

### Media Contact

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FOR IMMEDIATE RELEASE

**2023 sees 9% increase in UAE retail leverage trader population as 18,500 traders placed their first trade in the last 12 months**

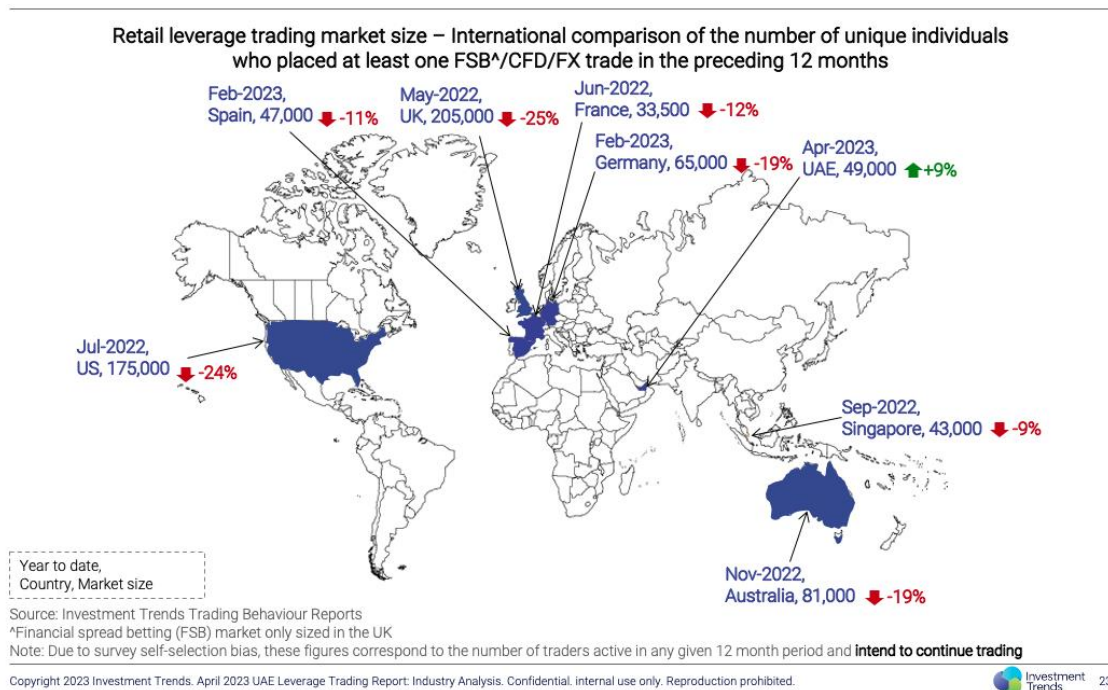
- Competition for traders heats up as new incumbent brokers seek to grab greater share of the pie
- Well executed word-of-mouth prompts viral broker growth
- Traders rely on online search and social media for information when making investment decisions

**6th July 2023, London** – Leading financial services industry research firm *Investment Trends* releases its 2<sup>nd</sup> annual edition of the **2023 UAE Leverage Trading Report**.

An in-depth study that analyses the behaviours and preferences of UAE retail CFD/FX traders, this year's edition highlights:

The UAE's leverage trader population (49,000) has surpassed other markets including Spain, Singapore and France. With 18,500 new traders entering the market in 2023, research uncovered that reactivated traders nearly doubled to 7,000 (up from 4,000 in 2022).

### International comparison: Retail leverage trading market



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"New traders continue to be attracted by an ability to trade with small amounts and their desire to learn a new skill. Market volatility has also been a more effective prompt this year," said Lorenzo Vignati, Associate Research Director at Investment Trends.

Research findings also revealed that market concentration is decreasing, as many new entrants and smaller players seek to contest a greater share of the pie (37% of primary relationships are controlled by the top three providers, down from 45% in May-2022). Traders are increasingly looking to convenience factors when selecting their primary provider, where over one in three have said they are likely to seek a new provider within the next 12 months.

"With competition intensifying and switching activity remaining elevated (relative to other markets surveyed), brokers have a significant opportunity to address what factors matter most to traders and build a proposition that caters to their specific needs," said Vignati.

Evident in the report, well executed word-of-mouth recommendations (37% vs 35% in 2022) remain the most effective prompt to opening an account with the provider currently used. Social media has also edged up slightly as a method of referral (30% vs 29% in 2022).

"In terms of where traders turn for educational content, 53% identified online searches, followed by 37% using social media in the specific moments when they need to make investment decisions. Digging a further layer down, the report captured that 86% of traders voted English (34% voted Arabic) as the preferred language when receiving educational content," highlighted Vignati.

Across each region we have surveyed so far in 2023 – in the leverage trading industry – the UAE is the only market growing. This report serves as a deeply valuable resource for industry professionals seeking to navigate the evolving UAE leverage trading landscape and seize opportunities for growth and innovation.



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### Notes to the editor

#### **About the report:**

The *Investment Trends* 2023 UAE Leverage Trading Report provides a detailed analysis of the UAE leverage trading market, examining the attitudes, needs and product usage of active traders. The report is based on a survey of 1,625 respondents, of which 661 are active traders, conducted in April 2023.

#### **About Investment Trends:**

Investment Trends is a global market research firm that provides business insights and decision support to the world's leading financial services organisations.

We deliver independent, deep insights research on the behaviours, preferences and needs of retail investors and intermediaries for the financial services companies that serve them across Australia, the UK, France, Germany, Spain, Hong Kong, Singapore, the UAE and the US.

With over 20 years of experience in researching the retail wealth management and global broking markets, we provide new insights and decision-making support to over 130 leading financial service businesses globally. Investment Trends' clients include global banking organisations, financial advice providers, fund managers, super funds, investment platform providers, all major online brokers and CFD providers as well as industry regulators and industry associations.