

MASHREQ GLOBAL DIGEST MENA

September 21 – September 27



This edition of Market Digest highlights the MENA region’s macro trends, along with financial and tech updates, providing a snapshot of its economic momentum.

Macroeconomic News

MENA Leads Global Growth Outlook

The World Economic Forum’s “Chief Economists’ Outlook” report shows that while global growth is expected to weaken, the Middle East and North Africa stands out with the strongest outlook worldwide. The World Bank projects the region to expand 2.7% in 2025, rising to 3.7% in 2026 and 4.1% in 2027, with 37% of surveyed chief economists predicting strong or very strong performance. Confidence is underpinned by economic diversification, tech partnerships, and flagship initiatives such as Saudi Arabia’s Vision 2030 and Dubai’s financial hub strategy. Inflation is also seen as manageable, with 60% of economists expecting moderate levels and 28% low, reinforcing MENA’s position as a leading driver of global growth.



Reference: [Arab News](#)

MENA Construction Momentum Rebounds

MENA’s construction sector rebounded in August as GlobalData’s CPMI rose 20% month-on-month to 0.93, the highest among other regions. The surge came from stronger pre-execution activity (up from 0.74 to 1.20), offsetting weaker execution momentum. Energy, utilities, and infrastructure drove growth, while commercial and institutional projects softened. Country trends were mixed, with Kuwait (1.58), Algeria (1.71), and Qatar (1.39) gaining, and Iran fell sharply to 0.36. The data suggests fresh project pipelines are forming, but sustained execution will be the real test.

Reference: [Middle East Business Intelligence](#)

MENA Electricity Demand to Rise 50% by 2035

According to the International Energy Agency (IEA), electricity demand in the MENA region has tripled since 2000 and is projected to rise another 50% by 2035, driven by cooling, desalination, and urbanization. Oil and gas still supply over 90% of power, but natural gas will meet half of future growth, solar capacity is set to increase tenfold, and nuclear power will triple. Power sector investments reached \$44 billion in 2024 and are expected to rise by 50% by 2035, with major spending on grids and efficiency. Without diversification, oil and gas demand for power would rise by over 25%, cutting regional export revenues by \$80 billion and adding \$20 billion in import costs.



Reference: [Zawya](#)

East Port Said Tops MENA Port Rankings

Egypt’s East Port Said (EPS) has jumped to 3rd place globally and 1st in MENA in the World Bank’s Container Port Performance Index, up from 10th in 2022. The port handled 4.44mn TEUs in 2023 and is expanding capacity to 6.6mn TEUs, supported by infrastructure upgrades, new cranes, and digital systems. While smaller in scale than Morocco’s Tanger Med (8.6mn TEUs) and Dubai’s Jebel Ali (15.5mn TEUs), EPS’s efficiency gives it a competitive edge in transshipment and Red Sea–Mediterranean traffic. Together, these ports show how the region is combining efficiency, scale, and capacity to become a key hub for international trade. In parallel, the MENA region will need nearly \$240 billion in airport infrastructure by 2035, underscoring efforts to boost both maritime and air connectivity.

Reference: [INTELLINEWS](#), [Al Sharq](#)

Financial/Tech News

Financial Giants Push Middle East Assets to Record Highs

Global giants like BlackRock, Amundi, and Natixis are seeing their assets under management in the Middle East climb to record levels, as the region cements its status as a magnet for international capital. The boom is anchored in the UAE, where Dubai International Financial Centre now hosts 440 asset and wealth managers overseeing \$700 billion as of mid-2024, while Abu Dhabi’s ADGM reported a 42% surge in managed assets over the past year. Fueled by sovereign wealth funds, high-net-worth individuals, and expanding institutional flows, the Middle East is rapidly emerging as one of the world’s most dynamic financial hubs.

Reference: [Financial News London](#)

Visa and Intella Partner on Arabic Conversational AI

Visa has teamed up with Cairo-based Intella to launch Arabic-first conversational AI solutions for banks across MENA. Covering 25+ dialects, the technology transforms customer interactions into actionable insights, enhancing compliance, performance, and customer experience. Supported by Visa Consulting & Analytics, the partnership aims to drive localized, AI-driven transformation in the region’s financial sector.

Reference: [Zawya](#)

Rise every day



PayPal Invests \$100M in MENA & Africa Digital Commerce

PayPal has committed \$100 million to accelerate digital commerce across the Middle East and Africa through minority investments, acquisitions, PayPal Ventures funding, and technology deployment. This initiative follows the opening of PayPal's first regional hub in Dubai earlier this year, designed to provide secure payments and greater access to global markets for businesses of all sizes. Building on investments in startups like Tabby, Paymob, and Stitch, the move highlights PayPal's long-term strategy to support entrepreneurs, fuel innovation, and expand opportunities for millions of consumers and enterprises across the region.

