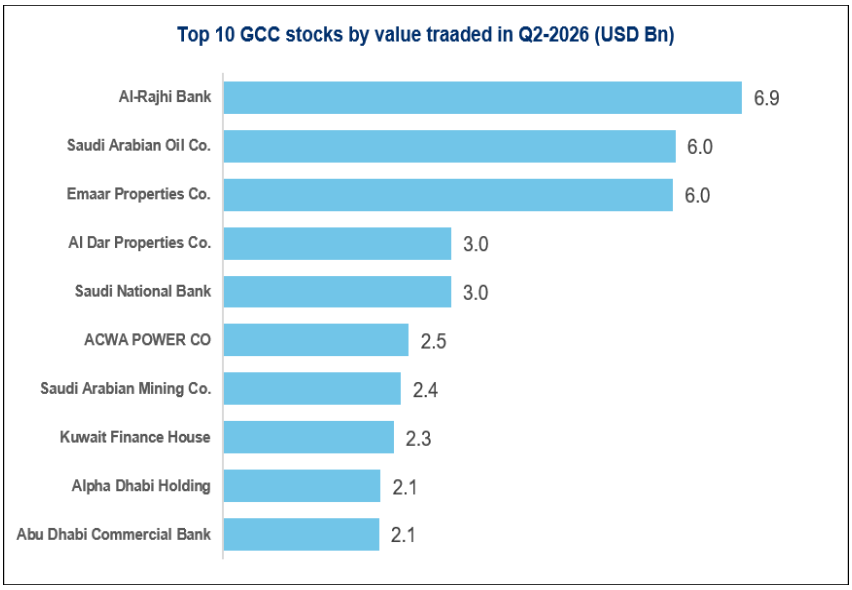
Sources : GCC Stock Exchanges, Bloomberg, Kamco Invest Research.

In terms of aggregate trading activity, total GCC trading volume declined by 21.7% q-o-q to 64.0 Bn shares in Q2-2026, down from 81.7 Bn shares in Q1-2026. During the quarter, trading volumes contracted across six of the seven GCC exchanges compared to the previous quarter, with Kuwait being the only market to record higher volumes. Trading volume on the Kuwait exchange increased by 41.9% q-o-q to 17.2 Bn shares in Q2-2026, compared with 12.1 Bn shares in the Q1-2026. In contrast, trading activity weakened across the remaining GCC markets. Abu Dhabi recorded the sharpest decline, with trading volume falling 41.8% q-o-q, followed by Oman at 36.3% and Dubai at 34.9%. Saudi Arabia and Qatar also reported lower trading volumes, declining by 24.3% and 18.9%, respectively.

Meanwhile, aggregate trading value across the GCC increased during Q2-2026, despite the decline in trading volumes, reflecting higher average transaction values across several markets. Total value traded rose by 8.8% q-o-q to USD 157.7 Bn in Q2-2026, compared with USD 145.0 Bn in Q1-2026. At the exchange level, Abu Dhabi, Dubai, and Oman recorded q-o-q declines in the value of shares traded, while the remaining GCC markets posted gains. Kuwait reported the strongest increase in trading activity, with the value of shares traded rising from USD 12.1 Bn in Q1-2026 to USD 19.9 Bn in Q2-2026, increasing its share of total GCC trading value to 12.6%, up from 8.4% in the previous quarter. Saudi Arabia also recorded a notable increase, with the value traded rising from USD 77.5 Bn in Q1-2026 to USD 86.4 Bn in Q2-2026. Bahrain and Qatar likewise posted positive q-o-q growth, with trading values increasing by 15.3% and 2.5%, respectively.

