

March 18 at 2 PM GST



# Transforming our Region: Future insights - Economy and TransAct 2025



Welcome

Stephen Anderson

Strategy Leader

PwC Middle East

01





# Welcome

**Stephen Anderson**

Strategy Leader  
PwC Middle East

# Economic Updates

**Richard Boxshall**

Chief Economist  
PwC Middle East

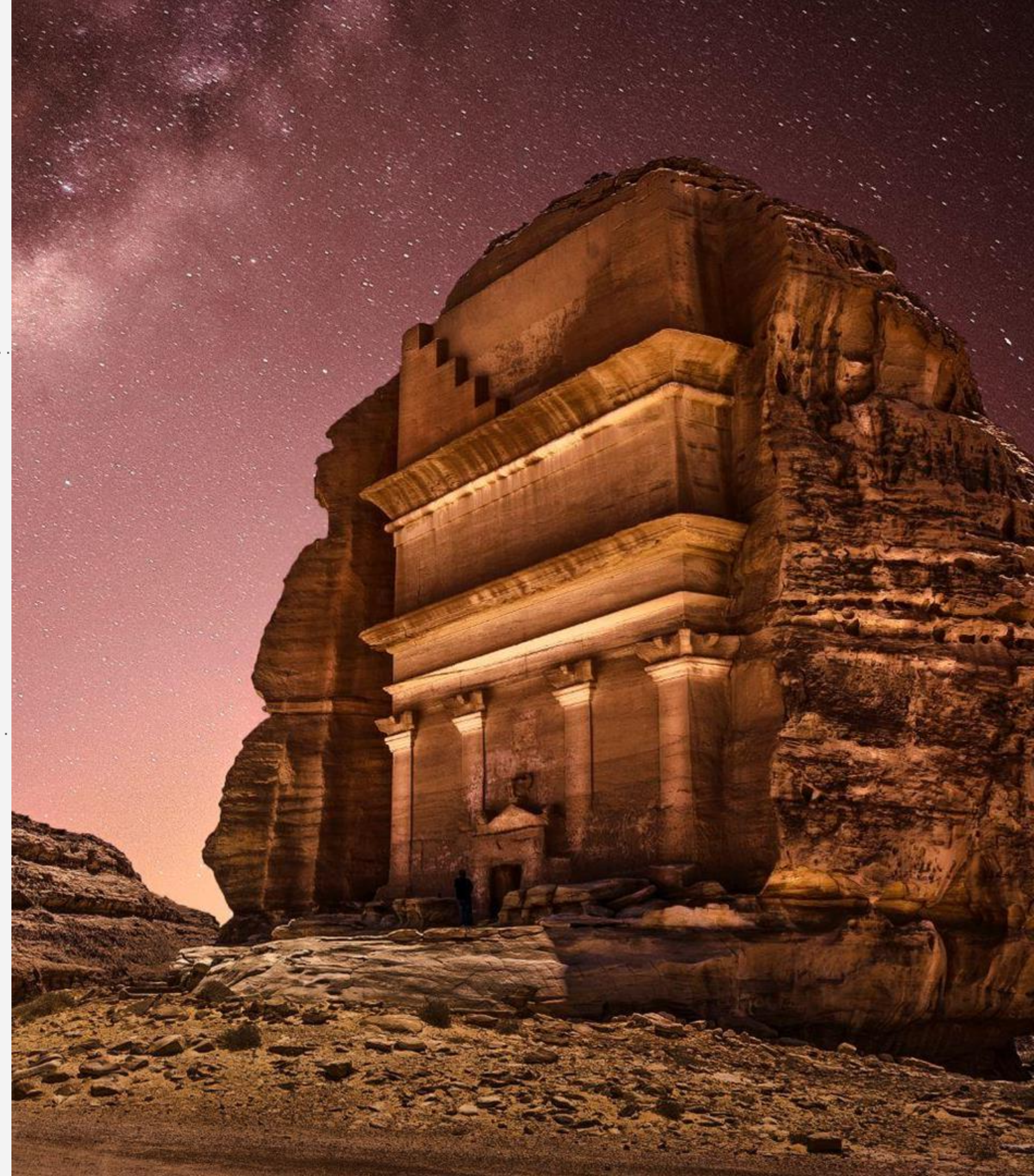
# TransAct Middle East

**Zubin Chiba**

Corporate Finance Leader  
PwC Middle East

**Rand Shuqair**

Corporate Finance Director  
PwC Middle East





# Economic Updates

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# Economic Updates

The Trump administration’s recent trade policy shifts will reshape global trade relationships

## Recently announced tariffs

Status	Target countries	Tariff rate	Targeted products
Activated	China	10%	All imports
Activated	Mexico	25%	All imports
Activated	Canada	25%	Most imports
Activated	Canada	10%	Canadian energy sources
Activated	China	10% extra	All imports
Activated	World	25%	Aluminium and steel
Planned	European Union	25%	All imports
Planned	World	25%	All agricultural products, foreign vehicles, chips, pharmaceuticals
Proposed	World	-	Assessing G20’s treatment of USA exports as part of the 'Fair and Reciprocal Plan', copper imports, and timber imports

