



Exploring broker perceptions on improving the UK's capital markets 2025

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Purpose of conducting research on UK capital markets.

SEC Newgate surveyed 60 stockbrokers from 15 UK investment banks.

The objective was to gain insight from those most closely involved in the UK's equity markets into what could be done to encourage fund inflows and IPO activity, whether through action from the government and regulators or from the stockbrokers themselves.



Section 1:

Background and Methodology.

Background & methodology.

For the first year, SEC Newgate has conducted research to understand how brokers regard the performance of the UK's Capital Markets and IPO Markets, and importantly, what can be done to reinvigorate them.

We surveyed n=60 brokers across mid-cap businesses with a mix of job titles.

8 minute
online survey

Job titles:

Title	n
Corporate financier	23
Equity analyst	21
Corporate broking / sales	11
Other (e.g. C-suite, IR)	5
Total	60

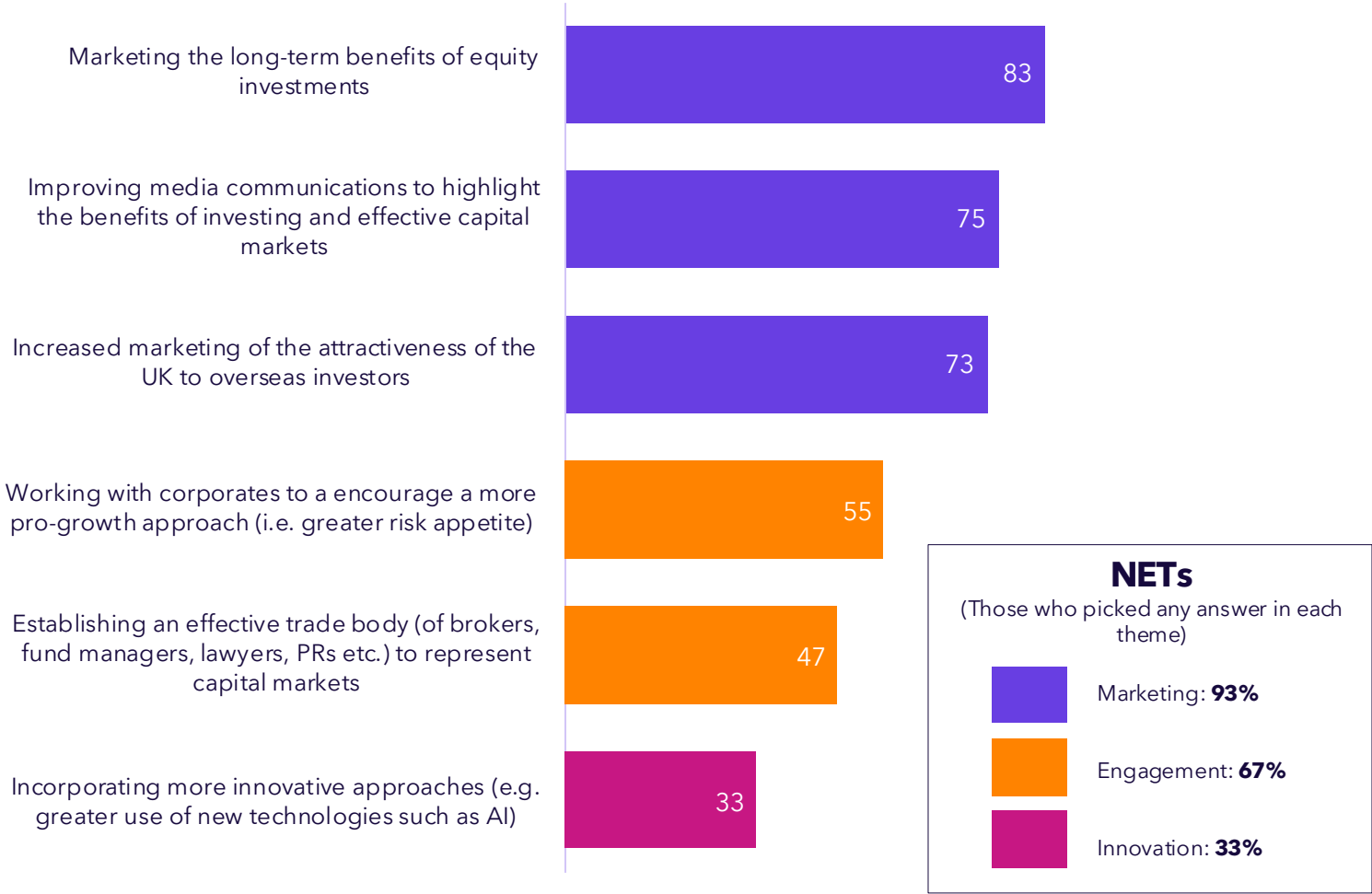
Section 2:

