

German-British Business Outlook Autumn 2026

AHK German-British Chamber of Industry & Commerce
Deutsch-Britische Industrie- und Handelskammer

#PartnerForYourSuccess

German-British Business Outlook Autumn 2026

SUMMARY: Holding Steady, Feeling the Strain: German-British Businesses call for closer EU Ties

At present, 47% of respondents rate the current performance of their UK operations positively, 35% describe it as stable, and 18% report a more negative performance. These results mark a deterioration since spring, suggesting that while the overall picture remains broadly positive, conditions have become more challenging for some. Expectations for their own operations in the UK over the coming year have also weakened. By contrast, confidence in the wider British economy has improved over the past six months, although it remains subdued: 30% expect overall conditions to worsen, compared with only 20% who anticipate an improvement.

Investment plans within the German-British business community present a mixed picture. Over the last six months the proportion planning to expand their activities has risen from 14% to 23%, while 10% are scaling back investment and 7% are putting all such plans on hold. Meanwhile, 31% expect to recruit additional employees over the coming year (same as in spring 2026) but the proportion anticipating staff reductions has risen sharply, from 8% to 27%. This divergence may reflect geopolitical uncertainty and technological change.

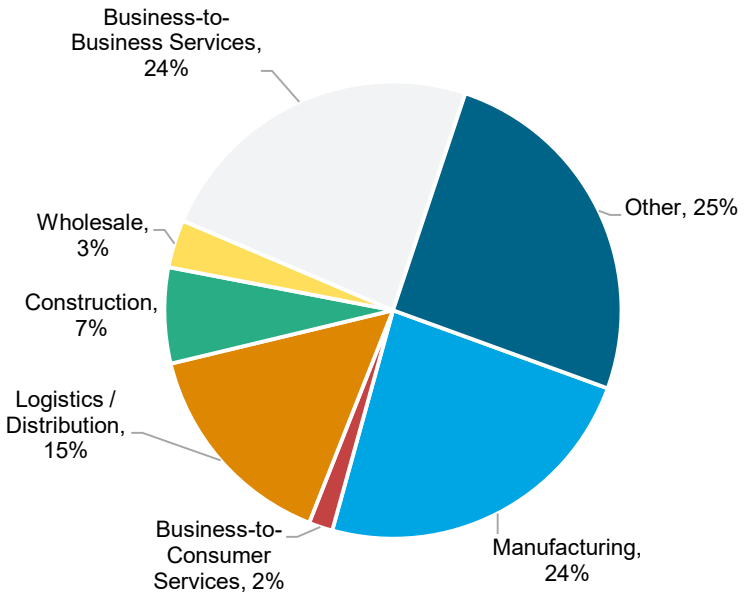
Improving relations with the EU remains the community's clearest policy priority. Three-quarters of respondents (75%) believe the UK Government should make this its foremost objective, consistent with previous surveys. Measures to make the UK's regulatory framework more competitive also remain high on the business agenda.

Increasing competition from China is a major concern for only 14% of respondents, while 51% report no impact at all. This suggests that the community's strong focus on the UK market and its substantial services sector presence offer some protection from these competitive pressures.

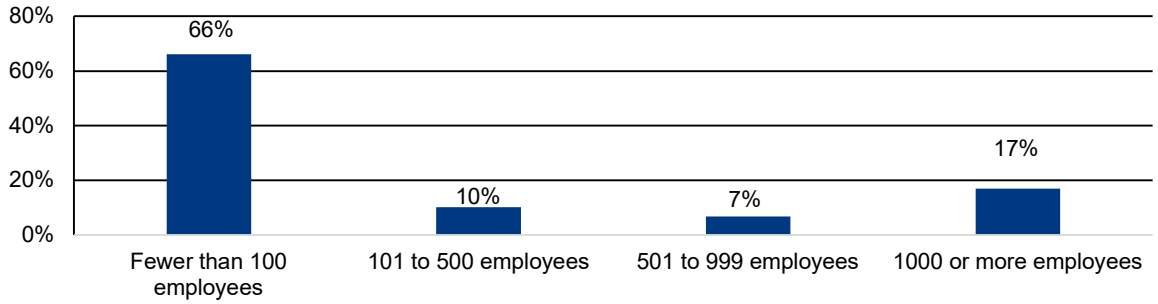
German-British Business Outlook Autumn 2026

The survey and its participants:
60 online interviews between 19th and 23rd October 2026 with companies from the German-British business community, which have operations in the UK

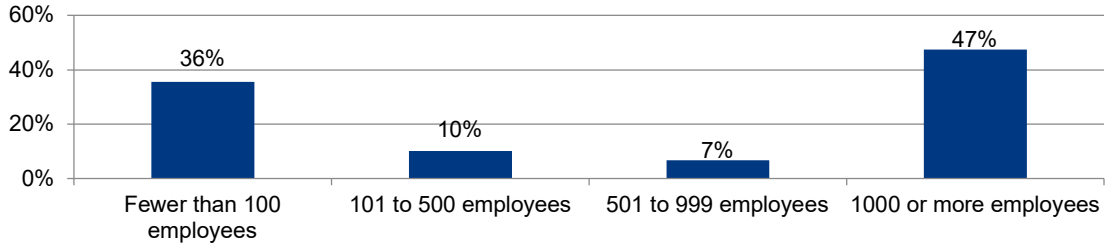
In which sector is your company predominantly active?



