

New Networks of Capital: Saudi Arabia

Trade and Investment Insights 2025



HSBC

Opening up a world of opportunity

Introduction

Amid uncertain economic conditions, international businesses are seeking access to markets strategically positioned to withstand headwinds in the global economy.

HSBC New Networks of Capital: Saudi Arabia reveals global confidence in the Kingdom's growth, stability, and economic diversification programme, Vision 2030. According to business leaders worldwide, Saudi Arabia is emerging as a desirable trade partner and investment destination for companies seeking new opportunities and expansion.

Our presence in Saudi Arabia is unique and distinct, with a history in the Kingdom of more than 70 years.

Today, HSBC is represented in Saudi Arabia by two complementary institutions: HSBC Saudi Arabia, the Kingdom's homegrown investment bank, and SAB, which supports 85% of multinational businesses operating in Saudi Arabia. This presence ensures HSBC is the only bank in Saudi Arabia with the capability to support two-way flow simultaneously, through our deep and broad domestic investor base, and access to HSBC's global network of capital, including international investors active in the Kingdom.

Resilience and growth



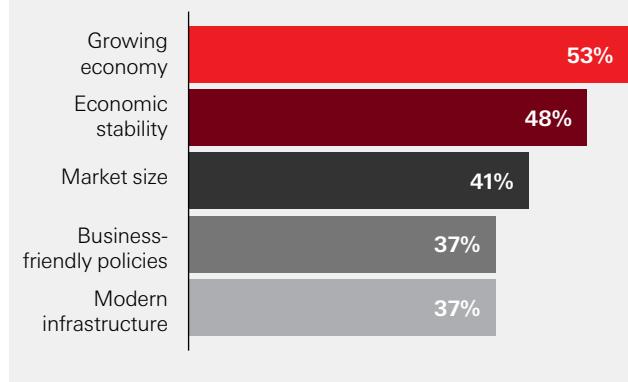
80%

of business leaders expect to increase their investment in Saudi Arabia in the next five years

71%

say global uncertainty is making them more likely to invest in and trade with Saudi Arabia

Top 5 reasons to do business in Saudi Arabia



Figures exclude respondents based in Saudi Arabia

- 1 HSBC Global Investment Research, CEEMEA Economics Q4 2025, <https://www.research.hsbc.com/R/20/VCtJRN9C9zWN>
- 2 HSBC Global Trade Pulse Survey, May 2025, <https://www.business.hsbc.com/en-gb/insights/macro-outlook/trade-pulse-survey>
- 3 Saudi Arabia 2025 Article IV Consultation-Press Release, IMF, 4 August 2025 <https://www.imf.org/en/News/Articles/2025/08/03/pr25275-saudi-arabia-imf-executive-board-concludes-2025-article-iv-consultation>

Saudi Arabia is becoming a priority destination for trade and investment among global businesses, according to a new HSBC survey of 4,000 international business decision makers.

Covering nine markets worldwide, the survey found that eight out of 10 international businesses are planning to increase trade and investment in Saudi Arabia over the next five years. More than 60% say the same over the next six months, indicating high confidence in the near-term outlook.

The resounding vote of confidence in Saudi Arabia underlines the Kingdom's rapid progress on the global stage. Since joining the World Trade Organization in 2005, Saudi Arabia accelerated efforts to open its economy with the launch of its Vision 2030 strategy in 2016. Less than a decade on, it is firmly established in global commerce, commanding the attention of growth-oriented business leaders around the world.

A reliable partner

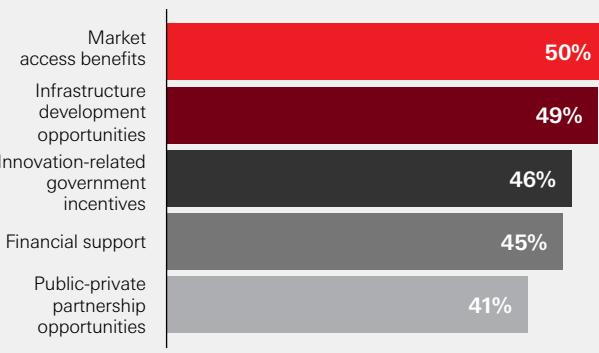
The survey found that corporate decision makers see the Kingdom as a dependable partner in their pursuit of business growth. Growth, stability and scale are the top attractions. Excluding domestic respondents, 53% of survey participants identified economic growth as a benefit to doing business in Saudi Arabia, ahead of 48% who selected economic stability. The size of the market ranked third, at 41%.

