



AHK World Business Outlook Kuwait

Spring 2026



German Emirati Joint Council
for Industry and Commerce
المجلس الألماني الإماراتي
المشترك للصناعة و التجارة

Summary

Business sentiment among companies in Kuwait remains positive. Most companies report stable to good current conditions (total 92%). **Business expectations** for the next 12 months are also strong, with over half of companies anticipating growth and around one-third expecting conditions to remain stable.

The outlook for the overall economy is also optimistic. A clear majority of companies expect **economic conditions** in Kuwait to improve, while only 15% foresee a decline.

Investment plans, however, are more cautious. While some companies are already increasing or planning to increase their local investments, many intend to keep investment levels unchanged or reduce them.

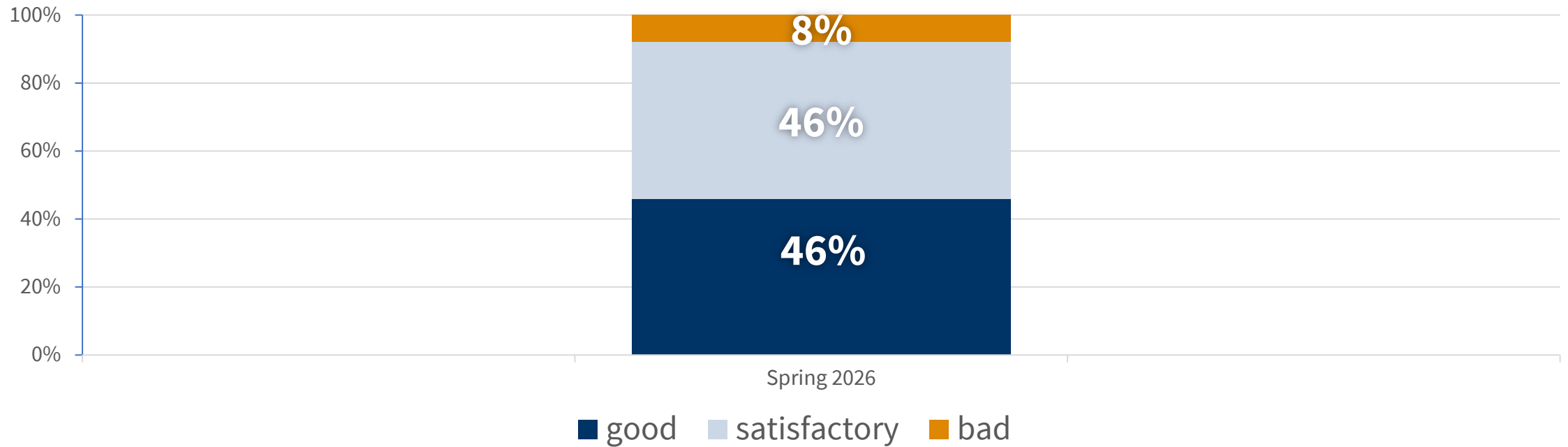
Employment is expected to remain largely stable. Most companies plan to maintain (46%) or even increase (19%) their current workforce.

The main **risks** for businesses are external factors, especially supply chain disruptions, which are seen as the biggest challenge. Rising costs for raw materials and energy are also key concerns. Ongoing tensions in the region are adding further pressure on this front.

In response, many companies are working on expanding their **supplier networks**. Expanding into new **sales markets** is less common, with more than half of companies not pursuing this option. **Inventory levels** are also being managed cautiously, with the majority of companies not planning to increase their stocks.

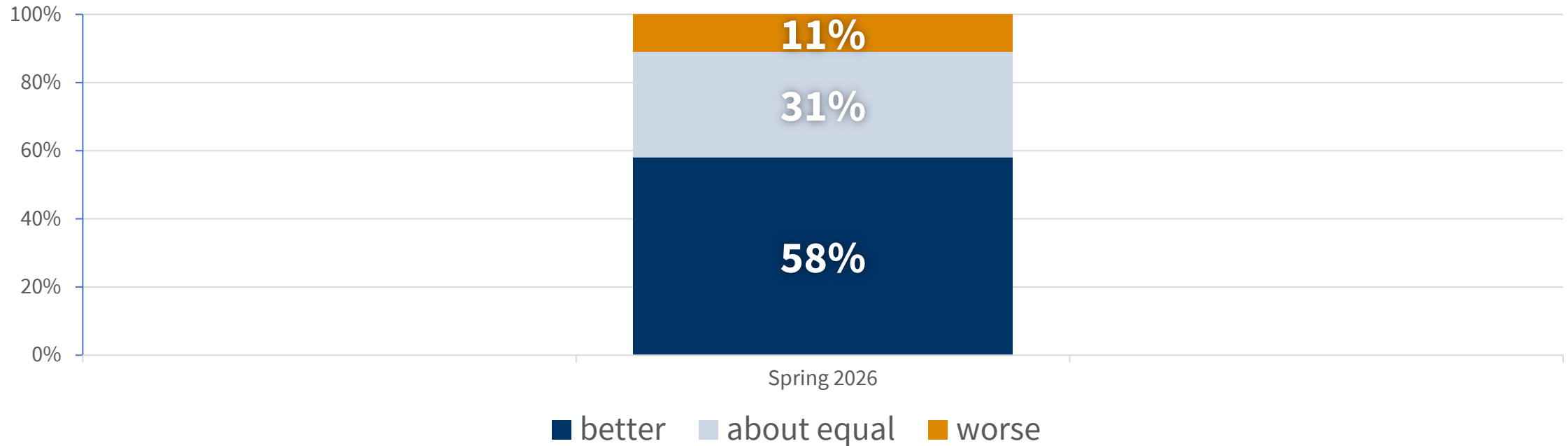
Despite these challenges, confidence in Kuwait as a business location remains strong. Three out of four companies do not plan to relocate their operations.