How many employees do you have in the United Kingdom?

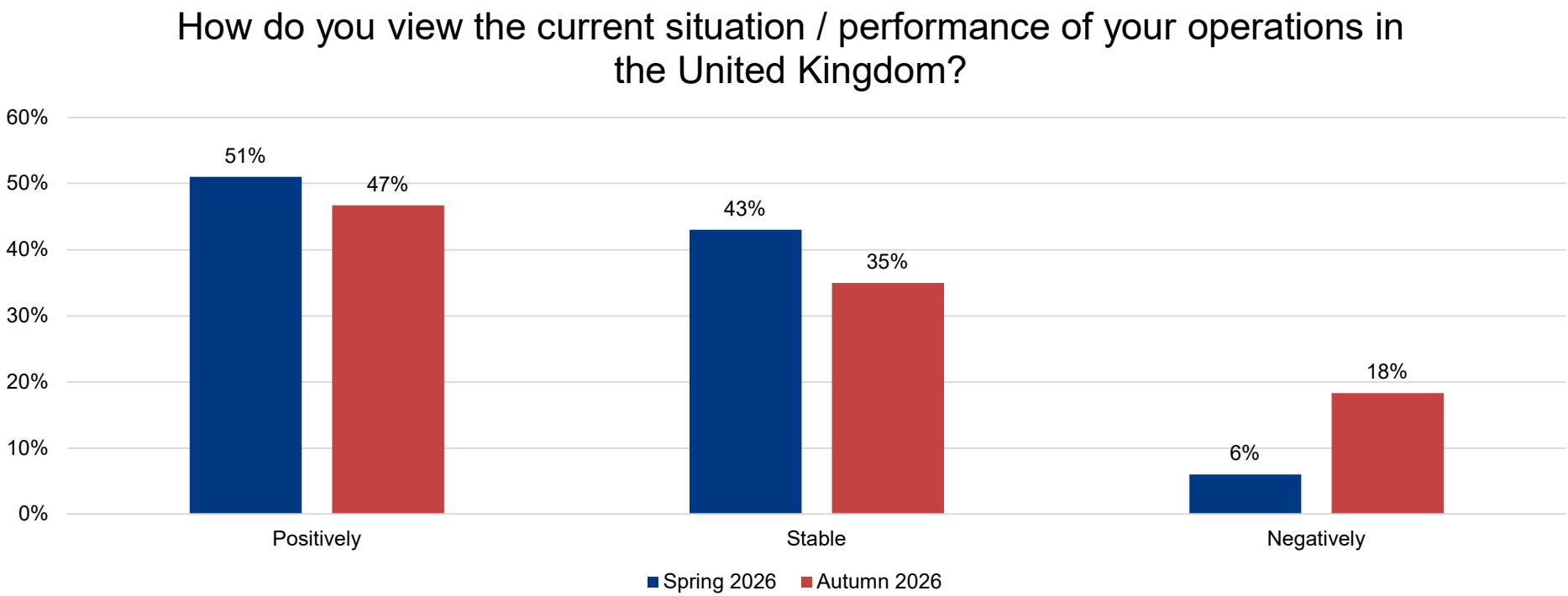


How many employees do you have worldwide?



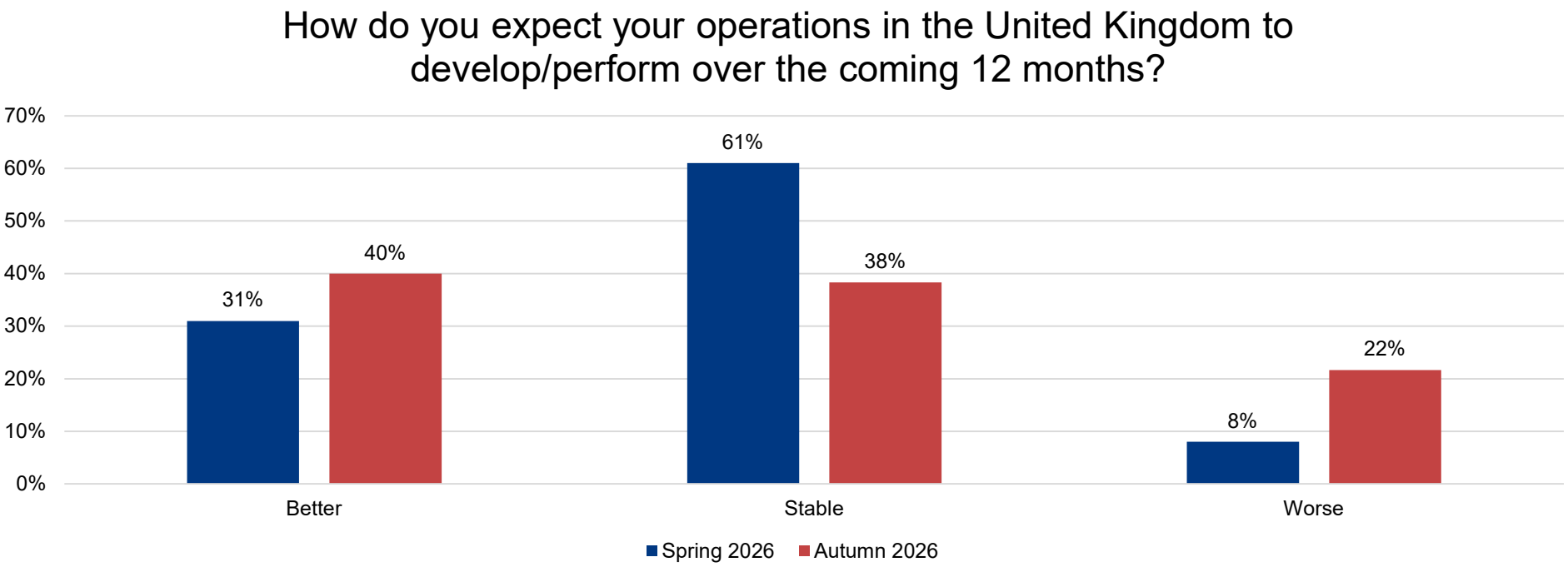
AHK German-British Chamber of Industry & Commerce
Deutsch-Britische Industrie- und Handelskammer

