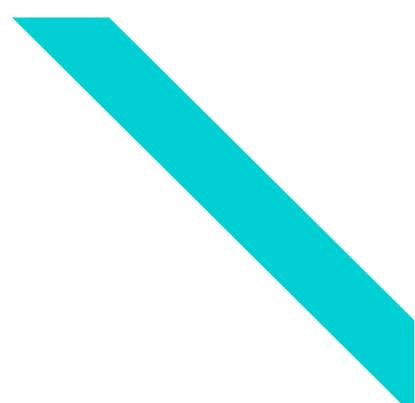


# ARABIAN FUND MARKET SUMMARY: 2021

Author:

**Detlef Glow**

Head of Lipper EMEA Research, Refinitiv



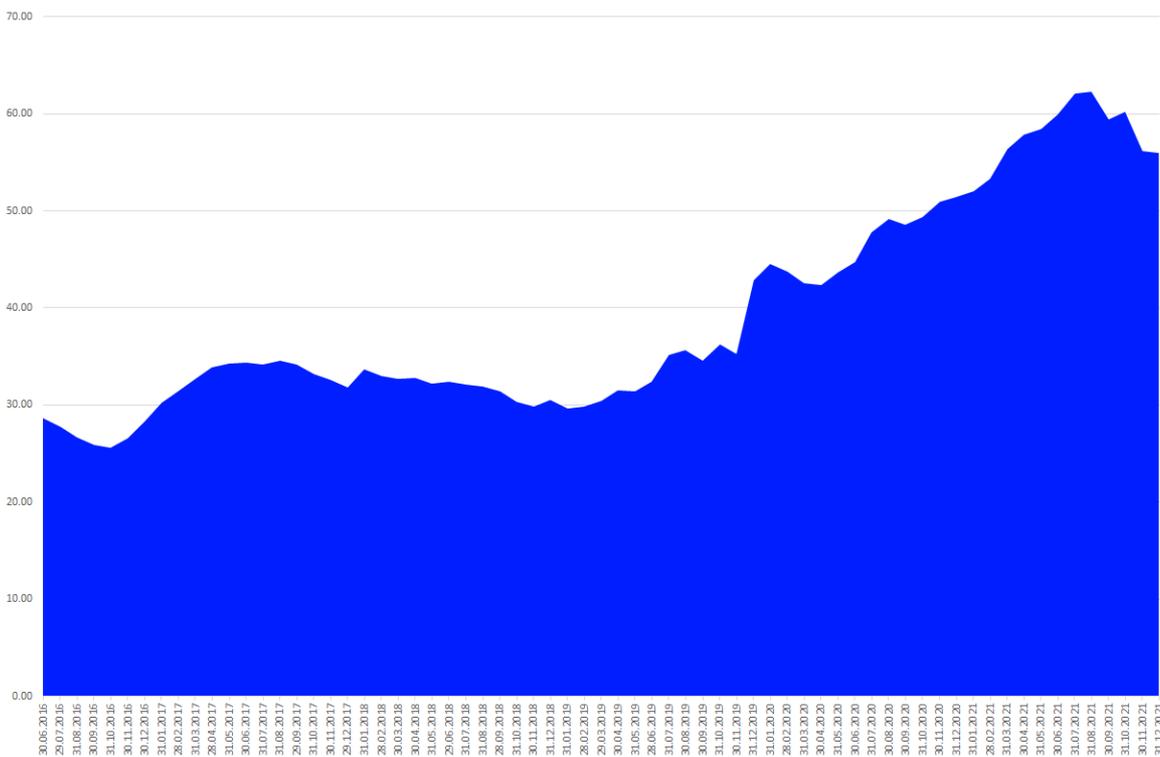
# Arabian Fund Market Summary – Review 2021

The fund industry in the Arabian markets (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) enjoyed overall estimated net inflows of \$2.0 bn over the course of 2021. These inflows occurred in a volatile market environment as inflation rates all over the globe were on the rise. At the same time, economies around the globe faced further shortages within supply chains, which led to fears that production companies may not hit the expected growth numbers over the course of 2021. In addition to this, the COVID-19 pandemic was still looming and struck once again when the omicron variant appeared in December. Furthermore, the fear about lower growth rates for some of the ambiguously valued growth companies led investors to shift money from growth to value stocks over the course of the fourth quarter.

