

Autumn 2026

BERENBERG INVESTOR BAROMETER

A measure of investor
sentiment towards UK plc



Berenberg Investor Barometer

Autumn 2026

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Foreword

Welcome to the autumn 2026 edition of the Berenberg Investor Barometer.

When we launched our inaugural report in the spring, investor sentiment toward UK plc was characterised by a broad, cyclical optimism. Six months later, investors are confronting a markedly different backdrop: another political transition, persistent fiscal anxieties, renewed inflationary fears, and continued global geopolitical uncertainty. Against this backdrop, economic growth expectations have moderated. Yet, this edition of the Barometer reveals that a striking dichotomy has emerged: global investors have grown increasingly downbeat on the UK's macro and policy framework, but their confidence in the underlying operational strength of UK companies remains absolute.

A tale of two realities

This edition highlights a stark contrast between top-down macroeconomic concern and bottom-up corporate optimism. Perceptions of the UK's economic trajectory have softened, with only 58% of investors now expecting expansion, down from 67% in the spring. Furthermore, 40% of respondents continue to identify domestic policy missteps as the single greatest threat to growth.

Despite these headwinds, the willingness to back UK corporate quality is undiminished. Among investors actively adjusting their portfolios, three times more are actively planning to increase their UK equity exposure versus decreasing. This persistent appetite is underpinned by an overwhelming 89% of investors who expect UK plc earnings to meet or beat consensus over the next 12 months, showing remarkable faith in corporate balance sheets. This earnings resilience, coupled with depressed UK equity multiples, has created a compelling valuation disconnect that global allocators are eager to exploit.

Structural shifts in capital and policy

Our autumn data also captures crucial shifts across the broader market landscape. In public equity markets, while near-term optimism for new listings has moderated, strong investor appetite to participate in UK IPOs has increased to 24%, up from 16% in the spring. This is driven primarily by domestic managers starved of new opportunities as the pool of UK-listed equities continues to shrink.

Meanwhile, in the technology sector, a staggering two-thirds of investors warn that the UK does not currently offer the right conditions to scale world-leading AI companies. Concerns around the depth of domestic capital pools and regulatory flexibility remain significant, making it harder for the UK to retain its brightest innovative talent.

Ultimately, the message from the global investment community is clear. The UK's macro-policy framework faces headwinds, but the structural quality, defensive appeal, and valuation discount of UK corporate assets continue to act as a powerful magnet for global capital. We hope you find these insights valuable as you navigate the final quarter of the year.

The team at Berenberg



Ben Wright
Co-Head of
UK Investment Banking

“ For UK-listed companies, the message is encouraging. Investors may be more cautious on the UK economic outlook, but confidence in the underlying strength of UK companies remains resilient. There is appetite for compelling equity stories, which points to continued investor interest in London’s capital markets, but appetite alone won’t reopen the market. Businesses will need to demonstrate the right combination of quality, valuation and a clear rationale for being public. Those that can demonstrate that should find a receptive investor base, even in an increasingly selective market.”



Matthew Armitt
Co-Head of
UK Investment Banking

“ Since the first Berenberg Investor Barometer this spring, the UK has seen a change of Prime Minister and Chancellor, but policy mistakes remain investors’ biggest perceived risk to growth. That is particularly striking given the sharp rise in concerns around inflation and continued geopolitical uncertainty. With expectations for UK growth also moderating, investors are clearly looking for greater confidence and clarity around the country’s long-term fiscal and policy direction.”



James Burt
Head of UK Equity Sales

“ I’ve been running around Europe spreading the word on UK equities and been encouraged by the level of engagement. Receptive audiences are underweight UK, though being increasingly drawn towards the market given valuation appeal and frequency/scale of M&A. Investors have less concerns over our political backdrop and acknowledge that our economic growth looks compelling versus eurozone/US in the next few years, and not dependent on AI. Bottom-up stock picking remains core and the quality of UK plcs is attracting overseas investors.”



David Hogg
Head of European Sales

“ Investors are becoming more selective about allocating capital, but that shouldn’t be mistaken for waning appetite for UK equities. Among those adjusting portfolios, the direction of travel remains firmly towards increasing UK exposure. That chimes with our conversations: investors continue to see attractive value in the UK and recognise the quality and international competitiveness of many UK-listed businesses.”