1. How do you assess the current business situation of your company?



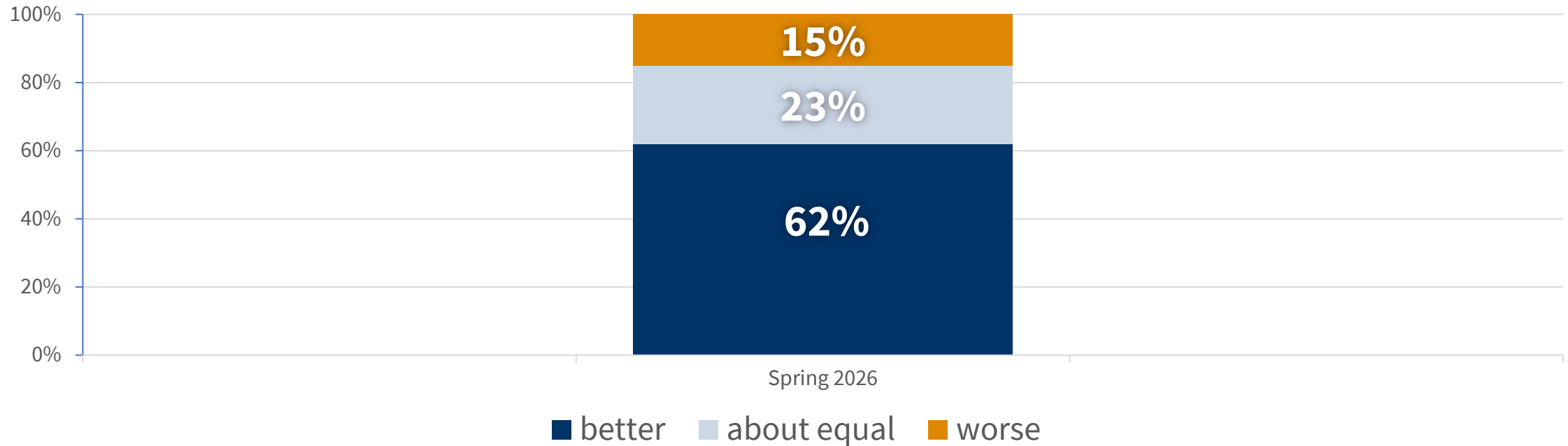
The current business situation among companies in Kuwait is optimistic with 46% of companies assess their current situation as good, while an equal 46% continue to be satisfied.

2. Which business development does your company expect for the next 12 months?



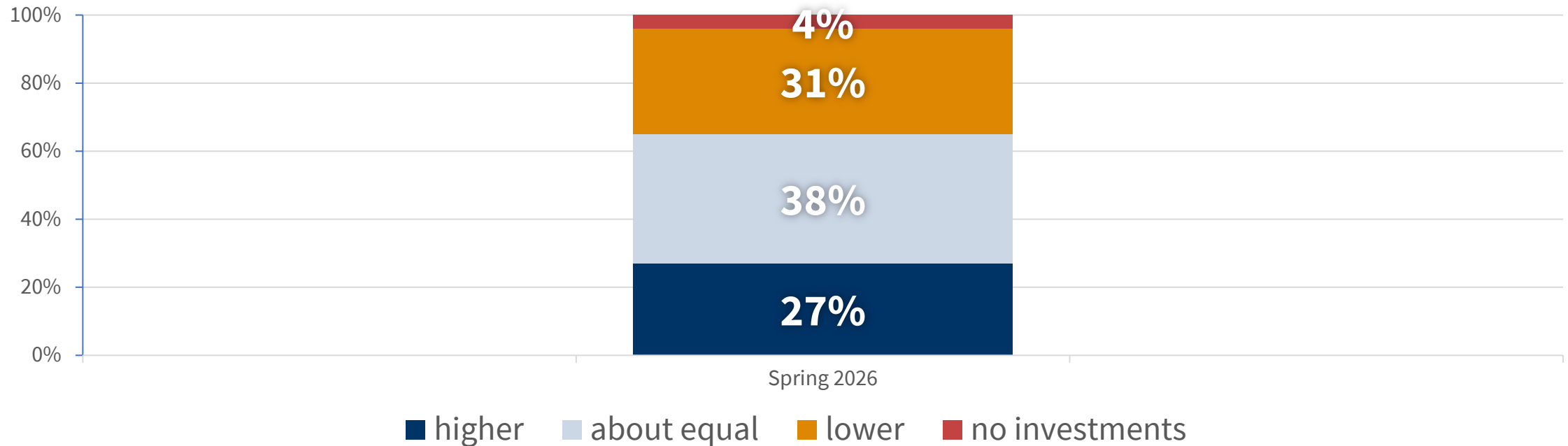
The overall expectation for the own business development follows a similar trend, 58% of companies forecasting growth. 31% expect conditions to remain unchanged.

