



Turning data into insights

BCG Expand outlines its forward-looking analysis of key trends across global markets, wealth management, asset management and retail banking

BCG Expand provides data-driven services centred around proprietary, client-contributed data. This provides the company with a uniquely informed position across financial services.

CAPITAL MARKETS

Corporate and investment banking revenues are expected to end 2025 up 4% to ~£657bn — surpassing £750bn for the first time when including non-bank financial institutions. Growth is driven by hedge fund and sponsor activity, fee-based businesses, equities trading and momentum in macro products and emerging markets.

Global markets revenues are projected to rise 9% in 2025 to ~£203bn, the highest in 15 years. Investment banking fees are expected to grow 4% to ~£74bn, the second-highest on record. AI is shifting from pilots to CEO-backed efficiency and growth programs, delivering 25-35% efficiency gains and improving margins.

WEALTH MANAGEMENT

Similar forces are reshaping wealth management. The sector builds on £230 trillion in financial assets in 2024, with 2025 expected to end higher. Consolidation among large firms continues to drive 5-10% revenue growth at the top end, widening the gap with smaller players.

Ultra-high-net-worth clients (>£15m) are forecast to grow at 6.5% CAGR through 2029, ahead of other segments at 4-5%. The mass-affluent market remains the most

dynamic, with digital-led entrants democratising access to stocks, crypto, commodities and private alternatives. Facing thinner margins, around 60% of firms are investing in AI — up to 5% of large firms' tech budgets.

ASSET MANAGEMENT

The asset management industry reached ~£90 trillion AUM in 2024, up 7% year-on-year, and growth is expected to continue, with ETFs being a key driver. ETFs expanded from <10% of global AUM in 2014 to 18% in 2024. Private assets are another expected key area of growth, driven by broadening access to other investor types, such as the fast-growing ultra-high-net-worth wealth segment.

Technology spend has grown +55% since 2014 (3% in 2025) and is expected to rise further as firms explore AI use cases.

RETAIL BANKING

Retail banking entered 2025 with slowing momentum: after ~7% annual revenue growth in recent years, industry expansion is projected at 2-4% through 2029, with profitability under pressure.

Agentic AI can reshape workflows and cut costs by 30-40%, driving cost-to-income ratios towards 50% or below. Early adopters that scale AI responsibly will capture growth, deliver hyper-personalised experiences at scale, while also bringing down unit costs significantly.

MARKET DATA

The market data industry is valued at ~£37bn and is growing nearly 8% annually; some institutions are expected to spend +£750m annually on market data within the next decade. While global firms have long maintained specialised teams

CORPORATE, COMMERCIAL & INSTITUTIONAL BANKING

BUSINESS PERFORMANCE

REVENUES, MARKET SIZING, PROFITABILITY, BALANCE SHEET & RWA

ENTERPRISE EFFICIENCY

TECH, OPS, CORPORATE FUNCTIONS

MARKET INFRASTRUCTURE

MARKET DATA, SOFTWARE, BROKERAGE, EXCHANGES, ESG

ASSET & WEALTH MANAGEMENT

to manage these costs, mid-sized institutions are building dedicated market data functions for the first time. These teams are evolving from cost administrators into strategic managers, tasked with aligning spend, governance and data strategy.

AI could be both a disruptor and a cost driver — potentially increasing competition among vendors but also inflating data demand through AI-intensive applications.

TECHNOLOGY: THE COMMON THREAD

Technology spending among banks is growing at a 9% CAGR and is set to exceed £459bn by 2028, driven by modernisation, AI deployment and tech-debt reduction. Developer copilots alone have reduced time outside IDEs by up to 20%, signalling the productivity potential of AI.

"At BCG Expand, we turn proprietary industry data into clarity — our best-in-class approach creates market-leading insights that

empower executives to allocate capital wisely, optimise costs, negotiate smarter and unlock measurable value in an increasingly complex landscape," says Damian McCarthy, CEO of BCG Expand.



NUMBERS IN THIS ARTICLE ARE BASED ON BCG EXPAND'S PROPRIETARY ANALYSIS OF DATA ACROSS THE GLOBAL FINANCIAL-SERVICES SECTOR, AS WELL AS SURVEY RESULTS FROM BCG EXPAND'S CLIENT ENGAGEMENTS.

For further information

Contact the team at BCG Expand to learn more about these trends and how your financial institution could leverage the company's industry-leading data and expertise.



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