Rob Chantry
Head of Research UK

“ What stands out to us is the breadth of end-market exposure and operational resilience of UK-listed equities. Our analysts continue to see strong underlying delivery, disciplined strategic growth plans and very resilient balance sheets across many of the companies we cover. With much of the UK market generating revenues internationally, high-quality businesses remain well placed to deliver even against a more challenging domestic backdrop.”



About Berenberg

The fastest-growing investment bank in London



Our unrivalled equities platform

Research 90+ covering analysts 35+ dedicated UK small/mid-cap analysts 825+ stocks covered		1,200+ UK notes in 2025 300+ UK stocks covered	Global sales Largest sales force for UK and Pan-European Equities 90+ sales and sales-traders between the UK, Europe and the US	1,300+ Institutional contacts 3,900+ Individual contacts
Investment Banking Sector focused ECM and advisory specialists £2.5bn+ equity raised across 16 transactions in 2026, globally		79 UK Corporate Broking clients 4 IPOs in 2026 YTD	Trading Trading desks in London, Frankfurt and New York provide a wide institutional and retail reach	3 Trading hubs 30 Exchange memberships

UK Investment Banking

A growing, long-term client base

72+ UK ECM transactions priced since 2021	79 Corporate broking clients	£1,291m Average market cap
£8bn+ Raised since 2021	18 UK IPOs since 2017	£386m Median market cap
	35 Client wins since 2025	19 FTSE 350 clients

Note(s): All statistics for the year of 2026; Client wins since 2025 as of September 2026

UK ECM Credentials

Leading specialist with significant placing power

IPO & 7 Capital Increases £724m* Joint Global Coordinator / Joint Bookrunner / Co-Manager 2018 - 2026	Capital Increase £410m Sole Global Coordinator / Joint Bookrunner 2018 - 2026	7 Capital Increases £580m* Joint Global Coordinator 2017 - 2026	IPO £106m Sole Global Coordinator/ Sole Bookrunner/ Financial Adviser Oct 2025	IPO \$785m Financial Adviser & Bookrunner Oct 2025	IPO & 4 Secondary Placings £668m* Joint Global Coordinator 2021 - 2024
IPO & 5 Secondary Placings £765m Joint Bookrunner 2021 - 2024	3 Capital Increases £207m* Joint Global Coordinator 2021 - 2023	IPO £186m Sole Global Coordinator Nov 2021	IPO £603m Joint Bookrunner Sep 2021	IPO £108m Sole Global Coordinator May 2018	IPO £125m Sole Global Coordinator Oct 2017

*Aggregated deal values for client

Global Sales Distribution

Unparalleled breadth & depth across the UK, Europe & US



Multiple investor touchpoints in the UK, Europe and US for UK companies

M&A Capabilities

Integrated advisory within UK Investment Banking

Berenberg M&A transactions

UK PLC Takeovers	Independent, relationship-driven advice	Financial Adviser to On its acquisition of £48m	Financial Adviser to On their recommended all-share offer for £600m	Financial Adviser to On their recommended offer from £2.3bn	Financial Adviser to On their acquisition by £626m	Financial Adviser to On their sale to £241m
Market intelligence & shareholder liaison	Strategic fundraises/PIPEs					
Corporate acquisitions & divestitures	Cross-border insights					



Methodology and approach



The autumn 2026 edition of the Berenberg Investor Barometer draws on responses from 286 investors across 22 countries, collectively representing more than \$1trn in assets under management.

This survey retains a core set of questions covering the same themes as the spring edition, from the UK macroeconomic outlook to the appetite for new issuance, so that shifts in investor sentiment can be tracked over time. It also introduces new questions, including on the UK’s AI readiness. As before, global investors were also asked where the UK sits within their geographic allocation strategy.

Fieldwork took place between 1 September and 23 September 2026. Comparisons with the spring edition refer to the equivalent findings from that survey. Percentages may not total 100% due to rounding.