3. How do you judge the local economic development in the next 12 months?



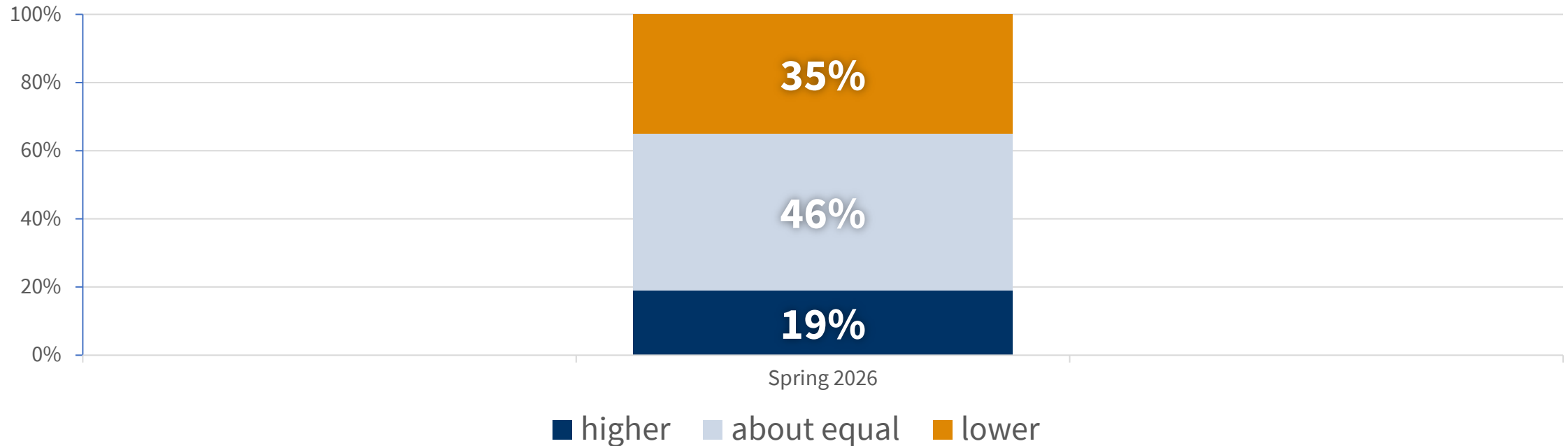
62% of the companies anticipate an improvement of the local economic development within the next 12 months. 23% expect the situation to remain equal while 15% foresee a decline in the economic development.

4. How do you think local investments of your company are likely to develop in the next 12 months?



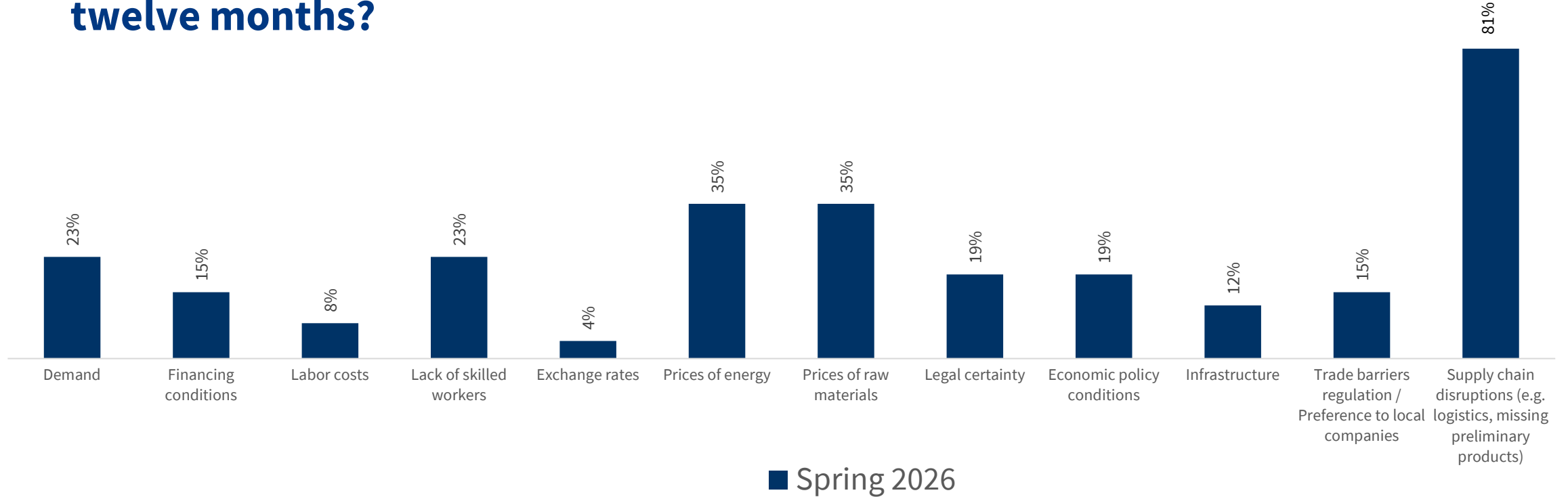
The outlook for local investment over the next 12 months is slightly less optimistic. While 27% of companies plan to increase their local investments, 38% expect to maintain current levels. However, 35% anticipate lower or no investments.

