

Leading Indicators



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Key economic and financial metrics, updated weekly

11th November 2025

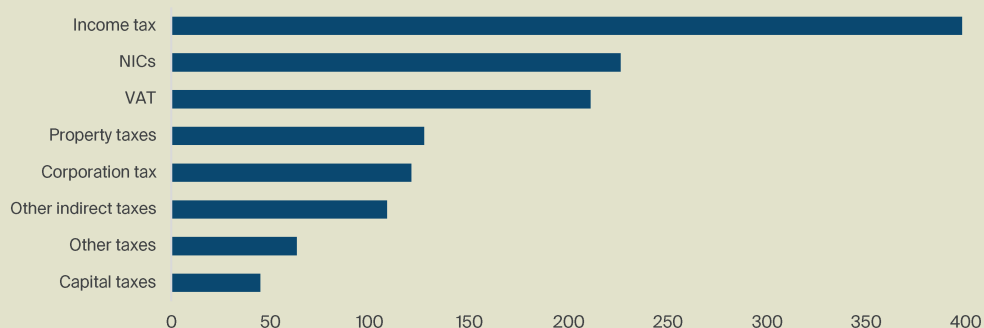
Fiscal caution, softer labour market and signs of improving inbound capital

£1.3trn

Speculation is building ahead of the November Budget, with markets watching closely for signs of fiscal discipline and a commitment to stability. A cautious approach could help anchor inflation expectations and rebuild confidence in the UK's fiscal outlook. Greater credibility may, over time, reduce risk premia on government bonds and improve financing conditions, supporting broader investment activity. The OBR expects total tax receipts to reach around £1.3 trillion by 2029–30, with income tax, NICs and VAT accounting for roughly three-quarters of total revenue.

UK Budget Preview: Fiscal discipline and tax mix in focus

Forecast composition of UK tax revenue (2029–30), £bn



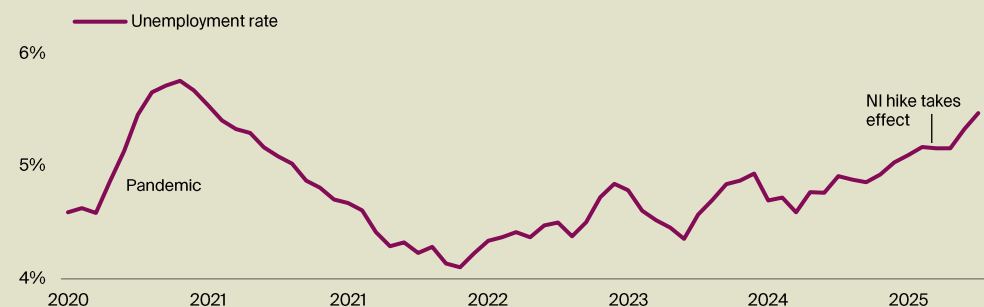
Source: Knight Frank Insight, ONS, IFS

5.0%

The UK unemployment rate edged up to 5.0% in the three months to September, from 4.8% previously, and above expectations of 4.9%. Private sector wage growth, closely monitored by the Bank of England for signs of labour market tightness, slowed to 4.2%, the weakest pace since early 2021. The data suggests the labour market is losing some heat, with markets now pricing in an 80% chance of a December rate cut, up from 68% a day earlier.

Cooling labour market strengthens case for BoE rate cut

UK unemployment rate, %



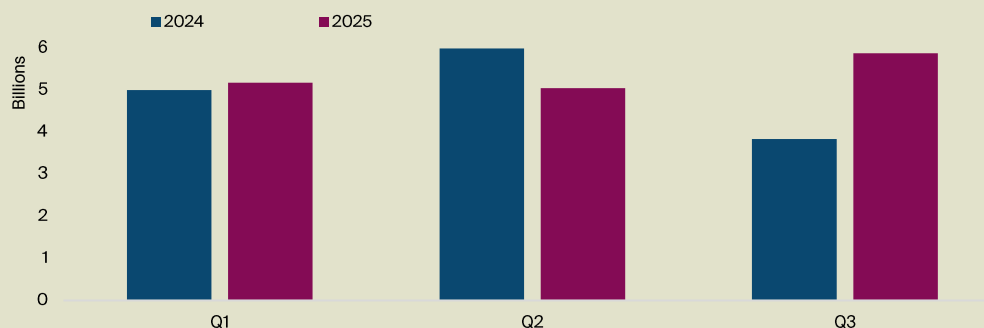
Source: Knight Frank Insight, ONS

£5.9bn

The UK remains the leading destination for international capital YTD, with London holding its position as the world's top metro market. Inbound investment into UK commercial real estate reached £5.9 billion in Q3, up +16% from Q2 2025 and +53% higher year-on-year. US inflows rose +19% quarter-on-quarter, while capital from Germany (+3,573%), Singapore (+303%), and Spain (+184%) also strengthened, reflecting a broader shift toward safe-haven markets.

