

The Next Phase of Alternatives Growth

Advisors want more. Clients want more. What's holding adoption back?

2026 iCapital GCC Advisor Survey



What we heard from advisors

Across the Gulf's wealth management markets, alternatives are being used for client growth. While our 2026 survey gathered insights from 870 registered financial professionals globally, this report highlights findings from the 107 respondents located in the region, spanning Kuwait, the United Arab Emirates, Saudi Arabia, and Qatar. These professionals work across multiple wealth management channels, and each serves a client base made up of at least 50% individuals and families. While advisors elsewhere describe alternatives primarily in portfolio terms, advisors in the Gulf rank attracting new clients and gaining access to sophisticated strategies as their leading reasons for using alternative investments. They also continue to scale through partnerships rather than bringing portfolio construction in-house. The survey period coincided with heightened regional geopolitical uncertainty and disruption to energy, trade, and transport flows. Even so, robust nonhydrocarbon activity, domestic investment and continued economic diversification have supported the Gulf's relative resilience, leaving advisors more constructive on local economic prospects than on global or U.S. conditions.

Key findings

1. **Alternatives are a growth engine.** Attracting new clients and providing access to sophisticated strategies are the joint leading reasons for using alternatives, a distinctly different rationale from that reported in other regions, including the U.S., Europe and Asia.
2. **The Gulf builds through partners.** Reliance on third-party model portfolios and outsourced management remained relatively stable and was higher than in other regions surveyed.
3. **Client interest is the strongest of any region.** A higher share of advisors in the Gulf report rising client interest than in Europe or Asia, though a growing minority reports a decline.
4. **Compliance leads the challenge list, and fees lead the barriers.** Regulatory concerns rank first among challenges, while high fees rose 13 percentage points to become the most cited barrier.
5. **Demand for practice management education is the highest of any region.** Alongside technology and implementation, advisors want support in running and growing their businesses.

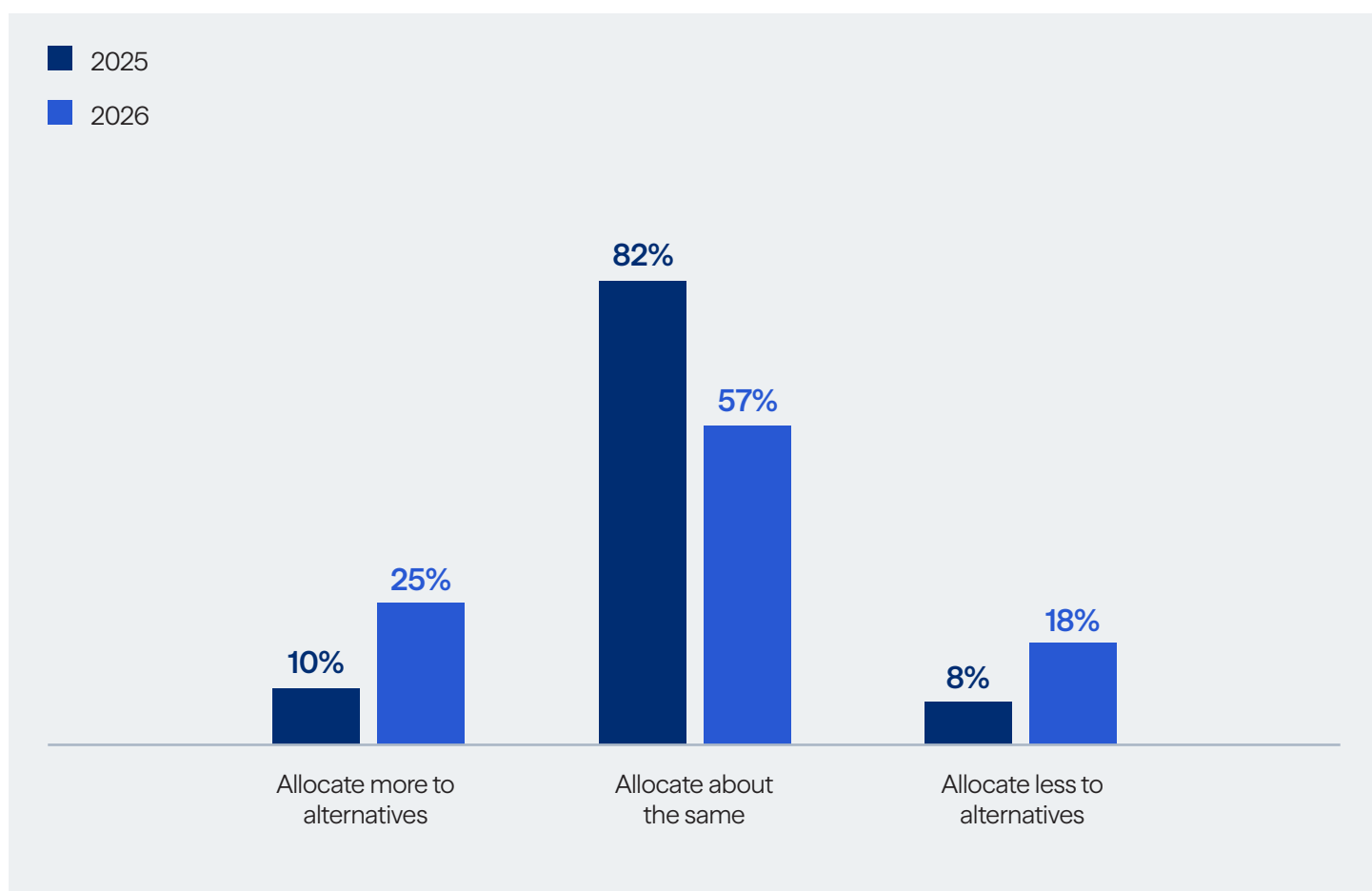
“ Ultimately, it's about building something that customers can continue to invest in, not just something that looks good on paper. ”

— Advisor Perspective

Allocation intent has strengthened, with dispersion beneath it

Over the next 12 months, do you plan to allocate more, less or the same to alternative investments?