Figure 1: Investors surveyed by region

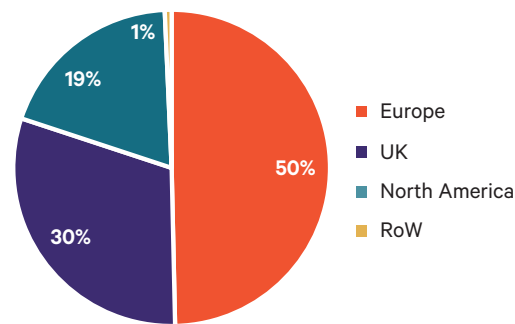


Figure 2: Investors surveyed by their geographic fund mandate

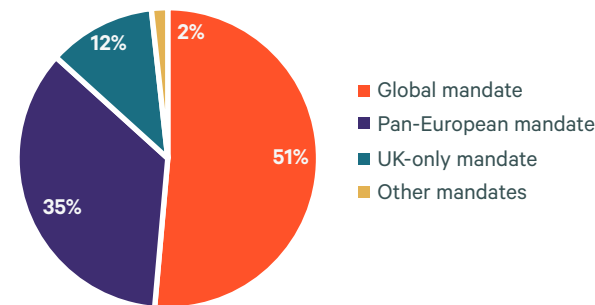


Figure 3: Investors surveyed by assets under management

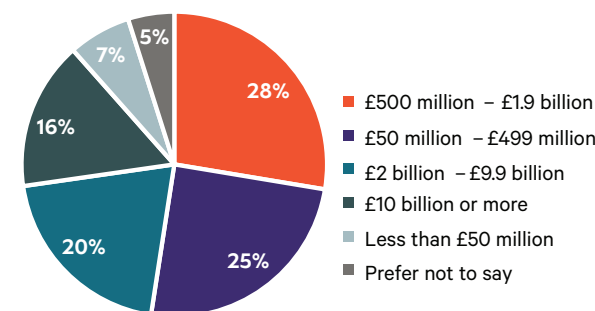
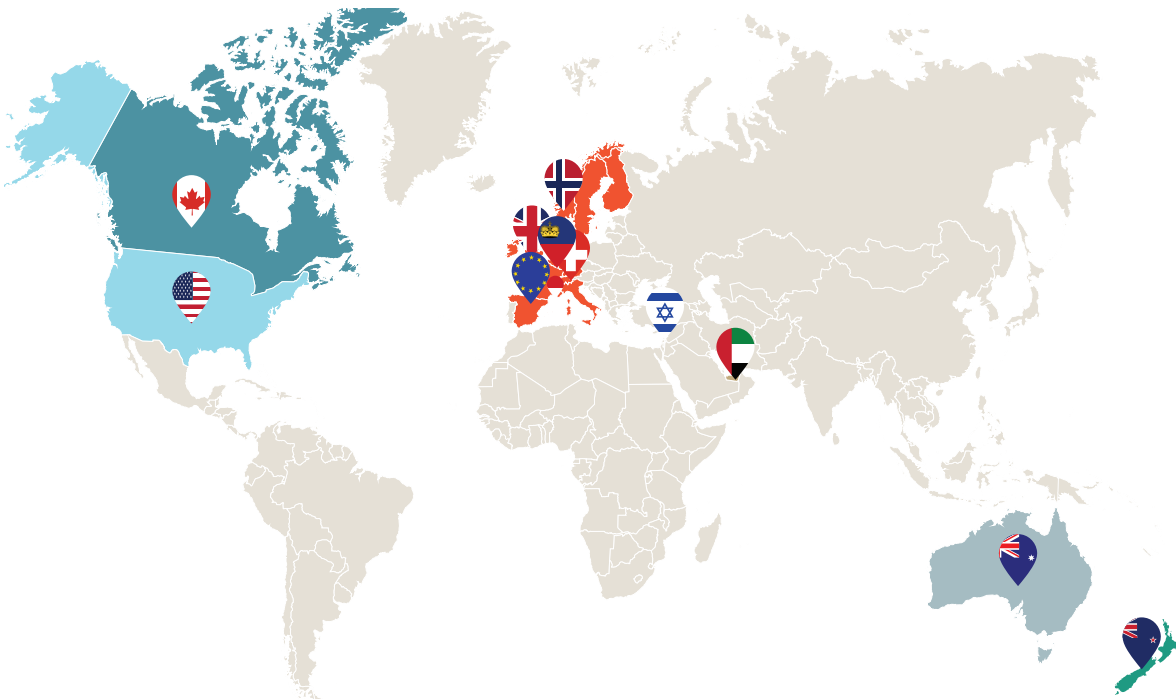