## Assets Under Management in the Arabian Fund Markets

Within this environment, the overall assets under management in the Arabian fund markets increased from \$52.0 bn at the end of 2020 to \$54.7 bn as of December 31, 2021. This increase was driven by overall net sales (+\$2.0 bn), while the performance of the underlying markets added (+\$0.6 bn) to the overall increase in assets under management.

**Graph 1: Assets Under Management in the Fund Industry of the Arabian Markets (US Dollar Billions)**

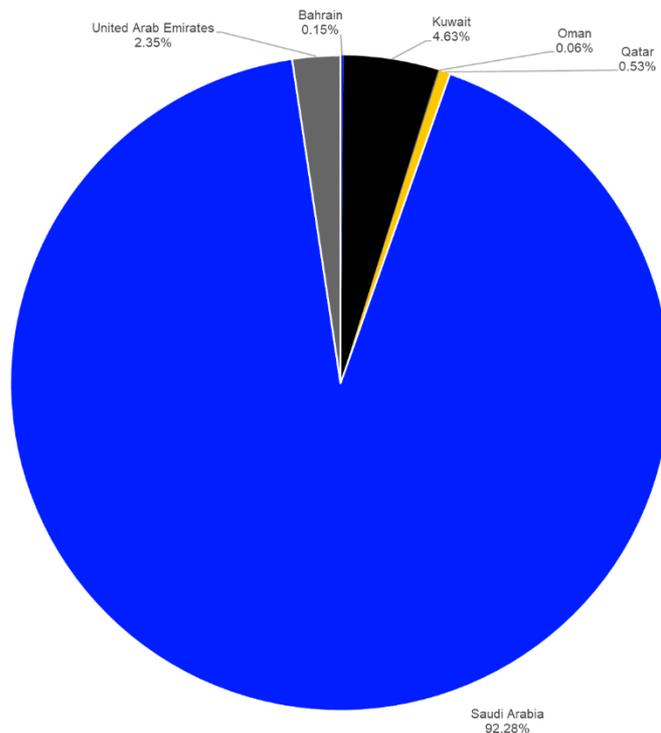


Source: Refinitiv Lipper

## Assets Under Management by Fund Market

The assets under management in the Arabian fund markets are highly concentrated since the largest fund market, Saudi Arabia, accounts for \$51.7 bn, or 92.28%, of the overall assets under management. Meanwhile, Kuwait accounts for \$2.6 bn, or 4.63%, of the overall assets under management, and the United Arab Emirates accounts for \$1.3 bn, or 2.35%, of the overall assets under management. The other three countries—Qatar (\$0.3 bn), Bahrain (\$0.1 bn), and Oman (\$0.04 bn)—amount to 0.74% of the overall assets under management in the Arabian fund market.

