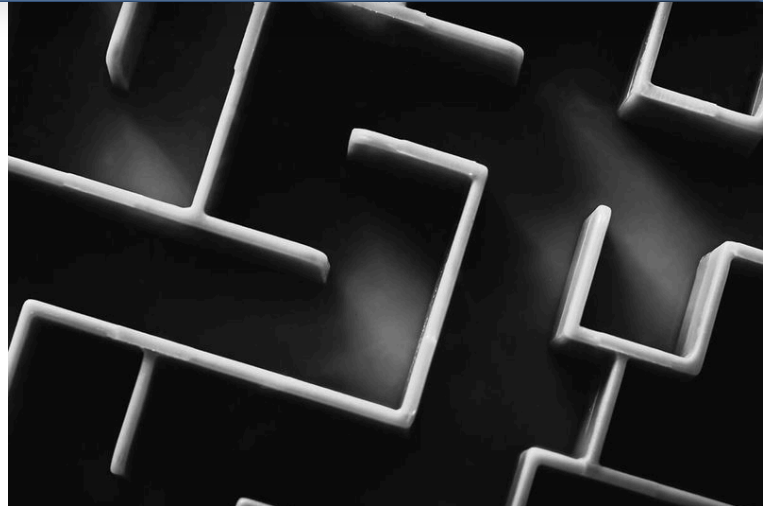


Insights

The Rise of Alternative Investments in the GCC



The investment landscape in the GCC is undergoing a transformation, with alternative investments playing an increasingly critical role in institutional portfolios. While traditional asset classes such as equities and fixed income continue to dominate, the region is witnessing a surge in demand for private equity, real estate, infrastructure, and private credit as investors seek diversification, stable returns, and inflation protection.

This shift is underscored by substantial growth in capital inflows into alternative assets. The GCC private equity market, for instance, reached a size of USD 4.2 billion in 2024 and is projected to grow at a compound annual growth rate (CAGR) of 6.4%, reaching approximately USD 7.6 billion by 2033.

GCC Private Equity Market

USD **4.2** bn
2024

6.4%
CAGR

USD **7.6** bn
by 2033

One of the primary drivers of this shift is the evolving macroeconomic environment. With interest rate volatility and inflation concerns reshaping global markets, institutional investors in the GCC are looking beyond conventional asset classes to safeguard returns. Private market

investments, particularly in sectors like logistics, healthcare, and technology, emerge as preferred choices due to their resilience and long-term growth potential.

This surge is also driven by investors' desires for diversification, stable returns, and protection against inflation. A survey indicated that 84% of GCC investors were satisfied with their real estate investments, while 73% and 72% felt similarly about their private equity and private debt investments, respectively.

At SICO, we recognize the growing importance of alternatives and are actively expanding our offerings to meet investor demand. From structured private credit solutions to innovative real estate funds, we are committed to delivering investment opportunities that not only generate alpha but also align with evolving market dynamics. Our role as a trusted partner to institutional investors goes beyond fund offerings—we provide market insights, strategic asset allocation guidance, and access to exclusive investment opportunities.

As the region continues to attract global capital and deepen its financial markets, alternative investments will remain a cornerstone of institutional strategies. Investors who embrace this shift will be well-positioned to navigate market uncertainties and capture opportunities in a rapidly changing landscape.