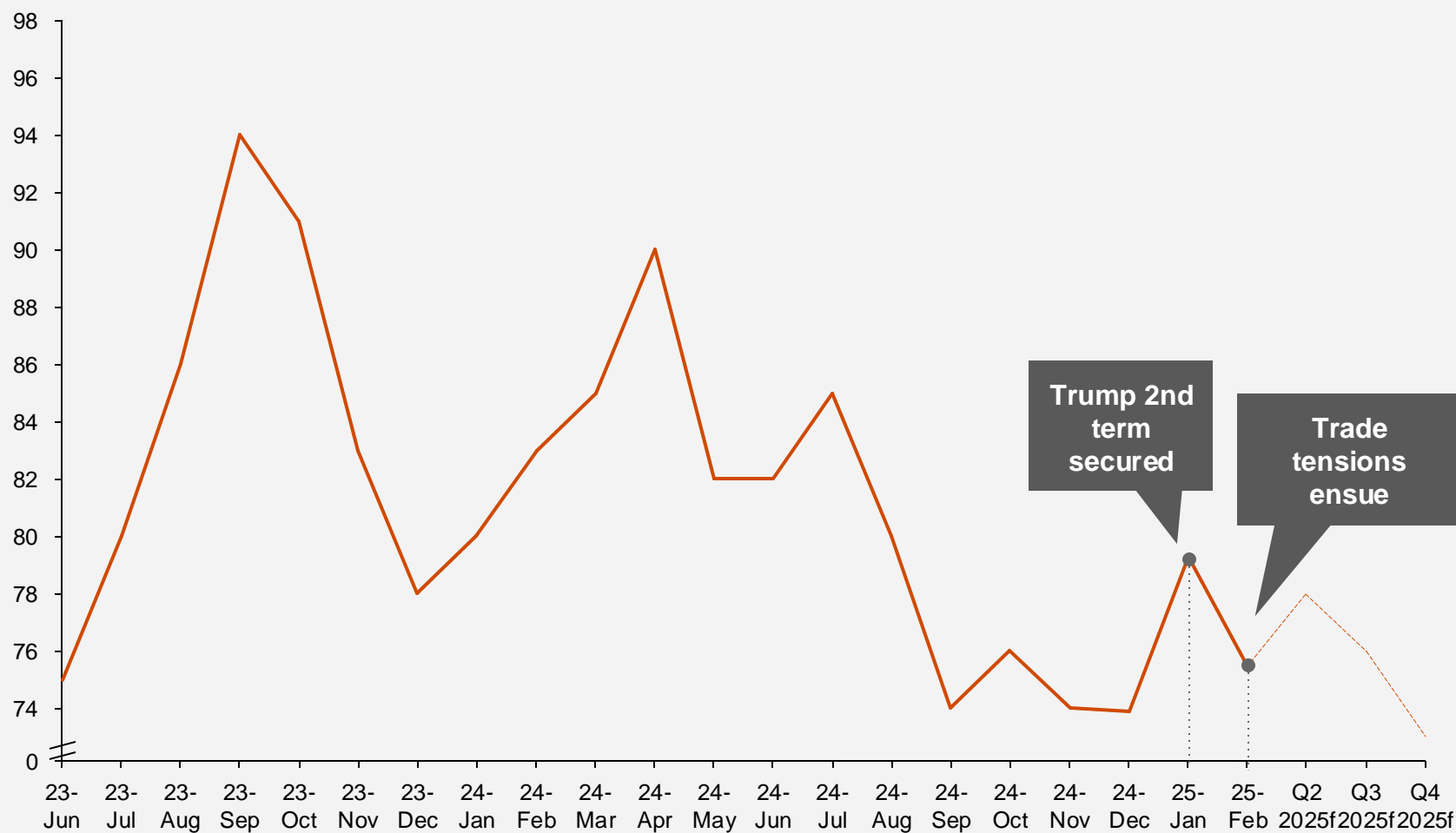
## Responses to tariff hikes by key economies

	<ul style="list-style-type: none"><li>Corresponding tariffs of 15% on products such as wheat, chicken, corn and cotton;</li><li>10% on oil, machinery and goods such as soybean, sorghum, pork and beef; and 5% on natural gas</li></ul>
	<ul style="list-style-type: none"><li>25% tariff on USD 21 bn of US exports, to be extended to USD 84 bn worth of imports in three weeks</li></ul>
	<ul style="list-style-type: none"><li>Nothing explicit yet, but previous suggestions include tariffs ranging from 5% to 20% on pork, cheese, fresh produce, manufactured steel and aluminium</li></ul>
	<ul style="list-style-type: none"><li>Assessing countervailing tariffs on the USA across certain sectors</li></ul>