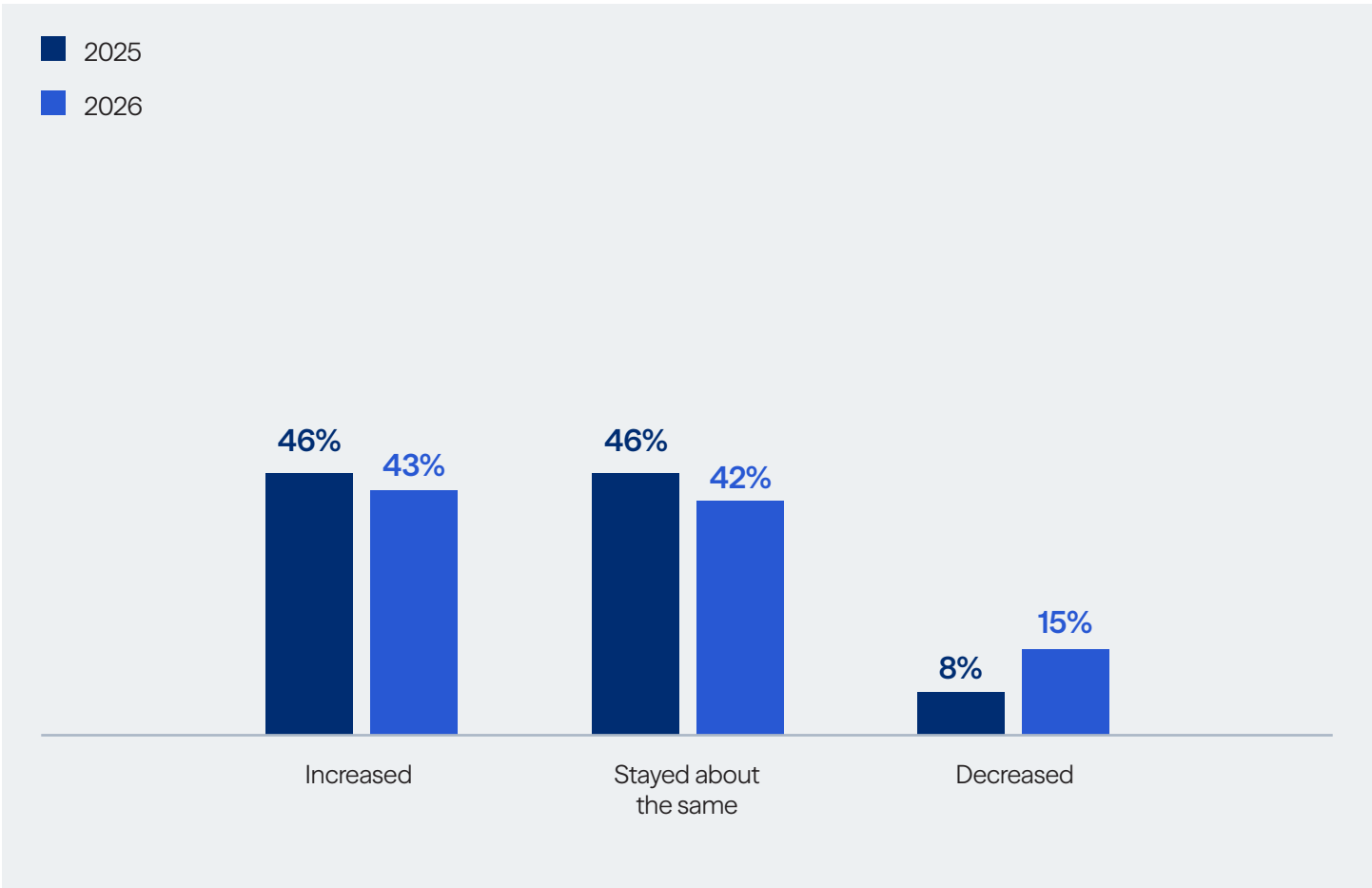
A quarter of advisors in the Gulf plan to increase allocations to alternatives, up from one in 10 a year ago. The share planning to allocate less also rose, while the share planning to maintain current allocations declined, indicating stronger allocation intent alongside greater dispersion in advisors' plans.



Client interest in the Gulf is the strongest of any region

Compared with two years ago, has client interest in alternative investments increased, decreased or stayed about the same?

More than two in five advisors report that client interest has increased, the highest reading of any region surveyed, and the share reporting no change has remained broadly stable. The share reporting a decline has risen but remains below the level recorded in Europe and Asia.



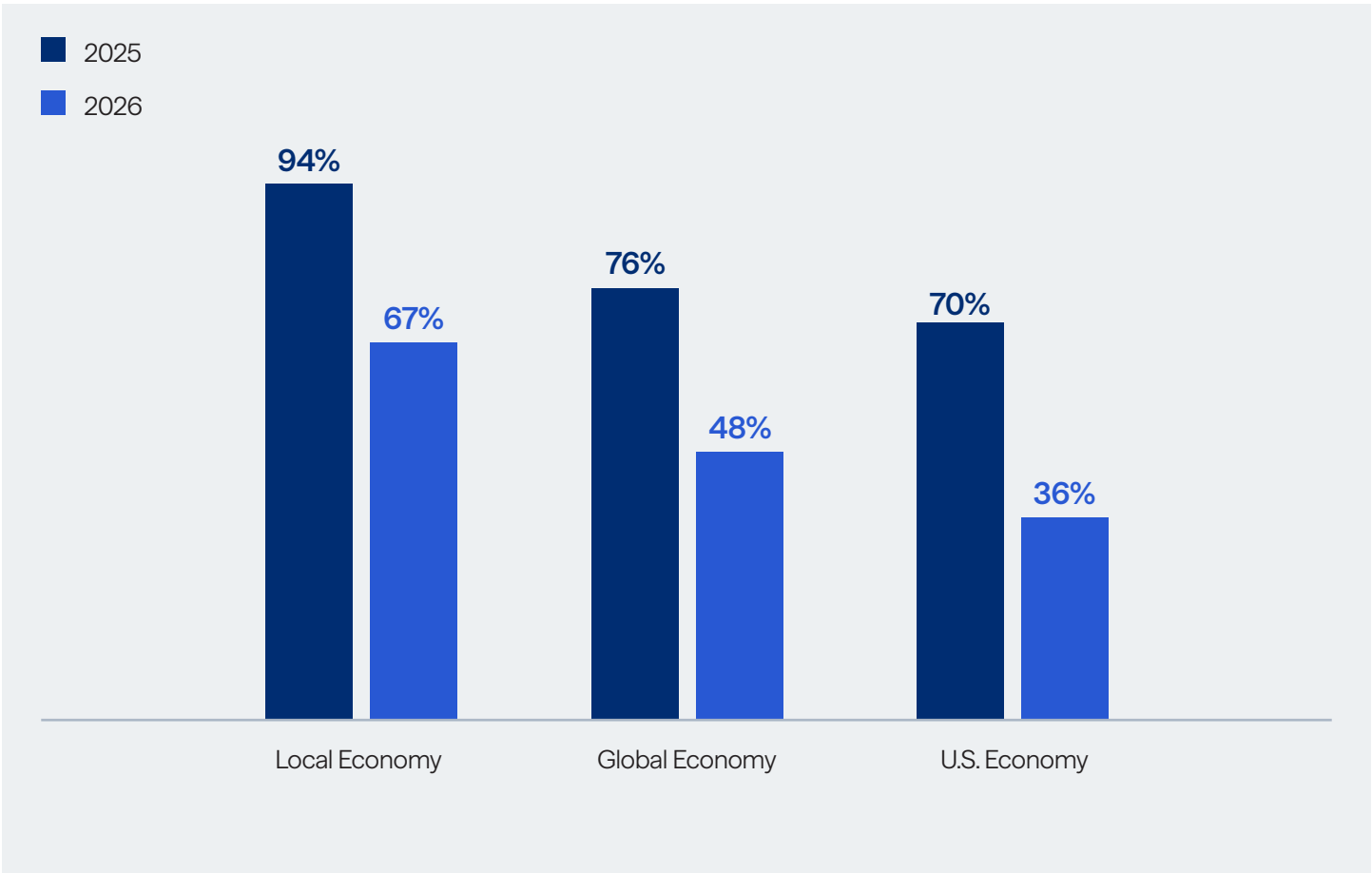
Local confidence holds up better than the global view

What is your economic outlook, globally and for your local economy specifically over the next 12 months?

When surveyed in Q2 2026, positive sentiment had fallen on all three measures, but advisors in the Gulf remain markedly more constructive about their local economies than about global or U.S. conditions, with local confidence running well ahead of the global and U.S. readings.

The gap is consistent with confidence in the Gulf’s domestic investment and diversification agenda, even as geopolitical disruption, trade uncertainty and a less certain U.S. policy outlook weigh on the global picture. Strong fiscal and external buffers have also helped reinforce the region’s relative resilience.