Figure 4: Investors surveyed by AUM and regions

	Less than £50 million	£50 million – £499 million	£500 million – £1.9 billion	£2 billion – £9.9 billion	£10 billion or more	Prefer not to say	Overall
UK	2%	9%	7%	7%	3%	1%	30%
Europe	2%	14%	15%	10%	5%	4%	50%
North America	1%	4%	2%	3%	7%	2%	19%
RoW	0%	0%	0%	0%	0%	0%	1%
Total	5%	28%	25%	20%	16%	7%	100%

Figure 5: Investors surveyed by AUM and mandates

	Less than £50 million	£50 million – £499 million	£500 million – £1.9 billion	£2 billion – £9.9 billion	£10 billion or more	Prefer not to say	Overall
Global mandate	3%	13%	10%	9%	12%	4%	51%
Pan-European mandate	1%	10%	10%	8%	4%	2%	35%
UK-only mandate	0%	4%	4%	3%	0%	0%	12%
Other mandates	0%	1%	0%	0%	0%	0%	2%
Total	5%	28%	25%	20%	16%	7%	100%

Figure 6: Reach of our investor survey


Global investors' appetite for UK equities remains resilient

Survey question: How do you expect your portfolio weightings to the UK to change over the next 12 months?

Appetite for UK allocations is resilient, even as more investors shift to “hold”: Replicating our findings from the spring Berenberg Investor Barometer, 77% of global and pan-European mandated investors who are adjusting portfolios still plan to increase their UK equity exposure. However, participants show a growing preference to keep exposure flat (56% vs 51% in spring), indicating a solidifying “hold” sentiment from investors (Figures 1 and 2).

UK investors show the strongest home bias: Despite a persistent domestic narrative of gloom surrounding UK capital markets, UK investors with a global or pan-European mandate are far more willing to allocate to their home market than peers elsewhere. A striking 84% of UK-based investors plan to increase domestic allocations, while appetite to increase home-market exposure is much more limited in France and Spain, and mixed in Germany and North America (Figure 3).

Diverging European outlook: Since spring, investor appetite has remained strong across several major European markets. The Nordics and Netherlands have strengthened from 75% to 85%, while Germany and the UK remain broadly stable at 79% and 77%, respectively. France is the clear outlier, with appetite falling from 40% in spring to 23% in autumn, driven primarily by a deterioration in sentiment among domestic French investors (Figure 4).

Figure 1: Most investors plan to maintain UK equity exposure over the next 12 months

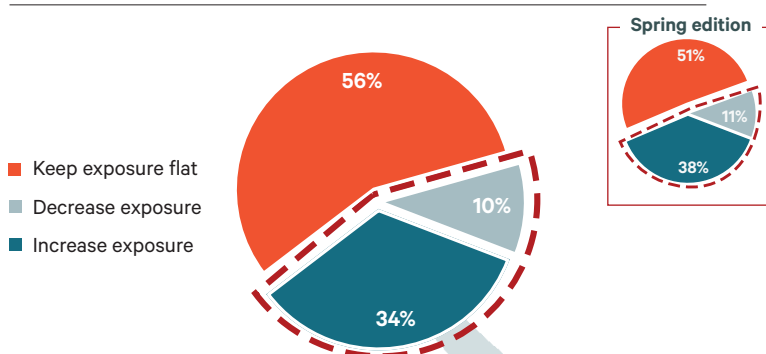


Figure 2: Investors looking to reallocate continue to want to increase their exposure to UK equities over the next 12 months