Top 10 GCC Stocks by Trading value

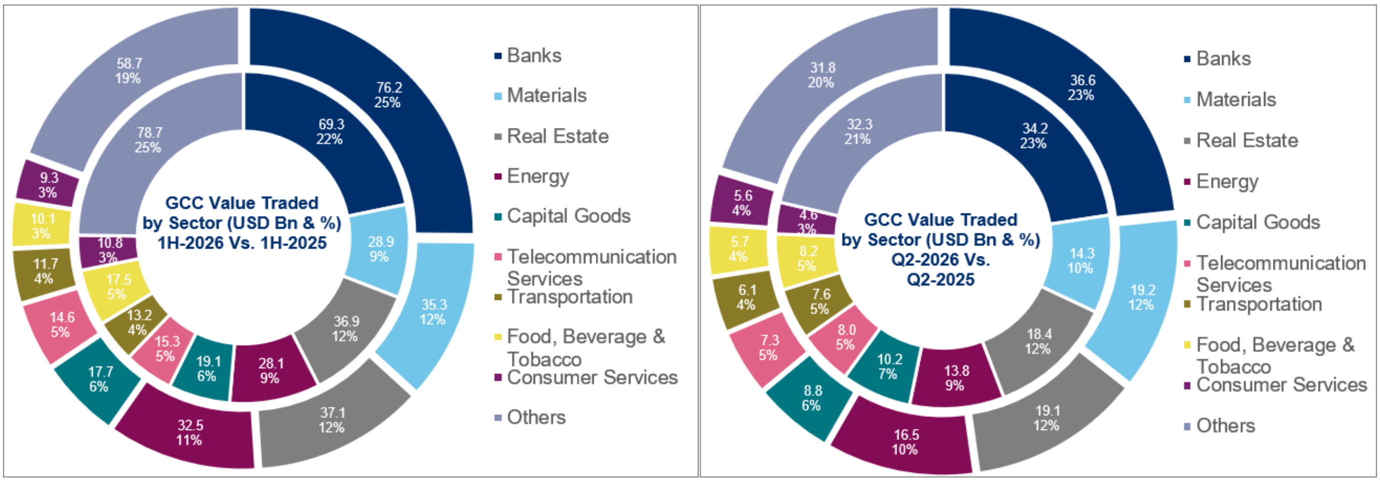
Five Saudi-listed companies ranked among the top 10 most traded GCC stocks by trading value in Q2-2026, reaffirming Saudi Arabia's dominant position in regional equity markets. The UAE followed with three Abu Dhabi-listed and one Dubai-listed company, while one Kuwait listed company also made the list, reflecting the broad participation of GCC markets in regional trading activity. The aggregate trading value of the top 10 GCC-listed stocks reached USD 36.2 Bn in Q2-2026, representing 23.1% of the total value traded across GCC exchanges during the quarter. Al Rajhi Bank topped the list by recording USD 6.9 Bn in trading value, followed by Saudi Arabian Oil Co. (Aramco) with USD 6.01 Bn and Emaar Properties with USD 5.98 Bn. Other actively traded stocks during the quarter included Al Dar Properties, Saudi National Bank, and ACWA Power, further highlighting the strong presence of Saudi and UAE-listed companies among the region's most actively traded equities.



Sources : Bloomberg, Kamco Invest Research.

GCC Value Traded - Key Sector Contribution

The Banking sector accounted for the largest share of value traded, recording a marginal increase of 2.3% to reach USD 36.6 Bn in Q2-2026, compared with USD 34.2 Bn in Q2-2025. Within the sector, Al Rajhi Bank led trading activity with USD 6.9 Bn worth of shares traded during the quarter, followed by Saudi National Bank and Kuwait Finance House, with USD 3.0 Bn and USD 2.3 Bn, respectively. The Materials, Real Estate and Energy sectors also contributed to overall growth in traded value during the quarter. Sector performance was broadly mixed in Q2-2026, with five out of ten sectors recording declines. Among the decliners, the Food, Beverage & Tobacco, Transportation, and Capital Goods sectors fell by 30.1%, 19.0%, and 13.2%, respectively.



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

Similarly, in terms of 1H-2026 performance, the total value of shares traded declined on a largely broad-based basis. Aggregate traded value reached USD 303.6 Bn in 1H-2026, compared with USD 319.3 Bn in 1H-2025, representing a decline of 4.9%. Trading activity declined in the Food, Beverage & Tobacco, Consumer Services, and Other sectors by 42.2%, 14.3%, and 25.5%, respectively. In contrast, the Banking and Materials sectors recorded strong growth, with traded values rising by 9.9% and 22.2%, respectively.

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