

Saudi Arabia, a market at scale, with room to grow

Saudi asset management has tripled in under a decade. The next chapter is international partnership.

October 2026

Preface

Saudi Arabia has become one of the largest and fastest-growing asset management markets in the Middle East.

Vision 2030 and a sustained programme of regulatory reform have made the Kingdom increasingly attractive to international investment managers. For these firms, the question is no longer whether Saudi Arabia matters, but how best to participate and at what cost.

Our analysis combines desk research with primary survey research. The desk research draws on official data from the Saudi Capital Market Authority (CMA), the Public Investment Fund (PIF) and the UAE financial regulators. We supplement this with published industry research, market news and company announcements.

The primary research is the Alpha FMC Saudi Arabia Industry Research Study 2026, a survey of international investment managers conducted by Insight Discovery. Many respondents are senior executives at some of the world's largest investment management firms, and their views offer valuable insight into the decisions facing international firms. The survey findings complement the desk research by adding the perspective of firms considering or already active in the Saudi market.

This report is the first in a series of Alpha FMC releases exploring the Saudi asset management market. It examines the scale of the industry today, the reforms opening it to international participation and the position of foreign managers within it. Future releases will address topics including the process for international firms entering the market and the trends shaping the industry to 2030.



Saudi Arabia has spent a decade building the market that foreign managers now want. The next question is who it will connect with.

Hamdan Khan, Senior Partner,
MENA Regional Consulting Lead

The achievement: a SAR 1.29tn industry

Local market scale and future outlooking

Saudi Arabia's asset management industry has more than tripled in under a decade. Assets under management have grown from SAR 365 billion in 2016 to SAR 1.29 trillion at the end of Q1 2026, at a CAGR of 14.6% over 2016-2025. The Vision 2030 target of raising AuM to 40% of GDP, from 26.8% in 2025, and S&P Global's estimate of SAR 1,875 billion by 2030 point to considerable room for further growth.

Notably, the industry's assets under management surpassed the SAR 1 trillion mark in 2024 and stood at SAR 1.29 trillion as of Q1 2026. Policy reforms, strong regulatory engagement supporting broadening of capital markets, introduction of new products and easing investor access, rise in investor base and favourable demographics have propelled the sector on a growth path.

Saudi Arabia's Capital Market Authority (CMA) aims to raise the value of managed assets to approximately SAR 1.38 trillion by the end of 2026.

Over 3x growth

In Saudi Arabia's asset
management industry
in under a decade

Saudi Arabia is not a small or emerging side market: It has more locally based funds than any other market in MENA and is the GCC's largest market for retail mutual funds and ETFs. Saudi-based leaders hold 20 of the 50 places on Forbes Middle East's Top 50 Asset Managers 2026.

The UAE is the region's other major hub, but plays a different role. The Dubai International Finance Centre (DIFC) and Abu Dhabi Global Market (ADGM) offer common-law frameworks, tax efficiency and flexible fund structures, which global managers use to raise capital, book cross-border business and serve international wealth.

Saudi Arabia is increasingly local and onshore, driven by Vision 2030 and corporate localisation mandates. It has fewer regulated firms but around four times as many locally domiciled funds, and its assets are largely Saudi-sourced and invested domestically.

Many global firms now run both: the UAE as the international hub, Riyadh as the onshore investment and client centre.

Comparison of Asset Management Landscape in Saudi Arabia vs UAE (2025)

	Saudi Arabia	UAE (CMA)	UAE (ADGM)	UAE (DIFC)
Number of local funds	2,151	76	244	200
Number of regulated asset management firms	110	14	171	500
Dominant Asset Classes	Real estate, equities, money market	Alternatives like hedge funds, private equity, venture capital		
Key Growth Driver	Saudi Vision 2030 Mandates	Millionaire Migration, Speedy regulatory approvals in centres like ADGM		
Market Role	Onshore, domestic market	Regional and international hub for cross-border capital, distribution and structuring		
Regulatory Framework	Single national regulator (CMA)	Federal regulator (CMA) alongside common-law financial free zones (ADGM, DIFC)		
Principal Investor Base	Sovereign, institutional, family office and retail	International institutions, private wealth and family offices, alongside sovereign investors		

BCG | Respective CMA, ADGM and DIFC; Marmore Research. No. of institutions in DIFC includes total wealth and asset management firms registered with the centre, Number of DIFC funds as of 08 September 2026

Rules are changing in favour of international firms, built on Saudi ambition. Vision 2030 (2016) was the turning point.

Foreign investors can now invest directly, and foreign funds can be sold through licensed local firms and digital platforms. This makes the market easier to work with than many clients may assume.

The year 2016 marked a turning point for Saudi Arabia's broader economy and industrial landscape following the unveiling of Vision 2030, a comprehensive policy framework aimed at long-term economic sustainability.

Regulation is opening access and distribution: the Qualified Foreign Investor requirement was removed in February 2026, licensed institutions may distribute foreign funds, and digital platforms can now distribute fund units.

Through a sequence of coordinated legislative overhauls, the CMA and Saudi Tadawul have successfully migrated the market from an insular environment into an attractive destination for international retail and institutional capital.

Alongside specialised vehicles such as REITs, ETFs and private credit funds, and the inclusion of Saudi riyal sukuk in the J.P. Morgan GBI-EM index from January 2027 and the Bloomberg EM Local Currency index from April 2027, these measures should widen participation from foreign institutional allocators, local pension funds and retail investors, and support market depth and liquidity.