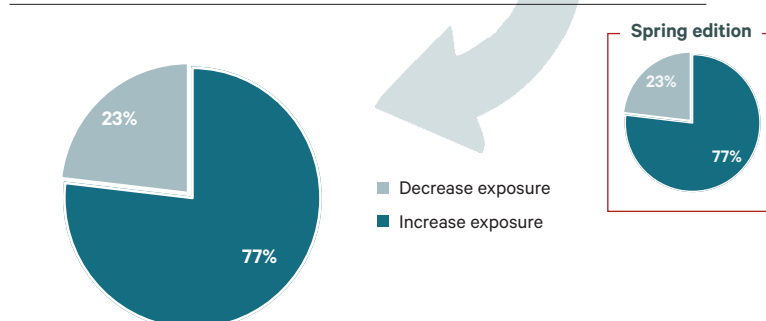
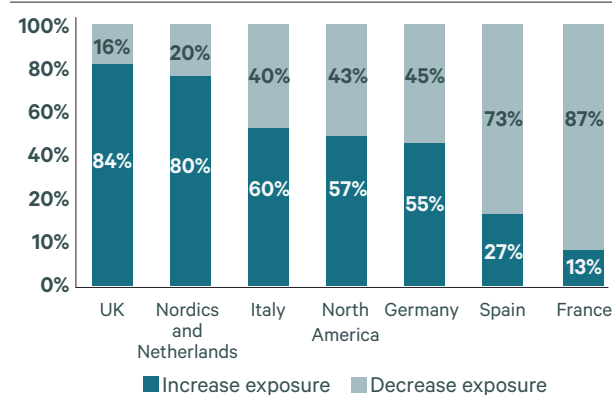
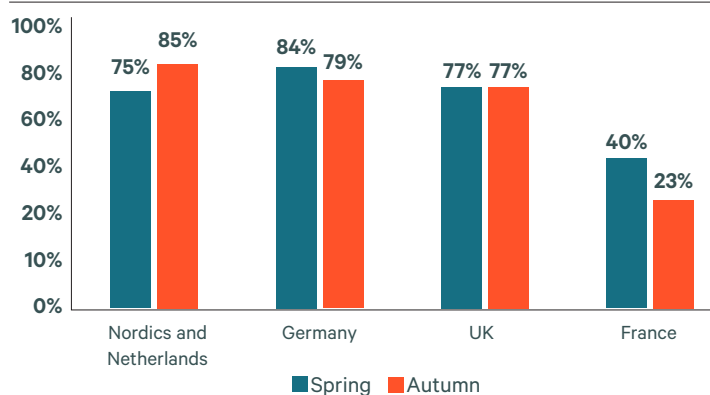


Figure 3: Home bias is strongest among UK investors looking to adjust allocations



Note: Of those investors looking to adjust portfolio

Figure 4: Investor appetite remains resilient across the UK, Germany, as well as the Nordics and Netherlands since spring, while France falls sharply



% of investors that are looking to increase as opposed to decrease exposure to each market over the next 12 months (excluding investors that are looking to keep exposure flat)

Nine in 10 investors still expect UK plc earnings to meet or beat consensus despite a weaker macroeconomic backdrop

Survey question: What is your expectation of UK public company earnings performance over the next 12 months?

Overwhelming majority of investors expect UK plc earnings to meet or beat expectations: 89% of surveyed investors expect UK plc earnings to either meet or exceed consensus expectations over the next 12 months. This is largely consistent with our spring Barometer, where 90% responded in the same way, confirming that there is sustained confidence in underlying corporate profitability (Figure 5).

UK growth expectations have weakened since the spring: The macroeconomic backdrop has clearly moderated, with only 58% of investors now expecting strong or modest UK economic growth (down from 67% in the spring). Conversely, 43% now brace for economic stagnation or a contraction, up from 33% earlier this year (Figure 6).

Investors still expect resilient earnings, but see less upside than in the spring: While overall expectations remain resilient, respondents generally see less aggressive upside in the numbers. This shift is most pronounced among UK-only mandated portfolio managers, where 45% now expect earnings to land “in line” with consensus, compared to just 23% in the spring (Figure 7).

Investors remain confident in UK corporate quality despite a softer economic outlook: Sentiment toward the broader UK economic outlook has softened following the recent transition to the Labour government, even as headline GDP figures have shown modest improvement. Despite these macroeconomic headwinds, investors remain remarkably confident in the underlying operational strength and quality of UK corporates, supporting a continued allocation to UK equities.

Figure 5: Nine in 10 investors expect UK plc earnings to meet or beat consensus

Survey question: What is your expectation of UK public company earnings performance over the next 12 months?