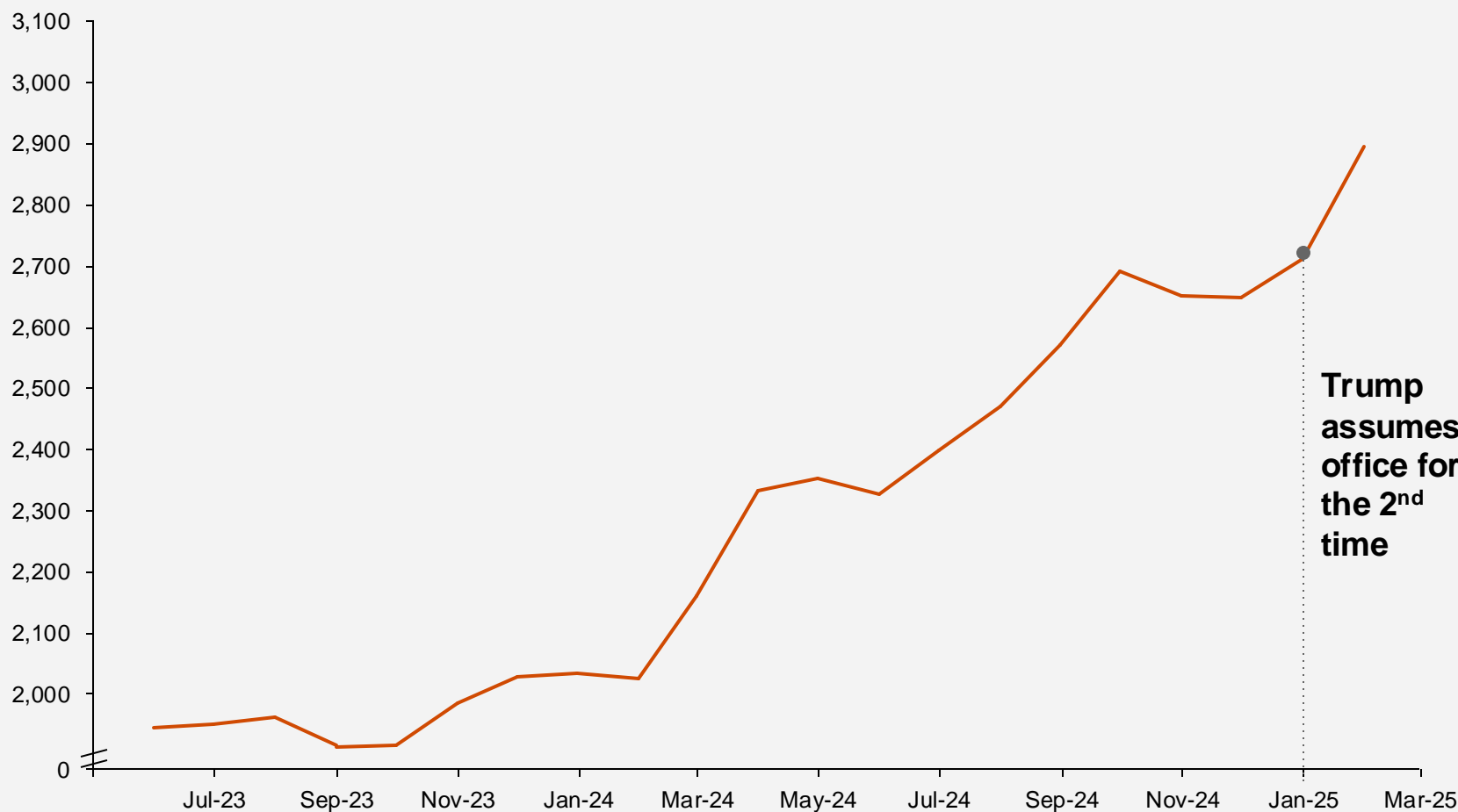
# Economic Updates

Contrasting performance in oil and gold markets may reflect underlying concerns with global economic growth outlook

**Brent crude prices**  
US\$ per barrel



**Gold prices\***  
US\$ per ounce



Brent crude fell briefly shaken by concerns about **the trade war and rising supply that is scheduled in April by OPEC+** (additional 120k b/d supply per month)



Gold prices surged recently, driven by **escalating geopolitical tensions, Trump's trade war, and record central bank purchases** as investors seek safe-haven assets

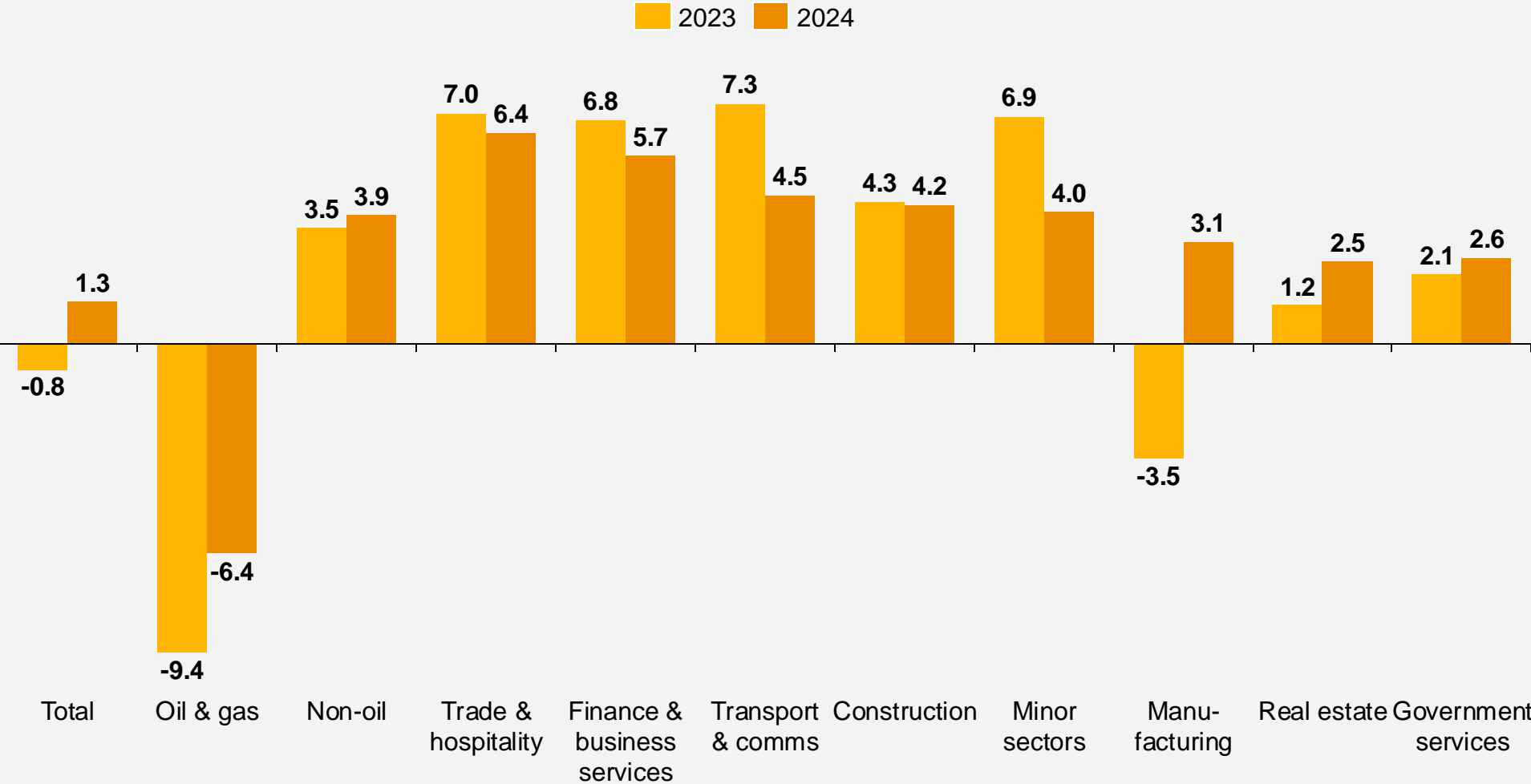
\* Monthly gold prices are based on the London afternoon fixing, representing the average of daily rates.  
Sources: OPEC, IEA, Bloomberg