German-British Business Outlook Autumn 2026



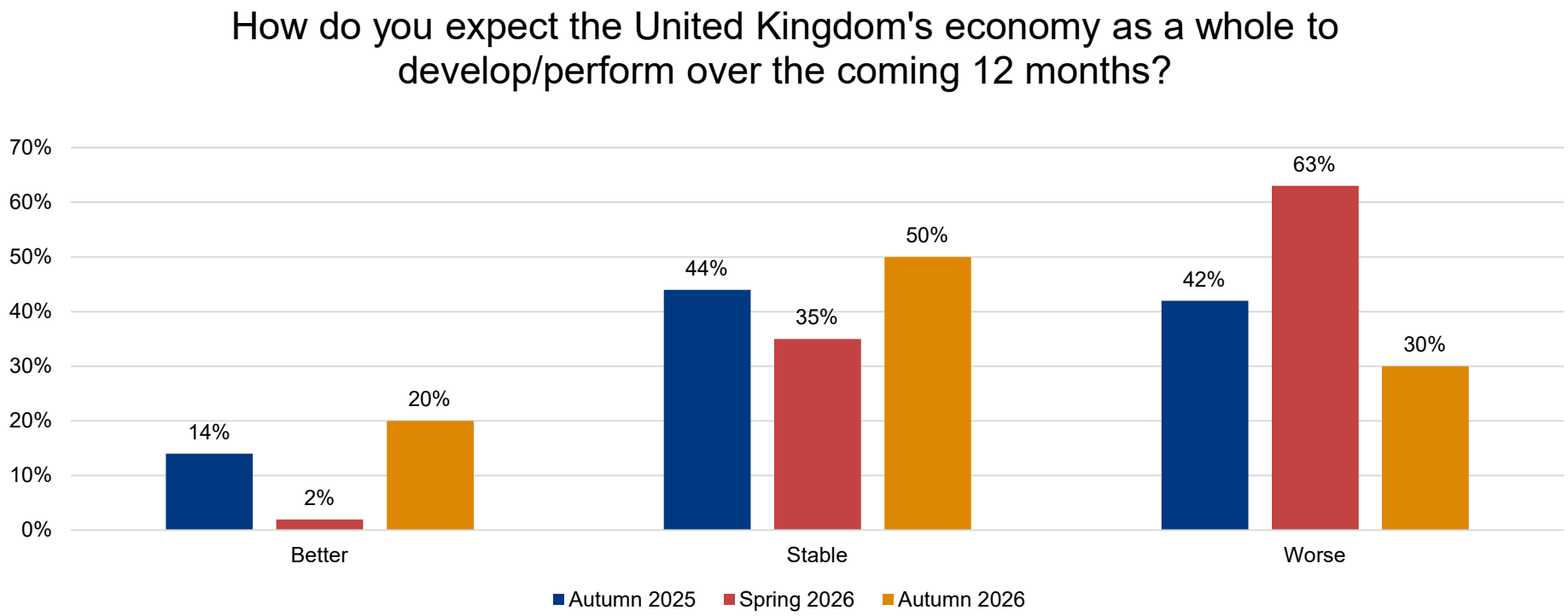
At present, 47% of respondents view the performance of their UK operations positively, 35% as stable, and 18% negatively, suggesting that while overall sentiment remains generally good, conditions have become more difficult for some.