Signals of improving inbound activity

Inbound investment volumes in UK commercial real estate, £bn



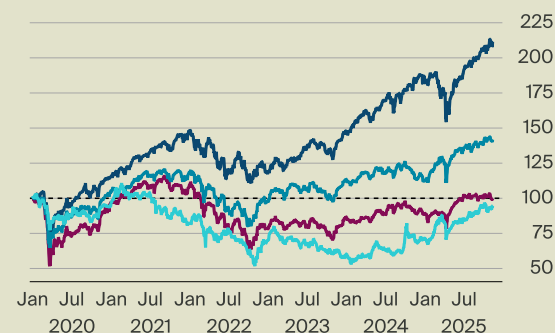
Source: Knight Frank Insight, MSCI RCA

Equities

Equity markets

Price return index, Jan 2020 = 100, US\$

— FTSE 250 — S&P 500 — STOXX 600 — Hang Seng



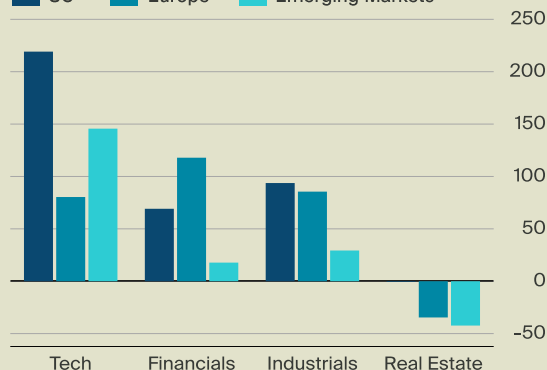
Source: Knight Frank, Macrobond

Index	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
DAX 30	10,365	1.0	0.1	-2.9	56.6	30.6
FTSE 250	28,890	0.7	-0.8	-1.7	-0.3	11.6
Hang Seng	3,434	1.8	2.0	-0.1	-5.1	32.9
IBEX 35	18,686	0.5	1.0	3.6	74.4	54.9
MIB	50,688	2.0	1.7	2.3	92.5	42.9
S&P 500	6,832	1.7	-0.1	1.4	111.5	16.2
STOXX 600	661	0.9	0.2	0.0	41.7	25.2
TOPIX	22	0.1	-0.3	1.3	36.6	21.6

Equity regional sectors

Price return index percentage change since Jan 2020

■ US ■ Europe ■ Emerging Markets



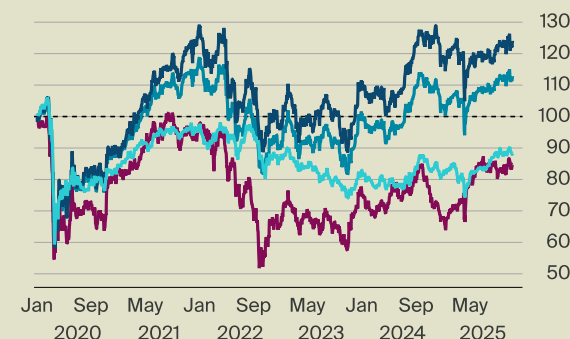
Source: Knight Frank, Macrobond

	Percentage change since Jan 2020		
	US	Europe	World
Tech	219.2%	80.4%	145.6%
Financials	69.1%	117.9%	17.8%
Industrials	93.7%	85.5%	29.3%
Real Estate	-0.7%	-54.2%	-59.0%