# Economic Updates

KSA’s GDP grew by 4.5% y/y in Q4, bringing overall 2024 growth to 1.3%, recovering from the -0.8% contraction in 2023

### KSA’s real GDP growth by sector

% Chg, 2023 - 2024



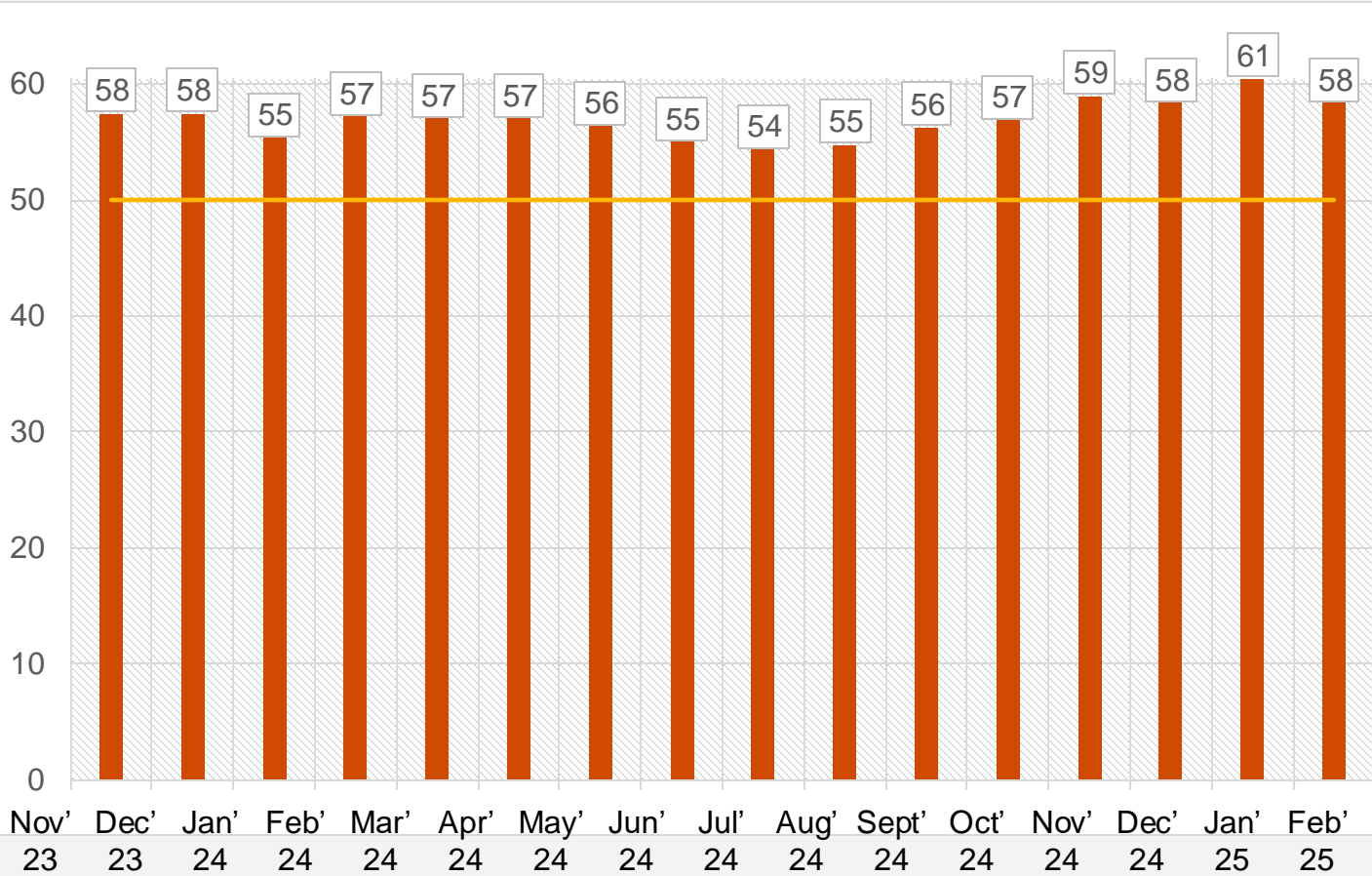
Modest growth at 1.3% in 2024 reflects **strong non-oil growth (3.9%)**, driven by **booming retail, hospitality, and tourism**



**Oil sector contraction (-6.4%) eased from 2023 (-9.4%)** as additional oil production curbs are passed through the base

### Purchasing Managers' Index

KSA, Nov'23 - Nov'24



A reading above 50 indicates an expansion of the non-oil private sector compared with the previous month; below 50 represents a contraction; and 50 indicates no change.