Driving fund flows into UK capital markets.

To increase inflow of funds, brokers recognised marketing and media engagement regarding the benefits of investment and the attractiveness of the UK as most important.

Innovation, however, is a much lower priority, highlighting ongoing hesitancy within the sector to embrace new technologies.

BROKERS ROLE IN INCREASING THE FLOW OF FUNDS INTO THE UK CAPITAL MARKETS
(NET IMPORTANT - 6+ OUT OF 10)



Source: Broker's Perception Study 2025 B1. Thinking about what stockbrokers could do to increase the flow of funds into the UK capital markets, how important are the following? Base: n=60



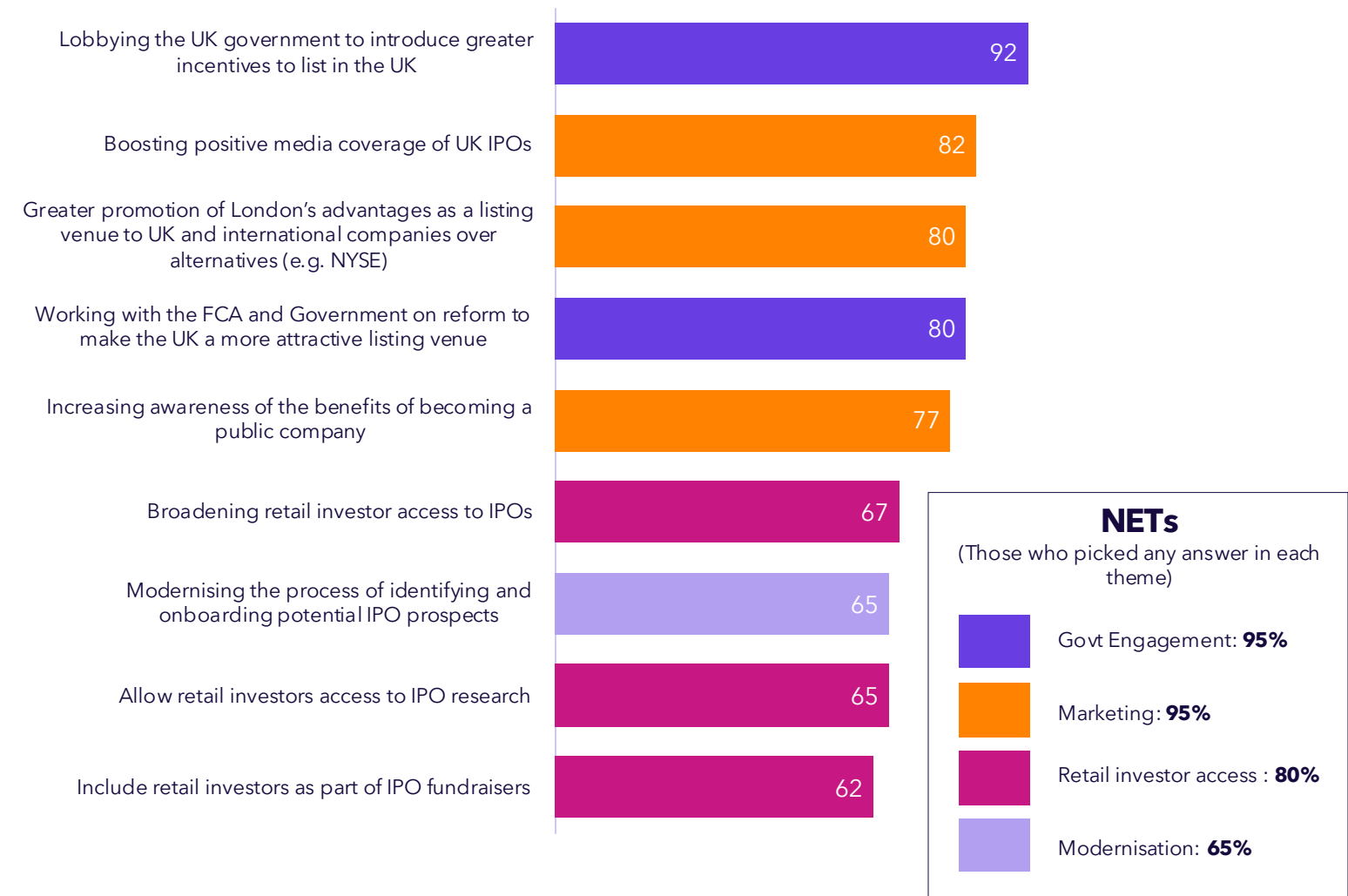
Section 3:

Encouraging IPO activity.

To revitalise the UK IPO market, brokers once again highlight engagement and marketing as the most effective levers.

8 in 10 brokers also highlight the importance of providing access to retail investors, either to IPOs, IPO research or IPO fundraisers.

BROKERS ROLE IN INCREASING THE NUMBER OF IPOs IN THE UK CAPITAL MARKETS (NET IMPORTANT - 6+ OUT OF 10)



Source: Broker's Perception Study 2025 C1. It has been suggested that increased fund inflows should stimulate IPO activity. In terms of what stockbrokers could do to increase the number of IPO listings in the UK capital markets, how important are the following? Base: n=60

8

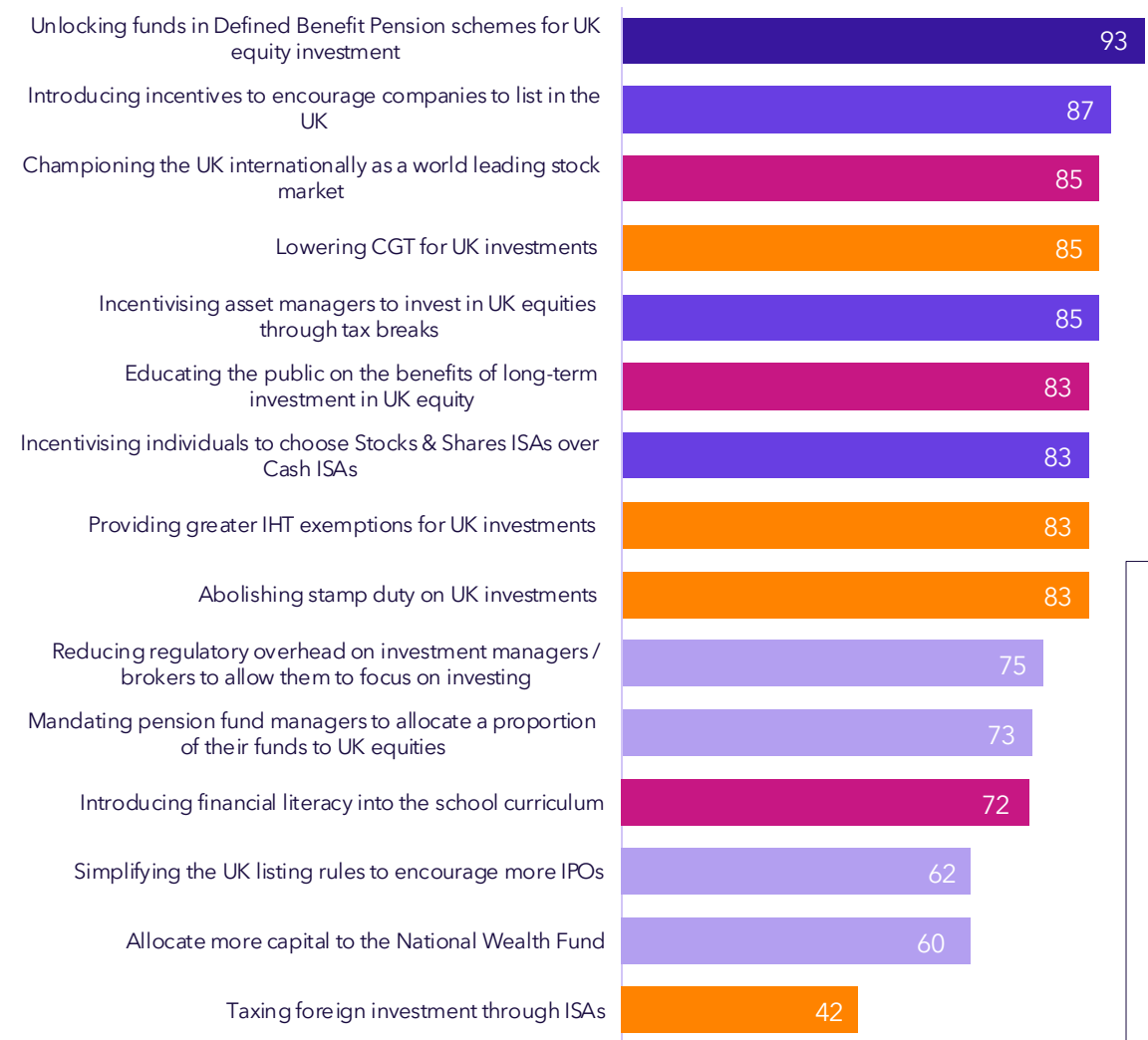
Section 4:

The government's role in strengthening the UK's capital markets.

To strengthen the UK’s capital markets, brokers recognise a wide variety of methods the govt can employ including the unlocking of funds in DB pensions, incentivising listing, championing the UK market, education and tax and policy reform.

Over 9 in 10 support at least one of the actions in each of the 5 themes on the right-hand side, showing strong appetite for government intervention.

THE GOVERNMENT'S ROLE IN STRENGTHENING THE UK CAPITAL MARKETS.
(% - NET IMPORTANT - 6+ OUT OF 10)



NETs
(Those who picked any answer in each theme)

- Unlocking funds: **93%**
- Increased incentivisation: **95%**
- Education: **92%**
- Tax reform: **93%**
- Policy reform: **95%**

Source: Broker’s Perception Study 2025 D1. Now thinking about the government’s role in strengthening the UK’s capital markets, how important are the following? Base: n=60

When asked to name the most important elements to reinvigorate the UK capital markets, brokers call out three key areas.

THE MOST IMPORTANT THING THAT CAN BE DONE TO REINVIGORATE THE UK CAPITAL MARKETS
(THEMED TEXT RESPONSES)



**CULTURAL SHIFT
TOWARDS A
PRO-GROWTH
APPROACH**

Brokers are calling for a mindset change amongst investors and institutions, focused on higher risk-appetite and growth.



**IMPROVING MARKET
PERCEPTION**

Brokers are seeking to improve the image of the UK's capital markets in order to boost confidence, reverse negative sentiment and build momentum.



**PENSION AND
INSTITUTIONAL
INVESTMENT
REFORM**

Brokers are conveying a need to unlock institutional capital and reshape how funds are allocated.

Source: Broker's Perception Study 2025 D3. Based on your experience, what is the most important thing that can be done to reinvigorate the UK capital markets? Base: n=60. / note these text responses were optional



Section 5:

Reflections from SEC Newgate .

We were delighted with the survey's high level of engagement, and consistency and clarity regarding which actions could best effect positive change.

We were delighted with the level of engagement we received for the survey, with the subject matter of obvious importance to participants.

Where brokers were asked what they themselves could do to improve fund inflows the results were decisive. Marketing the benefits of investment and the attractiveness of the UK market, alongside greater media engagement, were seen as by far of the greatest relevance.

When asked what they could do to encourage IPO activity, responses were more mixed with lobbying the government to enact market reforms being of prime importance, followed again by marketing initiatives.

Finally, in terms of where it was felt government action would be most effective, brokers saw a plethora of options available to the government to enact improvements with the most important being to unlock funds within defined benefit pensions for UK investment.

This was closely followed by the introduction of incentives to list in Britain or invest in London listed stocks; the championing of the UK's markets abroad; tax reforms such as the abolition of stamp duty, reduction of CGT and exemption from IHT for domestic investments; and educating the public regarding the benefits of long-term investment into its home markets.