5. How do you think local employment of your company is likely to develop in the next 12 months?



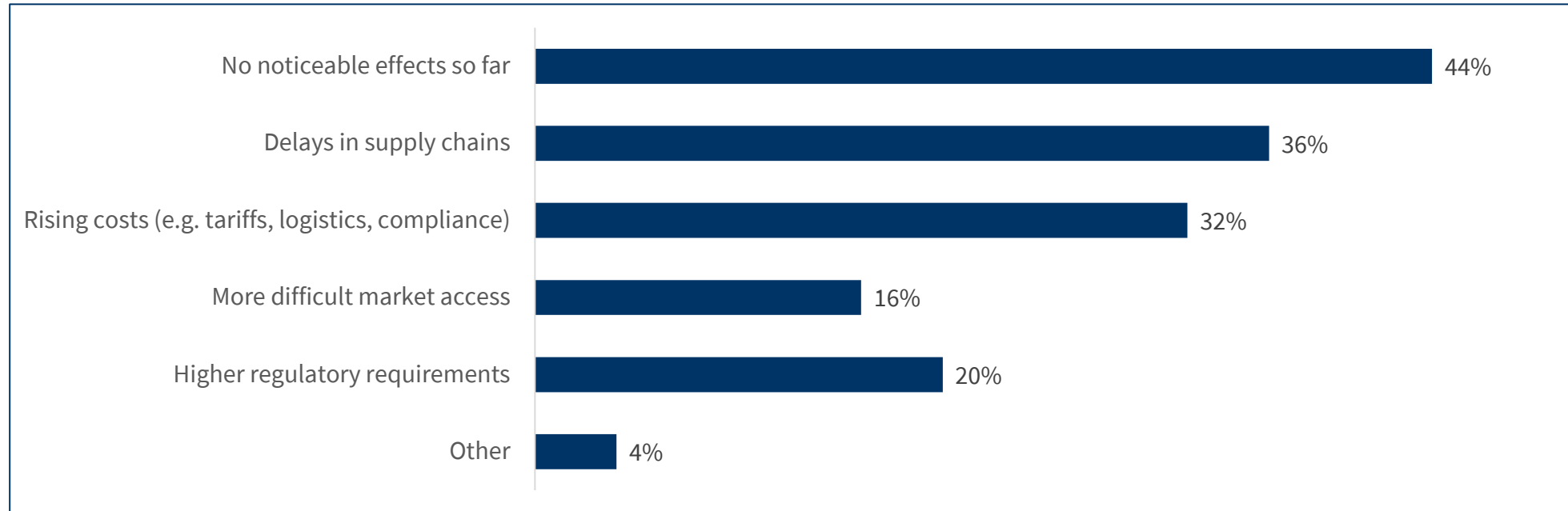
Over the next 12 months, the outlook for local employment appears broadly stable. While 19% of companies plan to expand their workforce and 46% expect to maintain current staffing levels, 35% anticipate a reduction in headcount.

6. What are the biggest risks for your company's economic development in the next twelve months?



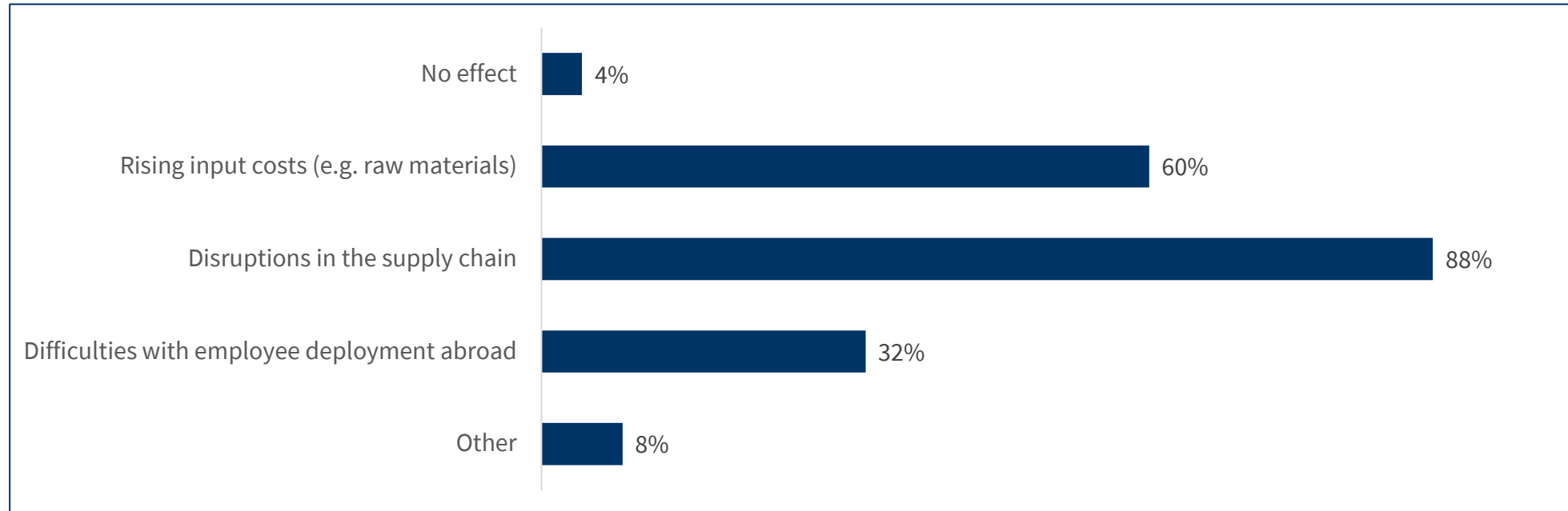
81% of the participating companies identify supply chain disruptions as the biggest risk in terms of company's economic development. Further risks often named by companies are prices of raw materials and energy, both with 35%.