**Non-oil economy surged in 2025**, with PMI hitting a decade-high 60.5 in January and remaining robust in February, **fueled by \$421 bn in active projects and \$146 bn in new awards**



# TransAct 2025 Middle East

Zubin Chiba

Corporate Finance Leader  
PwC Middle East

Rand Shuqair

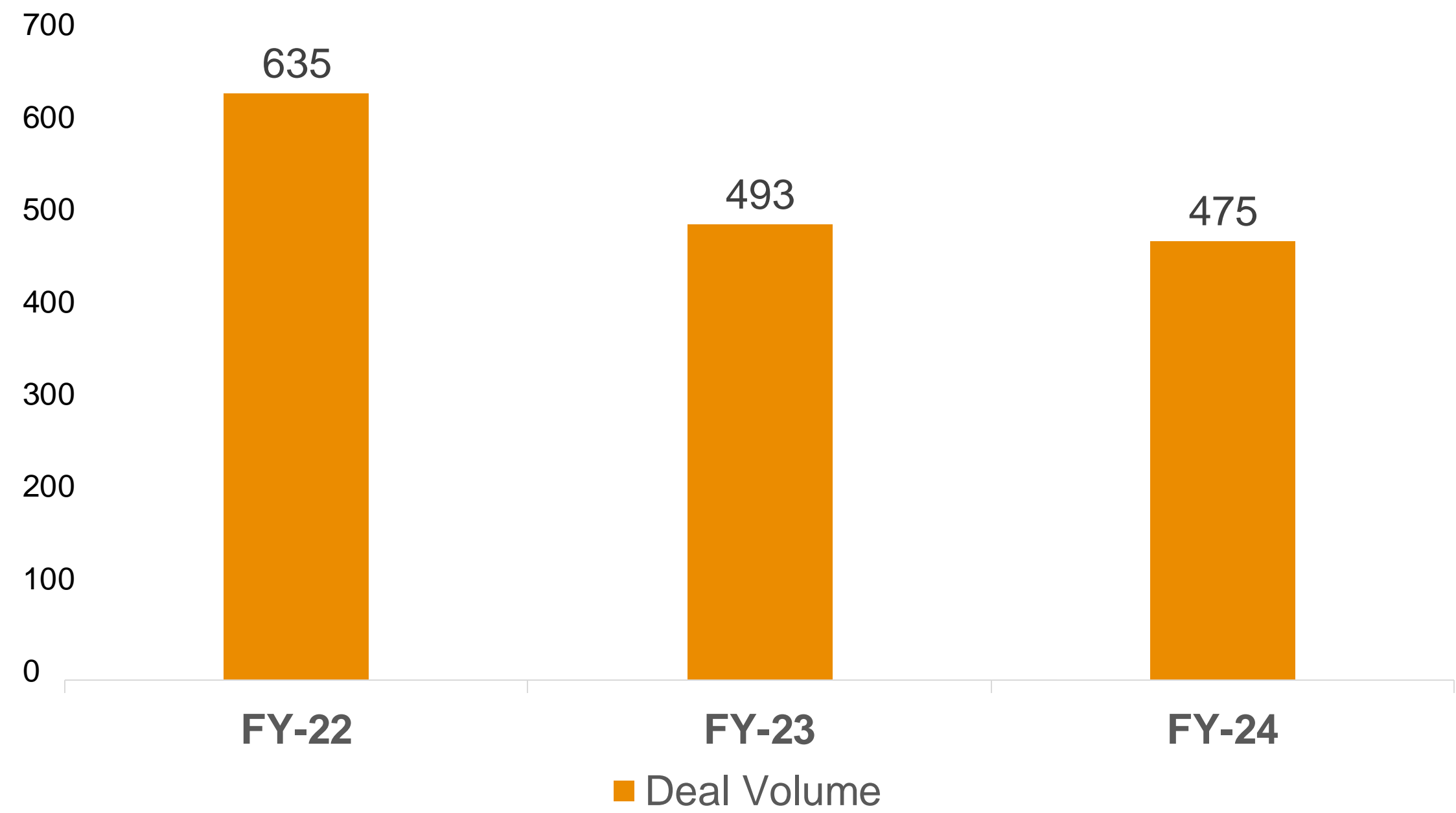
Corporate Finance Director  
PwC Middle East

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# Middle East M&A deal volume (FY-2022 to FY-2024)



**Source:** PwC analysis based on LSEG Refinitiv data  
**Note:** Data only includes cross-border inbound deals and intra-regional deals and excludes outbound cross-border transactions.