**Graph 2: Market Share by Fund Market (December 31, 2021)**

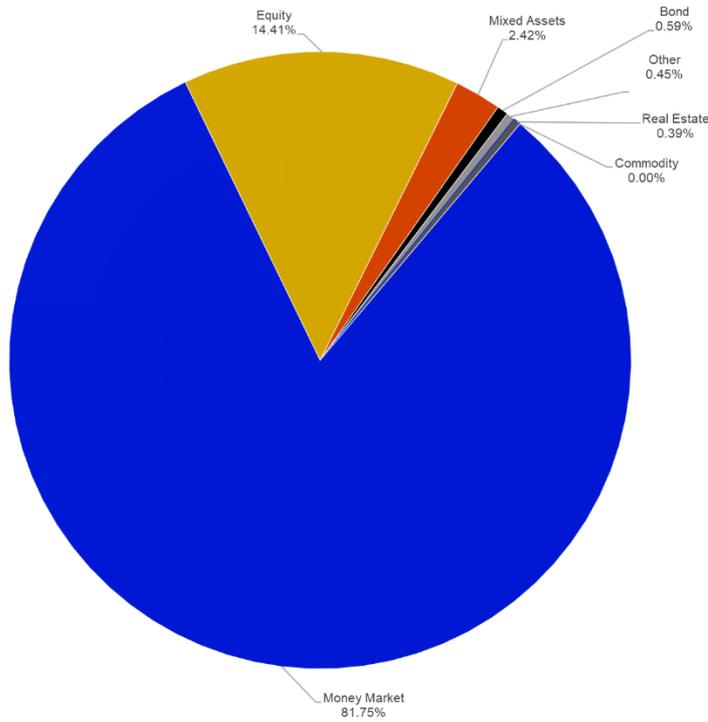


Source: Refinitiv Lipper

## Assets Under Management by Asset Type

Money market funds (\$44.7 bn) were the asset type with the highest assets under management at the end of December 2021, followed by equity funds (\$7.9 bn), mixed-assets funds (\$1.3 bn), bond funds (\$0.3 bn), “other” funds (\$0.2 bn), real estate funds (\$0.2 bn), and commodities funds (\$0.001 bn).

**Graph 3: Market Share by Asset Type (December 31, 2021)**

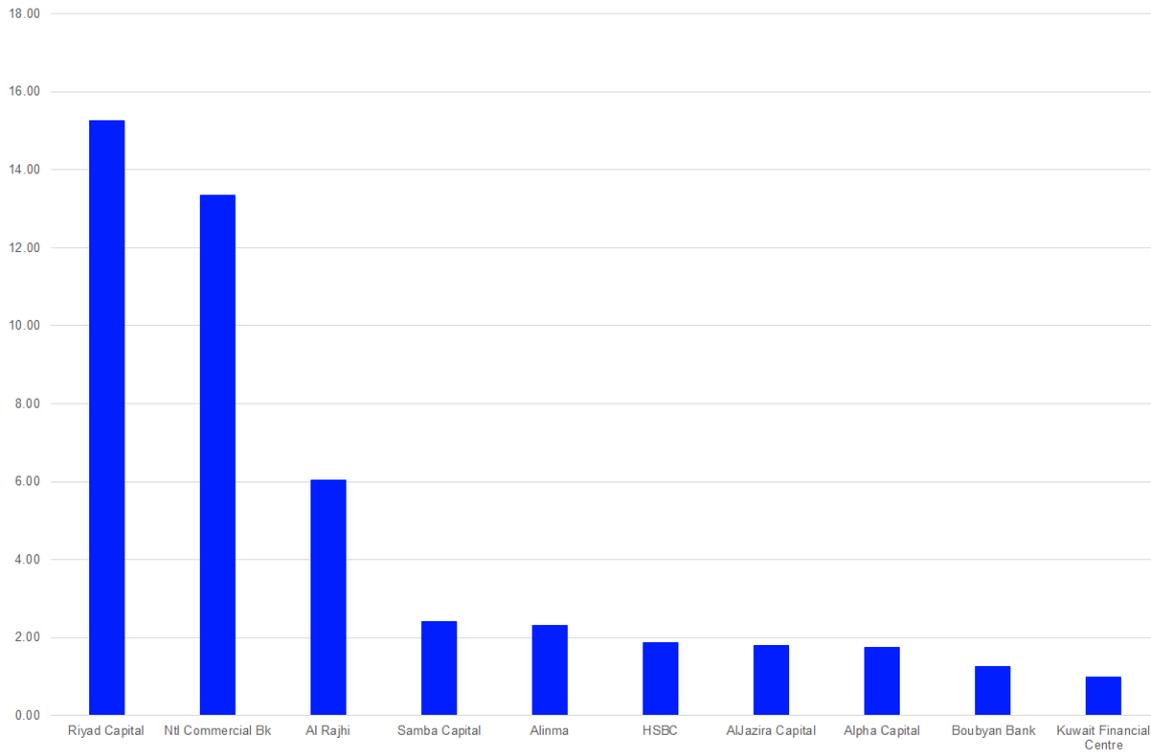


Source: Refinitiv Lipper

## Assets Under Management by Promoter

**Riyad Capital** (\$15.3 bn) was the largest fund promoter in the Arabian fund markets as of December 31, 2021, ahead of **National Commercial Bank** (\$13.4 bn), **Al Rajhi** (\$6.1 bn), **Samba Capital** (\$2.4 bn), and **Alinma** (\$2.3 bn).

