

S&P Global UAE PMI[®]

UAE PMI reaches 12-month high as output growth accelerates

February 2026

Business activity rises at sharpest rate since April 2024

New order growth remains rapid, intensifying backlog accumulation

Efficient supply chains help to boost firms' inventories

Growth in the UAE non-oil private sector ticked up to a 12-month high in February, amid rapid increases in business activity and new work. Supply chains improved further, supporting stock building efforts, while a reduction in fuel prices helped to contain input price pressures.

The seasonally adjusted S&P Global UAE Purchasing Managers' Index™ (PMI[®]) – a composite indicator designed to give an accurate overview of operating conditions in the non-oil private sector economy – ticked up from 54.9 in January to 55.0 in February, its highest reading in a year and indicative of a robust upturn in non-oil business conditions.

UAE non-oil companies continued to expand their activity at a substantial pace in February. In fact, the rate of growth accelerated to its strongest since April 2024. The surge in output was primarily attributed by survey respondents to a supportive demand environment, successful contract work, targeted marketing efforts and industry growth in sectors such as construction, real estate, logistics and technology.

This positive trend was further reinforced by a notable rise in new orders, with February data signalling a steep increase that was only fractionally softer than January's near two-year high. Several firms highlighted the contribution of increased tourism, the expansion of e-commerce channels and rising demand for AI-related products. While international orders contributed to the overall picture, growth of export sales remained modest, suggesting that sales growth was mainly driven by domestic demand.

With firms undertaking new projects and reporting high order inflows, as well as administrative backlogs and checks on shipments, the non-oil sector experienced a steep increase in outstanding work. The rate of accumulation quickened markedly from January's two-year low and was closely aligned with the average for 2025.

Efforts to build staffing capacity continued in February. Employment numbers rose modestly, marking the largest

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Index, sa, >50 = improvement m/m



Data were collected 5-23 February 2026.
Source: S&P Global PMI. ©2026 S&P Global.

Comment

David Owen, Senior Economist at S&P Global Market Intelligence, said:

"The UAE PMI signalled the strongest growth in non-oil business conditions for a year in February, with output increasing rapidly in response to strong inflows of new work. So far, the data points to an encouraging picture for the domestic economy in Q1.

The outlook is also positive, as demand has continued to pressurise business capacity, suggesting additional expansions in output and employment may be necessary. In addition, firms again faced relatively little friction when it came to input supply chains, with lead times improving rapidly. This allowed companies to rebuild stocks, putting them in a better position to meet client demand.

"Non-oil firms also signalled a slowing of input cost inflation in February, helping to soothe concerns after last month's spike in price pressures."

uplift since last November.

On a positive note, UAE non-oil businesses successfully increased their inventories of purchased inputs for the second month running, supported by another rapid improvement in supplier delivery times. According to panellists, vendors demonstrated greater flexibility with their supply lines and were able to ship items more quickly in response to demand-driven client requests. The latest upturn in vendor performance was only slightly less marked than January's six-and-a-half-year record. Notably, input stocks were accumulated despite buying growth easing considerably.

February survey data meanwhile suggested that the recent spike in cost inflation might be temporary, as input prices increased marginally and at the weakest pace since last October. Many respondents attributed this easing in inflationary pressures to a decline in fuel prices, although general increases in material costs were still noted. Prices charged by non-oil businesses rose for the eighth consecutive month, but the uptick was slight, with firms mentioning that competitive pressures had curbed pricing power.

Finally, the strong demand environment continued to drive positive expectations for future activity. Output forecasts for 12 months' time were solid, although the level of confidence fell from January's recent high.

Methodology

The S&P Global UAE PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 1000 non-energy private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in August 2009.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

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Dubai PMI

Output growth eased in February, but job creation hit a two-year high.

The Dubai PMI signalled a softer upturn in operating conditions across the non-oil private sector economy in February, with the headline index slipping from 55.9 in January to 54.6.

Rates of output and new order growth lost momentum, but remained sharp overall, with firms highlighting increased opportunities and new projects. Demand was also lifted by marketing activities, AI adoption, population growth and increased tourism.

Dubai non-oil firms reported increased efforts to add to their workforces in February. Employment rose at a solid pace that was the fastest observed in two years, in line with a positive outlook for future activity.

Companies also saw a slowing of input price inflation, with total costs rising to the least extent in seven months. Meanwhile, average selling prices increased at a faster pace than in January.

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PMI by S&P Global

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