Positive sentiment (very positive plus somewhat positive):



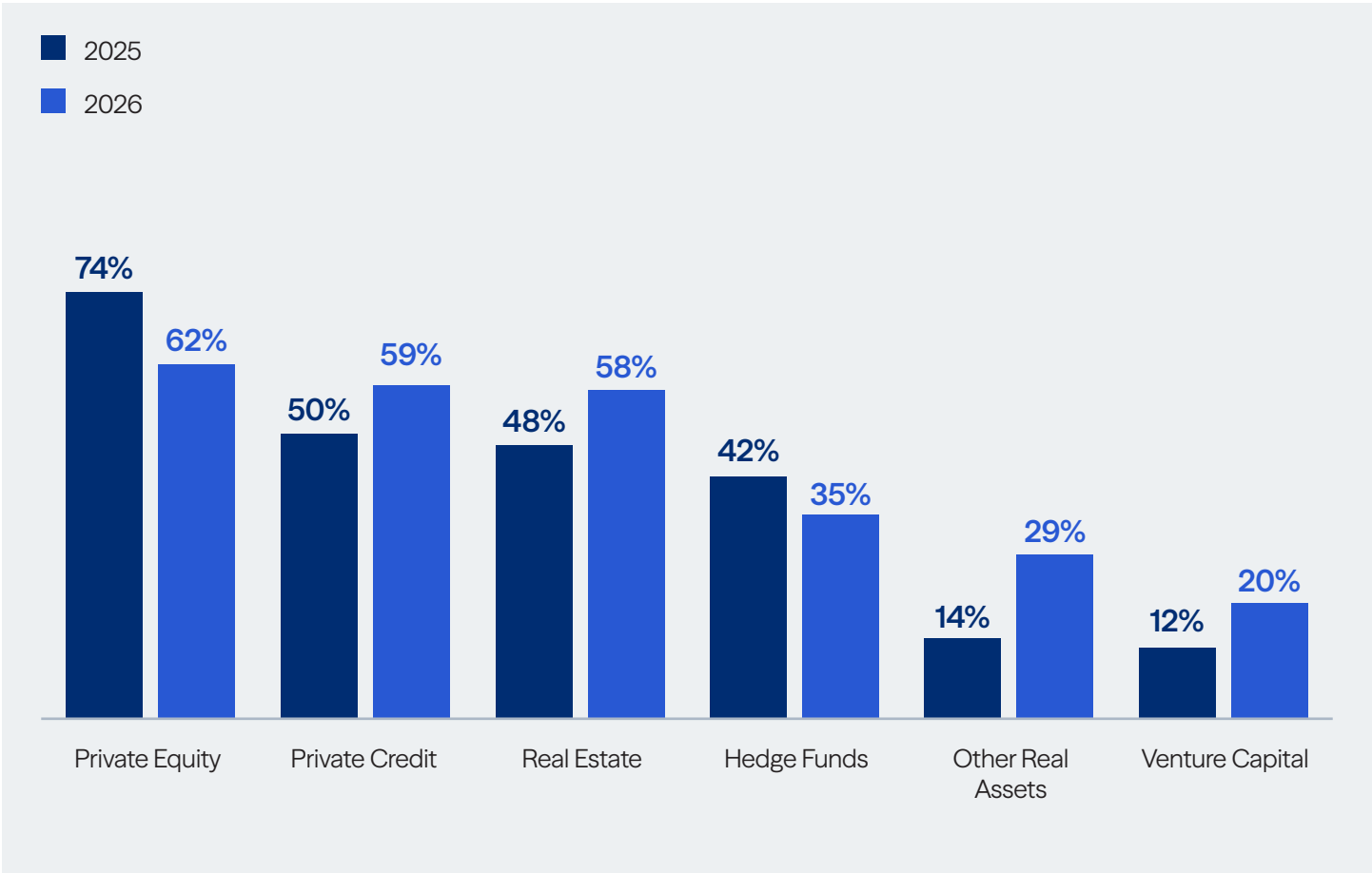
Private credit and real estate gain ground in the Gulf

Which of the following types of alternative investments are you most interested in allocating to on behalf of your clients?

Private equity remains the leading area of interest, but private credit and real estate both advanced while private equity and hedge funds eased. Other real assets rose 15 percentage points, the largest change in responses to this question.

Greater interest in real estate and other real assets is consistent with the Gulf’s continuing infrastructure and economic-diversification investment cycle, as well as a broader global focus on inflation resilience, energy security and tangible assets. The increase in real asset interest is consistent with greater global demand for infrastructure investments.

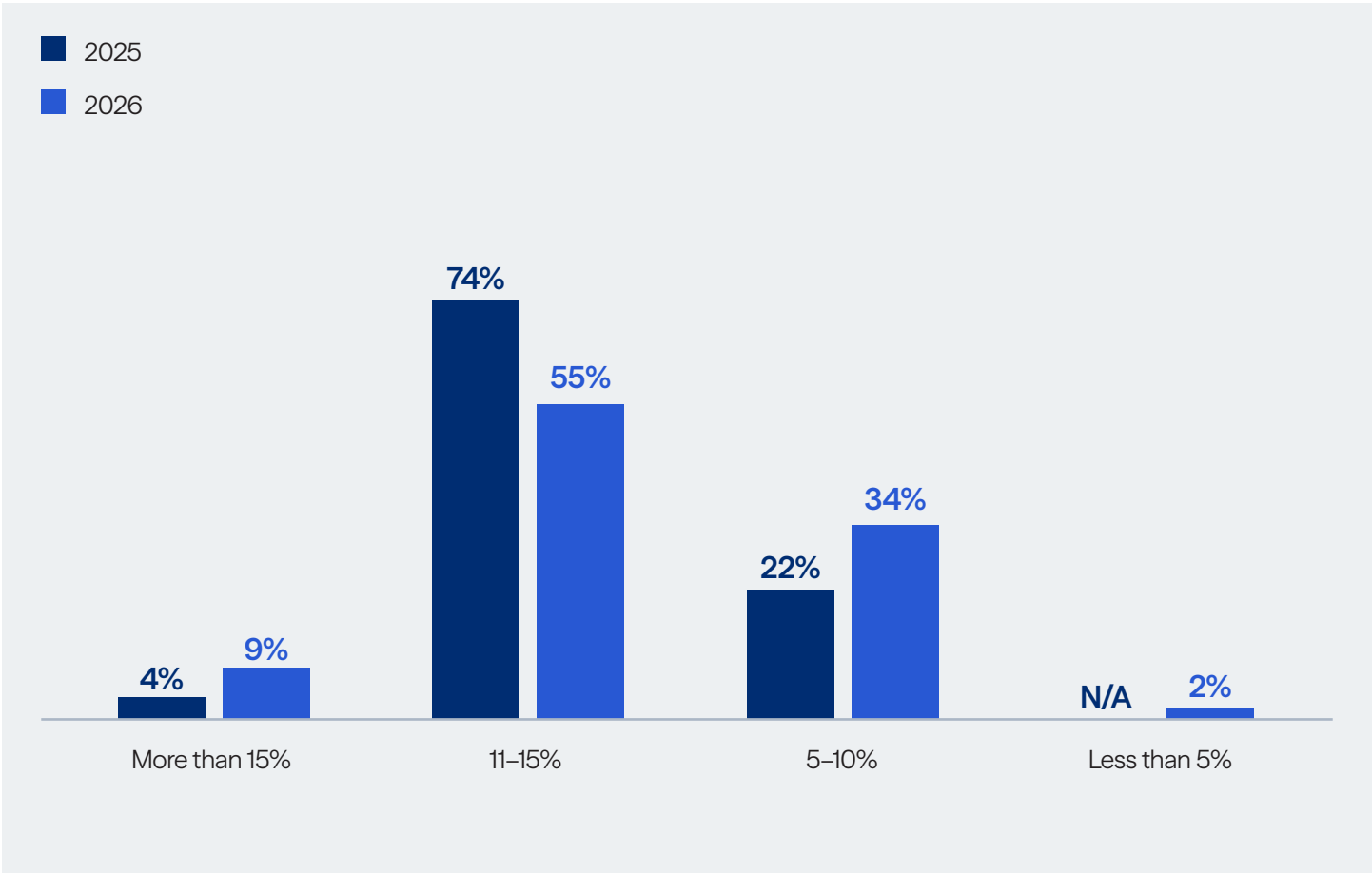
The rise in private credit also fits a market in which expanding private-sector activity and project development are creating broader demand for flexible capital.