REITs by region

EPRA/NAREIT total return index, Jan 2020 = 100, US\$

— World — Europe — US — Asia Pacific



Source: Knight Frank, Macrobond

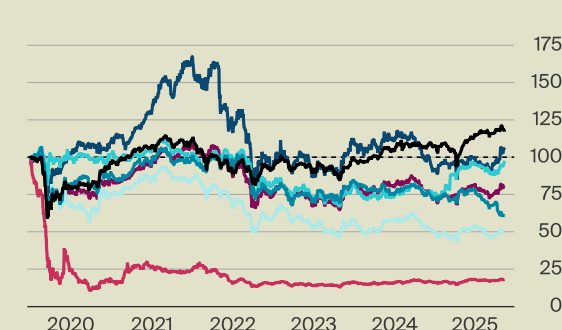
Index, total return	Last	Percentage change since				
Original value and base		1 day	1 week	1 month	Jan '20	YTD %
US	2,953	1.3	1.2	1.7	23.6	4.05
Europe	2,419	0.4	1.6	3.9	-15.2	24.22
World	3,612	1.0	0.9	1.5	12.4	8.84
Asia Pacific	3,462	0.3	-0.7	-0.2	-11.8	8.73

UK REITs by sector

UK EPRA gross total return index, Jan 2020 = 100, GBP£

— All REITs — Office — Industrial — Retail — Healthcare

— Residential — FTSE 250



Source: Knight Frank, Macrobond

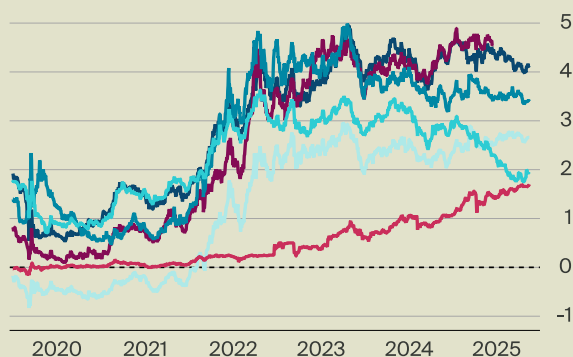
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
All REITs	832	0.4	2.7	7.3	-18.7	12.0
Office	1,480	-0.1	0.9	4.0	-50.1	1.2
Industrial	1,321	0.4	3.8	10.5	6.5	15.1
Retail	65	0.3	1.7	4.2	-81.9	12.2
Healthcare	2,212	1.3	4.3	8.9	-2.5	28.1
Residential	929	0.5	0.5	-5.4	-39.1	-15.9
FTSE 250	20,165	0.3	-0.8	-0.2	18.3	9.9

Bonds & Rates

Government bond yields

10 year government bond yields, %

— US — UK — Germany — Italy — Japan — Singapore



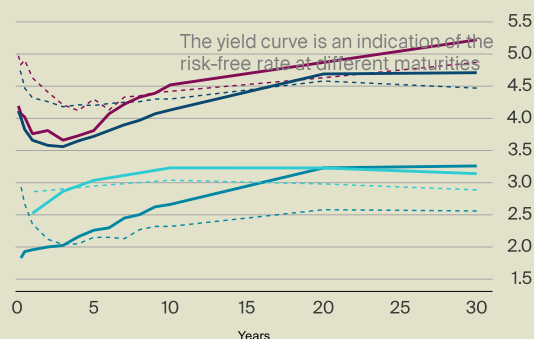
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Italy	3.40	3.40	3.39	3.47	1.40
Japan	1.70	1.68	1.66	1.69	-0.03
Singapore	1.95	1.95	1.94	1.82	1.74
UK	4.52	4.52	4.47	4.73	0.74
US	4.13	4.13	4.10	4.05	1.92

Yield curves

Latest nominal yield curves vs one year ago, %

Today — US — UK — Germany — S. Korea One year ago ...US ...UK ...Germany ...S. Korea

