

The Business of Expansion

How international businesses are harnessing growth and building resilience in an uncertain world

HSBC’s report **‘The Business of Expansion: How international businesses are balancing resilience and ambition in an uncertain world’** shows firms are still pushing international growth despite trade, tariff and geopolitical uncertainty. Based on a survey of **2,700 financial decision-makers** across **18 markets** (Dec 2025–Jan 2026), **77%** plan to expand overseas in the next two years and **48%** say tariffs have accelerated their plans. Growth (**38%**) and supply chain resilience (**35%**) lead the drivers, while economic conditions (**35%**), regulation / trade policy (**34%**) and political factors are the biggest barriers. Read the full report to learn more.

Key findings

Expansion intent:

86% of UAE HQ international enterprises intend to expand overseas in the next two years

Tariffs accelerating plans:

63% of international enterprises reported accelerating overseas expansion due to tariff changes

In 2026, UAE-headquartered mid-market and corporate decision-makers look even more expansion-minded than peers elsewhere, with **73%** intending to expand overseas in the next two years. Tariff changes are still acting as a meaningful catalyst—**63%** of international enterprises say they’ve accelerated overseas expansion plans—suggesting firms are actively rethinking where they manufacture, source, or route supply chains to protect margins and reduce disruption.

That said, the UAE data also highlights a more structural set of execution constraints: regulatory complexity and trade agreements are cited as the biggest barrier to expansion (**40%**), followed by economic (**38%**) and political factors (**35%**). On inbound interest, the UAE continues to attract strong attention from Asia—China (**23%**) and India (**19%**) are the most interested in entering the UAE, together accounting for over **40%**—reinforcing the UAE’s role as a regional hub and a strategic landing point for firms looking to access wider Middle East, Africa, and South Asia corridors.

Top triggers for international expansion

47%

Growth in line with overall International ambitions

40%

Sector is expected to grow

39%

Expecting overseas demand

35%

Financial support and funding

30%

Resources in terms of people support

Top considerations for market selection

Market size and growth potential **28%**

Technology and infrastructure readiness **24%**

Regulatory and legal environment **22%**

Political stability and risk **22%**

Key corridors

Inbound

(International enterprises plan to expand to Middle East)

23%
IN

19%
CN

13%
ID

12%
TH

9%
US

Outbound

(HQ AE to expand into)

27%
SG

22%
EU

19%
CA

15%
N. AF

14%
IN, AU, MY

Barriers to international expansion for organisations

Regulatory and trade agreements **40%**

Regulatory barriers (top mentions)

Lack of coordination between different lines of ministry

Bureaucratic approval process

Non conducive policies

Financial barriers (top mentions)

High collateral requirements

Technological barriers (top mentions)

Lack of local technology

Economic factors **38%**

Political factors **35%**

Local labour availability **28%**

Bank and banking operations **28%**

Low knowledge of the local market **28%**

This study, a mix of quantitative and qualitative methods, was conducted over a period of 18 months across 18 markets, concluding in Q1 2026, with over 2,700 mid-market companies. This study is not a product of HSBC Global Investment Research.

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