Deutsche Bank

Global Sentiment Survey on Europe 2026

Short report

Frankfurt am Main, September 21, 2026

Who did we speak to?

13
non-European markets
across three regions

100+
employees
minimum company size

1,200
respondents
(senior leaders and decision-makers)

67%
invested in Europe

33%
not yet invested*, but plan or consider investing within next 5 years*

Where are they based?

APAC – 50%
China (incl. Hong Kong) – Japan – Singapore – India – Australia – South Korea - Taiwan

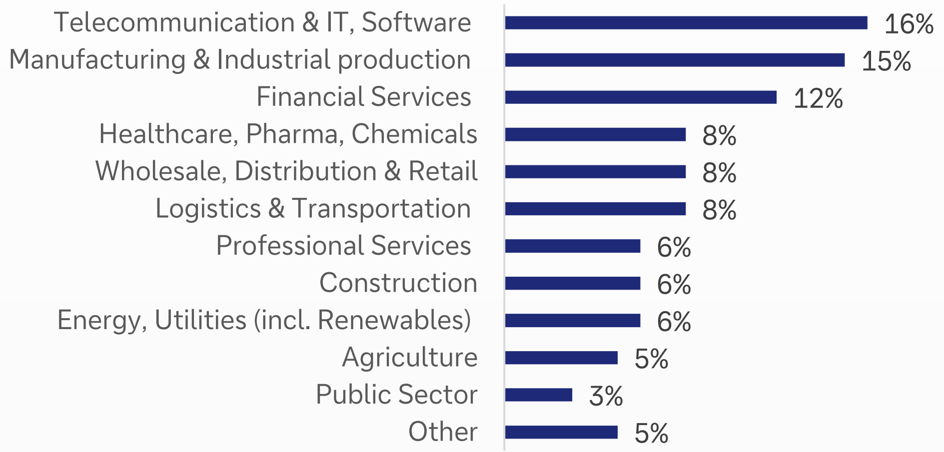
Americas – 33%
USA – Canada – Mexico – Brazil

Middle East – 17%
United Arab Emirates – Saudi Arabia

Company Size

13% – 100-249 | **18%** – 250-499 | **25%** – 500-999 | **44%** – 1000+

Industries



International companies show growing interest in Europe

KEY MESSAGES

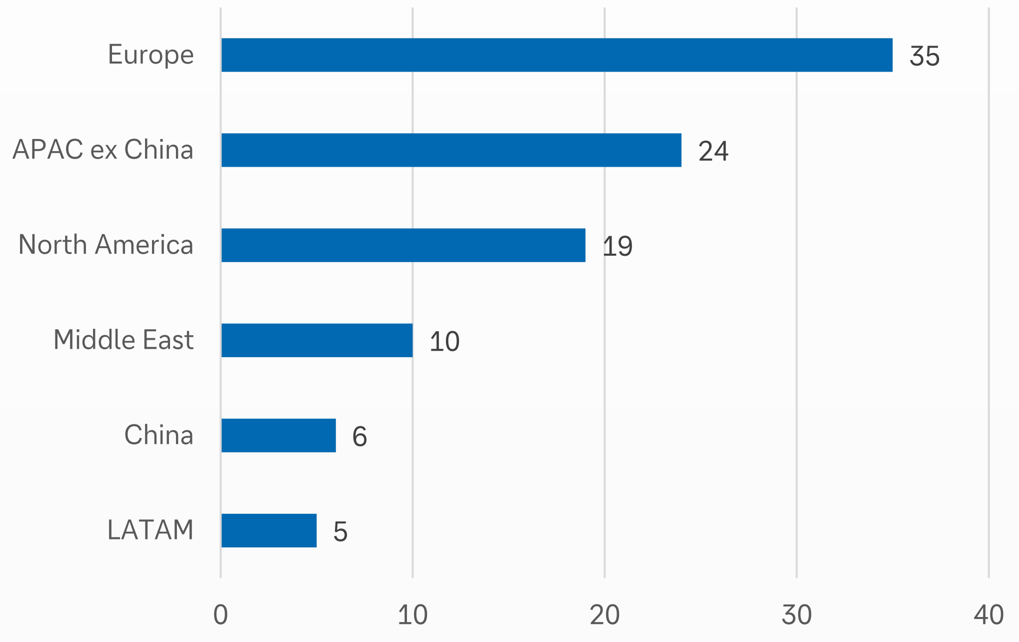
Europe is the **top investment region** among surveyed business leaders