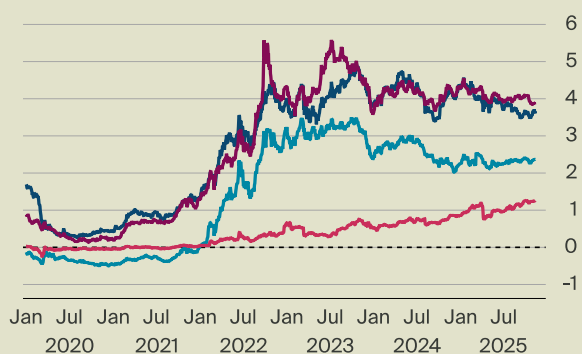


Source: Knight Frank, Macrobond

Interest rate swaps

5 year swap rates, %

— US — UK — Eurozone — Japan



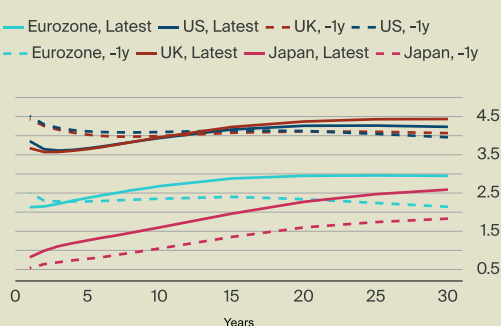
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Eurozone	2.37	2.37	2.36	2.33	-0.13
Japan	1.26	1.25	1.24	1.20	0.03
UK	3.89	3.89	3.88	4.06	0.88
US	3.67	3.61	3.68	3.57	1.70

Swap curves

Latest swap curves vs one year ago, %

Today — US — UK — Euro Area — Japan One year ago ...US ...UK ...Euro Area ...Japan



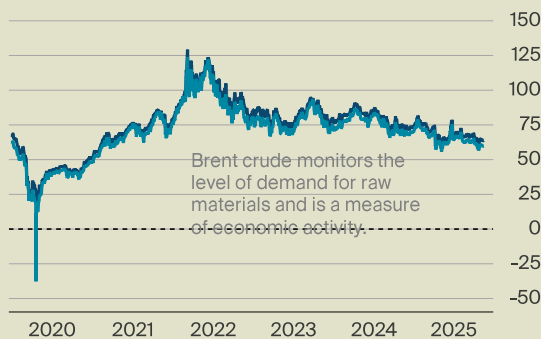
Source: Knight Frank, Macrobond

Commodities & Volatility

Energy

Oil spot prices, \$ per barrel

— Brent Crude — West Texas Intermediate (WTI)



Source: Knight Frank, Macrobond

Baltic dry index

Baltic Exchange, Shipping Dry index (BDI), US\$

— Baltic dry index



Source: Knight Frank, Macrobond

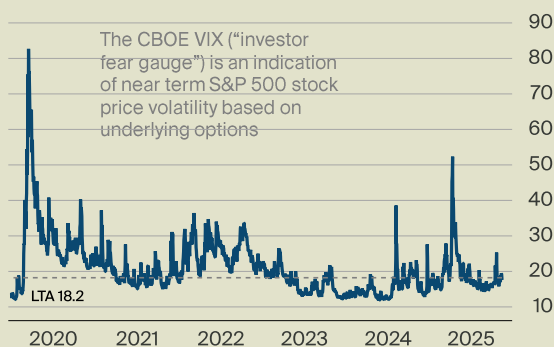
	Last	1 day	1 week	1 month	Jan '20	YTD %
Brent, \$ per barrel	63.9	63.6	64.8	62.1	66.0	-14.6
WTI, \$ per barrel	59.9	59.8	60.9	59.2	61.1	-16.3

	Last	Percentage change since				
		1 day	1 week	1 month	Jan '20	YTD
						%
Baltic Dry	2084	1.02	715	764	91.2	109

Volatility index

Near term stock price volatility indicator

— CBOE Volatility Index (VIX) --- Long term average



Source: Knight Frank, Macrobond

Systemic stress

Measures FX, money, sovereign and bond yield volatility

— New ECB Composite Indicator of Systemic Stress (CISS)

--- Long term average



Source: Knight Frank, Macrobond

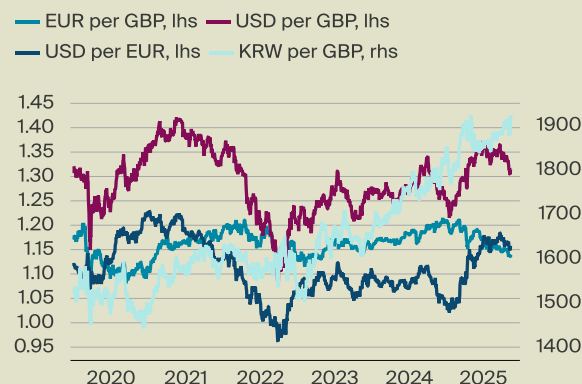
	Last	1 day	1 week	1 month	Jan '20	YTD
CBOE VIX	17.6	17.6	19.0	21.7	13.8	1.44
Euro Stoxx 50 VIX	18.5	18.5	18.6	19.6	14.0	8.76
Nikkei VIX	32.1	33.7	32.7	30.1	14.8	47.13
KOSPI VIX	38.9	39.8	35.8	23.9	14.7	84.15