Saudi Arabia's economic resilience is a key part of its appeal, especially for regional businesses. Among respondents from the Middle East, 59% cite economic stability as a business benefit. Saudi Arabia's economy continues to post solid growth, with HSBC's economists projecting GDP to expand by around 4% in 2025. The non-oil economy, in particular, has been a dependable growth story, supported by the government's push to diversify the economy under the Vision 2030 agenda. Outside the energy sector, economic output has increased by more than 40% from its pre-pandemic level, according to HSBC Global Investment Research.¹

At a time of global uncertainty, this economic resilience is increasing Saudi Arabia's appeal among overseas businesses. Some 71% of business decision makers in the survey say uncertainty around global trade is making them more likely to invest in and trade with Saudi Arabia. The Kingdom is also seen as relatively insulated to the impact of recent volatility in the trade environment. Only 14% of businesses have experienced a significant increase in costs of doing business with Saudi Arabia due to tariffs and trade uncertainty.

While almost one in four businesses reported a significant increase in costs for our Global Trade Pulse survey² earlier this year due to trade uncertainty, the impact on the Saudi Arabian economy has so far been limited. The IMF in August, in its annual assessment of the Saudi economy, said tariffs have had a "minimal" impact on exports, noting that the Kingdom has demonstrated strong resilience to external shocks.³

Top 5 benefits of investing in Saudi Arabia



Responses refer to businesses already investing in Saudi Arabia

Broad investment appeal

International businesses are highly positive about their experiences in Saudi Arabia. Among those already investing in the Kingdom, 76% are very likely to recommend it as an investment destination to other businesses. Only 1% expressed a negative view.

Market access (50%), infrastructure opportunities (49%) and innovation-related incentives (46%) rank as the key benefits for businesses with investments in Saudi Arabia.

When it comes to executing on their ambitions, international businesses see partnerships and project finance as the most attractive investment channels. This points to the continued appeal of Saudi Arabia's public-private partnership model, which has become the preferred framework for major infrastructure projects in the Kingdom.



>USD40 billion

AI-related investments earmarked under Vision 2030 economic agenda

60%

of US businesses see investment opportunities in Saudi Arabia's tech sector

Unlocking opportunities in technology

Consistent with Saudi Arabia's efforts to diversify its economy, the survey identified technology and infrastructure as the two biggest growth opportunities for business leaders.

A majority of respondents (58%) are considering investing in the Saudi technology sector, ahead of infrastructure and real estate (38%) and energy, including renewables (36%).

Saudi Arabia has earmarked more than USD40 billion for AI-related investments under its Vision 2030 economic agenda and is actively pursuing partnerships with global technology firms. Notable initiatives include a USD10 billion agreement between local start-up Humain and US chipmaker AMD to develop AI infrastructure over the next five years.⁴

Technology is the top priority for US businesses in the survey, with 60% considering investing in tech in Saudi Arabia, well ahead of the next most popular target – infrastructure and real estate (38%).

UK respondents are particularly enthusiastic about the Saudi Arabian technology sector, with 65% open to considering investments in technology – the most of any market surveyed. While recent headlines have focused on digital infrastructure and AI hardware, the service sector is already seeing technology as an important driver of growth: 45% of UK business leaders in the survey are already involved in digital transformation projects in Saudi Arabia.

This follows the signing of £360 million of investment deals between the UK and Saudi Arabia in September, which included investments in clean energy, professional and financial services.⁵

4 <https://www.bloomberg.com/news/articles/2025-05-13/saudi-arabia-amd-plan-10-billion-ai-deployment-of-ai-gear>

5 <https://www.gov.uk/government/news/uk-saudi-investment-creates-100-new-british-jobs>

Corridors gaining traction

The opportunities on offer in Saudi Arabia are also attracting attention from businesses in Asia. In the survey, four out of five respondents in Asia expect to increase their trade with and investments in the Kingdom over the next five years. In that timeframe, almost half (44%) are expecting their trade with Saudi Arabia to increase significantly.