Germany ranks as Europe's **number one destination** for non-European investors

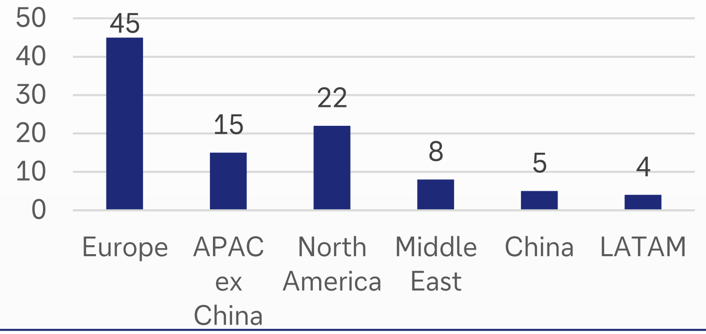
Europe earns praise for its political and economic stability and innovative strength, but faces criticism over cross-border frictions, costs, slow approvals and permitting procedures

1. Business leaders put Europe ahead of America and Asia

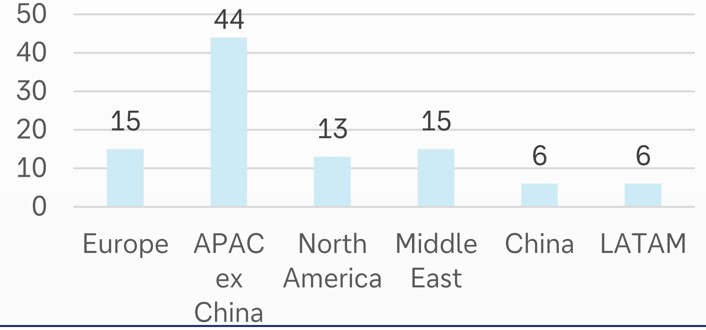
Region attractiveness, in %



Already invested in Europe, in %



Not yet invested in Europe but planning to, in %



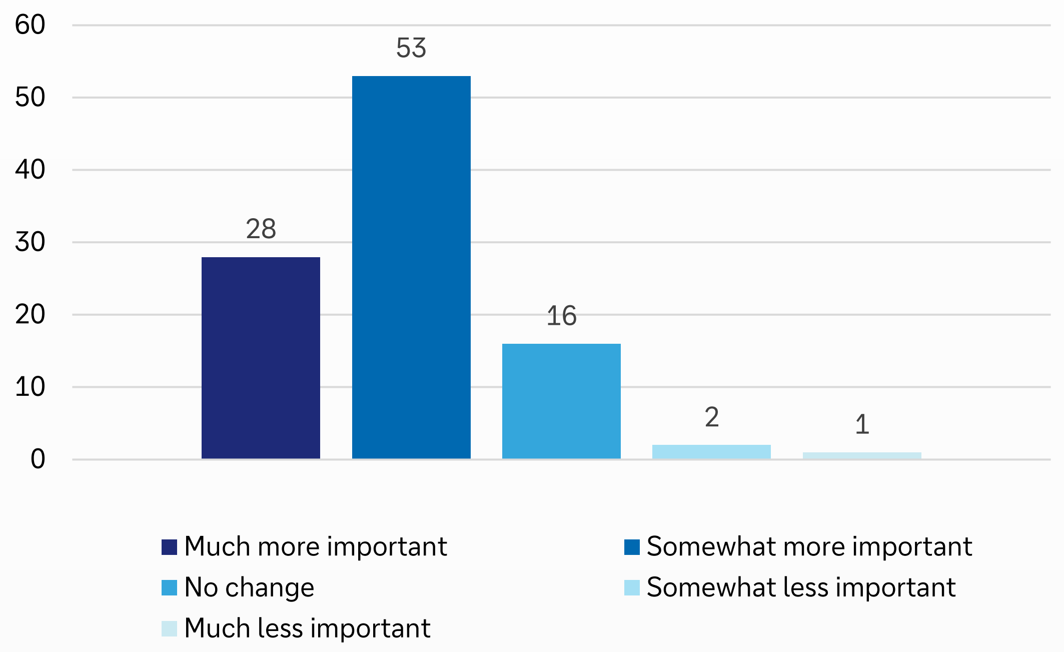
KEY TAKEAWAY

Europe stands out as the **most attractive** region **(35%),** ahead of APAC **(24%)** and North America **(19%)**. Companies **already invested** in Europe are its **strongest** advocates: **45%** rank it as the most attractive region, versus just **15%** of **non-investors,** who **favour** APAC **(44%).**

Q: Which of the following regions is currently the most attractive for your business?