Evergreen expectations moderate into a wider spread

What do you anticipate will be your client's average exposure to evergreen strategies in the next two years?

Around two-thirds of advisors still expect average client allocations of 11% or more. The share expecting allocations of 11% to 15% declined, while the shares expecting either 5% to 10% or more than 15% increased.

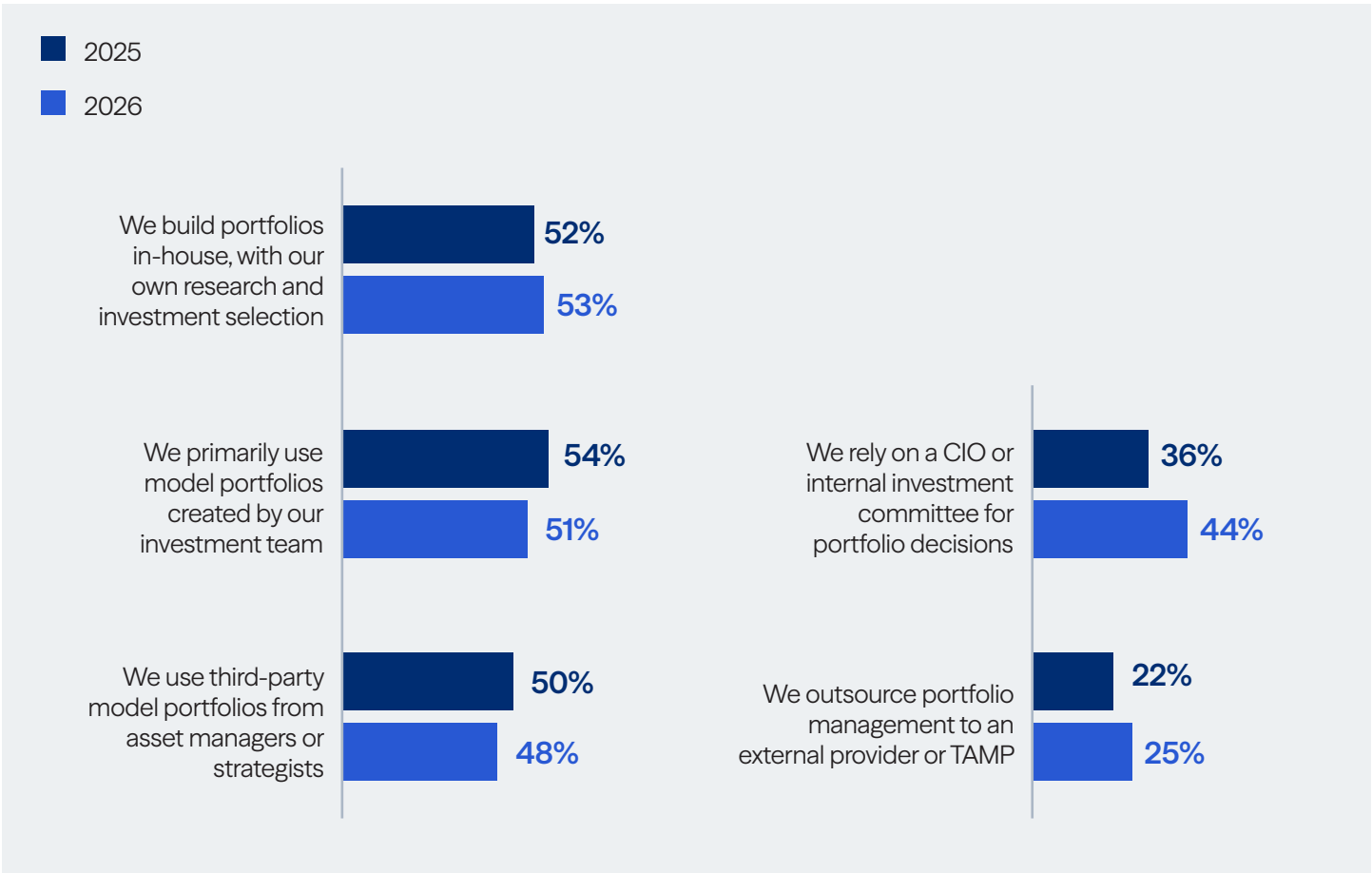


In the Gulf, firms continue to build through partners

Which of the following best describes how your firm constructs client portfolios?

Advisors in the Gulf have maintained their use of both third-party models and outsourced management. Reliance on a chief investment officer or internal investment committee grew, but external portfolio construction remains central to how firms deliver alternative investments.

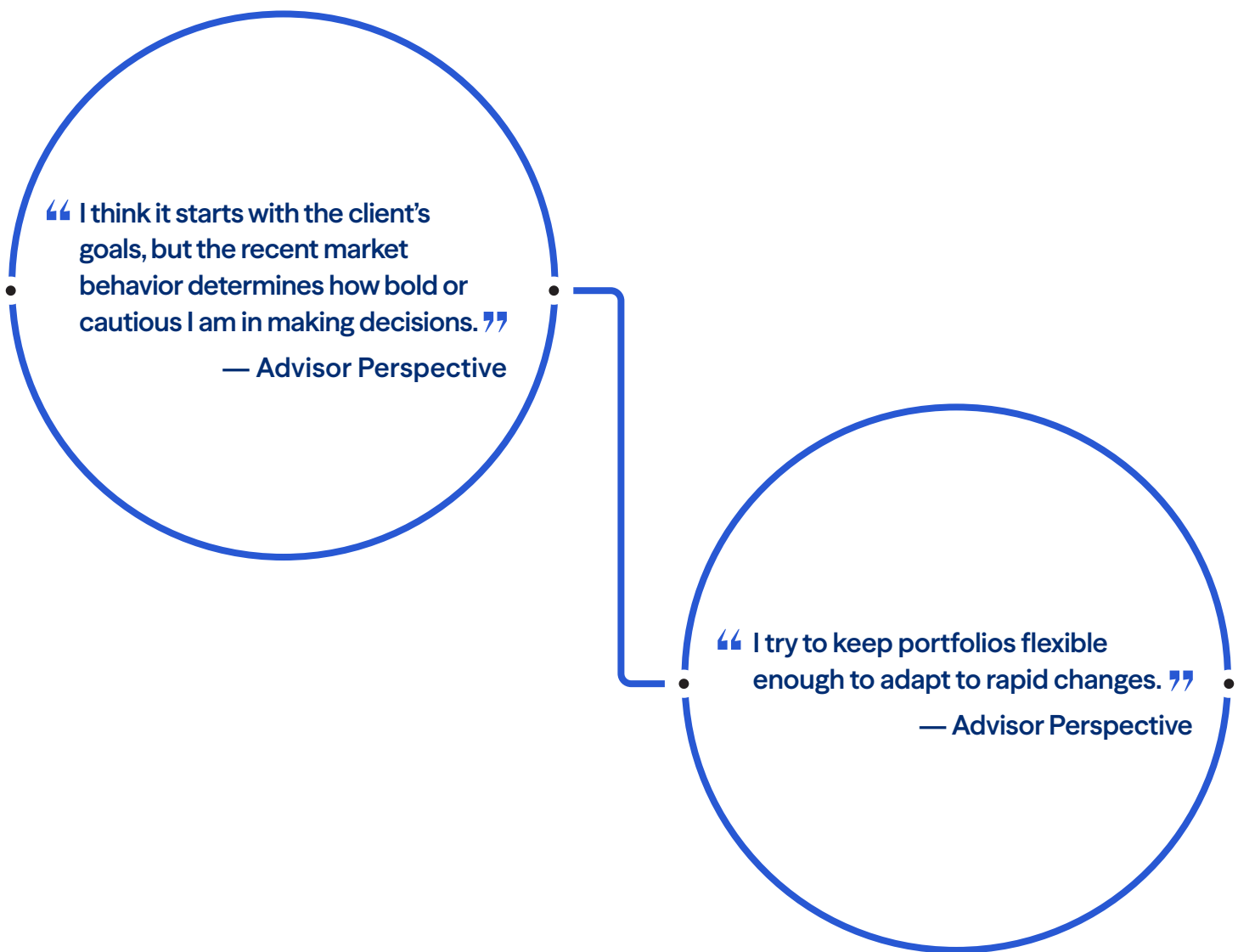
Most frequently referenced themes:



Portfolio construction is anchored in client goals and adaptability

What factors most influence your portfolio construction approach?

In open-ended responses, advisors in the Gulf describe an approach built around client goals, risk exposure, and the need to stay adaptable, with regional political and market conditions featuring as an explicit consideration. That emphasis on adaptability is understandable in a region where geopolitical developments can rapidly affect energy markets, trade routes, liquidity and investor sentiment.



“ I think it starts with the client's goals, but the recent market behavior determines how bold or cautious I am in making decisions. ”

— Advisor Perspective

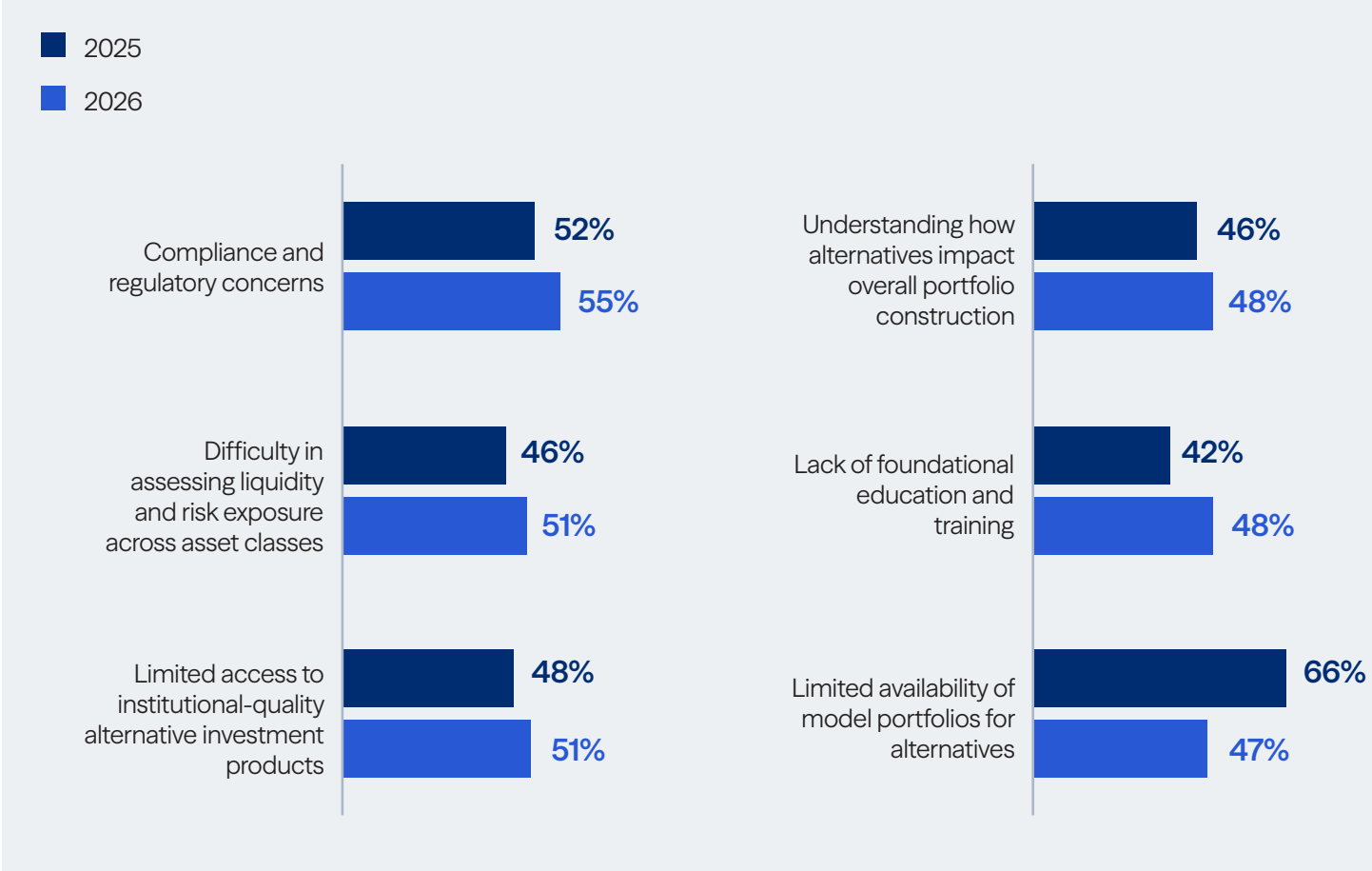
“ I try to keep portfolios flexible enough to adapt to rapid changes. ”

— Advisor Perspective

In the Gulf, compliance leads the challenge list

What are the biggest challenges in incorporating alternatives into your firm's investment models and asset allocation strategies?

Compliance and regulatory concerns rank first, followed by difficulty assessing liquidity and risk exposure and limited access to institutional-quality products. Limited model portfolios, the leading challenge in 2025, fell 19 percentage points, as firms continued to use external portfolio construction resources.

