

Statistical bulletin

Ownership of UK quoted shares: 2022

The value of ordinary shares held in UK incorporated companies listed on the London Stock Exchange by sector of the owner, with a geographical breakdown for shares owned outside the UK.



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1 . Main points

- At the end of 2022, shares in quoted UK-domiciled companies listed on the London Stock Exchange (LSE) were worth a total of £2.42 trillion.
- The proportion of UK shares held by overseas investors (rest of the world) increased again to a record high of 57.7% of the value of the UK stock market.
- The proportion of UK shares held by UK-resident individuals fell to 10.8%, down by 1.2 percentage points from 2020.
- The proportion of quoted shares held by banks continued to rise and stood at 3.4%, an increase of 0.3% from 2020.

2 . Rest of the world and individuals

Figure 1: Overseas investors dominated ownership of UK quoted shares in 2022

Beneficial owners of UK quoted shares by subsectors, 2022

Notes:

1. The analysis of pooled nominee accounts allocation of beneficial owners was not updated between 1998 and 2008. Instead, the proportions of the 1997 analysis were used during this period. As such, data between these periods are not directly comparable with data outside this time period.
2. Care should be taken when interpreting charts as the frequency of estimates shown varies throughout the time series.

[Download the data](#)

The long-term trend of overseas investors increasing their share of UK quoted shares continued in 2022 with 57.7% now held by overseas beneficiaries (rest of the world). This is a record high, up from 56.3% in 2020.

In contrast, UK individuals held 10.8% of UK quoted shares at the end of 2022, a decrease of 1.2% from 2020. This has been relatively stable in the decades following a decrease beginning in the 1960s, prior to which individuals owned the largest proportion of UK quoted shares.

3 . Public sector

Figure 2: The UK government continued to reduce its investment in UK banks following the 2008 crisis

Public sector (local government, central government and public corporations) percentage ownership of UK quoted shares, 2022

Notes:

1. The analysis of pooled nominee accounts allocation of beneficial owners was not updated between 1998 and 2008. Instead, the proportions of the 1997 analysis were used during this period. As such, data between these periods are not directly comparable with data outside this time period.
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As the UK government (public sector) continued to reduce its investment in UK banks following the 2008 financial crisis, the level of holdings of UK quoted shares by the public sector stood at £13.5bn at the end of 2022.

The 2008 financial crisis triggered a drop in shareholder confidence, and the value of shares in UK banks. As demand for shares fell, this in turn caused share prices to fall, and incentivised shareholders to sell and reduce losses. This left banks with insufficient investment to continue operating. The [National Audit Office \(PDF, 738 KB\)](#) reported that the Royal Bank of Scotland's (RBS, name changed to NatWest post 2020) and Lloyds' share prices fell by more than 80% between January 2008 and January 2009.

The UK Government (public sector) intervened to stop the banks from going bankrupt. One of these interventions was to buy shares in the banks to ensure they had funds to continue operating.

The UK Government invested £45.5 billion worth of shares in RBS and £20.3 billion into Lloyds. This process was called recapitalisation and effectively refers to the purchase of shares. At the end of this, the public sector owned 84% of RBS and 43% of Lloyds as reported by the [House of Commons Library \(PDF, 1,411 KB\)](#).

The fall in the percentage of shares owned by the public sector seen in 2012 was a result of a decrease in bank's share prices rather than a decrease in the quantity of shares held. [In September 2013](#) the public sector started to sell its shares in Lloyds Banking Group. Further sales of Lloyds' shares were carried out in March and December of 2014. Sales of Royal Bank of Scotland shares began in August 2015. Further sales of both shares have continued since.

The UK government waited until 2013 to start selling Lloyds' shares and 2015 to start selling RBS's shares in the hope share prices would rebound closer to pre-crisis levels to reduce their loss. Neither RBS nor Lloyds share values have risen back to pre-crisis levels. Between 2008 and 2018 RBS only paid one dividend to ordinary shareholders and made a loss in each of these years until 2017.

In May 2017 the UK government sold its remaining share in Lloyds Banking Group. Once financing costs were considered, the sale represented a loss of £3.2 billion according to a [National Audit Office report \(PDF, 216KB\)](#).

The UK government laid out plans in 2018 to sell around £3 billion worth of RBS shares every year until financial year ending (FYE) 2023. By 2022, the public sector had approximately a 49% shareholding in NatWest (formerly RBS).

4 . Insurance and pensions

Figure 3: Insurance and pension companies held a historically low proportion of UK quoted shares in 2022

Pensions and Insurance sector percentage ownership of UK quoted shares, 2022

Notes:

1. The analysis of pooled nominee accounts allocation of beneficial owners was not updated between 1998 and 2008. Instead, the proportions of the 1997 analysis were used during this period. As such, data between these periods are not directly comparable with data outside this time period.
2. Care should be taken when interpreting charts as the frequency of estimates shown varies throughout the time series.

[Download the data](#)

Insurance and pension funds' proportions in UK quoted shares have fallen since 1997 when the two sectors held a combined 45.7% of UK quoted shares. The two sectors held a total of 4.2% of UK listed shares in 2022 which is the lowest proportion jointly held by them on record.

This downward trend may be caused by several factors, such as companies expecting more profitable returns on overseas shares as well as changes in pension fund regulations.

One significant change in regulation was the introduction of Financial Reporting Standard 17 (FRS17) in the year 2000. This accounting standard required companies to calculate the surplus or deficit on their defined-benefit pension schemes each year and disclose any deficit as a financial liability in their accounts. This may have caused company pension funds to make lower risk investments in products such as corporate and government bonds, moving away from UK quoted shares.