German-British Business Outlook Autumn 2026



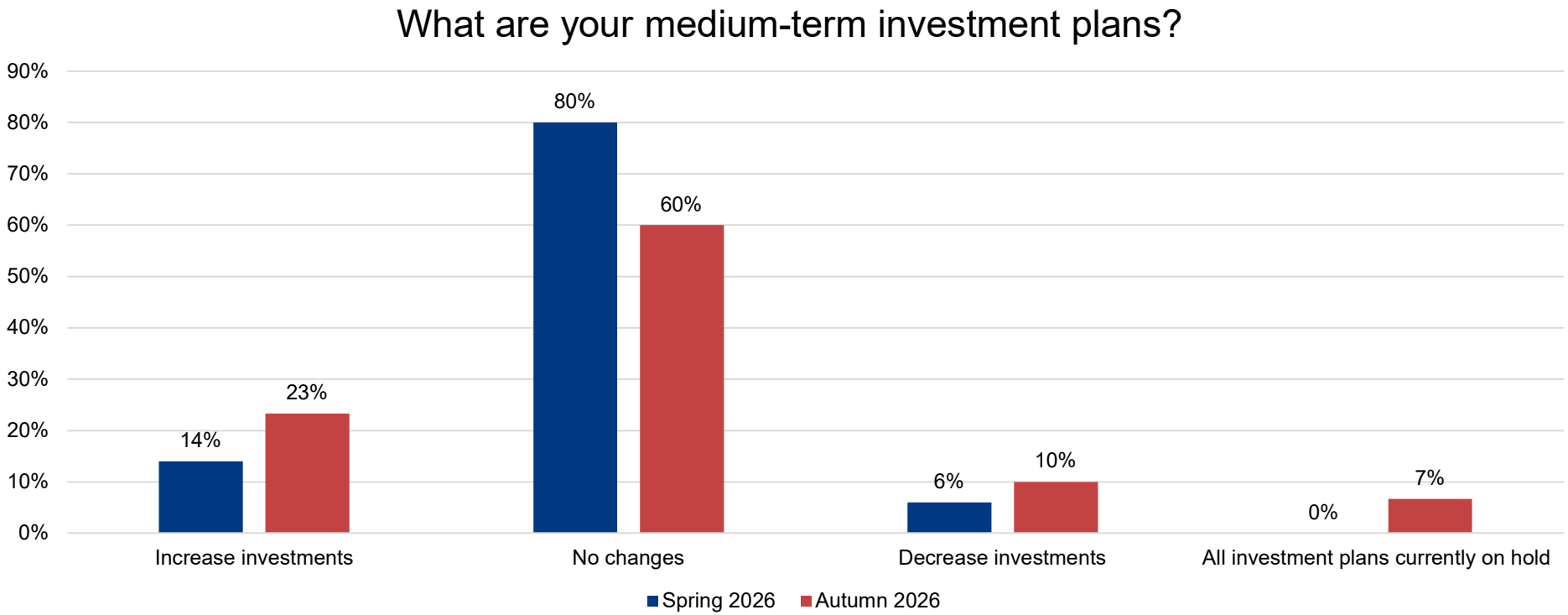
In line with the assessment of their current situation/performance, the overall outlook for the immediate future is still positive but not as optimistic as six months ago.

German-British Business Outlook Autumn 2026



Confidence in the UK economy has improved over the past 6 months but is still not overly pronounced with a higher share (30%) expecting a deterioration rather than an improvement (20%) of the overall economic situation.

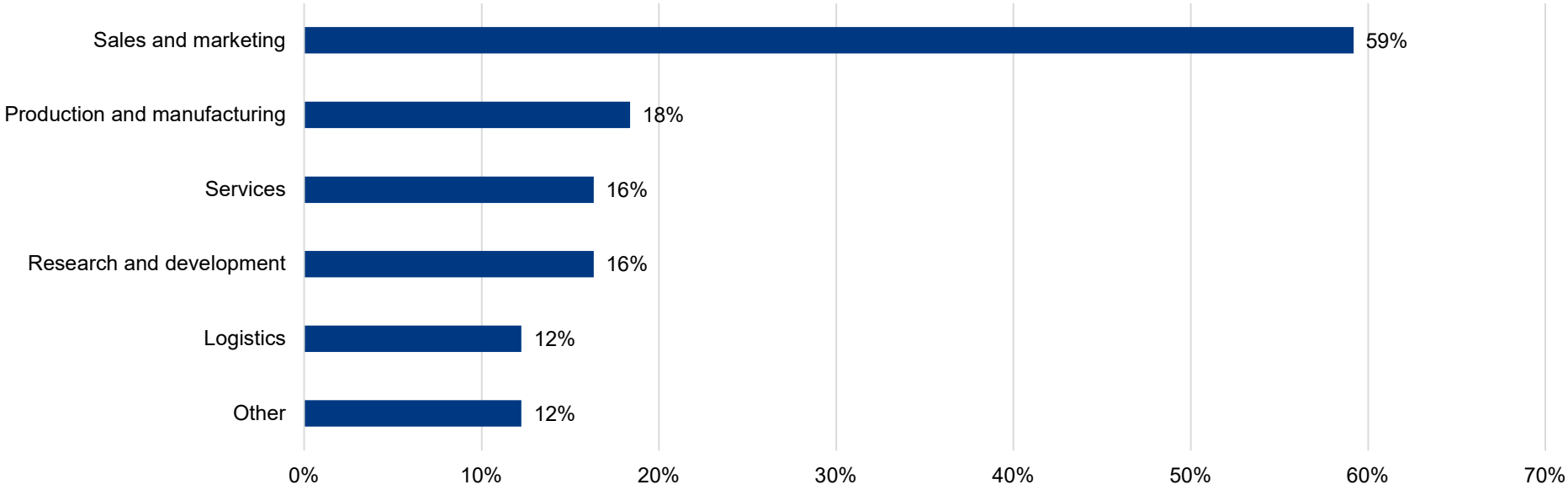
German-British Business Outlook Autumn 2026



In comparison to the spring survey's findings, the investment plans within the German-British business community show a more mixed picture, with a slightly increasing number of respondents (23%) aiming to expand their activities, whilst others are somewhat scaling back their investment plans or putting them on hold.