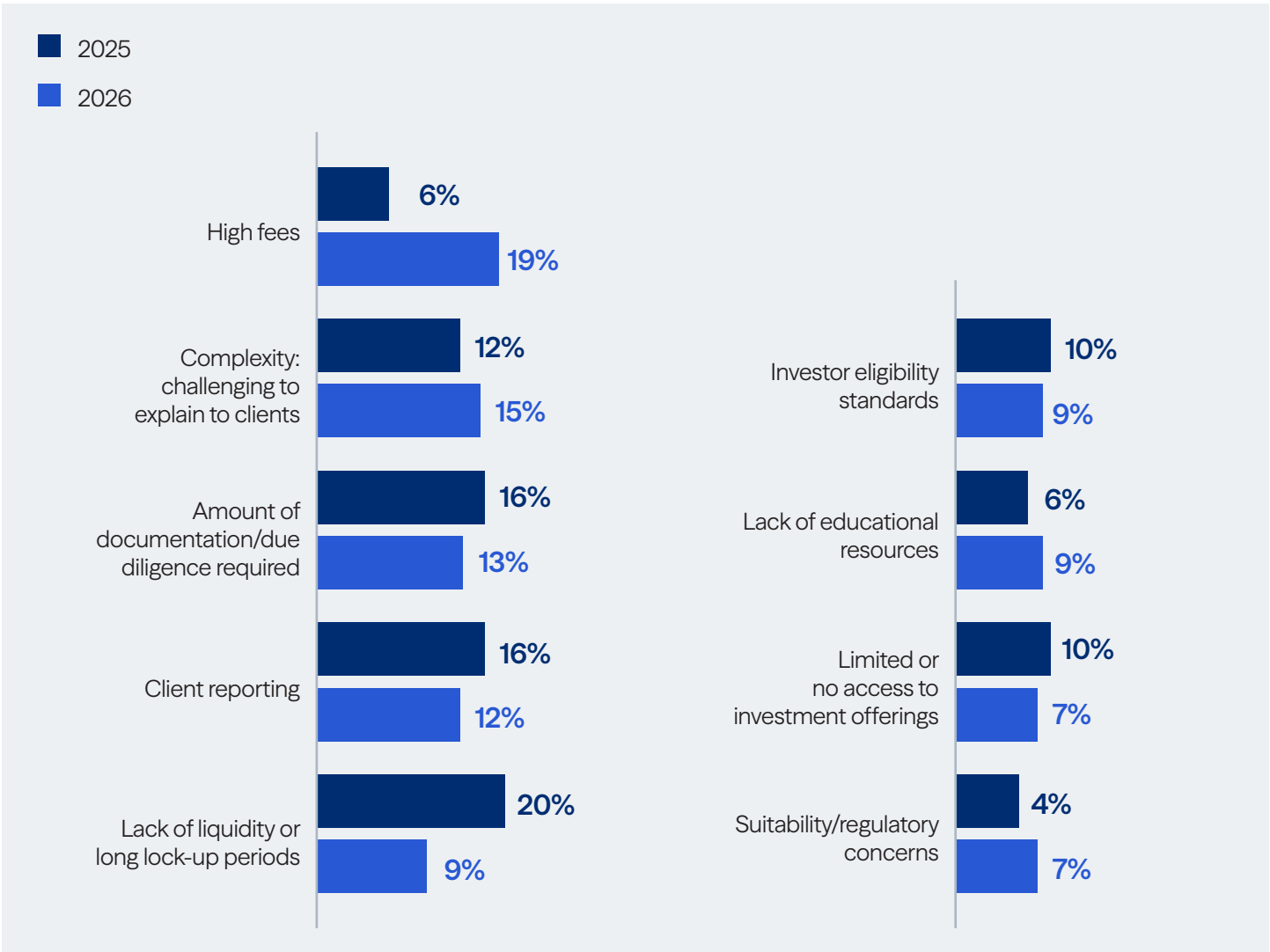


Fees have become the leading barrier in the Gulf

Which of the following are barriers to using alternative investments more?

High fees rose 13 percentage points to become the barrier most often ranked first, while lack of liquidity, the leading barrier in 2025, declined. The leading barrier in the Gulf is increasingly the need to demonstrate value relative to cost.

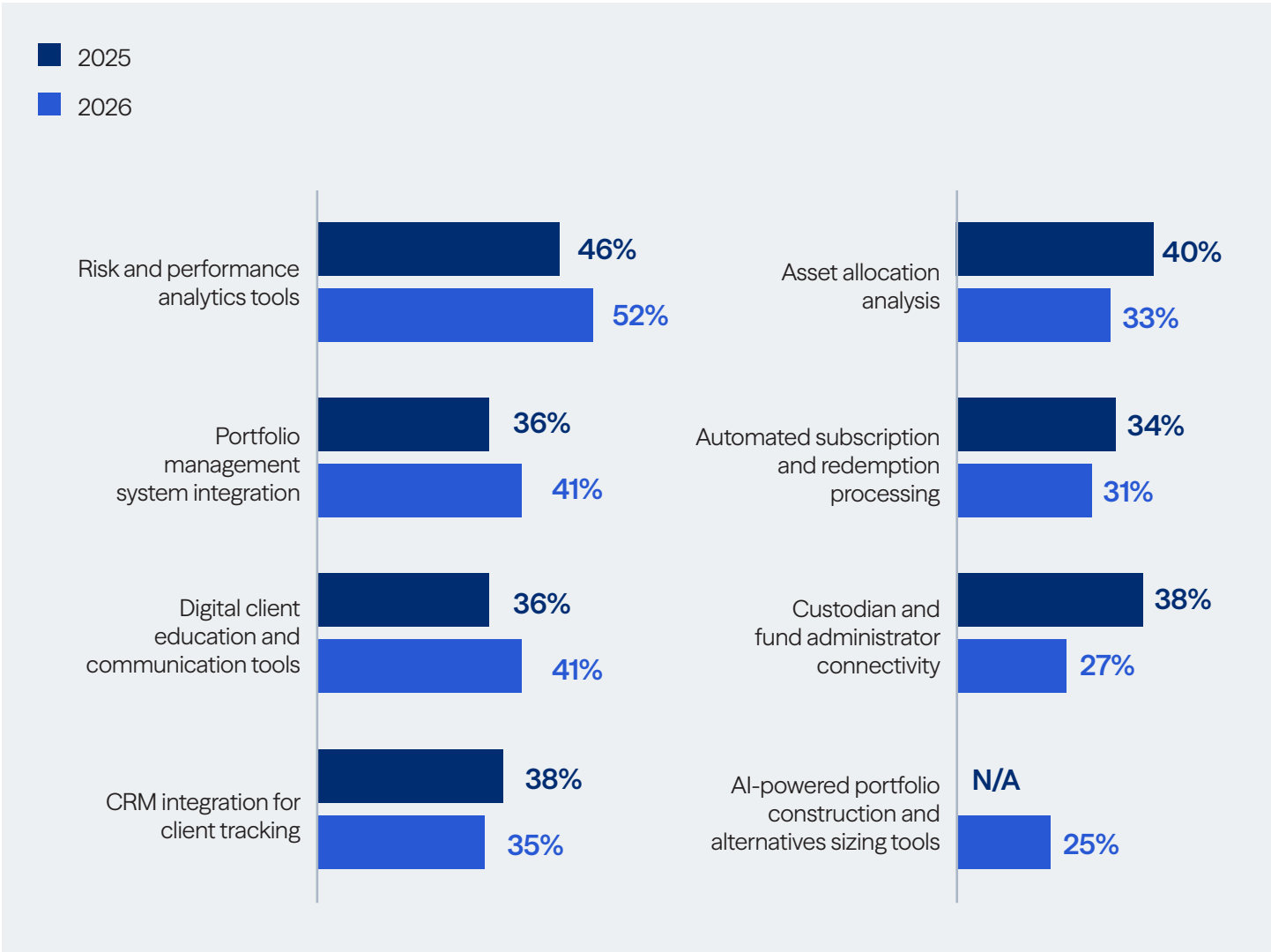
Ranked No. 1 by advisors



Risk analytics leads technology priorities

Which technology and partner integrations are most critical to implementing an alternative investment strategy?