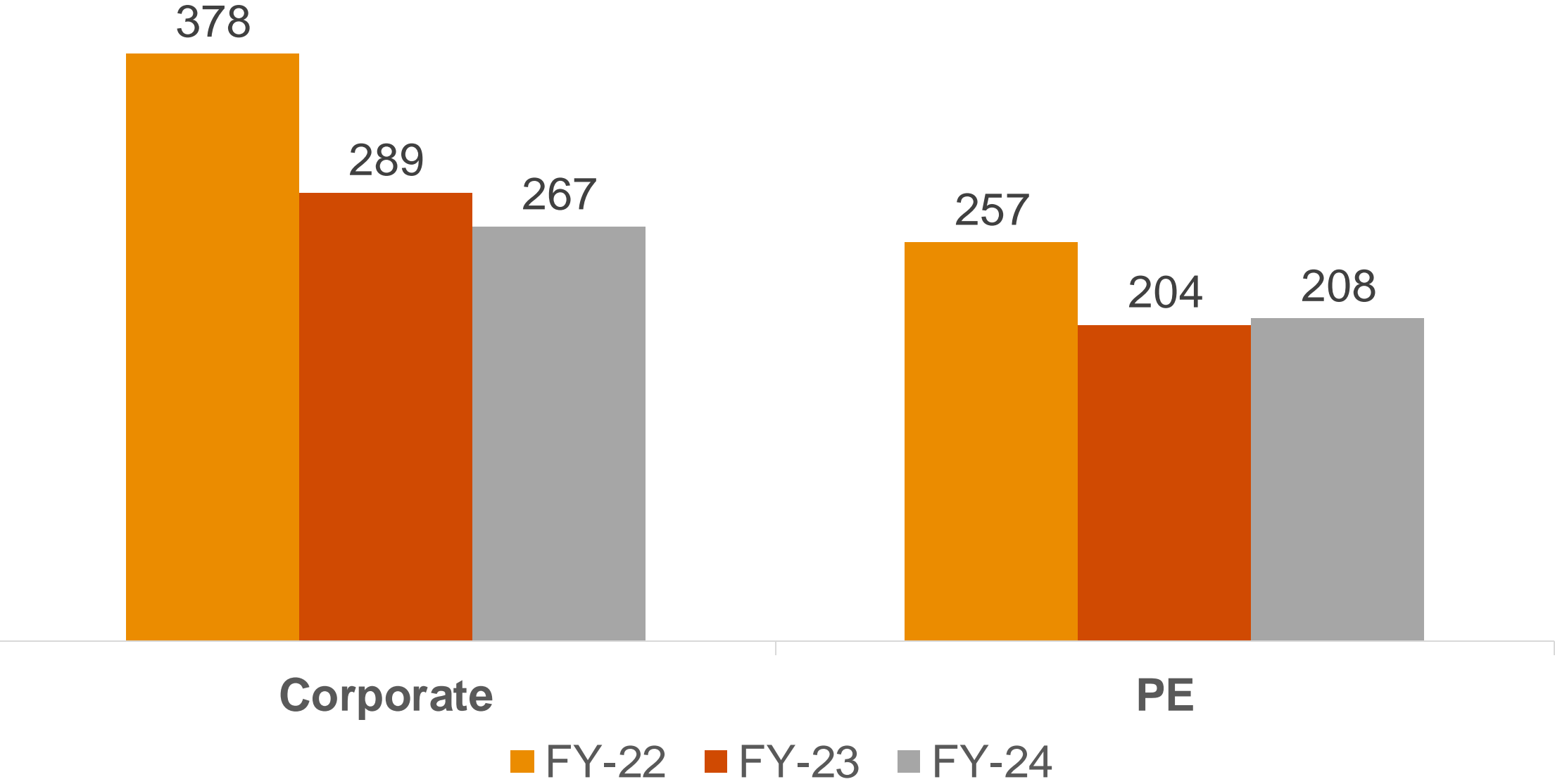
# Deal trends 2023 - 2024

Year	Top 5 deals	Total value	Single largest deal
2023	PIF acquired minority stakes in four construction companies	US\$ 1.3bn	US\$ 1.3bn
	Investor group acquired 80% of Zain KSA’s fixed tower infrastructure	US\$ 806.8mn	
	Global Investment Holding acquires Eastern Company	US\$ 625mn	
	Emirates Telecommunications Group Company PJSC acquires	US\$ 400mn	
	Careem Networks FZ LLC	US\$ 340mn	
	SNB Capital acquires Tamara		
2024	Abu Dhabi National Oil Co PJSC acquires Fertiglobe PLC	US\$ 3.6bn	US\$ 3.6bn
	Agility Global PLC shareholders acquired a 49% stake via in-kind dividends	US\$ 2.2bn	
	Saudi Arabian Mining Co JSC acquired Ma'aden Waad Al Shamal	US\$ 1.5bn	
	Bayanat Al PLC acquired Al Yah Satellite Communications Co PJSC	US\$ 1.5bn	
	Investor group acquired Aster Dm Healthcare Fzc	US\$ 1bn	