**Graph 4: Ten Largest Promoters by Assets Under Management, December 31, 2021 (US Dollar Billions)**



Source: Refinitiv Lipper

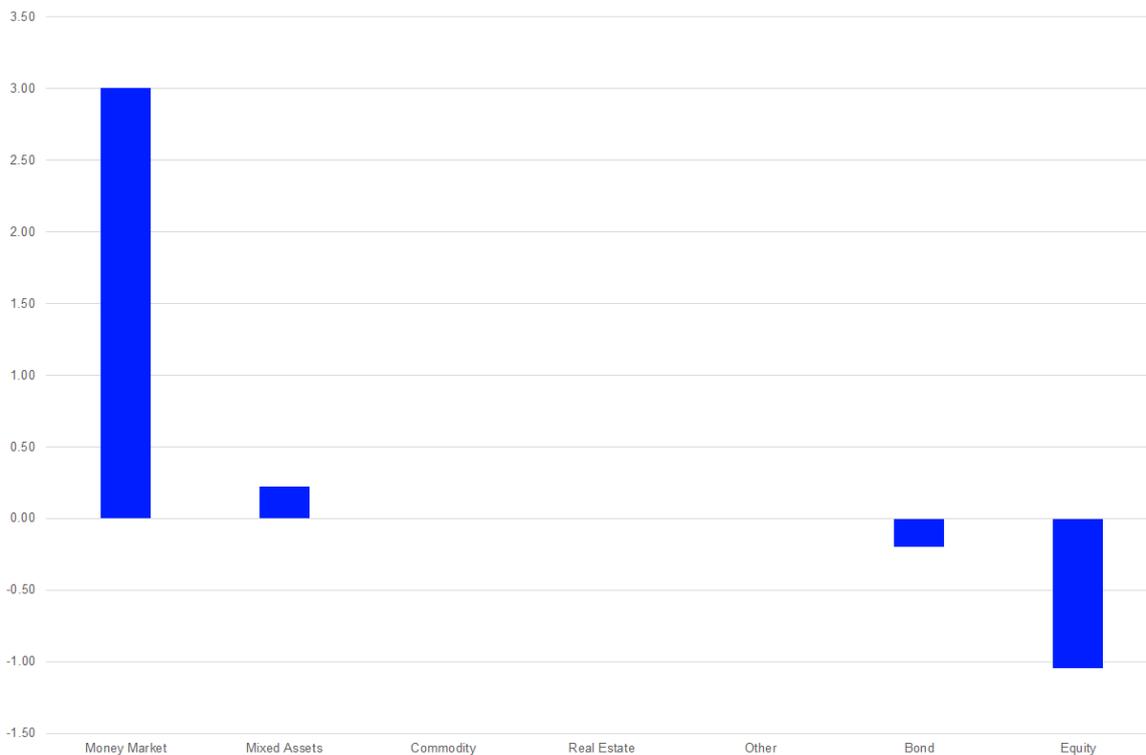
## Arabian Fund Flow Trends 2021

Generally speaking, the year 2021 has been a tough period, which is reflected in the split results for the fund markets and asset managers in the Arabian fund management industry. Nevertheless, the year can be considered as positive since mutual funds (+\$2.0 bn) have enjoyed net inflows.

## Fund Flows by Asset Type

One can get a better idea of the flow pattern by taking a more detailed look at the estimated net flows by asset type since this shows that not all asset types have enjoyed inflows over the course of 2021. Money market funds (+\$3.0 bn) was the best-selling asset type, followed by mixed-assets funds (+\$0.2 bn). Meanwhile, commodities funds (-\$0.0002 bn), real estate funds (-\$0.001 bn), "other" funds (-\$0.005 bn), bond funds (-\$0.2 bn), and equity funds (-\$1.1 bn) faced outflows over the course of 2021.

