

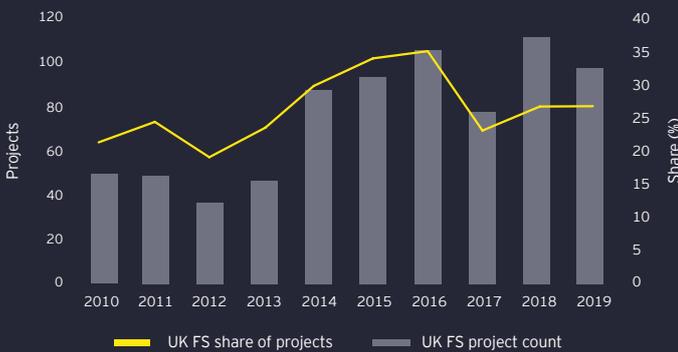
The UK retains its top spot for financial services (FS) investment in Europe, and is expected to remain resilient after the COVID-19 pandemic



Minds made for empowering financial services

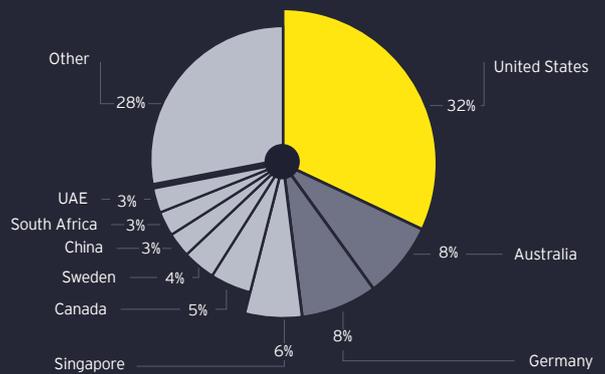
The UK continues to be the number one location for FS foreign direct investment (FDI) in Europe, securing 99 projects in 2019, and attracting more investment than France (38) and Germany (43) combined. Whilst the impact of the COVID-19 pandemic on future FDI remains to be seen, UK financial services is expected to continue adapting and be a leading destination for overseas investment

The UK maintained its leading share of European FS projects (26.9%) in 2019



Source: EY European Investment Monitor (EIM), 2020

The US accounted for almost a third of FS investment coming into the UK in 2019, followed by Australia and Germany



Source: EY European Investment Monitor (EIM), 2020

London remained the top European city for financial services FDI in 2019 - securing 67 projects

Top 5 UK cities	2018		2019
London	86	↓	67
Glasgow	2	↑	6
Leeds	3	↑	5
Manchester	3	↑	4
Birmingham	-	↑	3

And no European financial services centre is emerging as the preferred location to rival the UK

Top 5 European cities	2018		2019
London	86	↓	67
Paris	33	↓	29
Madrid	15	↑	24
Dublin	22	↑	23
Frankfurt	39	↓	21

Source: EY European Investment Monitor (EIM), 2020

The full economic impact of the COVID-19 pandemic remains to be seen, and FS investor sentiment about the UK's future attractiveness is mixed, but there are encouraging signs with many investors demonstrating confidence in the UK market

In the three years after the COVID-19 pandemic has passed, FS investors believe the UK will be:



This compares particularly strongly with only 8.3% of European investors who believe that Europe as a whole will be more attractive post COVID-19

Source: EY's UK Attractiveness Survey, May 2020; EY Flash Survey, May 2020

The liquidity of financial markets and availability of capital will be the key to attracting investors for financial services projects

The key factors that will influence investors' decisions to select a particular country for future FDI are:



Top five results are shown. Participants selected their top three factors from the list

Source: EY's UK Attractiveness Survey, May 2020