**Note:** Deal values displayed constitute disclosed deals within the Middle East



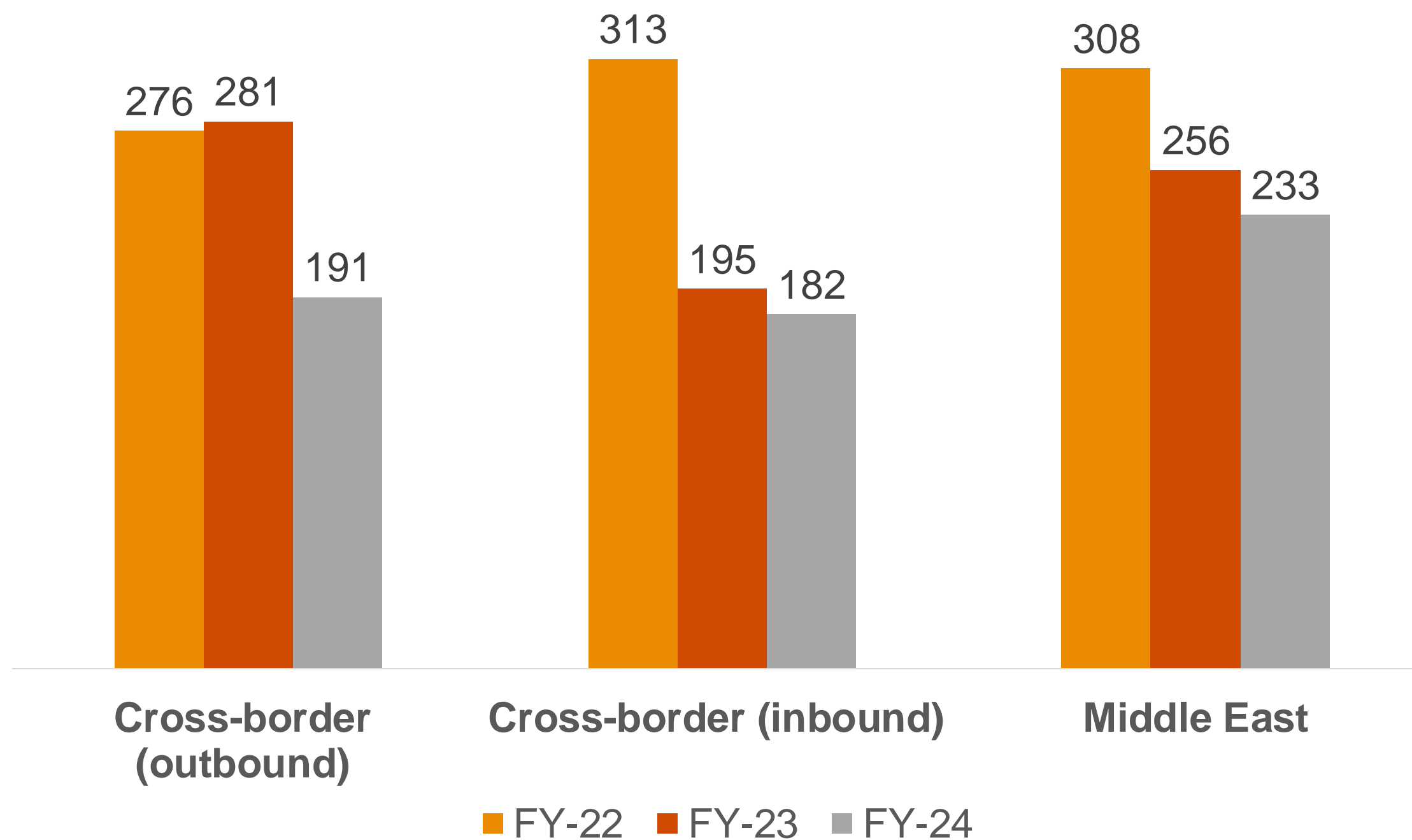
# Middle East M&A deal volume by deal type (FY-2022 to FY-2024)



**Source:** PwC analysis based on LSEG Refinitiv data  
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## Cross-border deal volume (FY-2022 to FY-2024)



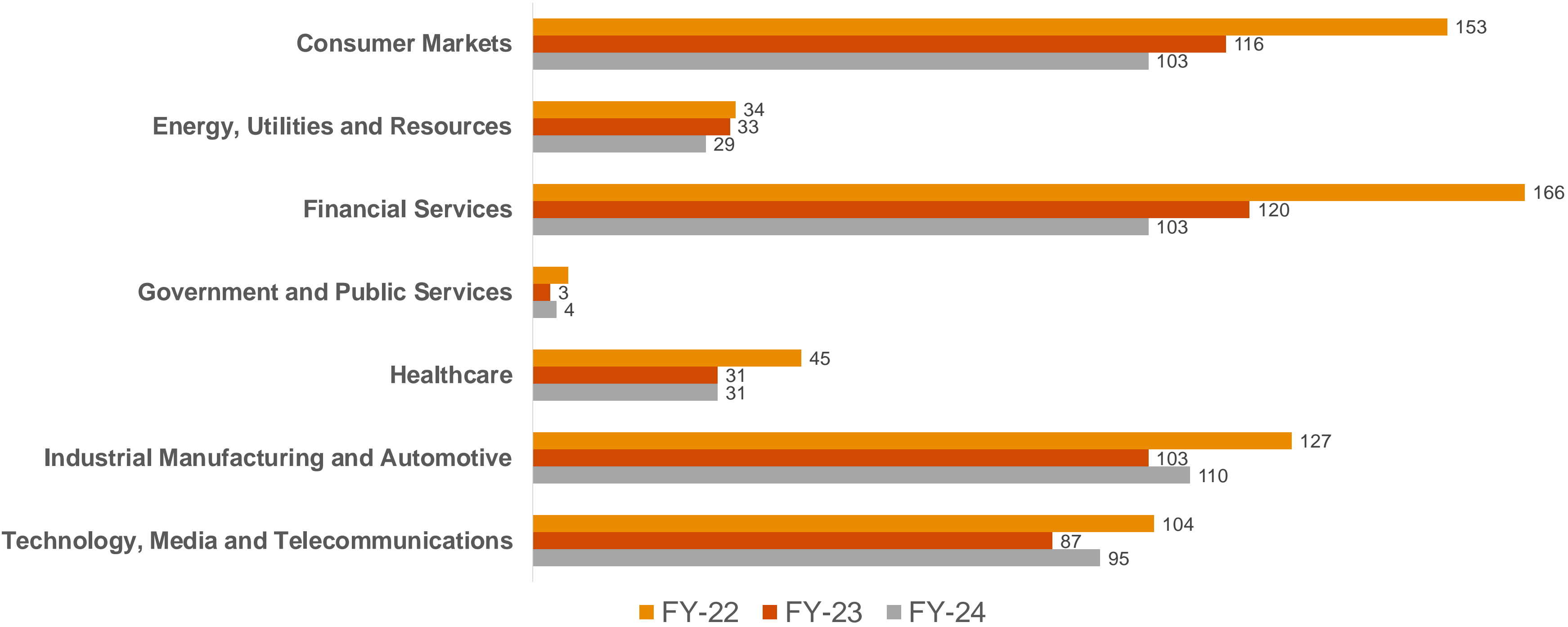
**Source:** PwC analysis based on LSEG Refinitiv data

