

Leading Indicators



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Key economic and financial metrics, updated weekly

21st October 2026

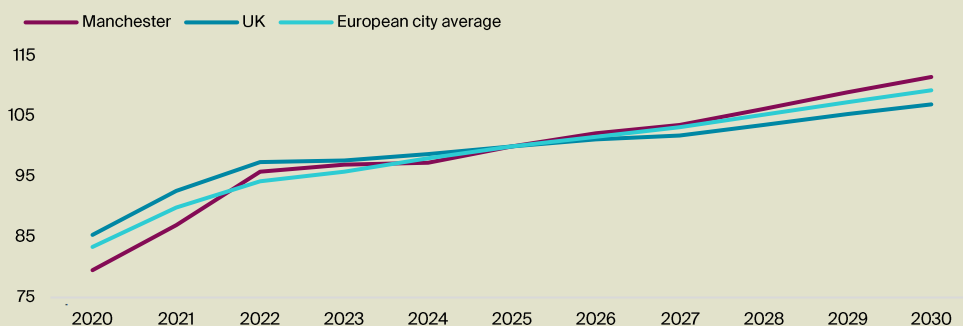
The Manchester Model: Can devolution unlock the next wake of UK CRE growth?

2.1%

Manchester is forecast to be one of Europe's faster-growing cities in 2026, with GDP growth of 2.1%. Its concentration of knowledge-intensive business services continues to support the city's economy, with professional services output projected to rise by 3.6%, more than double the European city average. Longer term, Manchester is expected to maintain this relative strength, with GDP growth forecast at 2.4% in 2030, ahead of both the UK (1.5%) and European city (1.8%) averages.

Manchester is setting the pace for growth among UK and European cities

GDP Index (2025=100)



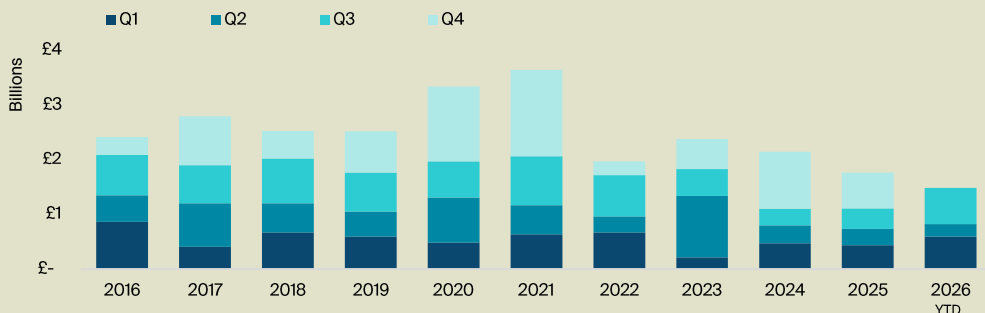
Source: Knight Frank Insight, Oxford Economics

+34%

That relative economic strength is also being reflected in Manchester's investment market. Commercial real estate investment volumes are up +34% year-to-date in 2026, while Q3 activity was +77% higher than a year earlier. The pick-up in activity points to continued investor appetite for the city, with Manchester's longer-term growth prospects helping to support its position as a key destination for regional UK capital.

Capital is following the growth story

Manchester CRE Investment Volumes (£bn)