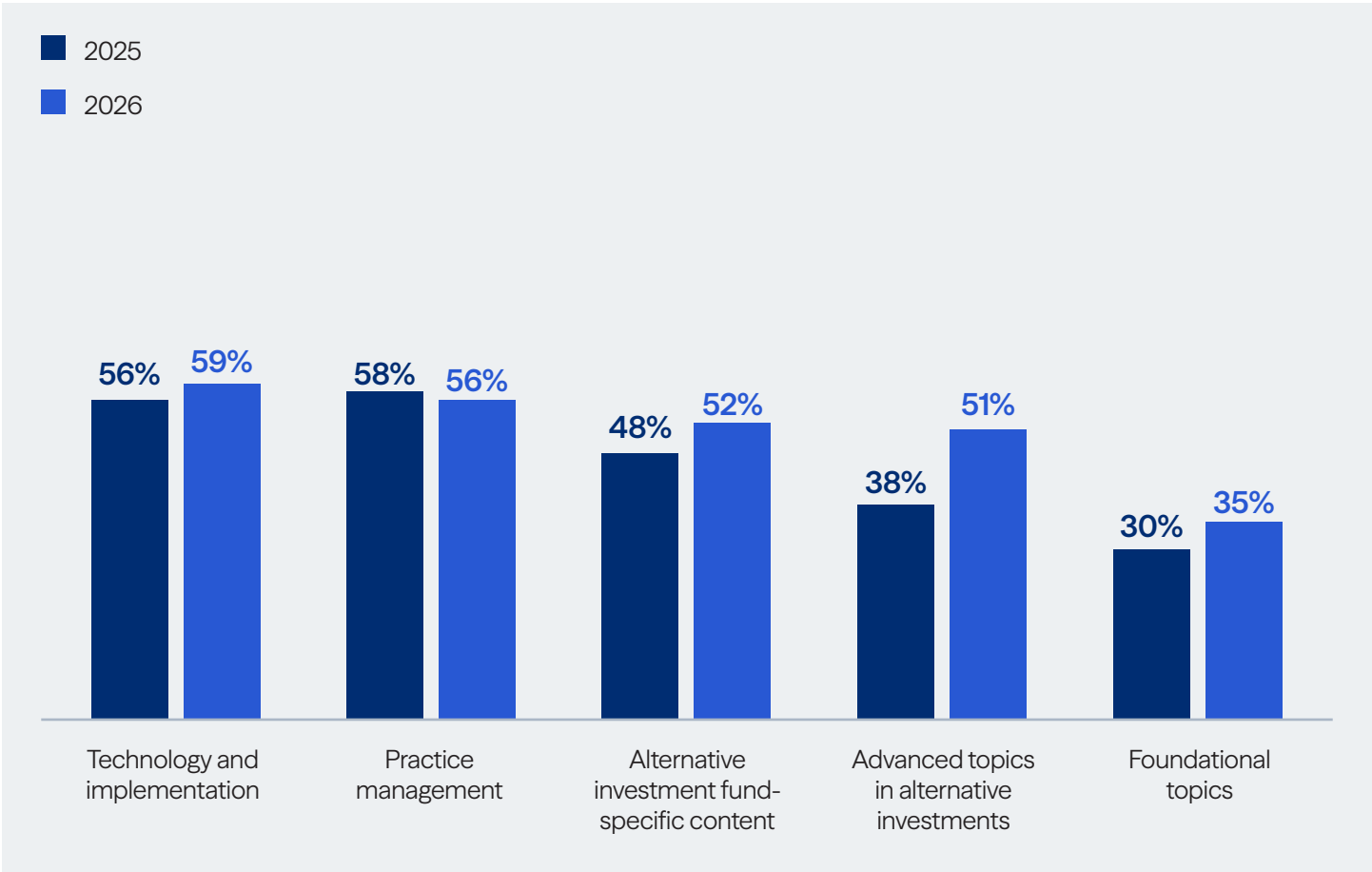
Risk and performance analytics tools rank first, followed by portfolio management integration and digital client education tools, both of which increased. Custodian and fund administrator connectivity recorded the largest decline.



In the Gulf, advisors want practice management alongside technology

What alternative investment topics would be of interest to you?

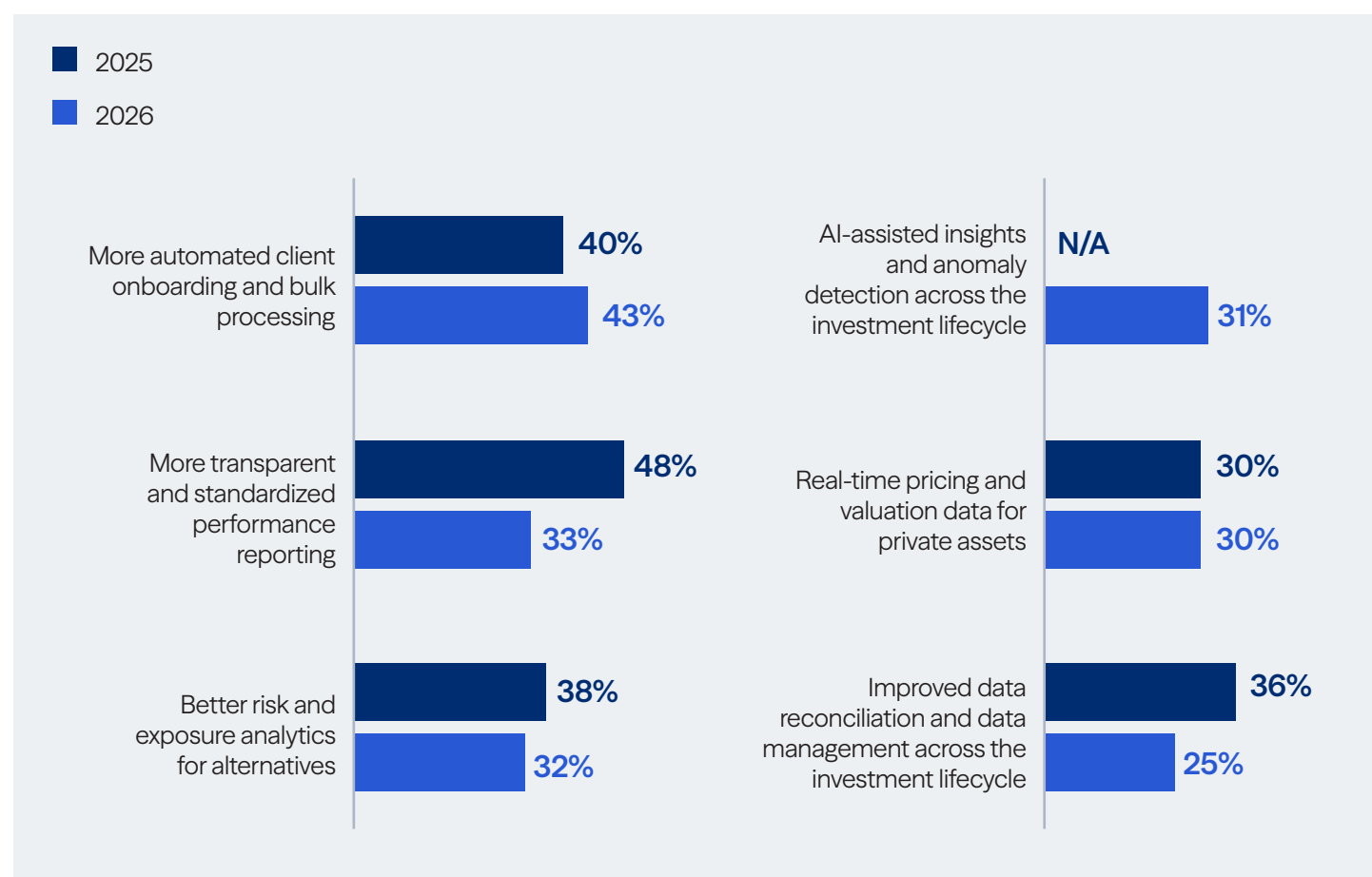
Technology and implementation lead, with practice management close behind at a level well above any other region. Demand for support around advanced topics rose 13 percentage points. Advisors in the Gulf seek as much support with running and growing their businesses as they do with selecting and implementing investments.



Advisors want automated onboarding and bulk processing

What improvements in data and reporting would most enhance your firm's ability to manage alternative investments?