**Note:** Data includes cross border inbound (buyers outside ME targeting ME firms) deals, Middle East (intra-regional deals), and outbound cross-border (buyers within ME targeting firms outside ME) deals.





# Middle East Deal Volumes by Sector (FY-2022 to FY-2024)



**Source:** PwC analysis based on LSEG Refinitiv data  
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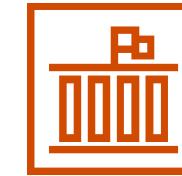


# Key Themes

01 Technology and AI drives business reinvention



02 SWFs continue to shape homegrown economic growth



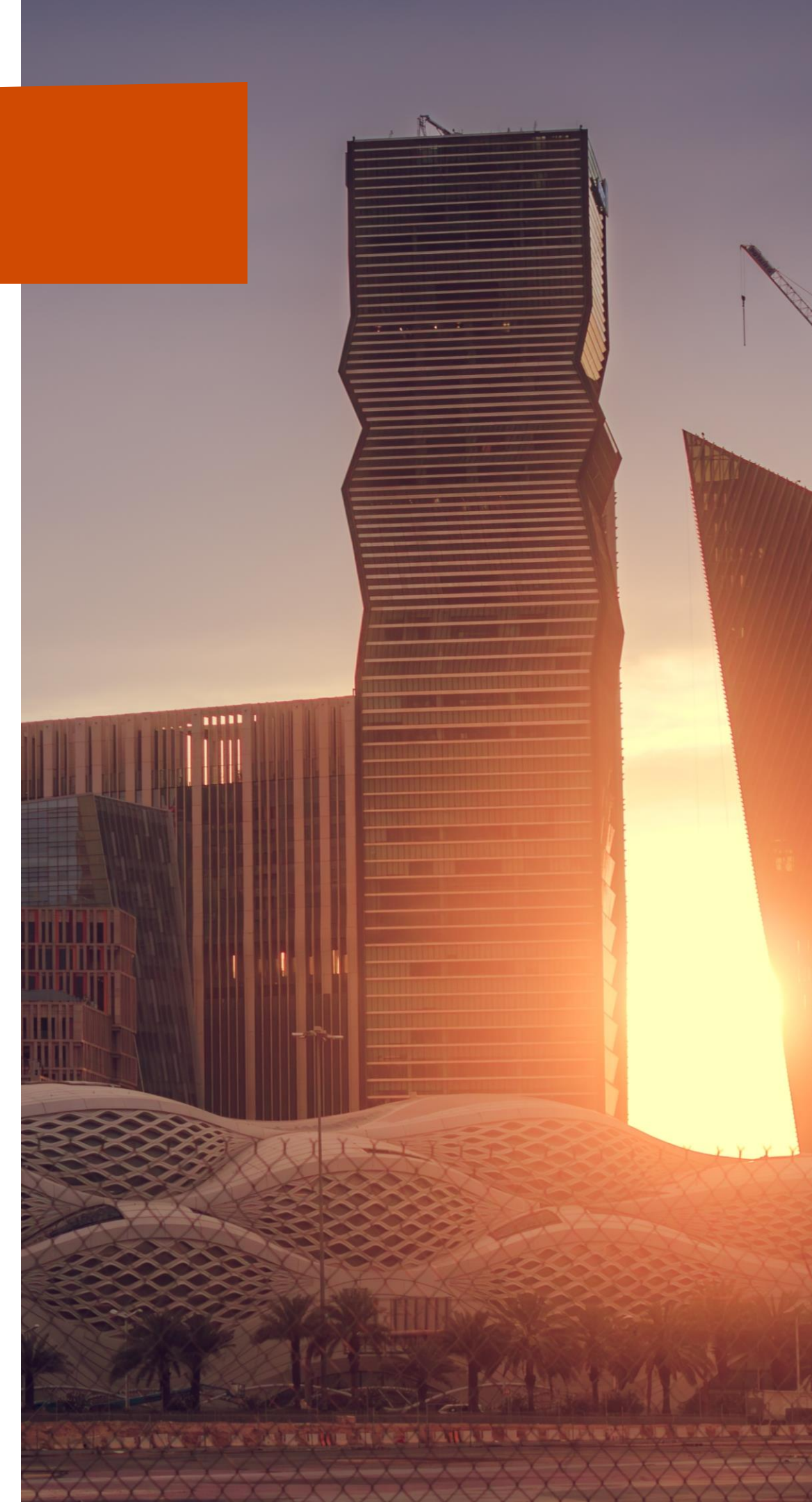
03 Green energy transition drives new investment strategies



04 Increasing private participation aids diversification



05 Global PE could fuel Middle East M&A boom







**Q&A**





Thank you





# Happy 5th Anniversary