**UK Industries sectoral analysis vertical**

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1. **Executive summary**
   1. Top 500 companies contribute to 87% of the GDP
   2. 500 companies in 14 broad sectors contribute to bulk of the GDP
   3. Revenue share of top 3 players in each sector varies from 21% in IT to as high as 93% in Telecom
   4. Profit share of top 3 players ranges from a low of 15.6% in Retail to 84% in Financial services
2. **Sector specific insights**
   1. **Oil & Gas, Mining Insights**
      1. Major sub-sectors include Oil equipment and services, mining and gas producers
      2. 44 companies together generated 934 billion USD of revenue and with sectoral profit margins at 2.7%
      3. Average growth rate of the sector is approximately (-)14% which is mostly due to the fall of oil prices in the international market
      4. Top 3 companies take in 81% of the revenue and 20.3% of the profits. This signifies huge fragmentation in the sector with smaller players making more profit margins
   2. **Retail Insights**
      1. Major sub sectors include Food and drug retailers, general retailers, beverages, personal goods, food producers etc.
      2. This sector with 48 companies, together generated a sales revenue of 295 billion USD with 214 billion USD in assets
      3. Top 3 companies take in 56% of the revenue and 15.6% of the profits and has huge entries of barrier just due to the number of players in this market working on small profit shares
   3. **Services Insights**
      1. These consists of support services, travel and leisure services for a total of 92 companies from the top 500 list
      2. Top 3 companies take in 22% of the revenue and 21.1% of the profits with a small growth rate of 1% over two years between FY 2013-2015.
   4. **Insurance Insights**
      1. 23 companies are spread across sub sectors of life insurance and non-life insurance
      2. Top 3 companies take in 64% of the revenue and 4.8% of the profits whereas average profit margin is 4.8%
   5. **Industrial Insights**
      1. Companies in this sector includes companies across General engineering, Chemical, Aerospace and defence, etc. with a total of 51 companies in the top 500 list
      2. Top 3 companies take in 41% of the revenue and 36.5% of the profits whereas average profit margin is only 6.2%.
      3. This contrasting picture is because there is a huge differential in the profits that is made by bigger player’s vis-a- vis compared to smaller players.
   6. **Banks Insights**
      1. A total of 9 companies together generated 109 Billion dollars of revenue in 2015 with average profit margins at 8.3%.
      2. With 72% of the revenues coming from top 3 players, the sector is heavily consolidated with high entry barriers.
      3. Assets employed, at 6.8 trillion dollars, by these players is the largest in the UK
   7. **Energy & Utilities Insights**
      1. Sub-sectors include Electricity, Gas and Water
      2. 10 companies generated 104 billion dollars at a very modest margin of 3.3%
      3. Top 3 companies take in 90% of the revenue and 19.9% of the profits. This signifies the impact of big players in the sector
   8. **FMCG Insights**
      1. Major sub sectors include Food and beverages and Tobacco
      2. This sector has 22 companies in the top 500 list with the top 3 players generating 49% of the revenues with 21.5% of profits for this sector
      3. This sector is showing a good growth of 11.8% over last year with a healthy 13.3% average margin
   9. **Telecom Insights**
      1. Sector includes companies from fixed line telecommunications and mobile communications
      2. This is one of the sectors which has maintained one of the highest profit margins while suffering a decline in growth over the 2013-15 period
      3. 13 companies generate 79 billion USD with the top 3 players capturing 93% of the revenues
   10. **Infrastructure Insights**
       1. 26 companies generate 72 billion USD with an average profit margin of 9.9%
       2. Top 3 companies take in 56% of the revenue and 33.5% of the profits while the growth in the period 2013-15 is at 9%.
   11. **Healthcare and Pharmaceutical Insights**
       1. Sub-sectors include Healthcare services, Pharmaceuticals and biotechnology
       2. 29 companies generated 66 billion dollars at a profit margin of 12.6% with a very low growth of 2.9% over 2013-15
       3. Top 3 companies take in 80% of the revenue and 33.6% of the profits
   12. **Financial Services Insights**
       1. This sector with 87 companies, together generated a sales revenue of 50 billion USD with 306 billion USD in assets
       2. Top 3 companies take in 41% of the revenue and 84% of the profits and has huge entries of barrier just due to the smaller players in this market working on small profit shares
       3. The sector grew by 23.8% increase in the profits over the 2013-15 timeframe and enjoys a high margin of 16.5%
   13. **Media Insights**
       1. 19 companies generated 49 billion USD at margin of 11.6%
       2. Top 3 companies take in 63% of the revenue and 17.9% of the profits
   14. **IT Insights**
       1. Major sub sectors include Software and computer services and technology
       2. This sector has 27 companies in the top 500 list with the top 3 players generating only 21% of the revenues with 28.8% of profits indicating equal distribution of revenue and profit sharing between the companies in this sector
       3. This sector is showing a loss in growth of (-)1.5% over the 2013-15 period with a 10% average margin