**Graph 5: Estimated Net Sales by Asset Type, 2021 (US Dollar Billions)**

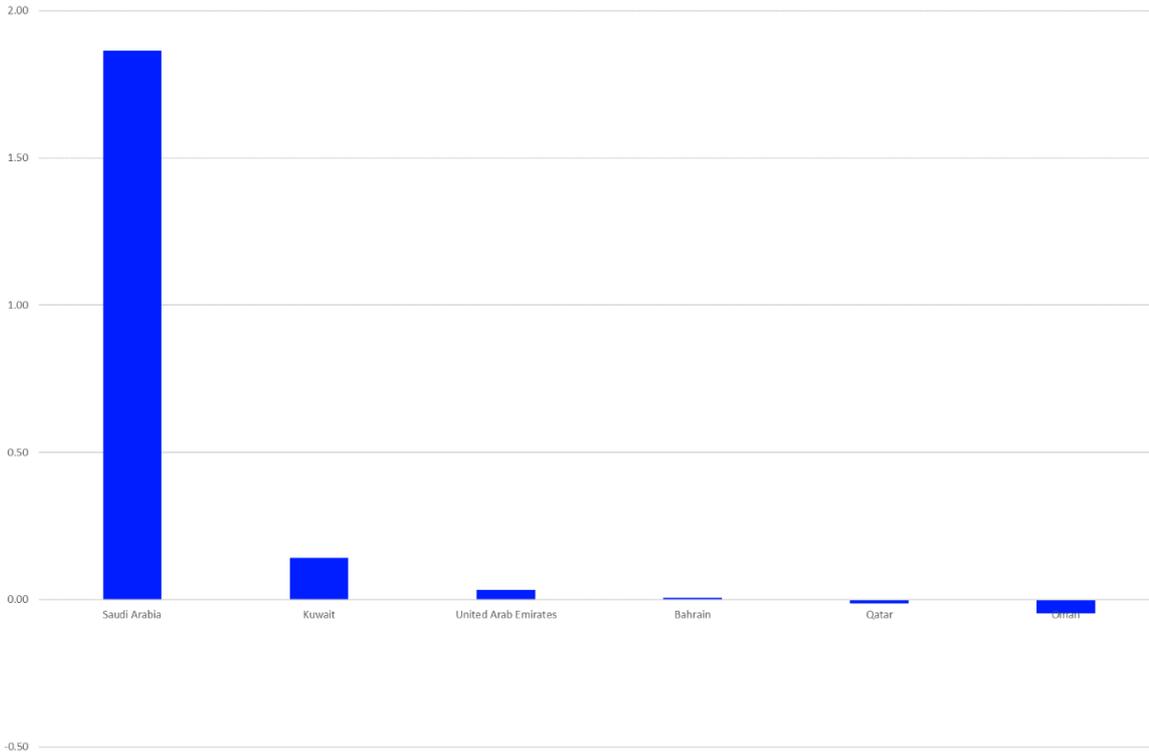


Source: Refinitiv Lipper

## Fund Flows by Fund Market

The fund flows in the Arabian fund markets are as highly concentrated as the assets under management. Therefore, it is not surprising that the largest fund market, Saudi Arabia, accounts for \$1.9 bn, or 93.92%, of the overall fund flows. It was followed by Kuwait (+\$0.1 bn), the United Arab Emirates (+\$0.03 bn), and Bahrain (+\$0.01 bn). On the other hand, Qatar (-\$0.01 bn) and Oman (-\$0.05 bn) faced outflows.