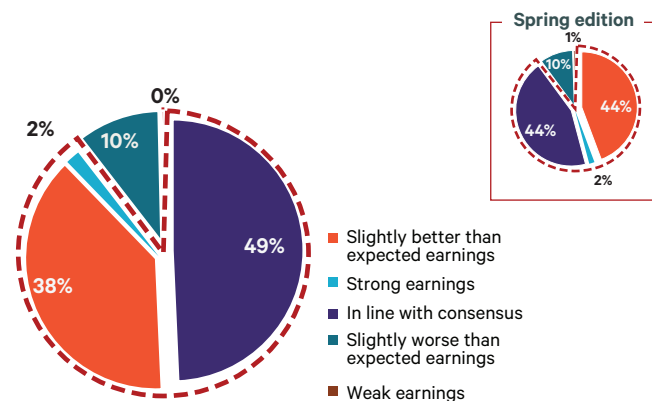


Figure 6: Investors are less optimistic on economic upside

Survey question: What level of UK economic growth do you expect over the next 12 months?

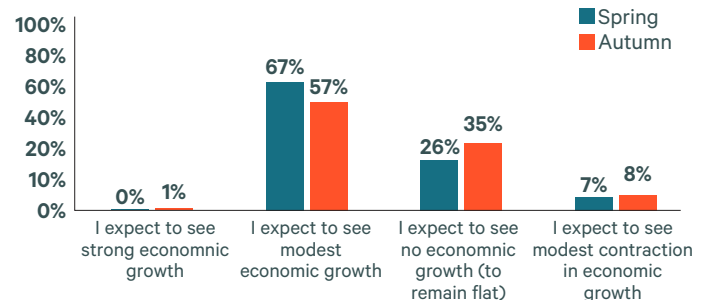
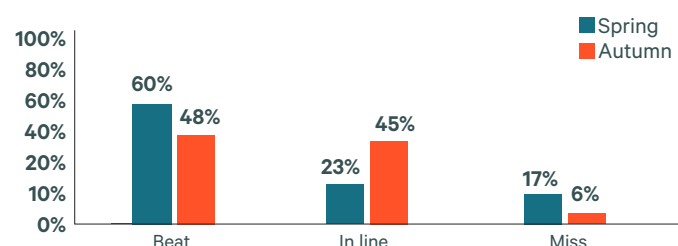


Figure 7: UK-only mandated investors have moderated their earnings expectations since spring

Survey question: What is your expectation of UK public company earnings performance over the next 12 months? (UK-only mandated investors)



Policy missteps remain a key concern while investor fears over inflation surge

Survey question: What is the biggest risk to UK GDP over the next 12 months?

Policy mistakes remain investors' leading UK growth risk: Amid a moderation in UK economic growth expectations, investors remain highly sensitive to political execution. 40% of respondents identify government/policy mistakes as the greatest risk to UK economic growth over the next 12 months – unchanged from the 40% recorded in our spring Barometer. This persistent concern highlights a continuing lack of confidence in the current administration's long-term fiscal framework (Figure 8).

Inflation concerns have nearly tripled since spring: Beyond domestic politics, there is a pronounced increase in the number of investors citing inflation as a major threat to UK growth, with 16% now identifying it as the biggest risk, up from 6% in spring. The shift is evident among UK-based investors, where concern has risen sharply from 2% to 13%. Inflation is also a particularly prominent concern among North American investors, with 18% citing it as the biggest risk, up from 5% in spring, potentially reflecting heightened sensitivity to economic dynamics on their own home turf.

Political and policy concerns have eased among UK investors: Government/policy mistakes remain their leading perceived risk to growth, but the proportion citing these risks among UK-based portfolio managers fell from 54% in spring to 43% in autumn. Concern over political uncertainty has also more than halved, from 15% to 8%. Meanwhile, inflation and the risk of a global economic downturn have risen sharply, from 2% to 13% and 5% to 14% respectively, signalling a shift in focus towards broader economic risks (Figure 9).



"New Prime Minister Andy Burnham's costly initial ambitions kept government policy at the top of the list of investor concerns. Burnham and the Chancellor have since conceded that higher spending is the wrong choice when borrowing and the tax burden are already problematically high, which gives us some reassurance that they will avoid a major policy error."

Andrew Wishart

Berenberg UK Economist

Figure 8: Policy mistakes remain the leading UK growth risk as inflation concerns rise sharply

Survey question: What do you think is the biggest risk to GDP growth over the next 12 months?