German-British Business Outlook Autumn 2026

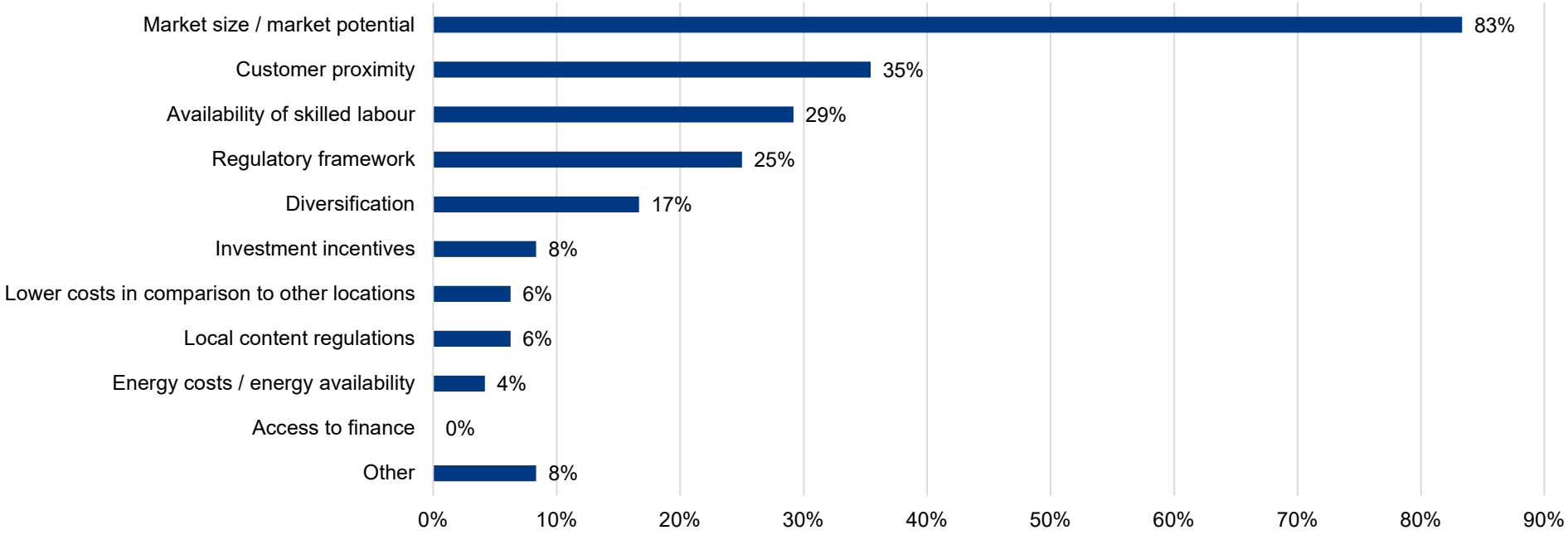
In which areas do you currently make or are planning to make significant investments in the UK? (Multiple answers possible)



As in the past, the main reason for investing in the UK continues to be the importance of the British market, but the appeal as a location for manufacturing, services, research and development, and logistics should not be underestimated.