7. What specific effects are current trade policy developments having on your company's business?



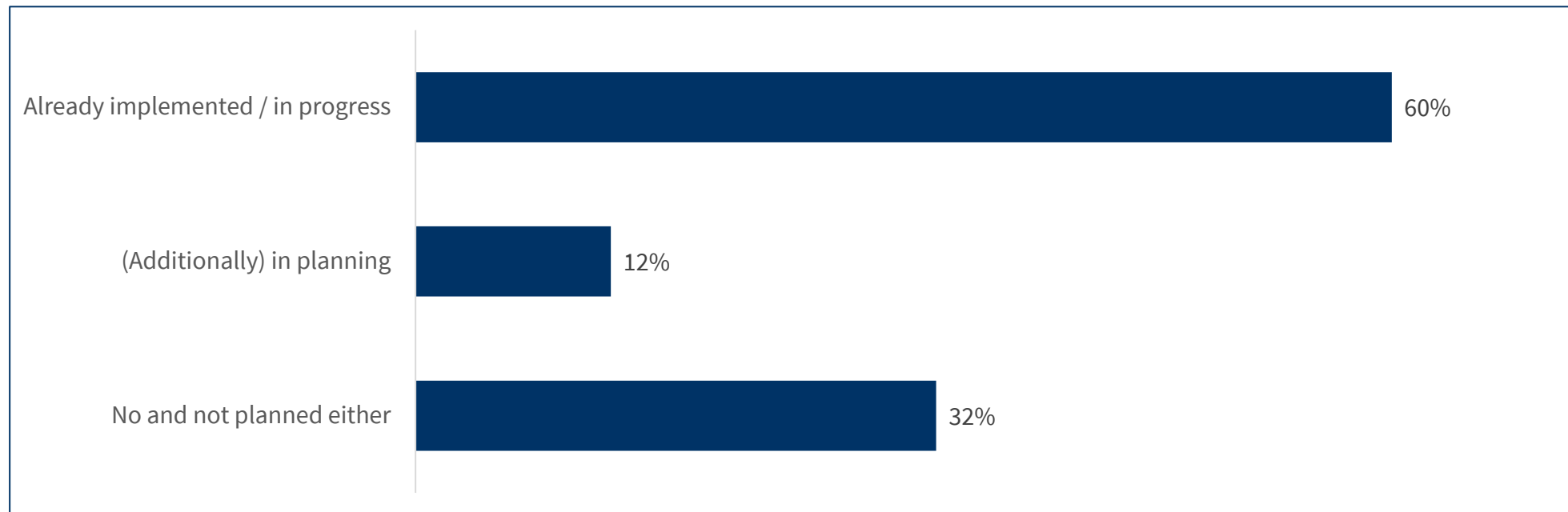
Current trade policy developments are contributing to delays in supply chains (36%) and rising costs (32%), for example through logistics and tariffs. However, 44% of companies have not observed any noticeable impact to date.

8. What effects of the escalation in the Middle East conflict do you fear or already experience in your company's business?



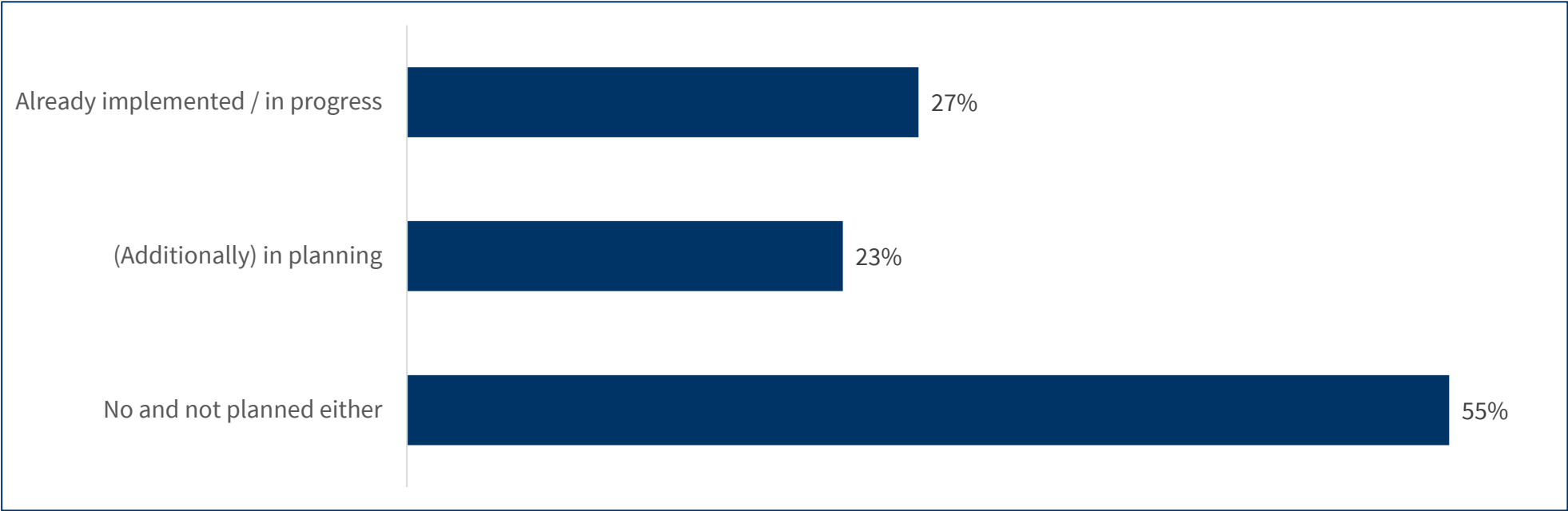
The escalation in the Middle East is leading to severe supply chain disruptions, cited by 88% of companies. Rising input costs, such as for raw materials, are an additional strong concern (60%). 32% also expect challenges in deploying employees abroad.

