
Press release

AFME UK Capital Markets Report Shows UK Maintains Global Financial Centre Status, But Loses Ground in IPOs, Green Finance and Global Equity

Under embargo until 11 December 2025

The Association for Financial Markets in Europe (AFME) has today published the second edition of its [UK Capital Markets Key Performance Indicators Report](#) assessing the UK's progress in strengthening and expanding its capital markets, benchmarking performance against global peers including the US, EU, China, Japan, and Australia.

Adam Farkas, Chief Executive of AFME, said: *"Our latest report shows the UK remains a leading global financial hub, especially in non-equity markets and exporting 17% of the world's financial services. But its share has slipped over the last decade, highlighting the need for ongoing innovation to stay competitive."*

"The findings also point to both new and persistent challenges in areas such as IPO activity, securitisation, household investments patterns, and ESG bond issuances. These issues are well recognised by the UK Government and regulators, making it all the more important to deliver on reforms in the Financial Services Growth & Competitiveness Strategy, particularly those related to modernising capital markets, driving innovation, encouraging retail investment, and supporting sustainable finance."

"Progress in these areas will be essential if the UK is to improve its competitiveness with international peers and maintain its position as a leading global financial centre"

Among the key findings of the report:

- **Strong use of market-based finance by UK corporates:** Around 30% of corporate funding comes from public markets, driven by record bond issuance, matching levels seen in the US and outperforming European peers.
- **UK remains a leading global financial services hub:** Accounts for 17% of global exports, second only to the US, and is the largest net exporter, but share has declined from 21% in 2011 amid growing competition from other jurisdictions.
- **Historic slump in UK IPOs in early 2025:** The UK fell behind several European markets, with de-listings outpacing new listings.
- **Decline in UK global equity market share:** UK share of global market capitalisation has fallen from 10% in 1990 to just 3.4% in 2025, highlighting a diminishing role in international equity markets.
- **UK green and ESG bond issuance at significantly low levels:** Only €7.2bn issued in green bonds, trailing China (€41bn), Germany (€26.8bn), and the US (€26.3bn), signalling a potential slowing of the UK's leadership in sustainable finance.
- **Pre-IPO risk capital underdeveloped vs US:** SMEs face challenges accessing equity risk financing; UK unicorns increasingly rely on large private funding rounds, delaying public listings and staying private for longer.
- **UK securitisation market lagging global peers:** True sale activity averages 1.6% of outstanding loans over three years, well below the US (6.8%), limiting the UK's capacity to transform loans into capital market instruments.
- **Household investment in market instruments declining:** Despite 122% of GDP invested in listed shares, bonds, and funds, falling pension and annuity values and rising cash holdings signal a structural shift away from long-term savings.
- **UK fintech remains strong but momentum slowing:** UK scores 0.40 on the FinTech Indicator, ahead of Luxembourg and the US, but declining funding and limited DLT/tokenisation activity suggest competitors like Hong Kong and Switzerland are closing the gap.

This report is intended not only as a snapshot of where the UK stands today, but as a call to action for policy makers, market participants, and stakeholders across the financial system. By looking at the current conditions across several

markets, the report aims to inform efforts to support the success of UK capital markets and their progress towards objectives set by the UK Government and Regulators.

The UK Capital Markets Report is an extension of AFME's annual [Capital Markets Union Key Performance Indicators report](#), now in its eighth year, which tracks the development of the European capital markets ecosystem.

– Ends –

AFME Contacts

Rebecca Hansford

Head of Communications and Marketing rebecca.hansford@afme.eu

+44 (0)20 3828 2693

Notes:

1. The Association for Financial Markets in Europe (AFME) is the voice of the leading banks in Europe's financial markets, providing expertise across a broad range of regulatory and capital markets issues. We represent over 150 leading global and European banks and other significant market players. Our members play a vital role in Europe's financial ecosystem, underwriting around 90% of European corporate and sovereign debt, and 85% of European listed equity capital issuances. Importantly, AFME members are market makers, providing liquidity, which is essential for ensuring financial markets can function efficiently. We also represent law firms and other associate members which advise market participants and support AFME's legal and regulatory initiatives. For more information please visit the AFME website: www.afme.eu
2. Follow us on X, formerly Twitter [@AFME_EU](https://twitter.com/AFME_EU)