

# MASHREQ GLOBAL DIGEST

## Oman

June 7 – June 13



This edition of the Market Digest highlights Oman's latest macroeconomic and financial developments, alongside recent deals and key trends influencing the country's economic outlook.

### Macroeconomic News

#### Oman and IMF Review Positive Growth Outlook for 2026–2027

Oman's Ministry of Economy and the IMF reviewed the country's economic outlook for 2026–2027, highlighting the growing contribution of non-oil sectors to economic growth. Discussions focused on advancing economic diversification under Oman Vision 2040, developing key sectors such as industry, tourism, and the digital economy, and leveraging Oman's strategic position as a regional logistics and trade hub. The meeting also emphasized SME integration, investment attraction, financial sustainability, and the implementation of the 11th Five-Year Plan (2026–2030), reflecting confidence in Oman's economic reforms and long-term growth prospects.

Reference: [Zawya](#)



#### Oman's Foreign Direct Investment Reaches RO31B

Oman's foreign direct investment (FDI) stock has grown to approximately RO31 billion, reflecting continued success in attracting international capital and supporting economic diversification. The industrial sector has increased its contribution to the economy from 6% to 9.5%, while the Invest in Oman initiative helped localize 44 projects currently under implementation. The government also highlighted major industrial developments, which reinforces Oman's attractiveness as an investment destination.

Reference: [Oman Observer](#)

#### Oman Real Estate Prices Jump 15.9% in Q1 2026

Oman's Real Estate Price Index rose 15.9% y-o-y in Q1 2026, driven by strong growth in both residential and commercial property prices. Residential property prices increased 17.6%, supported by a 21% rise in residential land values, while commercial property prices grew 10.5%. Muscat recorded the strongest performance, with residential land prices surging 43.6%, highlighting robust demand and continued strength in the Sultanate's property market.

Reference: [Times of Oman](#)



#### Oman's Natural Gas Production Grows 4.6%

Oman's natural gas production, including both domestic production and imports, increased by 4.6% year-on-year to 18.8 billion cubic meters by the end of April 2026. Growth was driven by a 5.6% increase in non-associated gas production, while gas consumption rose across key sectors, including industrial projects (+5.8%) and power generation (+12.7%). The figures highlight continued expansion in Oman's energy sector and growing domestic demand from industrial and utility activities.

Reference: [Zawya](#)

### Financial News

#### Future Fund Oman Approves RO1.7B in Projects

Launched in 2024 with a capital of RO2 billion, the Future Fund Oman has approved 186 projects worth approximately RO1.7 billion by the end of 2025, supporting sectors such as renewable energy, industry, technology, tourism, food security, and logistics. The fund has contributed to the creation of more than 1,600 direct jobs and plays a key role in attracting investment, supporting SMEs and startups, and accelerating Oman's economic diversification objectives under Vision 2040.

Reference: [Zawya](#)



#### Oman Launches \$260M Sovereign Sukuk

Oman has launched its 11th local sovereign sukuk issuance, seeking to raise RO100 million (\$260 million), with an option to increase the size by RO20 million. The five-year sukuk offers an annual rate of 4.2% and forms part of the government's 2026 financing strategy to support budget deficit financing and public debt servicing. The issuance is open to both local and international investors and reflects Oman's continued use of Islamic capital markets to diversify funding sources.

Reference: [Zawya](#)



#### Global Investors Highlight Oman's Economic Strength

International investors highlighted Oman's strong economic fundamentals, fiscal discipline, and diversification strategy at HSBC's GCC Exchanges Conference in London. Officials also pointed to improving market infrastructure, growing liquidity, and Oman's strategic location as key factors supporting the country's attractiveness as a long-term investment destination.

Reference: [Zawya](#)

#### Oman Launches International Financial Centre Initiative

Oman is strengthening its position as a global investment destination through the launch of the International Financial Centre of Oman (IFC Oman), designed to facilitate cross-border business and investment activity under internationally aligned legal and regulatory frameworks. The initiative aims to attract international investors and financial institutions while supporting Oman's long-term economic diversification strategy, leveraging the country's improving fiscal position, investment-grade credit rating, and strategic location.

Reference: [Zawya](#)

*Rise every day*

### Deals/Projects

#### Oman Secures \$7.5B in Duqm Investments

Oman signed 10 agreements and MoUs worth \$7.5 billion for new projects in the Special Economic Zone at Duqm, reinforcing its economic diversification and industrial development strategy. The largest commitment is a \$4.2 billion investment by ACME Group to expand its green hydrogen and green ammonia project, while the remaining investments span energy, manufacturing, logistics, and industrial sectors. The agreements are expected to strengthen Duqm's position as a regional hub for clean energy and industry while attracting foreign investment and supporting economic growth.