According to the [Pension Protection Fund](#), the UK defined benefit pensions system has significantly reduced its holdings of UK quoted shares since 2008. Balance sheet estimates as reported by the [ONS bulletin MQ5: Investment by Insurance Companies, Pension Funds and Trusts: Quarter 3 \(July to Sept\) 2016](#) at the end of 2015 showed that the value of overseas shares held by insurance companies and pension funds exceeded the value of UK shares. This trend was seen for the first time in 2011 (this time series started in 1964).

Moreover, between 2020 and 2022 further estimates from the ONS [Financial Survey of Pension Schemes](#) show that trust-based pension fund direct investment in UK equities is lower relative to direct investment in US equities (UK £8 billion less as of 31 December 2022).

5 . Country breakdown

Figure 4: Low-tax jurisdictions held a disproportionately large value of UK quoted shares in 2022

Top 15 ranked countries by holdings of UK quoted share value and share value per capita, 2022

[Download the data](#)

Beneficiaries in the USA held the largest proportion of UK quoted shares of any country outside of the UK, standing at £626.1 billion in 2022. For comparison, this was over half the value of UK quoted shares owned domestically, which was just over £1 trillion. Beneficiaries in the Netherlands held the largest proportion of UK quoted shares of any European country outside of the UK, standing at £99 billion in 2022.

Shares owned outside of the UK are often held in financial centres, some of which could be described as low-tax jurisdictions. Shares registered in these countries may be held by overseas investors and the ultimate owner's country of origin is not known.

6 . Ownership of UK quoted shares data

[Ownership of UK Shares](#)

Dataset | Released 4 December 2023

Additional reference tables for ownership of quoted UK shares.

7 . Glossary

Beneficial owner

The true, underlying owner of the share who receives the benefits of holding the security, such as the income through dividends.

Other financial institutions

An entity whose principal activity is the production of financial services. For the purposes of this publication other financial institutions refers to other financial intermediaries (except insurance corporations and pension funds), financial auxiliaries, captive financial institutions and money lenders.

Multiple-ownership pooled nominee accounts

An entry on the share register representing two or more beneficial owners from at least two different sectors. The beneficial owners must be established through the Companies Act 2006 Section 793 request, because the electronic register does not give a complete breakdown of beneficial ownership.

Quoted shares

Shares that are quoted on the London Stock Exchange, and that can be openly traded between investors.

UK domiciled companies

Companies which the London Stock Exchange has identified as UK incorporated.

8 . Measuring the data

This biennial statistical bulletin provides estimates of holdings of ordinary shares in UK domiciled quoted companies by sector of beneficial ownership. It should be noted that only companies listed on the London Stock Exchange (LSE), and whose country of incorporation is listed as UK according to the LSE are included in the analysis in this bulletin.

Share ownership is measured using data from Euroclear (CREST), the electronic settlement system for equity share trading and further analysis of share registers. The majority of shares, in terms of value, are held in multiple-ownership pooled accounts (50.6% at the end of 2022). The shares have been allocated to individual beneficial owners using further analysis of share registers. To identify an estimate of the true beneficiary of these pooled accounts, a sample of the accounts from company share registers was analysed by Orient Capital.

The CREST dataset does not include shares held in paper form. The dataset which was used to analyse the difference between paper and electronic shares came from the LSE. These paper shares have been apportioned to the different beneficial owners based on this analysis, laid out in the [Ownership of UK quoted shares QMI](#).

9 . Strengths and limitations

This bulletin is used to provide an estimate to populate the financial accounts and derive an asset breakdown for the transaction line “quoted shares” and “unquoted shares” holdings in these accounts. The data are also used to assign dividend receipts to sectors. This bulletin is used by external users that take an interest in who owns shares in UK-listed companies. Our data provide this benchmark for beneficial owners of UK quoted shares every two years.

Our dataset provided by Euroclear (CREST) consists of companies making up roughly 80% of the value of UK shares on the London Stock Exchange. This provides a realistic estimation of the proportions of ownership of shares among sectors.

Care should be taken when making comparisons between years prior to 2010. From 1998, the share ownership survey switched to using data from the CREST system, which led to a discontinuity in the analysis. The greatest impact was that some companies previously classified as unit trusts and investment trusts were then classified as other financial institutions. As such, long-term trends are now harder to identify and follow. Additionally, the analysis of pooled nominee accounts was not updated between 1998 and 2008, causing large variations in some beneficial owners’ proportions. For these years, the 1997 analysis was carried forward to compile the results.

The methodological improvements that were made in the 2012 survey particularly affected other financial institutions. While the 2010 data were recalculated as part of the 2012 survey to make them more comparable, the fall in ownership by other financial institutions data between 2010 and 2012 may in part be the result of changes in methodology.

Share ownership analysis has not been carried out at uniform intervals, so care should be taken when interpreting time series charts and tables in this publication.

As seen in Table 1 of the accompanying dataset, a large proportion of the shares in the UK market are held in mutual fund accounts before they are divided among the beneficial owners. As a result, the beneficial owners of shares are not necessarily the same as the registered owners.

10 . Related links

[Ownership of UK Quoted Shares: 2014](#)

Bulletin | Released 2 September 2015

The value of ordinary shares held in UK incorporated companies listed on the London Stock Exchange by sector of the owner, with a country breakdown for shares owned outside the UK. This previous bulletin contains more definitions relevant to share ownership publication and the impact of the reduced analysis between 1998 and 2008.

11 . Cite this statistical bulletin

Office for National Statistics (ONS), released 4 December 2023, ONS website, statistical bulletin, [Ownership of UK quoted shares: 2022](#)