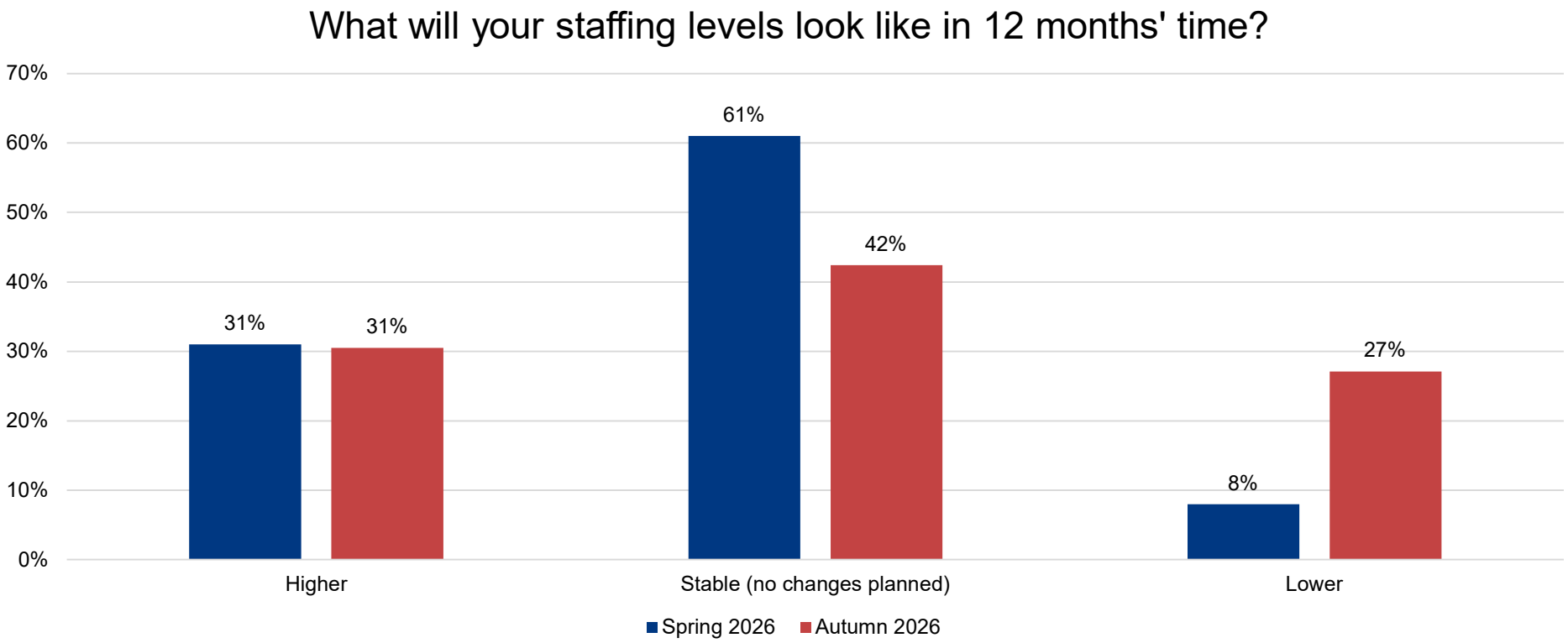
German-British Business Outlook Autumn 2026

Which factors play a dominant role in your decision to continue to invest in the UK? (Multiple answers possible)



As aforementioned, the significance of the UK market continues to be the key driver of German investment in the UK and the weighting of factors is relatively comparable to previous surveys.

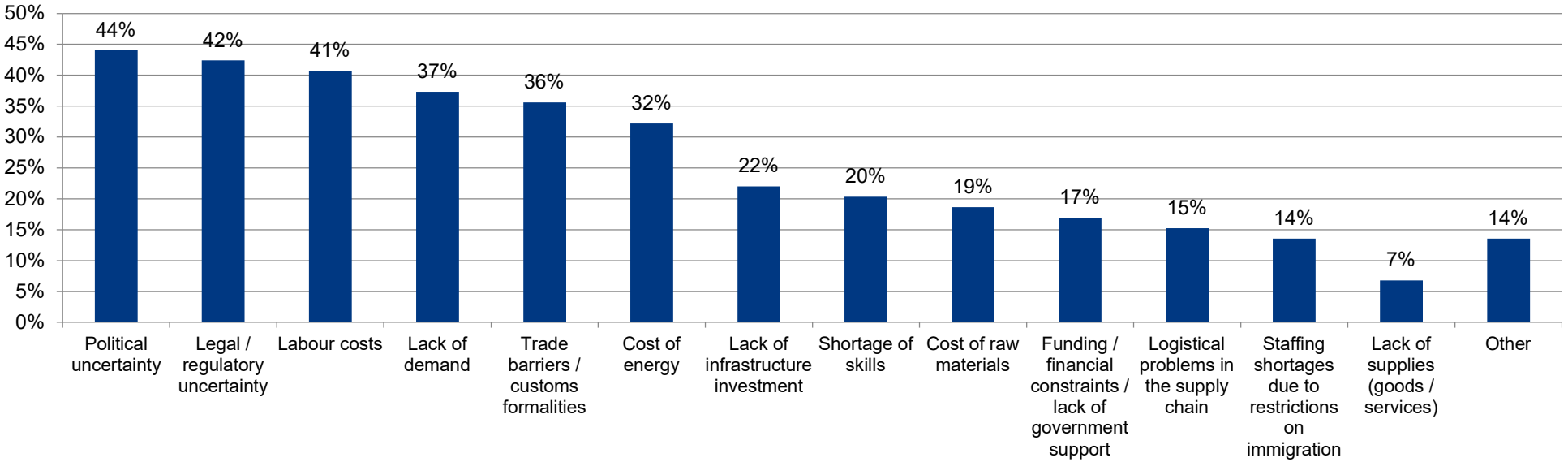
German-British Business Outlook Autumn 2026



Roughly one-third of companies expect to hire new employees over the coming year; the same figure as in spring 2026. However, a significantly higher share expects to reduce staffing levels (27% now versus only 8% in spring), which may well be a reflection of the geopolitical and technological uncertainties.

