



AI-POWERED INVESTMENT TOOLS

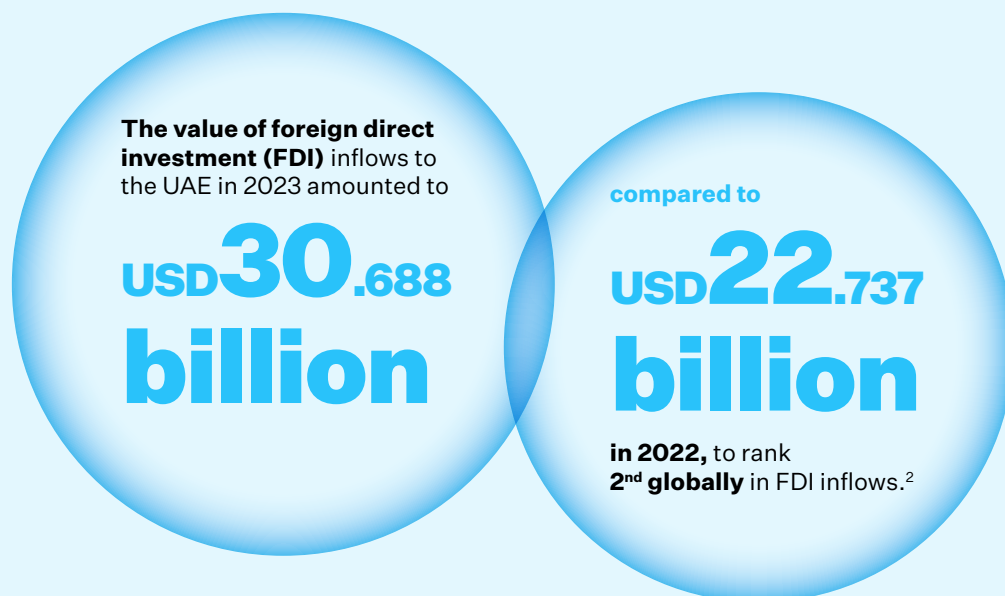
Shaping the Future of Investment Strategies and Financial Sector in Dubai

WHY INVESTMENT MANAGEMENT IS A GLOBAL CHALLENGE

The global investment landscape is characterised by a wide array of financial instruments, including stocks, bonds, funds, and alternative investments, each offering distinct risk-reward profiles. Economic challenges such as geopolitical tensions, inflation, and regulatory changes significantly impact investment strategies. In recent years, Foreign Direct Investment (FDI) flows have come under pressure, experiencing a decline of over 10% globally and 7% in developing countries¹. Tight financing conditions in 2023 led to a 26% downturn in international project finance, which is crucial for infrastructure investment in areas such as power and renewable energy¹. This trend underscores the critical need for adopting the latest technologies and advanced tools capable of processing large datasets, predicting market trends, and optimising investment strategies. These innovations are essential for both countries and individuals to sustain and enhance investment flows in an increasingly complex global environment.



KEY STATISTICS



There is a noticeable shift in Foreign Direct Investment (FDI) from traditional manufacturing to services and digital sectors.

From 2004 to 2023, the share of cross-border greenfield projects in the services sector **increased from**

66% to 81%

largely driven by technological advancements. This trend is particularly evident in developed regions where digital infrastructure is more established.³

Most believe AI will be revolutionary for financial services.

The vast majority

72%

of investors believe that AI is a game changer for investors and traders.

and nearly three out of four

74%

believe the technology will help Financial Advisors (FA) better serve their clients.

In fact, over three out of five

63%

would be interested in working with a Financial Advisor that leverages it.⁴



WHAT DOES IT LOOK LIKE IN DUBAI?

Dubai's investment landscape, as part of the UAE, is vibrant and rapidly evolving, fueled by significant Foreign Direct Investment (FDI) inflows and strategic initiatives aimed at attracting global investors. In 2023, the UAE achieved remarkable FDI inflows of USD 30.688 billion, a substantial increase from USD 22.737 billion in 2022, ranking it second globally in FDI inflows ². Dubai's appeal as a premier business hub is further enhanced by numerous investor incentives, including full ownership rights for companies established by foreign nationals. Initiatives such as NextGenFDI, a collaboration between government and private entities, have streamlined licensing and incorporation processes, particularly benefiting technology companies.

Dubai is actively promoting investment in high-growth sectors such as fintech, e-commerce, agritech, healthcare, education, tourism, and renewable energy. This strategic focus, combined with a favorable regulatory framework and world-class infrastructure, positions Dubai as a leading destination for international investment. However, there remains significant room for innovation, particularly in harnessing technological advancements and strategic initiatives to further solidify Dubai's role as a global leader in the investment landscape.



THE IMPACT OF AI-POWERED INVESTMENT TOOLS IN DUBAI

Integrating AI into Dubai's investment landscape, FDI, and key industries like tourism, manufacturing, and real estate is set to be transformative. By 2030, AI is projected to contribute up to \$320 billion to the Middle East economy, with the UAE capturing nearly 14% of this value⁵. In investment and FDI, AI enhances decision-making by analysing large datasets, predicting market trends, and optimising risk management, making Dubai a more attractive destination for global investors.

In tourism, AI-driven analytics personalise visitor experiences and predict trends, potentially boosting revenue by 30% in the next decade. The manufacturing sector benefits from AI through automation and predictive maintenance, reducing downtime by up to 20% while increasing productivity. In real estate, AI can forecast market demand, optimise pricing, and improve property management, potentially increasing profitability by 25% in the coming years.

By 2030, AI is projected to contribute up to **\$320 billion to the Middle East economy, with the UAE capturing nearly 14% of this value⁵.**

CITATIONS

¹ UNCTAD, "World Investment Report 2024," www.unctad.org/publication/world-investment-report-2024, accessed 2024.

² UAE Government, "Foreign Direct Investment," www.u.ae/en/information-and-services/finance-and-investment/foreign-direct-investment, accessed 2024.

³ UNCTAD, "Shifting Investment Patterns," www.unctad.org/news/shifting-investment-patterns-5-key-fdi-trends-and-their-impact-development, accessed 2024.

⁴ Morgan Stanley, "Wealth Management Pulse Survey," www.morganstanley.com/press-releases/morgan-stanley-wealth-management-pulse-survey0, accessed 2024.

⁵ PwC, "Economic Potential of AI in the Middle East," www.pwc.com/m1/en/publications/documents/economic-potential-ai-middle-east.pdf, accessed 2024.