9. Do you plan an expansion of supplier network?



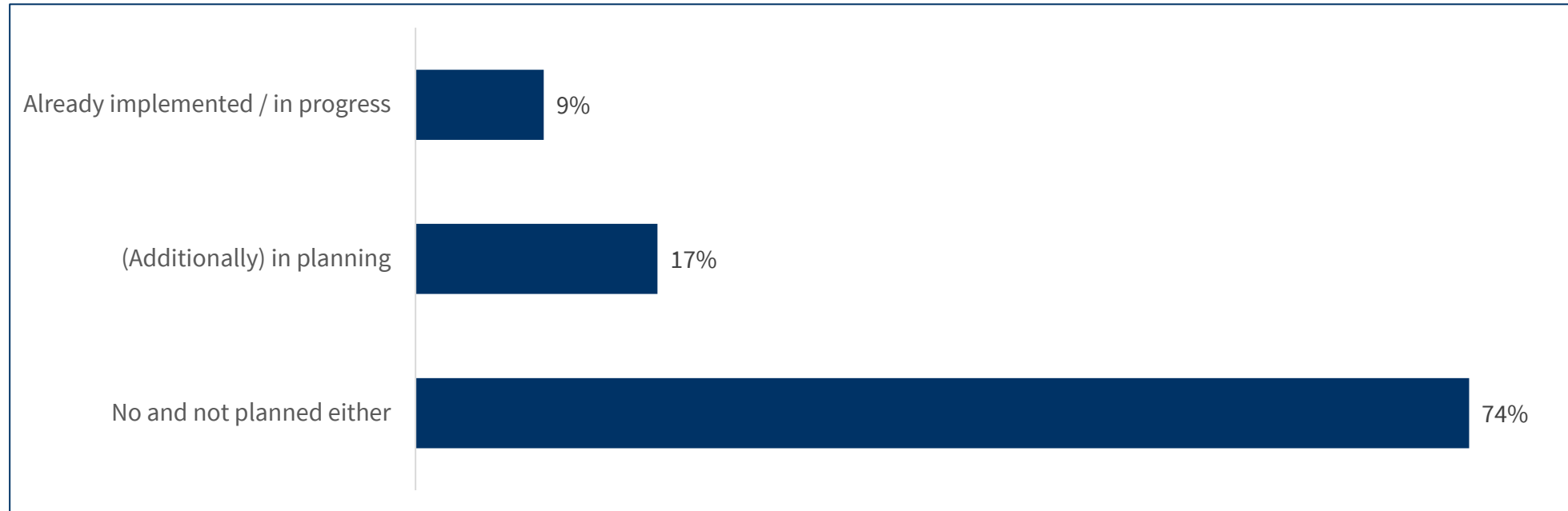
32% of companies neither currently expand nor intend to expand their supplier network, while 60% have already implemented or are currently implementing such measures.

10. Do you explore new sales markets?



55% of companies do not have any plans to explore new sales market, while 27% have already implemented new sales markets.

11. Do you consider a relocation of production/facilities to new location?



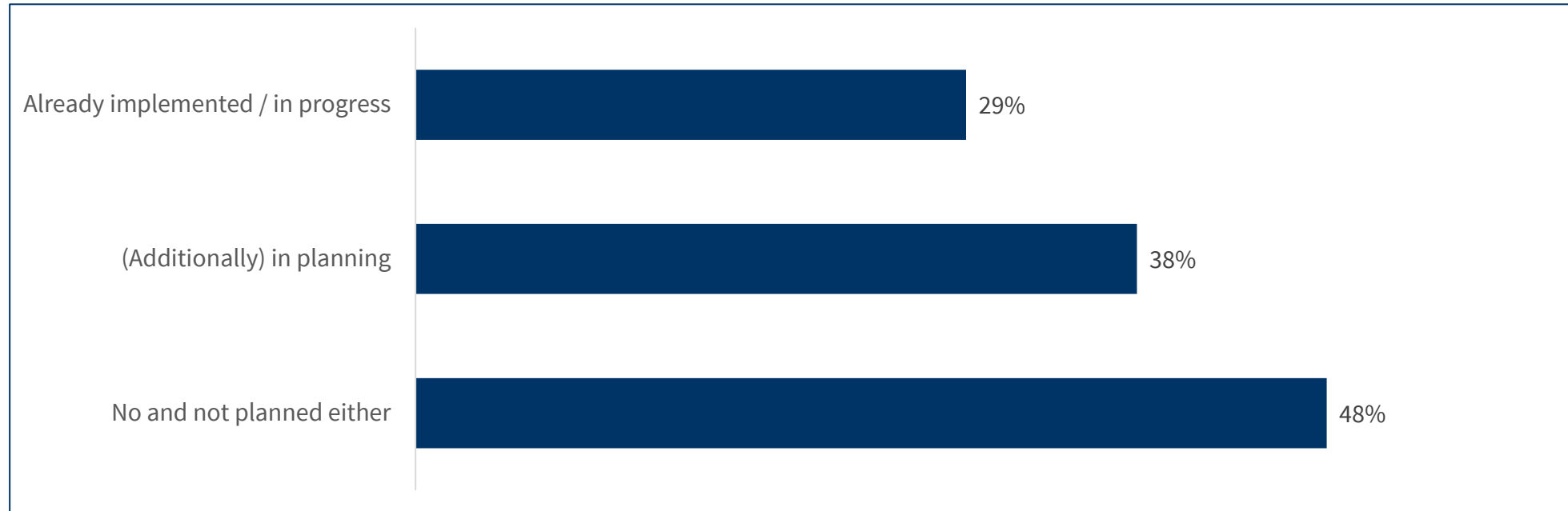
Confidence in Kuwait as business location remains solid, with 74% of the companies indicating no intention to relocate their local operations.