2. Confidence in Europe is growing

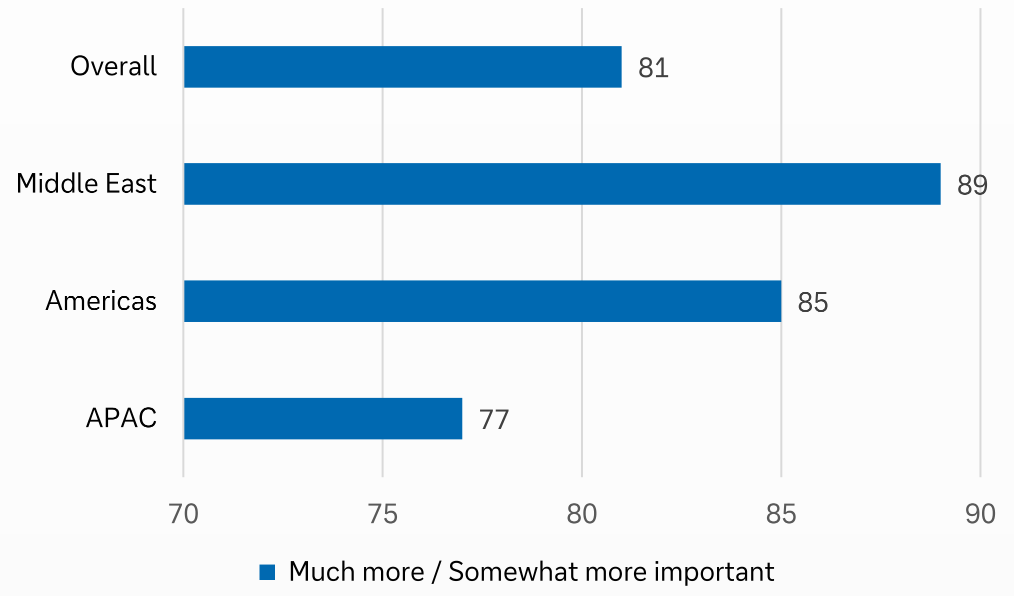
Overall shift, in %



KEY TAKEAWAY

81% say Europe has become much or somewhat more important compared to three years ago.

By investor domicile, in %*



KEY TAKEAWAY

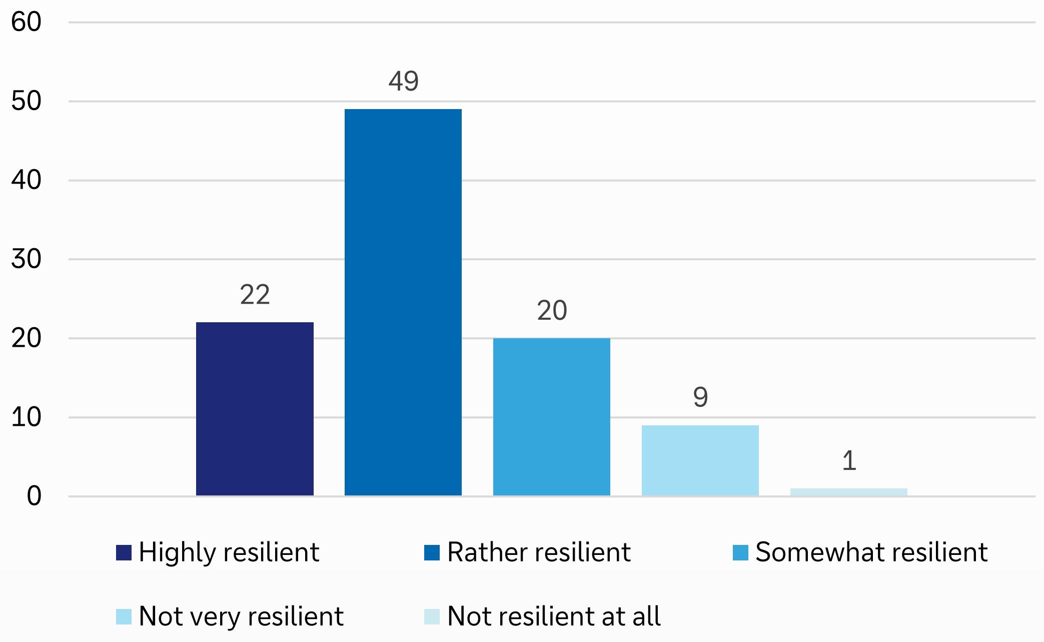
The rise is steepest among **Middle East** investors: **89%** say "much more" or "somewhat more important", compared to **85%** in the **Americas** and **77% in APAC**.

Q: Compared to 3 years ago, has Europe become more or less important in your investment decisions?