**Graph 6: Fund Flows by Fund Market, 2021 (US Dollar Billions)**

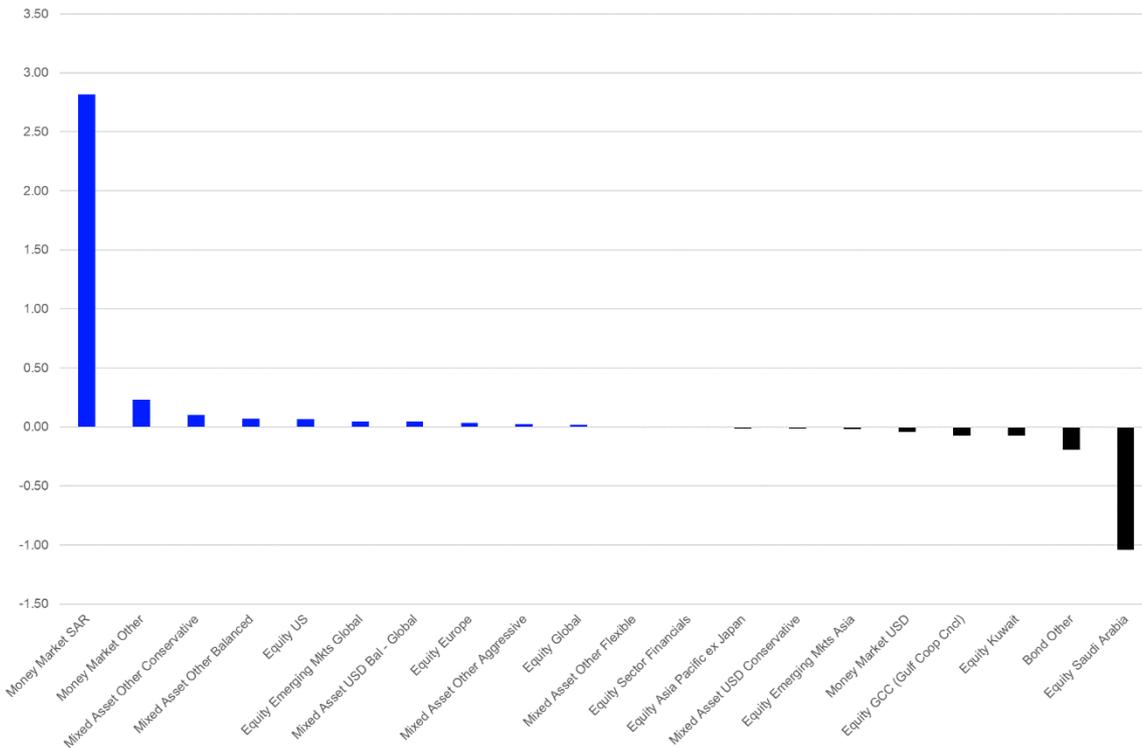


Source: Refinitiv Lipper

## Fund Flows by Sectors

Money Market SAR (+\$2.8 bn) was the best-selling sector overall for 2021, followed by Money Market Other (+\$0.2 bn), Mixed Asset Other Conservative (+\$0.1 bn), Mixed Asset Other Balanced (+\$0.1 bn), and Equity US (+\$0.1 bn).