Select Regulatory Initiatives (extract of rows most relevant to international firms)

May 2023	Streamlined multiple provisions; Reduced operational and disclosure requirements for Qualified Foreign Investors	Easing market access
July 2025	Permitted distribution of units of private and public funds via licensed Investment Fund Distribution Platforms and Electronic Money Institutions licensed by the Saudi Central Bank ("SAMA") – including through websites and mobile applications	Improving ease of access for investors
July 2025	Permitting capital market institutions licensed to conduct investment management activities to distribute foreign funds and offer their securities in the country	Expansion of distribution channels
February 2026	Removed the concept of Qualified Foreign Investor and allowed all categories of foreign investors for direct investment in the Main Market. Removed the regulatory framework governing swap agreements	Aids in expanding investor base

KSA desk report, Regulatory Shift | King &
Spalding, Lexology, Global Exchanges

The survey also highlights the importance of regulatory reform and the need for a framework that encourages international participation while providing appropriate protection for investors.

Led by strong Saudi institutions

Capital market institutions affiliated with banks such as SNB Capital and Al Rajhi Capital hold a leading position, accounting for 56.5% of total asset management revenue. These asset managers benefit from their parent banks' distribution networks and client relationships.

This is followed by other domestic capital market institutions, which account for 34.3% of revenue. Independent asset managers like Hassana Investment Company, Jadwa Investment, and SEDCO Capital have built capabilities in areas such as private equity and Shariah-compliant investing. They compete through investment performance, product innovation, and client service.

Domestic players are also partnering with international asset managers. In February 2026, SNB Capital partnered with Investcorp, a global alternatives asset manager, with plans for cooperating on asset management, investment banking and wealth management. For international managers, private markets are arguably the most accessible entry point: local partners are actively seeking global expertise, and growth is less dependent on the retail distribution that bank-affiliated firms control.



56.5%

of industry revenue is earned by
bank-linked Saudi managers

Vision2030.ai

The world is arriving

International participation in Saudi funds and capital markets has grown steadily, driven by regulatory reform and strong macro growth. Backed by Vision 2030, large domestic institutional investors and a growing private markets ecosystem, the Kingdom is drawing increasing interest from global managers.

While some survey respondents remain cautious, several leading international investment management companies have expanded their Saudi operations or announced plans to do so. Their decisions reflect the

growing importance of the Kingdom to the international asset management industry.

Established in the Kingdom in 2020, State Street launched its MENA regional headquarters in Riyadh in October 2025. At the time, it reported around \$60 billion in assets under management for Saudi clients and \$127 billion in assets under custody and administration.

Supported by PIF initiatives, international managers are increasingly launching Saudi and MENA-focused funds. Brookfield and State Street have done so. BlackRock is already present, while Guggenheim Investments is considering an office.

Three-year investment intentions

15%

Unlikely / very unlikely

23%

Neutral

62%

Likely / very likely

Eight of the 13 international firms who responded to our survey were likely or very likely to increase their investment in the Kingdom over the next three years.

There is room for partners: the 1.7%

For international investment managers, the opportunity is substantial: foreign institutions generate only 1.7% of asset management share of onshore revenue, and held 3.2% of AUM in Q3 2025, even as international investors' ownership of public investment funds has risen to 11.9%.

The Vision 2030 target of raising AuM to 40% of GDP, from 26.8% in 2025, and S&P Global's estimate of SAR 1,875 billion by 2030 point to considerable room for further growth.

Although the country is still progressing toward its benchmark, these formalized targets reflect a clear growth trajectory for Saudi Arabia's asset management industry.

Saudi Arabia is moving from building its capital markets to deepening them. Stock market capitalisation, excluding Aramco, reached 86.7% of GDP in 2024, ahead of the Financial Sector Development Program's 2025 target of 80.8%, and the programme was later closed as having met its targets. The next test is depth. The CMA's 2024 to 2026 strategic plan focuses on market infrastructure and global standing, and listed securities rose from 285 in 2020 to 473 in 2025, with the parallel market offering lighter listing requirements for growth-stage companies.



1.7%

of asset management revenue comes from international investment managers

What international managers told us

Approximately 36% were already licensed, preparing to launch or progressing through the regulatory application process.

Although the sample is relatively small, many respondents are senior executives from some of the world's largest investment management companies. Their views provide valuable insight into the decisions facing international firms, although the findings should not be generalised to the wider industry.

Firms may continue to pursue Saudi-related business through existing regional operations, client relationships or partnerships, depending on their activities and applicable regulatory requirements.

In the ranked survey responses on reasons for entering or considering Saudi Arabia (10 respondents), institutional investors and regional strategy each represented 17% of ranked selections, followed by local partnerships (14%), wealth growth (12%) and the PIF ecosystem (11%). These percentages represent shares of ranked responses, not the proportion of firms choosing each factor.

Some are investing directly in local operations and personnel. Others are pursuing institutional partnerships or exploring opportunities from existing regional operations.



1/3rd

of surveyed managers are already licensed or on the way

For a decade, the question for international managers has been how to get into Saudi Arabia. For Saudi managers, the question may now be how far their own relationships can reach.

The market has built much of what cross-border business needs: 110 regulated managers, more than 2,000 locally domiciled funds, a distribution framework that now admits foreign funds and digital platforms, and a growing set of technology and service providers around them. What it has not yet done is look outward with the same intent.

Saudi CMA; as of Q1 2026 |
Respective CMA, ADGM and
DIFC; Marmore Research

It is worth contemplating two key questions:

1

If the infrastructure is in place, where are the overseas clients who want Saudi exposure, and who is already serving them?

2

If a local manager needed a partner for private credit, quantitative strategies or client servicing, how would it find one, and what would it take to build that strategic partnership?

The answers may tell us more about the next phase of the market than can be shown with numbers alone.

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how we can help your
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with confidence:



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