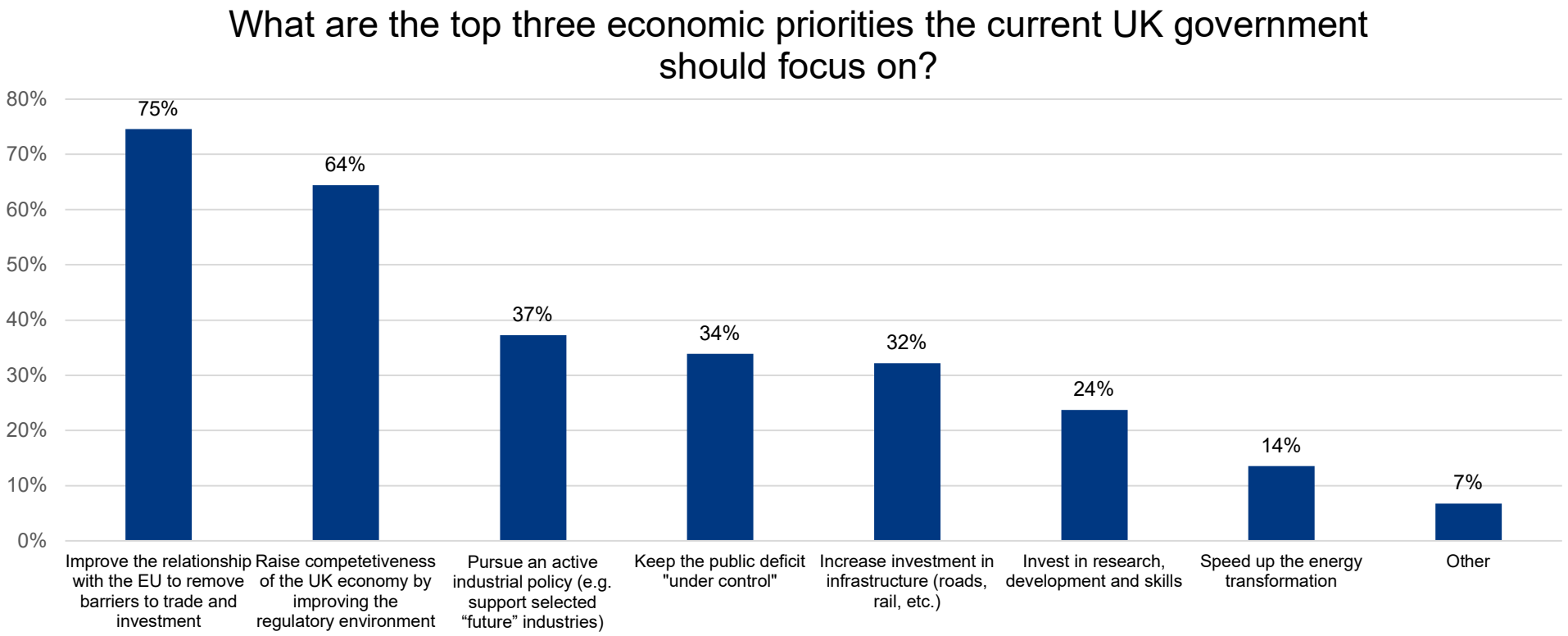
German-British Business Outlook Autumn 2026

What will be the largest challenges for your business in the coming 12 months? (Multiple answers possible)



Political, legal and regulatory uncertainty and rising labour costs continue to be major challenges for doing business in the UK. Lack of demand, as a result of the still relatively weak economic development, and administrative hurdles resulting from Brexit also remain major challenges. Compared to six or twelve months ago, labour costs have moved slightly up the agenda as a concern, while energy costs have moved slightly down.

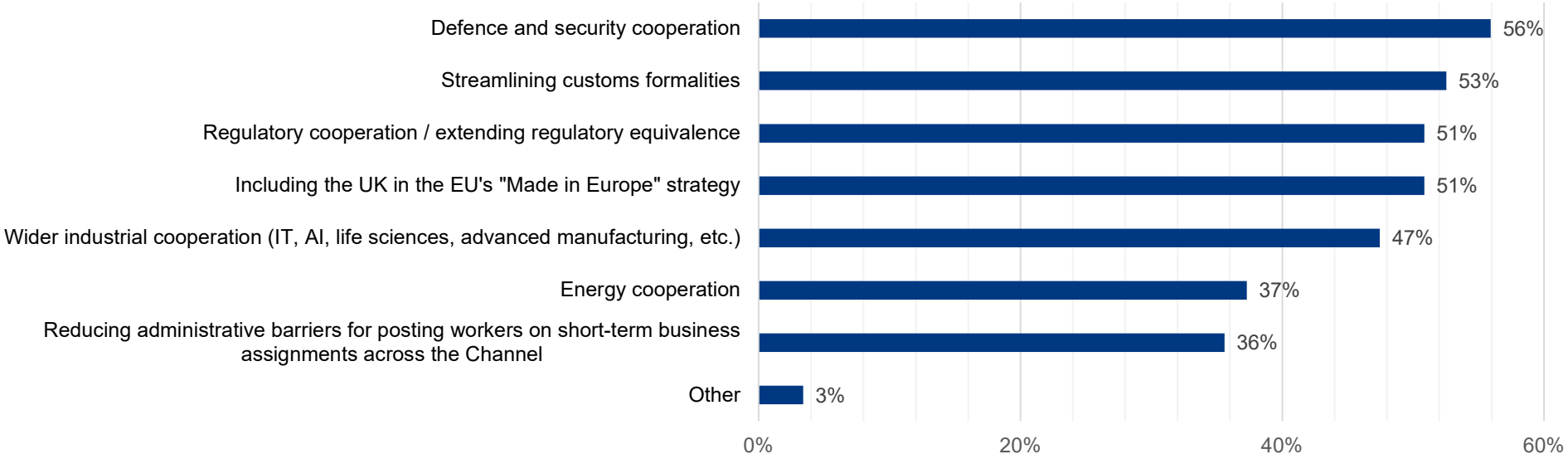
German-British Business Outlook Autumn 2026



