

Experts > Data Centre

Criterion: Billion-dollar Gulf State investors look to give Australia a good sheikh

Experts | 5 Jun 2026 | Tim Boreham



Sheikh on it: Rivers of capital are heading to Australia as UAE investors seek a safer harbour. Pic: Getty Images

Share [🔗](#) [f](#) [X](#) [in](#)

- Middle Eastern sovereign wealth funds and family offices are looking to repatriate funds to where the missiles aren't flying

- **Despite the CGT furore, Australia appeals as a safe harbor more neutral than the US**
- **Middle East expert Akshaya Naronikar nominates the stocks and the sectors that are attracting interest**

Ceasefire or not, huge licks of Gulf State money are headed to Australia as sovereign funds and family offices look for a safe place to park their petrodollars.

The pending flood of cash even could be enough to move the share market.

That's the view of Iridium Global Ventures founder Akshaya Naronikar, who has spent most of her working life advising wealthy Middle Eastern investors.

By 'wealthy', we mean sheikhs who think a gold lavatory is akin to a bog-standard Caroma.

With the Gulf States caught in not-so-friendly Iranian fire, Naronikar says: "Middle Eastern money is looking for somewhere to preserve capital ... where missiles are not flying."

She says the Iranian attacks, notably those on Dubai, were a "fundamental blow" to the staunchly neutral United Arab Emirates.

Australia wins

While the US would seem an obvious safe harbour, the funds are not keen on aligning themselves to the Trump juggernaut.

"In the case of one mandate with a sovereign fund, half a billion dollars has to move elsewhere," Naronikar says.

"The choices are the US, Europe, or Australia – but there are problems with the first two," she says.



"They don't want to be seen as too US-friendly and want a more neutral stance. Most of them also have significant funds in America already."

Europe is – well – meh, while India interests them as a growth side bet.

What takes their fancy?

"This is not money which is going to play in a casino," Naronikar says.

The investors look for simple "headline themes" and are drawn to resources (especially critical minerals), biotech and infrastructure.

With life sciences, "everyone understands the quality of research out of Australia".

Stocks on their radar include radiology imaging giant **ProMedicus (ASX:PME)**, uranium producers **Paladin Energy (ASX:PDN)** and **Boss Energy (ASX:BOE)** and rare earths producer **Arafura Rare Earths (ASX:ARU)**.

They are also casting the ruler over battery metals (lithium) leaders **Pilbara Minerals (ASX:PLS)** and **Liontown Resources (ASX:LTR)**.

Cashed-up investors are also interested in acquiring penny-dreadful stocks, to use them as shell companies.

Expect some deals in the resources sector.

Don't mention the (tax) war

Naronikar says the federal government's proposed capital gains tax reforms "have not gone unnoticed".

But in most cases, these institutional investors should be able to organise themselves to avoid problems.

"They realise it is a high-tax environment and need to get advice on the structure first," she says.

Naronikar says as a rule of thumb, they deem an overall 25% tax rate as "okay", while 40 to 45% might cause concern.

"If it crosses 50%, that's a no-go zone. That's the end of it."

Naronikar says the resurgent, anti-immigration One Nation "hasn't really" come up in conversations – or not yet.

But her investors "definitely want a political system that will support them and won't make sudden moves".

Bad guys get the chicks

While they crave political stability, these investors won't be deterred by ponderous ethical and governance rules.

After all, the Gulf nations were built on evil hydrocarbons and – tend to have a less than enlightened attitude towards women and homosexuality.

They seem happy to invest in data centres, which are on the nose because of their voracious electricity and water requirements.

So let's add the pure play **NextDC (ASX:NXT)** to the investment shopping list.

"They don't care about the optics of not being the popular guys," Naronikar says.

"Respect and culture are very different [concepts] in the Middle East."

When the \$36 billion takeover tilt at **Santos (ASX:STO)** by an Abu Dhabi led consortium last year failed, it created headlines that Middle Eastern investors prefer not to see.

"Their attitude is: 'if I'm not welcome, I'm not going to come.'"



Different culture, same objectives

Naronikar says while these investors “have a very different perspective on the Western world”, they’re not that different.

“The younger generation are Harvard-trained or have gone to business schools in the US,” she says.

“They understand and respect what you can do for them ... but you definitely have to earn your seat at the table.”

Naronikar says Australia could accelerate its development by using the capital in the “right places”.

These include affordable housing, build-to-rent and aged care projects.



This story does not constitute financial product advice. You should consider obtaining independent advice before making any financial decision.

[DATA CENTRE](#)[LARGE CAP](#)[MARKETS](#)[MEDTECH](#)[RARE EARTHS](#)[SHARES](#)[SMALL CAPS](#)[URANIUM](#)

EXPLORE MORE

Investor Guide: Health & Biotech 2026 featuring Tim Boreham

[READ THE GUIDE](#)

Related Stories



Experts | 29 May 2026 | Tim Boreham

Criterion: As the banks drop the ball, the non-bank lenders enjoy Goldilocks conditions



Experts | 29 May 2026 | Stockhead

ASX Small Caps Weekly Form Guide



Experts | 22 May 2026 | Tim Boreham

Criterion: With small caps investing, it's all about having an edge

FEATURED **Featured Content**



Ovanti taps into prediction markets boom through Yuno deal

Tech

Break it Down: LTR secures first US commercial deal for ROXUS

Stockhead TV



Featured Companies

ASX: PME

ProMedicus

ASX: PDN

Paladin Energy

ASX: BOE

Boss Energy

ASX: ARU

Arafura Rare Earths

ASX: PLS

Pilbara Minerals

[ASX: LTR](#)**Liontown Resources**[ASX: NXT](#)**NextDC**[ASX: STO](#)**Santos**

Editors Picks



Barry FitzGerald: Namibia is the new exploration hotspot for ASX juniors



Criterion: With small caps investing, it's all about having an edge



IPO Watch: The team behind \$418m copper success Avanco return to look for the next Mt Isa



Kristie Batten: Legacy on the road to redemption



ASX Small Caps Weekly Form Guide

UNLOCK INSIGHTS

Discover the untold stories
of emerging ASX stocks.

Daily news and expert analysis, it's free to subscribe.

SUBSCRIBE

By proceeding, you confirm you understand that we handle personal information in accordance with our **Privacy Policy**.

THE AUSTRALIAN 

The Daily Telegraph

Herald Sun

The Courier Mail 

The Advertiser

 **news**
.com.au

[ABOUT US](#)

[MEET THE TEAM](#)

[STOCKS](#)

[CONTACT US](#)

[ADVERTISE](#)

Stockhead is providing factual information where there is a reasonable likelihood of doubt.
The information is not intended to imply any recommendation or opinion about a financial product.

A NOTE ABOUT RELEVANT ADVERTISING

We collect information about the content (including ads) you use across this site and use it to make both advertising and content more relevant to you on our network and other sites. This is also known as Online Behavioural Advertising.