Automated client onboarding and bulk processing rank first, making the Gulf the only region where operational automation ranks as the leading priority. Demand for transparent and standardized performance reporting fell 15 percentage points from a high 2025 base.

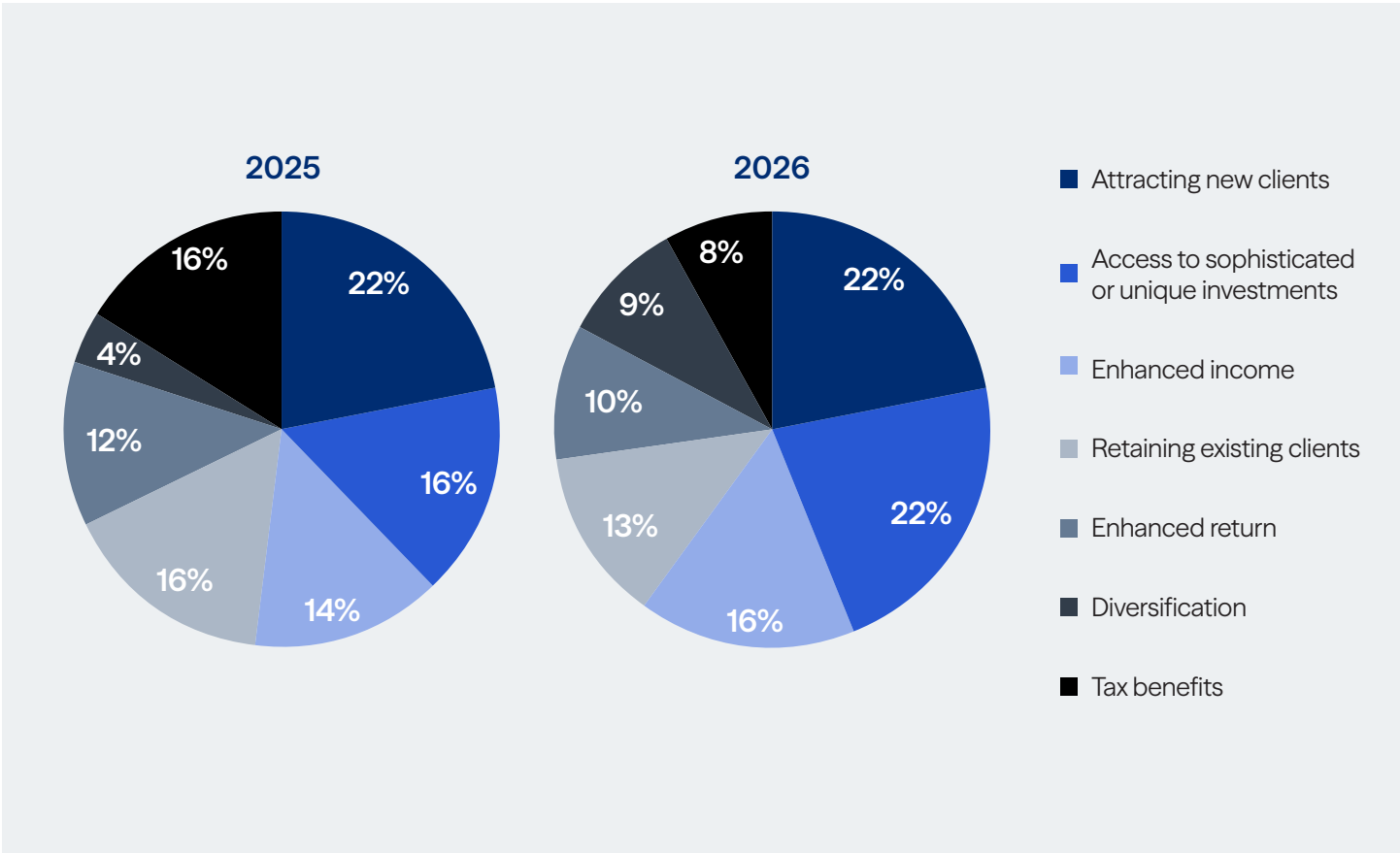


In the Gulf, alternatives are used to win and keep clients

Which of the following describes why you use alternative investments?

Attracting new clients and gaining access to sophisticated strategies are tied for first, together accounting for more first-place rankings than all portfolio-related motivations combined. Alternatives in the Gulf are a client proposition as much as an investment decision. That proposition is supported by the Gulf’s emergence as an international center for private capital, alongside growing regional demand for access to differentiated global and domestic investment opportunities.

Ranked No. 1 by advisors



Growth through partnership

The next phase of growth in the Gulf may depend less on expanding interest in alternatives and more on helping advisors scale them effectively. Alternatives have become an important client acquisition and retention tool in the region, and advisors continue to rely on third-party models, external managers, and strategic partners to bring these capabilities to a broader range of clients. Rather than building every component of the alternatives ecosystem internally, Gulf firms are increasingly looking for support that helps them deliver investment capabilities efficiently while focusing on client growth and relationship management.

The next competitive advantage may not be creating more demand for alternatives. It may be helping advisors convert strong client interest into sustainable growth through better partnership, stronger compliance support, and solutions that demonstrate value in an environment where fees and regulatory requirements are becoming increasingly important considerations.

The implications for wealth managers

In the Gulf, demand for alternatives is not the constraint. Client interest is the strongest of any region surveyed, and alternatives are being used to win and retain clients, which puts the emphasis on delivery rather than an advisor's ability to make the case for the asset class. The obstacles advisors report have shifted accordingly: fees are now the barrier most often ranked first, and compliance leads the list of most cited challenges. Both issues concern the delivery and economics of alternative investments rather than the underlying investment case. As a result, firms will increasingly need to demonstrate value against cost in client conversations, not only in manager selection.

The implications for asset managers

Distribution in the region runs through partnerships. Advisors here continue to rely on third-party model portfolios and external managers at levels well above other regions, so the buyer remains an allocator seeking external capabilities rather than an internal team building those capabilities itself. Practice management education is requested more here than in other regions surveyed, alongside technology and implementation. This indicates that support for running and growing the business carries commercial weight beyond the underlying investment case. The practical test is whether a manager can partner on delivery, ease the compliance burden, and demonstrate value in a market where fees have become an increasingly important factor in decision-making.

Survey Methodology

The 2025 iCapital Global Advisor Survey captured a global view of advisor behavior while diving deeper into the operational and technology needs of firms. The survey was conducted in the first quarter of 2025 by a third-party research firm using telephone interviews with online follow-up. Respondents included financial professionals across channels—private wealth, national and regional broker-dealers, independent BDs, and RIAs/IFAs—spanning a range of AUM levels of those actively engaged in alternative investing. The survey engaged 603 respondents across nine countries in the U.S., Europe, the Middle East, and APAC.

The 2026 Global Advisor Survey is iCapital's second annual global survey of advisor behavior and the evolving needs of wealth management firms. Building on our inaugural survey, this year's research explores not only allocation trends and client demand, but also the operational, technology, and implementation challenges shaping the next phase of alternatives adoption.

The study was conducted during the first half of 2026 by an independent third-party research firm using telephone interviews with online follow-up. Respondents included financial professionals across wealth management channels—including private banks, wealth managers, family offices, and IFAs—representing a range of firm sizes and actively engaged in alternative investing.

The survey included 870 respondents across 15 countries spanning the United States, Europe, the Middle East, and Asia-Pacific. Of those, 107 were based in Kuwait, the United Arab Emirates, Saudi Arabia and Qatar, and this report presents their responses. To qualify, respondents had to be registered financial professionals serving at least 50% of their clients being individuals or families.

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