Investment flows are set to track that increase in trade volumes. While businesses in Asia are less likely than their Middle Eastern peers to be investing in Saudi Arabia in the near term, the survey points to strong confidence in investment opportunities over a longer horizon as connectivity between the two regions continues to deepen.

Among respondents in Asia, 43% are considering a significant increase in their investment in Saudi Arabia over the next five years.

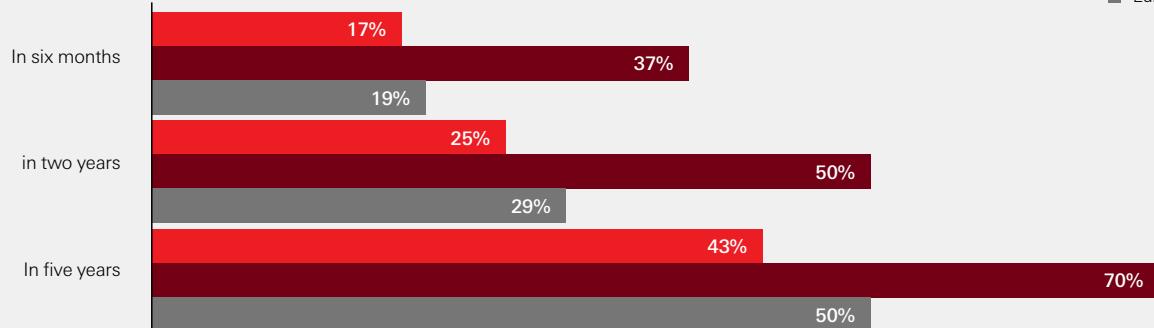
Within the Asia-Middle East corridor, the survey reveals some notable distinctions between Asia's two biggest economies.

Businesses in India are increasingly looking to Saudi Arabia to offset challenges elsewhere. Some 85% of Indian businesses – the most of any market surveyed – see Saudi Arabia as a more attractive destination for trade and investment as a result of global uncertainty. Technology and infrastructure top the list of investment targets, in line with the global sample.

In mainland China, meanwhile, interest in Saudi Arabia is broadening beyond the energy and infrastructure sectors. Of all the markets surveyed, businesses in mainland China are the most likely to be considering investments in healthcare and life sciences, with 47% seeing opportunities in this sector compared to 28% in the global sample. China also leads interest in tourism and consumer goods, underlining the breadth of opportunities along this fast-growing corridor.

Businesses considering a significant increase in investment in Saudi Arabia

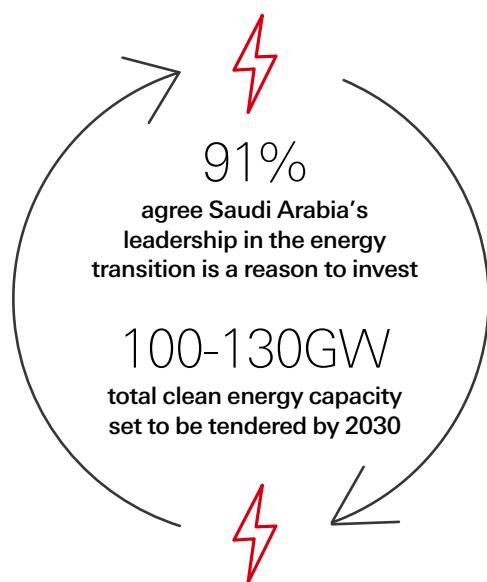
■ Asia
■ Middle East
■ Europe and Americas



Markets surveyed as follows: Asia: Hong Kong, India and mainland China Middle East: Egypt, Saudi Arabia, UAE Europe and Americas: Germany, UK, US

In which sectors would you consider investing in Saudi Arabia?