12. Do you consider an increase in investments at local site?



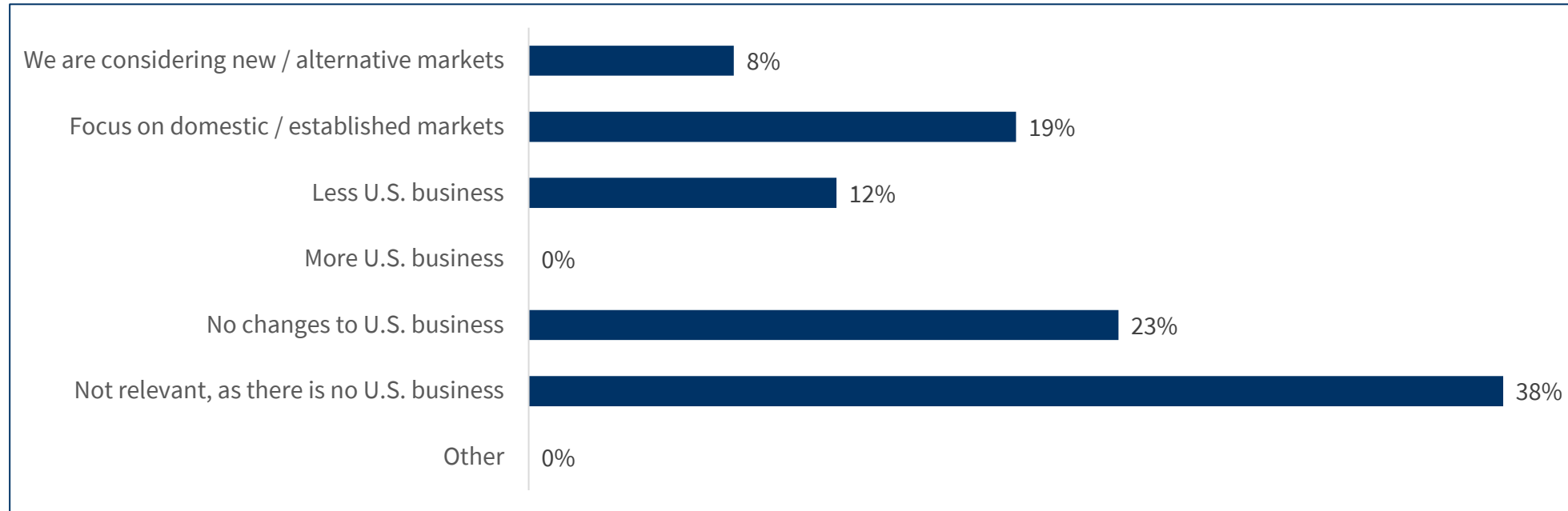
Investment sentiment remains solid, with 36% of companies already in the process of expanding their local investments and a further 41% planning to do so. However, 45% do not intend to increase investment at their local sites.