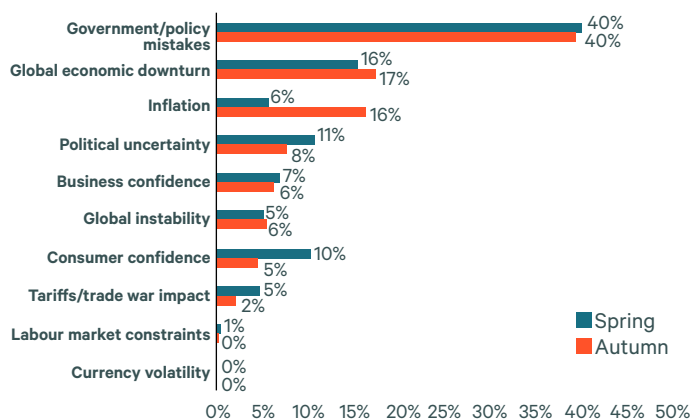
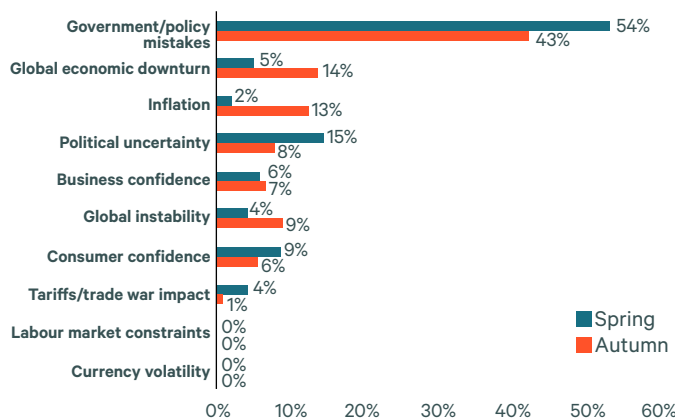


Figure 9: Political concerns have eased among UK-based investors as economic risks rise

Survey question: What do you think is the biggest risk to GDP growth over the next 12 months? (UK-based investors only)



UK IPO optimism cools, but investor appetite to participate rises

Survey question: Do you expect UK IPO activity to change? How would you rate your appetite to participate?

UK IPO recovery hopes have almost halved: Global investors are noticeably less optimistic about a near-term surge in UK IPO activity than they were in the spring. Just 32% expect activity to increase over the next 12 months, down from 63% earlier this year, while 56% now expect activity to remain at current levels, up from 33%. This more subdued outlook comes against a backdrop of persistently low UK IPO volumes, as shown in Figure 10.

But investor appetite to participate in UK IPOs is strengthening: Despite downbeat expectations for overall market volumes, interest in participating remains highly resilient. 24% of all respondents indicate a “strong” or “very strong” appetite to participate in UK IPOs – a significant jump from the 16% recorded in the spring.

UK-only PMs show the strongest appetite for new listings: This surge in appetite is most striking among domestic, UK-only mandated portfolio managers. 51% now report “strong” to “very strong” appetite to participate in new listings, up from 34% in spring. Against a backdrop of limited primary issuance and continued UK market de-equitisation, this points to particularly strong pent-up demand among domestic investors.

Three-quarters of investors remain open to UK IPO participation: Beyond the most eager participants, the underlying demand remains broad. Overall, 74% of surveyed investors retain some level of appetite to participate in UK IPOs, suggesting a sizeable pool of potential demand when issuance returns.

Figure 10: Investors are understandably less optimistic on UK IPO activity returning but have increasing appetite to participate

Survey question: How do you expect UK IPO activity to change? How would you rate your appetite to participate in UK IPO activity over the next 12 months?

