

Equity Investing – UK – September 2019

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This report looks at the following areas:

- Opportunities amid uncertainty and volatility
- 25-34 year olds are the key group to target

The investments market saw a difficult 2018, with net retail fund sales falling by 85%. Although this follows a particularly strong 2017, political and economic uncertainty, derived from Brexit negotiations and ongoing trade tensions between China and the US, have taken a toll on confidence. However, historically low interest rates uphold investments' appeal relative to savings. Providers, including high street banks, digital-only platforms and established managers, continue to expand the reach of low-cost and automated solutions. Regulators are looking to improve competition in the market, while still protecting the interests of inexperienced or vulnerable investors. These conditions, together with changing consumers' attitudes towards risk and growth of micro-investing options, are set to further democratise the market.

Regulators are looking to improve competition, lowering barriers to entry and exit, which will further democratise access and switching. Despite the challenges, opportunities abound for providers willing to expand the reach of their services and differentiate themselves.



“Amid difficult economic and political conditions, consumers looking to make the most of their money are adapting their attitudes towards risk. Technology has made investing, even in lower amounts, easier and cheaper.”

– Irene Salazar, Senior Financial Services Analyst

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