Reference: [Reuters](#)



#### Oman-UAE Railway Project Reaches 40% Completion

The Oman-UAE railway project, developed by the joint venture Hafeet Rail, has reached 40% completion, with construction progressing across key locations including Al Ain, Buraimi, Wadi Al Jazi, and Sohar. Spanning 238 kilometers, the railway aims to strengthen economic integration, trade, logistics, and passenger transportation between the two countries. The project is expected to enhance regional connectivity, support economic growth, and reinforce Oman and the UAE's position as major logistics and transportation hubs.

Reference: [Zawya](#)

#### Oman Allocates \$475.6M for Strategic Development Projects in Al Sharqiyah North

Oman has allocated more than RO183 million (\$475.6 million) for strategic projects in Al Sharqiyah North Governorate, spanning healthcare, roads, housing, industry, and public services. Key projects include the RO56 million Al Namaa Hospital and major road infrastructure developments. The governorate also recorded 4.6% growth in non-oil economic activity, reflecting continued progress in regional development and economic diversification.

Reference: [Zawya](#)

#### Oman and Belarus Expand Economic Cooperation

Oman and Belarus signed 7 memorandums of understanding (MoUs) covering key sectors including food security, artificial intelligence, smart city technologies, agriculture, manufacturing, and infrastructure. The agreements aim to strengthen bilateral trade, encourage technology transfer, and create new investment opportunities between the two countries. Both sides highlighted the potential to expand cooperation into additional sectors such as petrochemicals, logistics, and trade, supporting long-term economic growth and diversification.

Reference: [Arab News](#)

#### Turkey Proposes Railway Link to Oman

Turkey is exploring plans to extend the historic Hejaz Railway network to Oman as part of broader efforts to develop alternative regional trade and transport corridors. The proposal would connect Turkey with Gulf markets through a rail network spanning Syria, Jordan, Saudi Arabia, and Oman, while complementing the \$17 billion Development Road Project linking Iraq to Europe. If implemented, the initiative could strengthen regional connectivity, trade, and logistics integration across the Middle East.

Reference: [AGBI](#)

### Markets

#### Market Dashboard

- US equity markets advanced during the week, supported by optimism surrounding a potential US-Iran peace agreement and strong investor demand following SpaceX's historic IPO. SpaceX shares surged nearly 20% on their first trading day, pushing the company's market value above \$2 trillion and making it one of the largest publicly listed companies in the world. The successful debut boosted investor sentiment and helped lift broader market performance despite ongoing concerns over inflation, interest rates, and the upcoming Federal Reserve meeting under its new leadership.
- Major cryptocurrencies recovered during the week as improving sentiment around a potential US-Iran peace agreement boosted risk appetite across financial markets. Bitcoin rose above \$63,500, while Ethereum climbed above \$1,670, benefiting from a broader rally in risk assets. Despite the rebound, both cryptocurrencies remain significantly below their levels from a month ago, reflecting continued volatility in the digital asset market.
- Gold recorded its second consecutive weekly decline, falling 2.5% over the week, as expectations of higher US interest rates reduced demand for the non-yielding metal. Investor sentiment was also supported by hopes of a potential US-Iran peace agreement, which eased concerns over energy-driven inflation. Markets are now focused on the upcoming Federal Reserve meeting for further guidance on the interest rate outlook.
- Oil prices declined during the week, with Brent crude falling to its lowest level since March and WTI reaching its lowest level since April, as investors priced in a potential US-Iran peace agreement that could ease supply disruptions. While lower geopolitical tensions pressured prices, concerns remain over low global inventories and the outlook for oil flows through the Strait of Hormuz.
- The US dollar strengthened over the week, supported by expectations that the Federal Reserve may maintain a restrictive monetary policy for longer amid persistent inflation concerns. Markets continued to assess geopolitical developments in the Middle East and the outlook for US interest rates ahead of the upcoming Federal Reserve meeting.

Indicators	5-Jun-26	12-Jun-26	% Change
S&P 500	7,383.74	7,431.46	0.65%
Bitcoin	60,922.67	63,543.20	4.30%
Gold	4,329.33	4,219.32	-2.54%
Crude Oil	93.09	87.33	-6.19%
EUR/USD	1.1613	1.1573	-0.34%