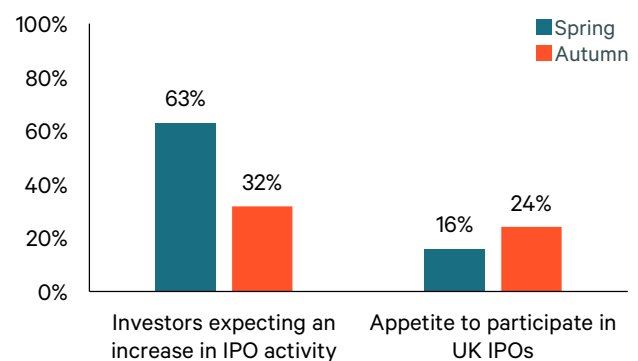
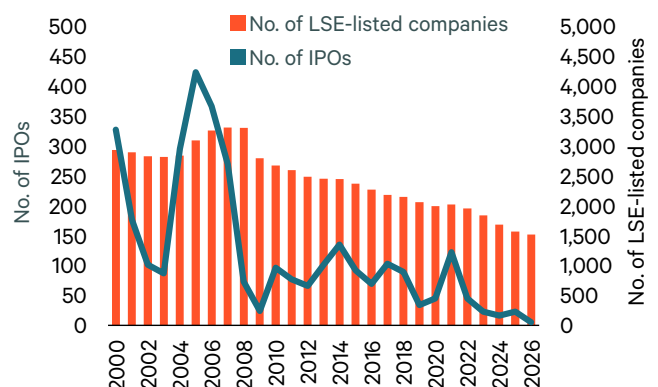


Figure 11: New IPOs at a new low this millennium

Note(s): Excludes investment trusts and closed-ended vehicles



Additional insights

Two in three investors do not think the UK provides the right conditions to create world-leading AI companies

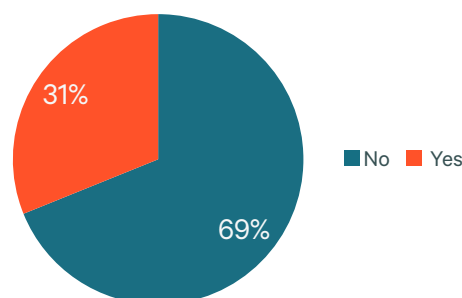
Survey question: Do you believe the UK offers the right conditions to enable it to grow its AI start-ups into world-leading companies?

Investors doubt the UK can scale globally competitive AI companies: 69% of surveyed investors do not believe the UK currently offers the right conditions to grow AI start-ups into world-leading companies.

The UK creates AI start-ups, but struggles to keep and scale them: According to the UK government's 2025 policy paper on Entrepreneurship in the UK, science and technology companies account for just 16% of UK main-market value, versus around 50% in the US, reflecting the challenge of enabling high-growth companies to scale, stay and list in the UK.

Figure 13: Investors are pessimistic about the UK's ability to grow AI start-ups

Survey question: Do you believe the UK offers the right conditions to enable it to grow its AI start-ups into world-leading companies?



"The UK has the talent and innovation to build great tech businesses, but has historically lacked the scale-up capital and deep public markets needed to keep them here. We need to continue to strengthen these conditions so UK tech companies, including those in AI, can scale globally and ultimately list in London."

Mark Whitmore

Head of TMT UK Investment Banking

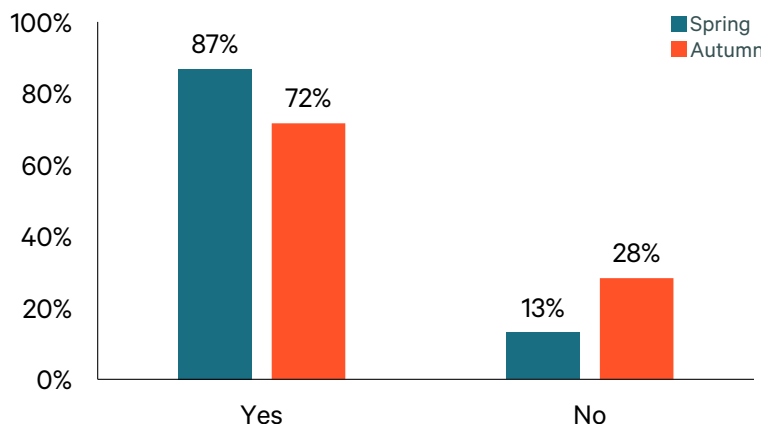
Investor appetite for M&A remains but is less of a focus

Survey question: Would you encourage boards to consider using the equity markets to pursue accretive M&A more?

Investor appetite for M&A remains strong but less of a focus: Investors are less focused on M&A than they were earlier this year. 72% of investors would encourage Boards to pursue front-footed, accretive M&A compared to 87% in spring (Figure 14)

Figure 14: Though still a favoured capital allocation strategy, investors are less likely to recommend companies use equity to finance accretive M&A

Survey question: Would you encourage boards to consider using the equity markets to pursue accretive M&A more?



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