13. Do you consider an increase in inventory?



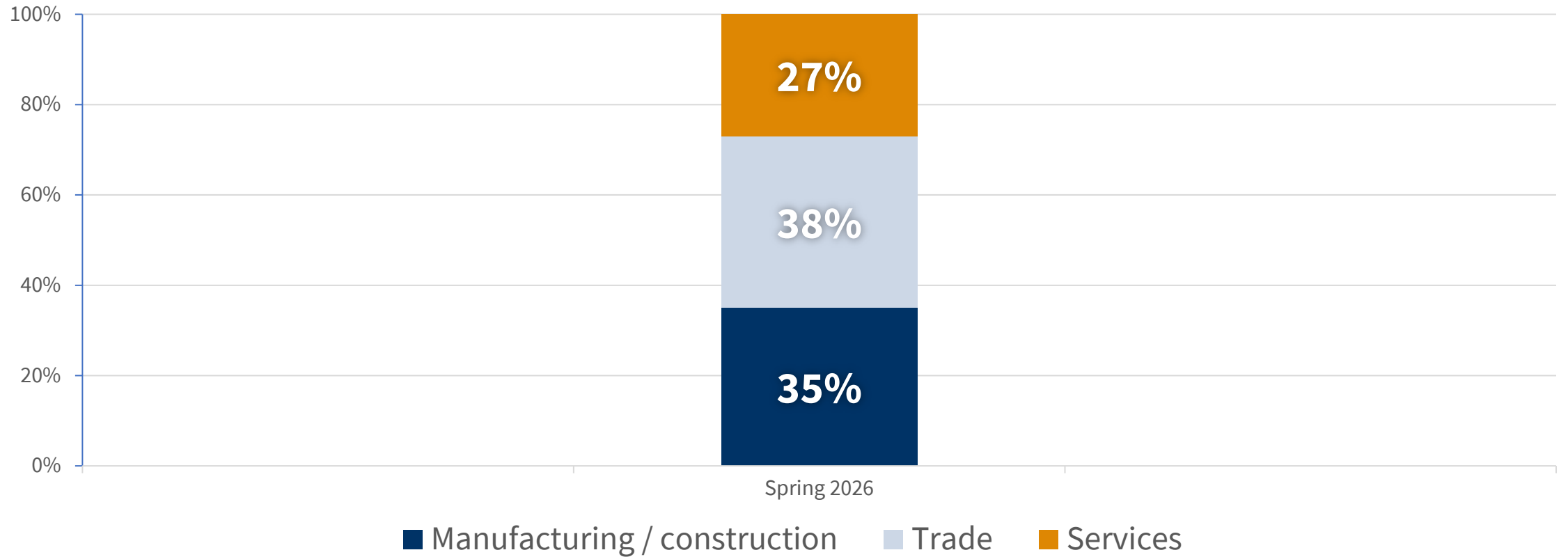
The majority of companies are neither considering nor planning any increase in inventory, while 29% have already increased or are currently increasing their stock levels.

14. Which consequences is your company drawing in response to U.S. trade policy?

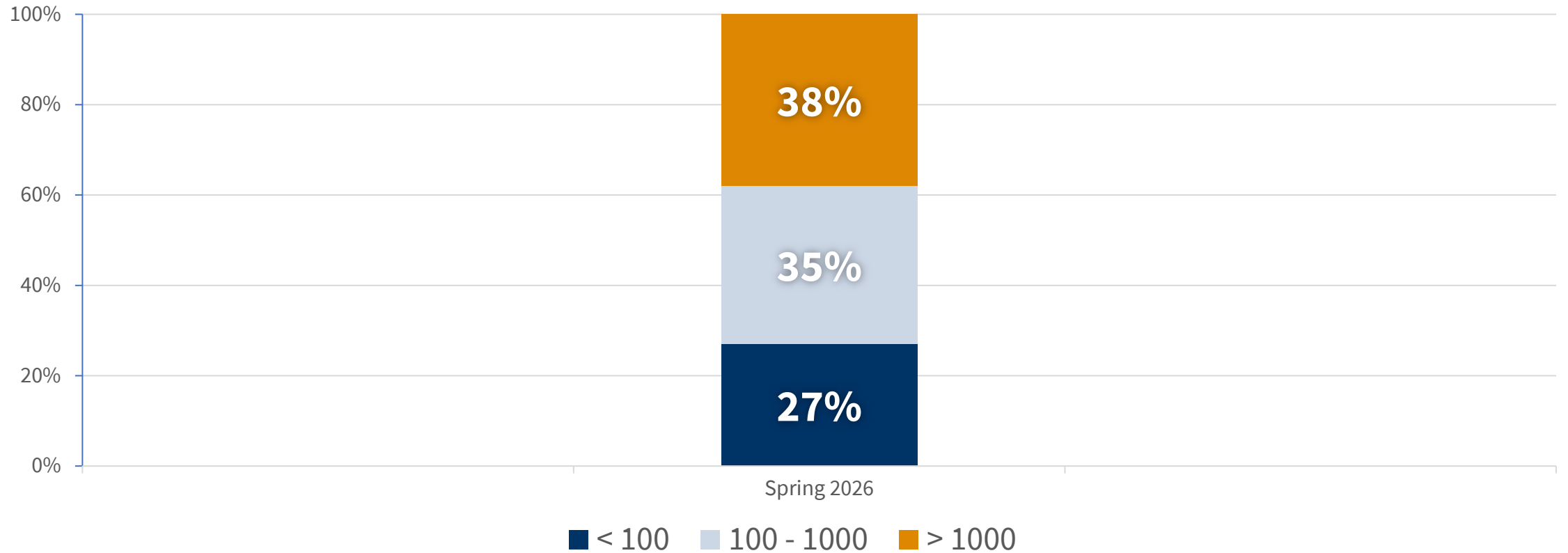


The impact of U.S. trade policy appears limited, with 25% of companies reporting no changes to their U.S. business. For a further 38%, it is not applicable, as they have no business activities in the United States.

15. Participating companies per sector



16. Participating companies per number of employees worldwide



The AHK World Business Outlook is based on a regular DIHK survey of member companies of the German Chambers of Commerce Abroad, Delegations and Representative Offices (AHKs).

This survey collected feedback from more than 4,500 German companies, branches and subsidiaries worldwide as well as companies with close ties to Germany. This includes a relevant sample size of participants from the Kuwait whose replies are documented in this country specific evaluation.

The survey was conducted from 16 March till 10 April 2026.

The global results are also available on the AHK UAE website (www.ahkuae.com).

For inquiries, please contact: info@ahkuae.com