Reference: [WAMDA](#)

MENA M&A Deals Head for Record \$130B in 2025

According to JPMorgan, mergers and acquisitions in the MENA region reached \$100 billion by mid-September 2025, already above the usual \$80–90 billion annual average of recent years, and are projected to surpass \$130 billion by year-end — a level last seen in 2019 and 2021. Deal activity remains steady at 500–600 transactions annually, but values are rising, with individual deals now often exceeding \$5–10 billion. The UAE and Saudi Arabia dominate, while Qatar, Kuwait, and Bahrain are gaining momentum. Banking, energy, and real estate remain key sectors, with chemicals and gas leading in value, and technology showing increasing activity.

Reference: [Al-Arabiya](#)

Startup Funding in MENA Maintains Strong Momentum

Startup funding in the MENA region rose by 74% year-on-year in August, reaching \$337.5 million across 47 deals, despite global economic headwinds. Saudi Arabia led with \$166 million, followed by the UAE with more than \$154 million, reflecting continued investor confidence. The strong flow of capital shows growing appetite for innovation and highlights the region's position as an emerging hub for entrepreneurship and economic diversification.

Reference: [Arab News](#)

Regional Cooperation

World Bank Opens Regional Hub in Riyadh

The World Bank has opened a new regional hub in Riyadh to serve the Middle East, North Africa, Afghanistan, and Pakistan, relocating its regional leadership to the Saudi capital. Marking Saudi National Day and 50 years of cooperation with the Kingdom, the move strengthens the Bank's presence and supports knowledge exchange, policy innovation, and capacity-building. It follows the launch of a global Knowledge Hub in Riyadh to advance regional and international development initiatives.

Reference: [World Bank](#)



Markets

Market Dashboard

- U.S. equities finished higher on Friday, but it wasn't enough to prevent a weekly decline as investors digested inflation data and Fed signals. The Dow gained 0.7%, the S&P 500 rose 0.6%, and the Nasdaq added 0.4% on the day. For the week, however, the Dow slipped 0.2%, the S&P 500 lost 0.3%, and the Nasdaq fell 0.7%, breaking a three-week streak of gains. The losses came as stronger consumer spending and steady inflation at 2.7% tempered expectations for aggressive Fed rate cuts, leaving markets cautious heading into earnings season and the September jobs report.
- Bitcoin tumbled by about 5%, dropping below \$110,000—its lowest level in over three weeks. The drop erased recent gains and triggered nearly \$275 million in forced sales of highly leveraged bets. The decline comes just before a massive \$22 billion Bitcoin options contract expiry, which could add more price swings. Despite the selloff, inflows into Bitcoin exchange-traded funds and steady demand from some investors suggest cautious optimism that prices may stabilize in October.
- Gold also advanced this week, rising 2% to settle near \$3,760/oz after touching a record \$3,791, as steady inflation data reinforced expectations for gradual Fed easing. Silver hit a 14-year high at \$46.41, while platinum reached its highest in more than 12 years, highlighting continued investor demand for safe-haven and industrial metals despite uncertainty over the Fed's next moves.
- Oil prices were supported this week as OPEC+ produced nearly 500,000 barrels per day below its April–August output targets, delivering only about 75% of planned hikes. The shortfall, equal to 0.5% of global demand, has underpinned Brent crude near \$70 a barrel. Analysts warn that as capacity limits weigh on members beyond Saudi Arabia and the UAE, upcoming hikes in September and October may deliver only half of their targets, keeping markets tight and spare capacity dwindling further into 2026.
- The dollar posted its second straight weekly gain, supported by resilient U.S. data that tempered expectations for aggressive Fed rate cuts. Against the yen, the dollar traded at 149.48, near two-month highs and on track for a fifth consecutive weekly advance, while the euro ended at \$1.1708. Stronger consumer spending and steady inflation reinforced confidence in the U.S. economy, keeping the greenback well-bid ahead of next week's pivotal jobs report.

Indicators	19-Sep-25	26-Sep-25	% Change
S&P 500	6,664.36	6,643.70	-0.31%
Bitcoin	115,688.86	109,712.83	-5.17%
Gold	3,684.98	3,760.24	2.04%
Crude Oil	66.68	70.13	5.17%
EUR/USD	1.1791	1.1708	-0.70%