	Mainland China	Rank among markets surveyed	Variation from global sample (percentage points)
Technology and innovation	64%	2	+5.3
Energy and renewables	57%	1	+20.0
Infrastructure and real estate	53%	1	+15.3
Healthcare and life sciences	47%	1	+18.7
Financial services	45%	1	+10.5
Tourism and entertainment	39%	1	+12.0
Consumer goods	30%	1	+6.1



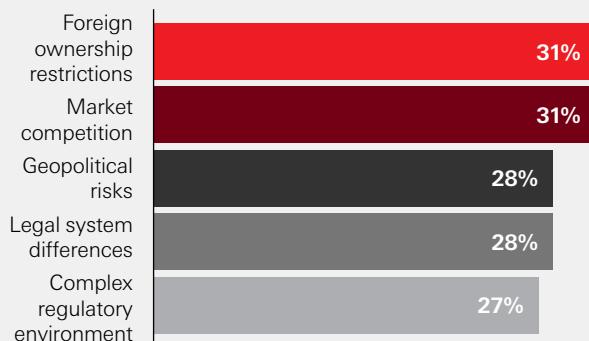
Energy transition investments

Outside of the Middle East, businesses in mainland China and India are also the most likely among the surveyed markets to see opportunities in the energy transition. In both cases, 96% agree that Saudi Arabia's leadership in the energy transition is a reason to invest, compared to 91% in the overall sample.

Saudi Arabia is investing heavily in renewable energy as it seeks to reduce its dependence on fossil fuels and reach net zero carbon emissions by 2060. It has a target of generating 50% of power from renewable sources by 2030, and has over 44 gigawatts (GW) of renewable electricity projects under development. The pipeline of new projects continues to grow, with total clean energy capacity of 100-130GW set to be tendered by 2030.⁶

Chinese businesses are involved in many of these projects as suppliers or contractors, and several have established local manufacturing facilities in Saudi Arabia in order to serve the local market.⁷ Clean energy was a centrepiece of government-level talks during the visit of Indian Prime Minister Narendra Modi to Jeddah in April 2025, which included a commitment to collaborate on green hydrogen and a potential cross-border electricity link.⁸

Top 5 barriers to increasing investment in Saudi Arabia



Responses refer to businesses already investing in Saudi Arabia

A competitive landscape

While business leaders see a range of opportunities in Saudi Arabia, they are also well aware of the challenges that may lie ahead.

Among businesses already investing in the Kingdom, restrictions on foreign ownership and the competitive environment rank equally as the top barriers to further investment. Competition is a particular hurdle for businesses in the Middle East, where it is the number one barrier to investment.

These findings imply that further relaxation of foreign ownership restrictions would unlock additional inflows from international businesses. Saudi Arabia is already taking steps in this direction, notably with new rules allowing non-Saudi individuals and entities to invest in real estate within designated zones.⁹ The Capital Market Authority recently opened consultation on draft rules to ease restrictions on foreign investment in Saudi Arabian equities. The policy is designed to enhance liquidity and facilitate greater flows of foreign capital.

For businesses that are considering investments in Saudi Arabia, meanwhile, the top barriers are geopolitical risks and legal system differences. With a high majority of businesses in the survey indicating they plan to increase their exposure to the country in the coming years, this points to the need for careful risk management and local advice.

6 Saudi Green Initiatives, <https://www.sgi.gov.sa/about-sgi/sgi-targets/reduce-carbon-emissions/?csrt=12032268828522109921>

7 <https://www.bloomberg.com/news/articles/2024-07-16/china-solar-firms-saudis-to-build-3-billion-worth-of-projects>

8 <https://www.spa.gov.sa/en/N2304251>

9 <https://rega.gov.sa/en/rega/the-updated-law-of-real-estate-ownership-by-non-saudis/>

Methodology

This report includes insights from a survey of business decision makers conducted for HSBC by FTI Consulting between 22 September and 2 October, 2025. The online survey was completed by a total of 4,000 individuals with influence on decision-making in large companies across nine markets: Egypt, Germany, Hong Kong, India, mainland China, Saudi Arabia, United Arab Emirates, United Kingdom and United States.

All respondents represent companies with annual global revenues of at least USD50 million, and 20% of the sample reported revenues of over USD2 billion.

Where multiple responses were allowed, the answers to some questions may exceed 100%.

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