*5-point scale from Much more important (5) to Much less important (1) 7 Top-2-box responses shown

3. Europe is seen as resilient in uncertain times

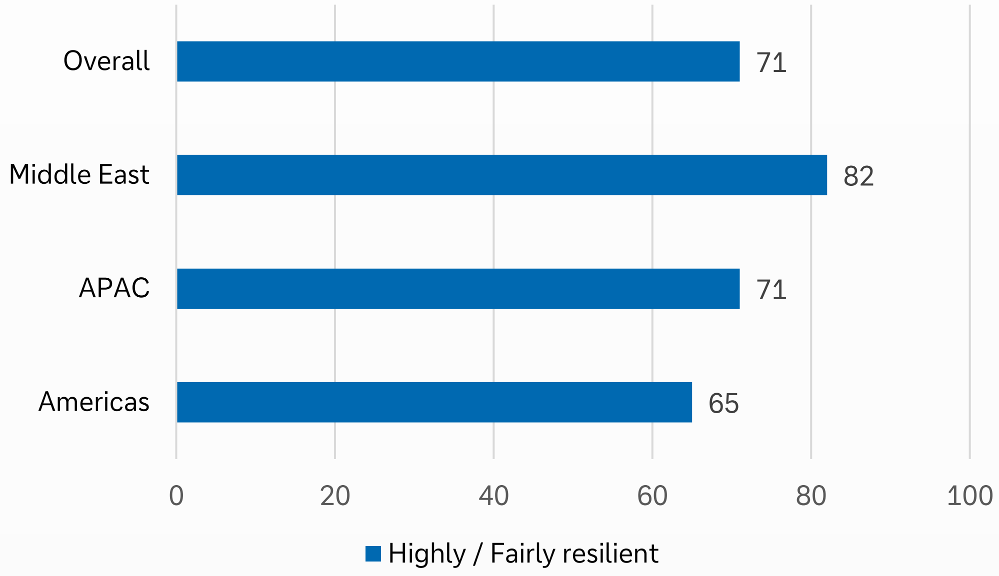
Overall shift, in %



KEY TAKEAWAY

71% perceive Europe as resilient in the face of economic and geopolitical challenges. Only **10%** consider it not resilient.

By investor domicile, in %*



KEY TAKEAWAY

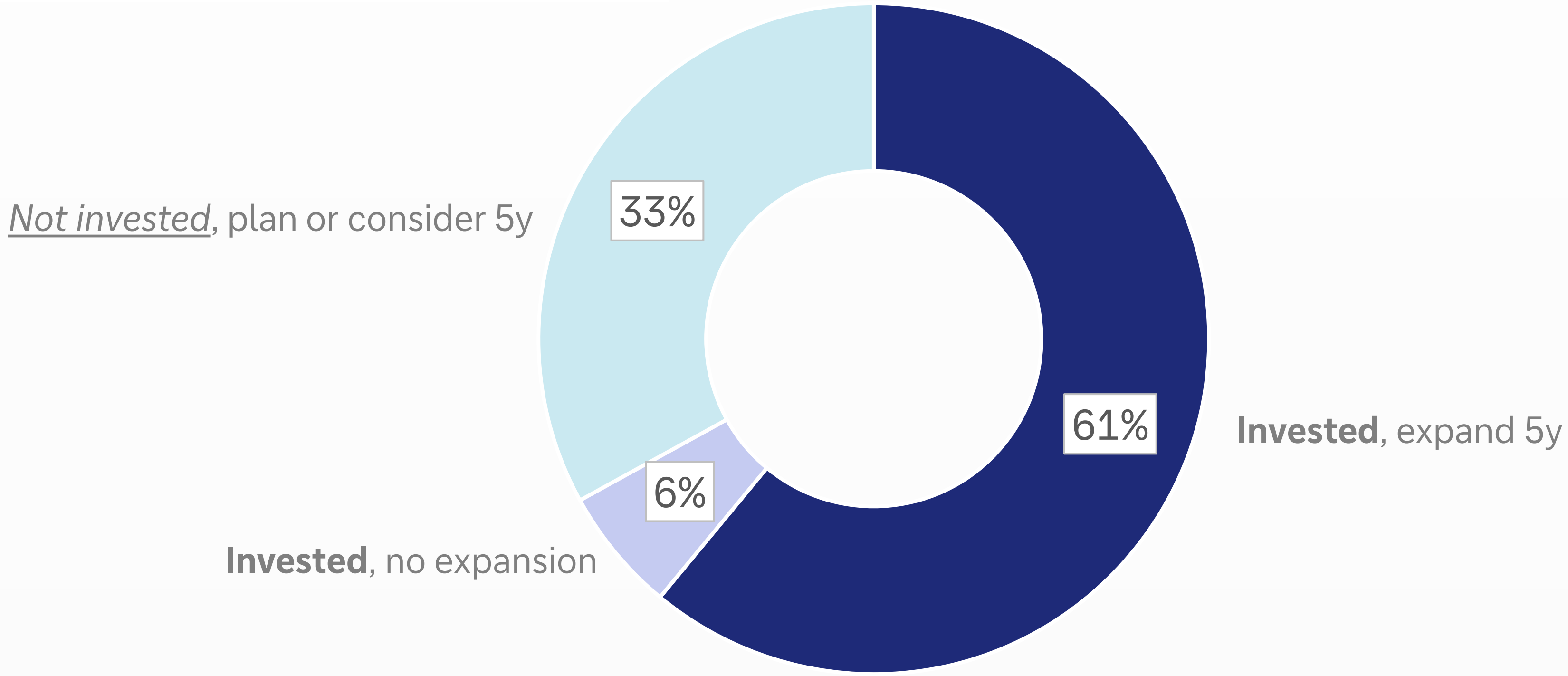
Perceptions of Europe's resilience are strongest in Middle East, where **82%** rate it as highly or fairly resilient, followed by APAC at **71%** and the Americas at **65%**.

