

## Between Oil Prices Fluctuations & Dollar Weakness, UAE Demonstrates Ongoing Resilience

Global markets, investors, and consumers are navigating heightened uncertainty amid ongoing discussions around Trump-era tariffs, weakening oil prices, and a softening US Dollar. These forces are actively influencing strategies, policies, investment allocations, and wealth management approaches worldwide. How are these factors affecting the UAE Dirham and reflecting on the Emirati economy?

Razan Hilal, Market Analyst, CMT at FOREX.com explains: *“Major currencies across the globe recorded multi-year highs in April, with the Euro climbing above 1.15, the British Pound exceeding 1.34, and the Swiss Franc trading above 1.24 — all reflective of broad-based US Dollar weakness.”* She adds: *“This has dampened the purchasing power of currencies pegged to the Dollar, such as the UAE Dirham. Simultaneously, gold has surged to a record \$3,500, underscoring investor anxiety and the ongoing flight to safe-haven assets.”*

Oil, meanwhile, is showing signs of a cautious rebound. After WTI crude dipped to the \$55 zone earlier this month — likely pricing in oversupply fears — it has since bounced back toward the \$64 barrier. Hilal underlines: *“This move mirrors broader market sentiment but remains tentative, as the world watches for any concrete signs of a trade breakthrough or a rebound in global demand expectations.”*

Sustaining market share amid economic growth concerns has become a key challenge for major players like OPEC+, which may be on course to unwind its supply cuts — even at the expense of short-term price stability — with an eye on longer-term positive implications once trade deals align.

That said, the US Dollar, the UAE Dirham, and the broader UAE economy may be in a temporary holding pattern. The DXY index is currently maintaining its rebound above the critical 98 support level, while the UAE MSCI Index reflects resilience — holding a +12% rebound from April lows. Leading the way is Emaar Properties, fueled by growing investor appetite for UAE real estate, both in established and pre-construction projects.

Hilal confirms: *“This appetite makes sense: the UAE offers a politically neutral environment, deep ties with the US, and a consistently tax-friendly investment climate. Even as discussions continue over the 10% US-imposed tariffs — potentially up for negotiation during Trump’s upcoming mid-May visit to the region — investor sentiment toward the UAE remains firm.”*

The weaker US Dollar may introduce inflation risks due to reduced purchasing power within the UAE, given the Dirham's peg to the Dollar. However, it also boosts the price competitiveness of UAE exports, offering a potential offset as global trade adjusts to new realities.

Hilal concludes: *“Overall, markets remain in a state of pause. While falling oil prices may temporarily ease inflation concerns, continued volatility in tariffs and Dollar movements makes it increasingly difficult to sustain a stable market outlook. Yet, in the midst of this, real estate, gold, silver, and domestic production continue to offer a degree of certainty — at least until deals begin to settle.”*



For more information about the latest global market developments and the UAE's financial and economic updates, visit [www.forex.com](http://www.forex.com).

This content was created by FOREX.com and should be construed as general Market Commentary, not targeted at the general public of any particular country, and is not a Research Report as defined in the Commodity Exchange Act. The content is not intended for distribution to residents in any country where such distribution or use would contravene any local law or regulatory requirement. The information and opinions in this report are for general information use only and are not intended as an offer or solicitation with respect to the purchase or sale of Foreign Exchange ("Forex"), Contracts for Difference ("CFD"), or any other products offered by FOREX.com. Any opinions, news, research, analyses, prices or other information contained herein is intended as general information about the subject matter covered and is provided with the understanding that we do not provide any investment, legal, or tax advice. You should consult with appropriate counsel or other advisors on all investment, legal, or tax matters. All opinions and information contained in this report are subject to change without notice. This report has been prepared without regard to the specific investment objectives, financial situation and needs of any particular recipient. Any references to historical price movements or levels is informational based on our analysis and we do not represent or warranty that any such movements or levels are likely to reoccur in the future. While the information contained herein was obtained from sources believed to be reliable, author does not guarantee its accuracy or completeness, nor does author assume any liability for any direct, indirect or consequential loss that may result from the reliance by any person upon any such information or opinions.

Forex, CFD's, and other leveraged derivatives products offered by FOREX.com involve significant risk of loss and are not suitable for all investors. Losses can exceed your deposits. Increasing leverage increases risk. Past performance is not indicative of future results. Spot Gold and Silver contracts are not subject to regulation under the U.S. Commodity Exchange Act. CFD's are not available for US residents. Before deciding to trade, you should carefully consider your financial objectives, level of experience and risk appetite. The FOREX.com brand is operated by multiple legal entities across 8 jurisdictions globally. The products and services available to you depend on your location and the legal entity with which you establish your account.

FOREX.com is a trading name of GAIN Global Markets Inc. which is authorized and regulated by the Cayman Islands Monetary Authority under the Securities Investment Business Law of the Cayman Islands (as revised) with License number 25033.

GAIN Global Markets Inc. has its principal place of business at 30 Independence Blvd, Suite 300 (3rd floor), Warren, NJ 07059, USA., and is a wholly-owned subsidiary of StoneX Group Inc.

-Ends-