**Graph 7: The 10 Best- and Worst-Selling Sectors 2021 (US Dollar Billions)**



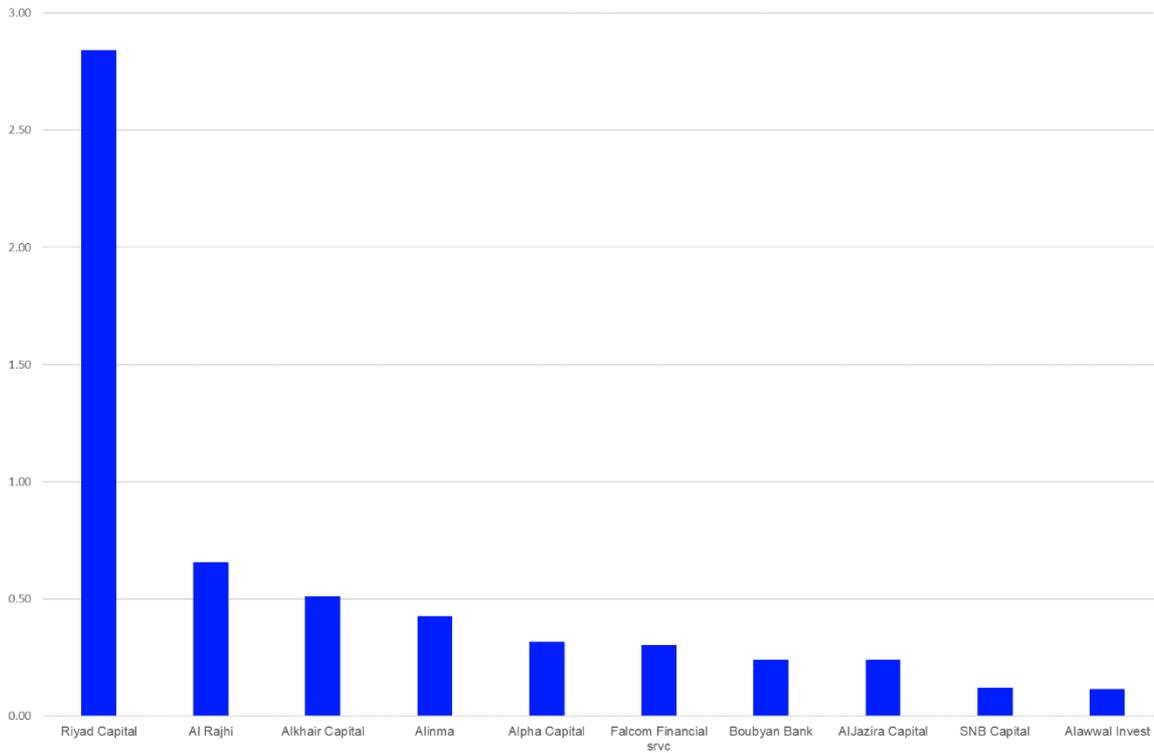
Source: Refinitiv Lipper

At the other end of the spectrum, Equity Saudi Arabia (-\$1.0 bn) suffered the highest estimated net outflows overall, bettered by Bond Other (-\$0.2 bn), Equity Kuwait (-\$0.1 bn), Equity GCC (-\$0.1 bn), and Money Market USD (-\$0.1 bn).

## Fund Flows by Promoter

**Riyad Capital**, with net sales of \$2.8 bn, was the best-selling fund promoter for 2021, ahead of **Al Rajhi** (+\$0.7 bn), **Alkhair Capital** (+\$0.5 bn), **Alinma** (+\$0.4 bn), and **Alpha Capital** (+\$0.3 bn).

**Graph 8: Ten Best Selling Promoters, 2021 (US Dollar Billions)**



Source: Refinitiv Lipper

For more information, please contact our Refinitiv Lipper Research Team:

**Detlef Glow**

Head of Lipper EMEA Research  
Phone: +49(69) 12001031  
[detlef.glow@lseg.com](mailto:detlef.glow@lseg.com)

**Robert Jenkins**

Global Head of Research, Lipper  
Phone: +1 (617) 856-1209  
[robert.jenkins@lseg.com](mailto:robert.jenkins@lseg.com)

**Xav Feng**

Head of Lipper Asia Pacific Research  
Phone: +886 935577847  
[xav.feng@lseg.com](mailto:xav.feng@lseg.com)

**Tom Roseen**

Head of Research Services  
Phone: +1 (303) 357-0556  
[tom.roseen@lseg.com](mailto:tom.roseen@lseg.com)

**Otto Christian Kober**

Global Head of Methodology, Lipper  
Phone: +41 (0)58 306 7594  
[otto.kober@lseg.com](mailto:otto.kober@lseg.com)

**Dewi John**

Head of Lipper UKI Research  
Phone: +44 207 5423393  
[dewi.john@lseg.com](mailto:dewi.john@lseg.com)

Media enquiries:

**Nsikan Edung**

[nsikan.edung@lseg.com](mailto:nsikan.edung@lseg.com)

**Lipper U.S. Client Services**

+1 877 955 4773  
[customers.reuters.com/crmcontactus/support.asp](https://customers.reuters.com/crmcontactus/support.asp)

**Lipper Europe Client Services**

(UK) 0845 600 6777  
(Europe) +44207 542 8033  
[customers.reuters.com/crmcontactus/support.asp](https://customers.reuters.com/crmcontactus/support.asp)

**Lipper Asia Client Services**

+886 2 2500 4806  
[customers.reuters.com/crmcontactus/support.asp](https://customers.reuters.com/crmcontactus/support.asp)

[lipperalpha.com](https://lipperalpha.com)

© 2022 Refinitiv. All rights reserved. Republication or redistribution of Refinitiv content, including by framing or similar means, is prohibited without the prior written consent of Refinitiv. 'Refinitiv' and the Refinitiv logo are registered trademarks and trademarks of Refinitiv and its affiliated companies.

Refinitiv is one of the world's largest providers of financial markets data and infrastructure, serving over 40,000 institutions in approximately 190 countries. It provides leading data and insights, trading platforms, and open data and technology platforms that connect a thriving global financial markets community – driving performance in trading, investment, wealth management, regulatory compliance, market data management, enterprise risk and fighting financial crime.