Q: How resilient is Europe as a business destination amid economic and geopolitical uncertainty?

*5-point scale from Highly resilient (5) to Not resilient at all (1) / Top-2-box responses shown

4. Investors are increasingly keen to venture into Europe

Current and planned investment in Europe



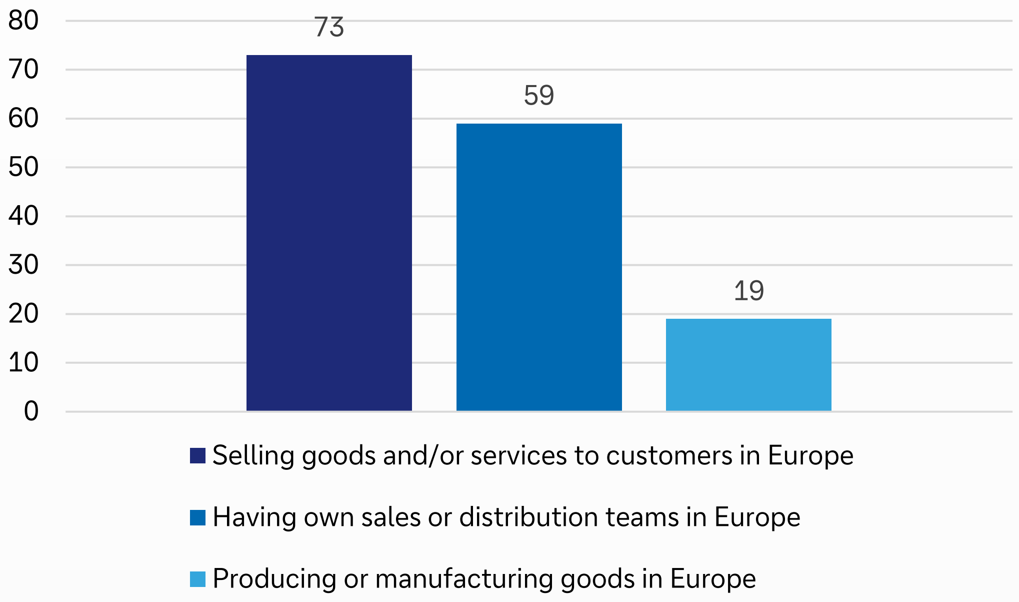
KEY TAKEAWAY

Investment momentum in Europe is strong. Most companies either **plan to expand existing operations over the next five years (61%)** or are planning or actively considering entering the European market for the first time **(33%). Only 6%** do not intend to invest further.

Q: Which of the following best describes your company's current and planned involvement in Europe?