	Last	1 week	1 month	Jan '20
Systemic stress composite	0.094	0.117	0.073	0.023
Equity markets stress sub index	0.078	0.095	0.064	0.009
Bond markets stress sub index	0.032	0.033	0.014	0.02
FX markets stress sub index	0.024	0.039	0.021	0.004

Currencies & Monetary Policy

Currencies

Spot prices

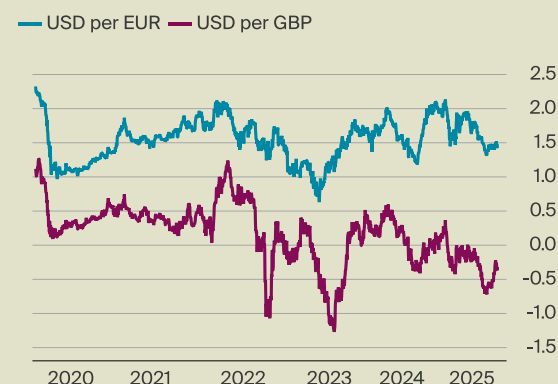


Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
EUR per GBP	1.139	1.137	1.141	1.149	1.177
KOR per GBP	1,914	1,923	1,882	1,894	1,525
USD per GBP	1.315	1.315	1.315	1.330	1.321
USD per EUR	1.158	1.158	1.153	1.161	1.123

Hedging benefits

Hedging benefit p.a. on a 5 year forward



Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
USD to EUR	1.48	1.42	1.48	1.40	2.32
USD to GBP	-0.32	-0.37	-0.25	-0.62	1.12

Inflation and monetary policy

Inflation rate (%)

	Oct	Sep	Aug	Jul
Australia ¹	n/a	3.2	3.2	3.2
Canada	n/a	2.4	1.9	1.7
China	0.0	-0.5	-0.6	-0.2
Euro Area	2.1	2.2	2.0	2.0
France	1.0	1.2	0.9	1.0
Germany	2.3	2.4	2.3	2.0
India	n/a	1.5	2.1	1.6
Italy	1.2	1.6	1.6	1.7
Japan	n/a	2.9	2.7	3.1
Saudi Arabia	n/a	2.2	2.3	2.2
South Korea	2.4	2.1	1.7	2.1
Spain	n/a	n/a	2.7	2.7
Sweden	n/a	0.9	1.1	0.8
UK	n/a	3.8	3.8	3.8
US	n/a	3.0	2.9	2.7

1. Australia Inflation rate is only available on a quarterly basis.

Interest rates (%)

	Last	Jan '24
	3.60	4.35
	2.25	5.00
	4.35	4.35
	2.15	4.50
	2.15	4.50
	2.15	4.50
	5.50	6.50
	2.15	4.50
	0.50	-0.10
	4.50	6.00
	2.50	3.50
	2.15	4.50
	1.75	4.00
	4.00	5.25
	4.00	5.50

Asset purchasing

	Latest (\$)	1m change (%)
	0.26 tn	-0.1
	170 bn	-4.1
	6.61 tn	1.8
	7.18 tn	0.3
	1.78 tn	1.7
	2.66 tn	-0.6
	488 bn	5.8
	1.31 tn	2.2
	4.52 tn	0.2
	515 bn	-2.4
	406 bn	1.2
	487 bn	0.2
	98 bn	-0.2
	1.14 tn	-0.7
	6.57 tn	-0.3

Source: Knight Frank, Macrobond



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William Matthews
Partner
Head of Commercial Insight
+44 20 3909 6842
william.matthews@knightfrank.com



Victoria Ormond, CFA
Partner
Head of Capital Markets Insight
+44 20 7861 5009
victoria.ormond@knightfrank.com



Nik Potter
Associate
Capital Markets Insight
+44 20 7861 5146
nik.potter@knightfrank.com



Khadija Hussain
Analyst
Capital Markets Insight
+44 20 8176 9671
khadija.hussain@knightfrank.com