Our community thinks that the UK Government’s utmost priority should be to continue to improve relations with the EU (a similar figure to previous surveys) with measures to improve the competitiveness of the UK regulatory framework also being important for the business world. Additionally, both the pursuit of an active industrial policy and the importance of controlling the public deficit have somewhat moved up the list of economic priorities.

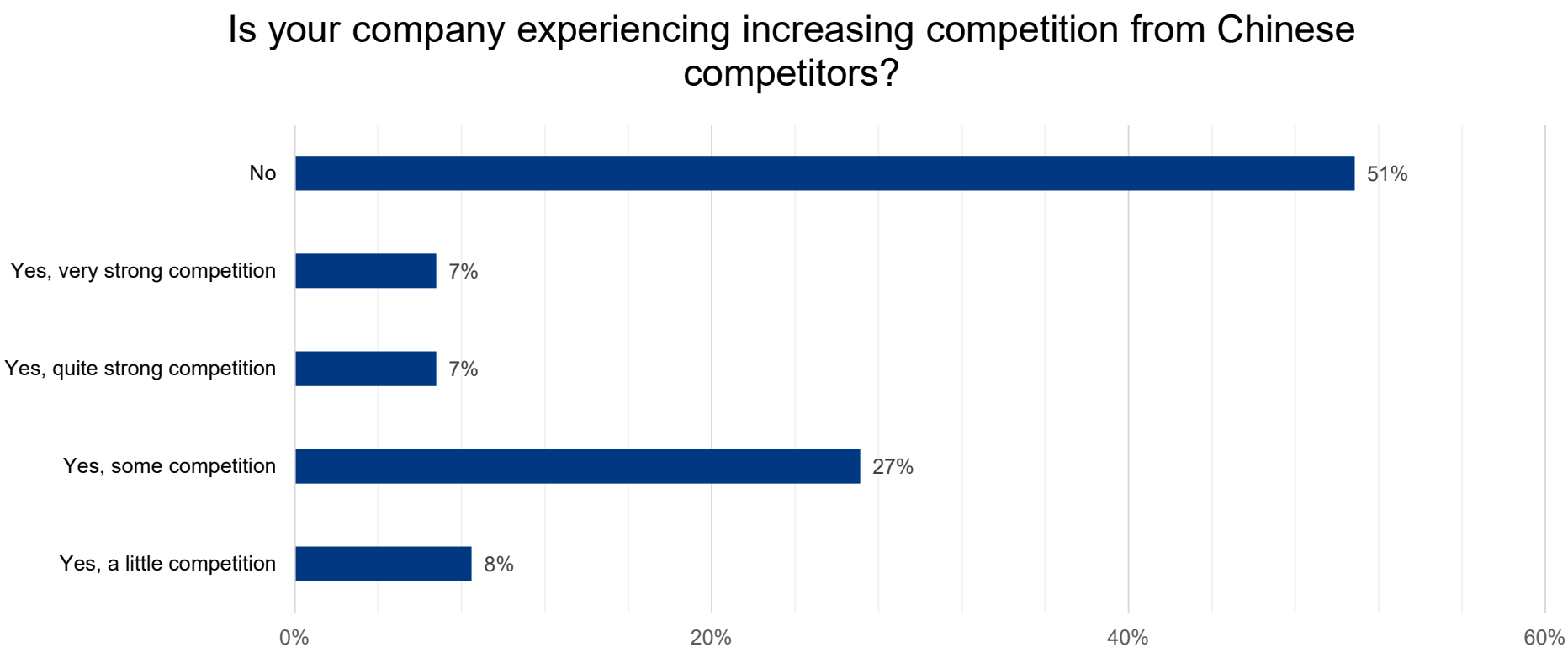
German-British Business Outlook Autumn 2026

In light of the EU-UK agreement and the British-German Friendship Treaty (Kensington Treaty) concluded in 2025, in which sectors or areas do you see the highest need for an increase in cross-channel cooperation? (Multiple answers possible)



The business community's wish list with regard to practical improvements, as a result of the recent cooperation agreements, focusses on defence and security cooperation but also on reducing the Brexit-related administrative hurdles. Closer regulatory and economic cooperation and the UK's inclusion in the EU's "Made in Europe" strategy are also high up on the agenda.

German-British Business Outlook Autumn 2026



Increasing competition from China is a major concern for only 14% of respondents, while 51% report no impact at all. This suggests that the community's strong focus on the UK market and its substantial services sector presence offer some protection from these competitive pressures.