5. Europe remains an attractive consumer market, while its industrial importance continues to grow

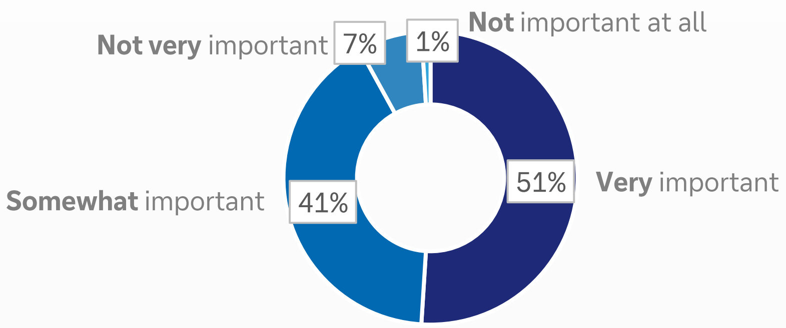
Current type of investment, in %*



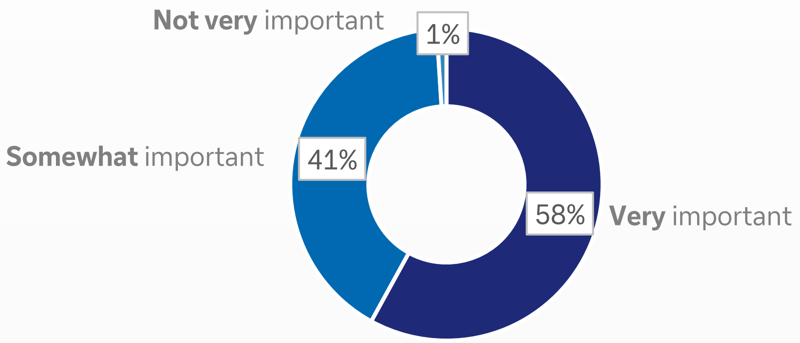
KEY TAKEAWAY

Although only **19%** of companies already active in Europe currently manufacture there, **92%** of all respondents say Europe will be important as a production location over the next three to five years.

Increasing importance for production, R&D and supply chain stability and...



... as a consumer market



Q: Which of the following types of business activities does your company currently have in Europe?
*of companies already invested in Europe, multiple answer question

Q: How important is Europe for your company's growth over the next 3–5 years in each of the following roles? As an industrial and production location (manufacturing, R&D, supply chains) / As a consumer market (demand for your products/services)

6. Europe scores highly on growth and innovation

Europe's strengths*

74% Growth opportunities	**71%** Innovation
70% International relationships	**68%** Economic & market stability

KEY TAKEAWAY

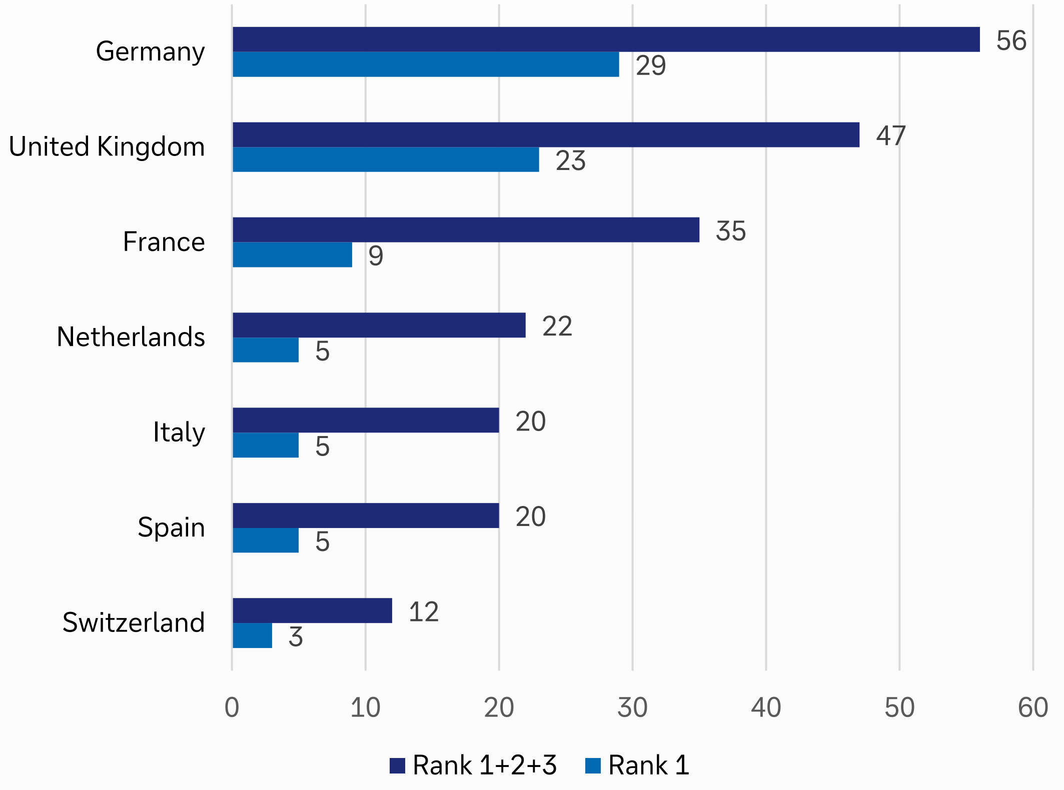
Europe's appeal is driven by growth potential, not just stability. Respondents identify strong or moderate advantages for Europe compared to other regions in growth opportunities (74%) its capacity for innovation – particularly in combination with the potential of AI (71%), followed by international relationships (70%) and economic and market stability (68%).

Q: For each of the following aspects, please indicate how you evaluate Europe compared to other regions as an investment destination.

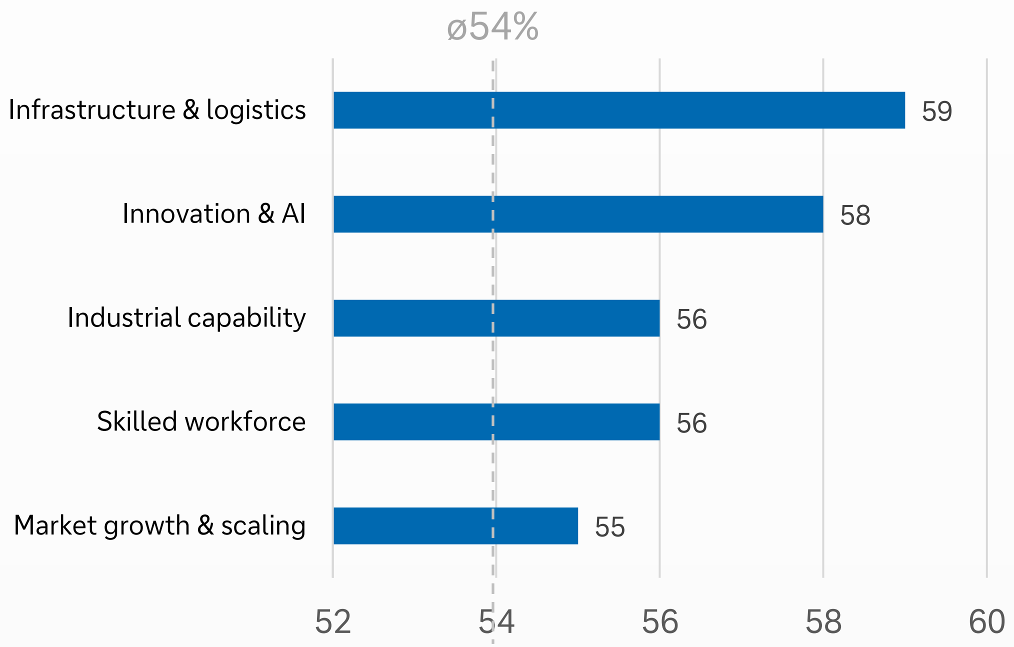
*Top-2-box responses shown: "strong advantage" and "moderate advantage", 6 point scale

7. Germany is Europe's investment magnet

Preferred investment destination, in %



Germany's strengths by factor, in %



KEY TAKEAWAY

Germany achieves high scores for infrastructure and logistics; its capacity for innovation – particularly in combination with AI; industrial capabilities; skilled workforce; and market growth and scaling.

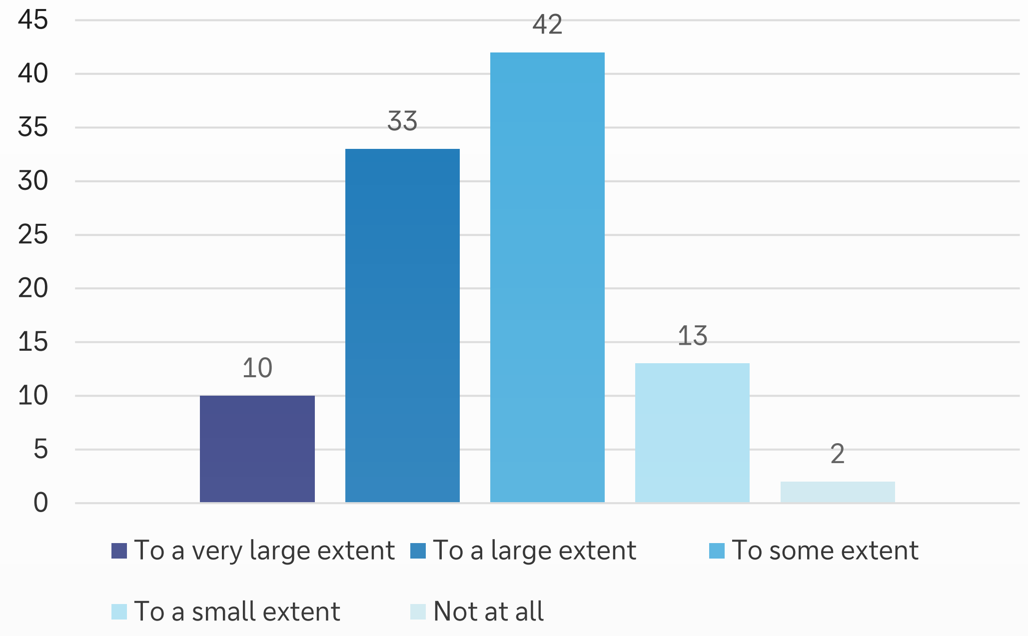
Q: In which countries across Europe do you plan to invest or expand your business in the near future? Which of the countries you selected are the most important ones? Please rank your Top 3.

Q: Which of these European countries do you think are strong across the following differentiation factors?

8. Europe's biggest obstacle is Europe itself

Cross-border frictions weaken Europe's appeal

Overall impact, in %

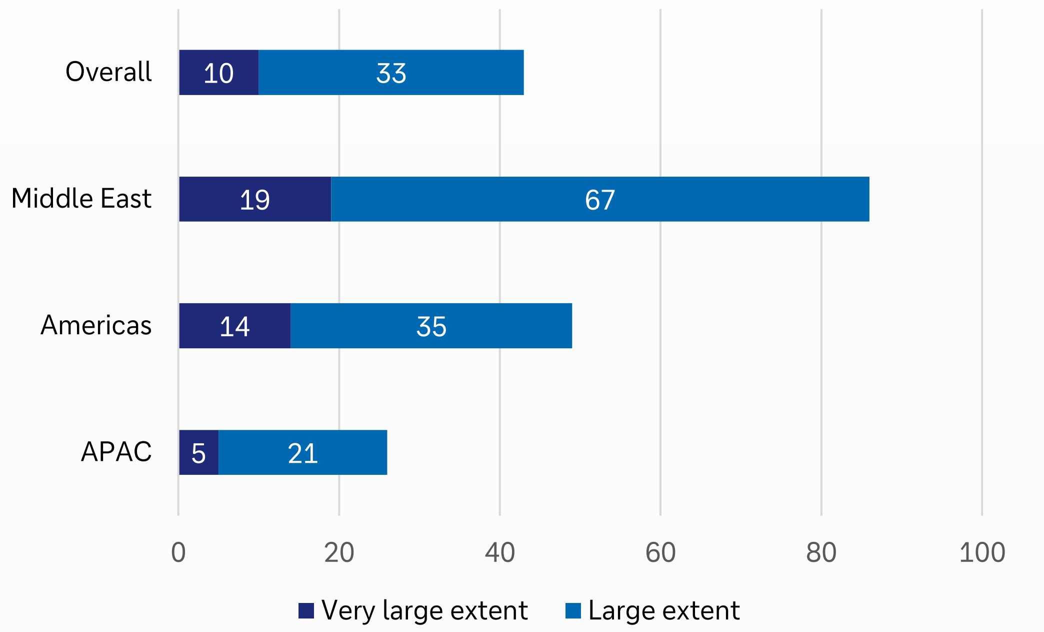


KEY TAKEAWAY

Overall, **43%** of respondents say they have a large or very large impact, while a further **42%** say they have some impact. **Only 15%** report little or no impact.

Q: To what extent do cross-border frictions reduce Europe's attractiveness?

By investor domicile, in %*



KEY TAKEAWAY

Perceived impact varies significantly by region. Frictions are felt most strongly in Middle East, where **86%** report a large or very large impact, compared with **49%** in the Americas and **26%** in APAC.

Q: To what extent do cross-border frictions reduce Europe's attractiveness?
*Top-2 box responses shown

8. Europe's biggest obstacle is Europe itself

Four priority areas for strengthening Europe's competitiveness

Perceived barriers – score under 50%*

42% Labour cost competitiveness	**44%** Tax environment
47% Energy cost competitiveness	**47%** Approval & permitting speed

KEY TAKEAWAY

These are **the only four areas in which fewer than 50 percent see Europe as having an advantage** over other regions. Together, they provide priorities for a focused competitiveness agenda.

Q: Please indicate how you evaluate Europe compared to other regions as an investment destination

*Top-2 box responses shown

Europe starts from a position of strength

NEXT STEP: Turn confidence into growth

Protect Europe's strengths
Stability, openness and trusted institutions

Complete the Single Market
Less fragmentation, more scale

Mobilise private capital
For technology, infrastructure and security

Lead in industrial AI
Turn innovation into productivity

Deliver with speed
From ambition to execution