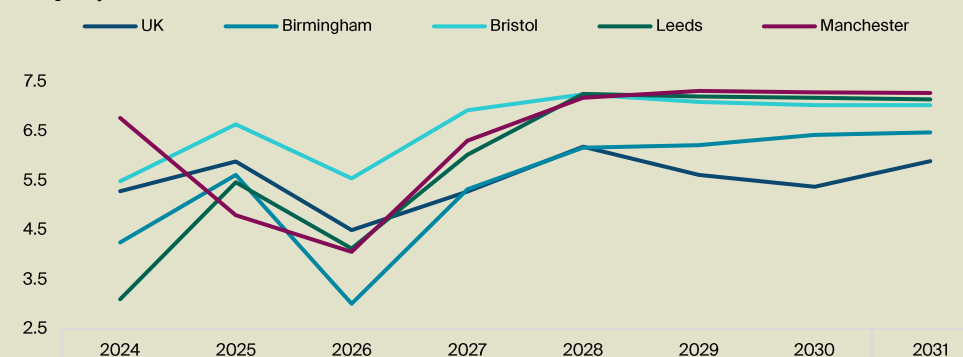
Source: Knight Frank Insight, MSCI RCA

7.3%

Manchester has set the pace among UK regional cities, supported by sustained investment in skills and infrastructure and a relatively mature model of devolution. Greater local control over areas such as transport, skills and regeneration has helped create a platform for growth, with Manchester forecast to deliver average annual All Property total returns of 7.3% over the next five years. The October Budget could bring renewed focus to devolution and regional investment, potentially giving other cities greater scope to build on local strengths, support regeneration and attract CRE investment.

Priced for opportunity - the regional return story

All Property Total Return Annual Forecasts (%)



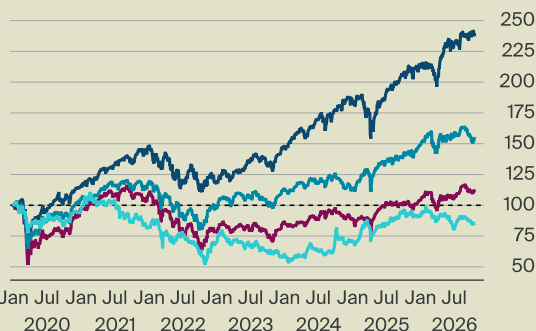
Source: Knight Frank Insight, Oxford Economics

Equities

Equity markets

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

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



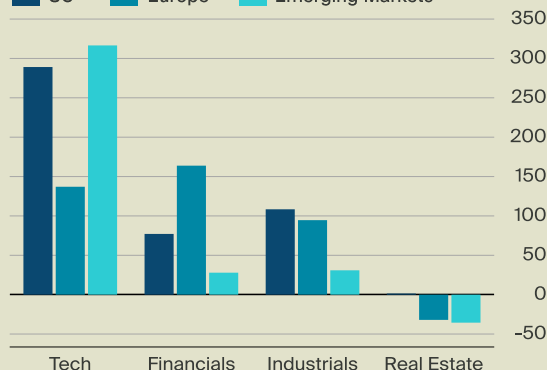
Source: Knight Frank, Macrobond

Index	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
DAX 30	10,522	2.5	3.7	-1.7	59.0	-2.44
FTSE 250	32,760	2.3	3.4	2.0	13.0	8.41
Hang Seng	3,082	-0.5	1.7	-2.0	-14.8	-6.40
IBEX 35	21,744	1.7	2.5	-3.7	102.9	7.08
MIB	56,095	1.4	1.5	-5.7	113.1	6.18
S&P 500	7,659	-0.8	-1.4	1.0	137.1	11.89
STOXX 600	725	2.3	3.5	-0.9	55.4	4.40
TOPIX	26	1.5	-0.9	-2.4	62.6	17.75

Equity regional sectors

Price return index percentage change since Jan 2020

■ US ■ Europe ■ Emerging Markets



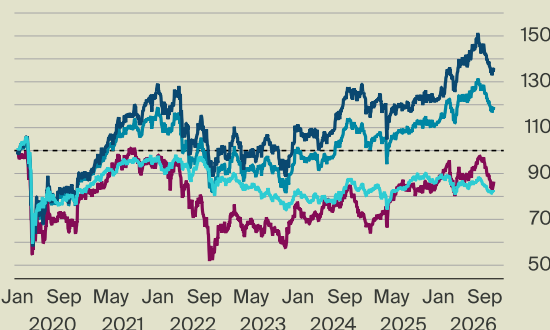
Source: Knight Frank, Macrobond

	Percentage change since Jan 2020		
	US	Europe	World
Tech	289.1%	137.1%	316.5%
Financials	77.1%	163.8%	27.9%
Industrials	108.4%	94.6%	30.9%
Real Estate	1.4%	-54.2%	-59.0%

REITs by region

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

— World — Europe — US — Asia Pacific



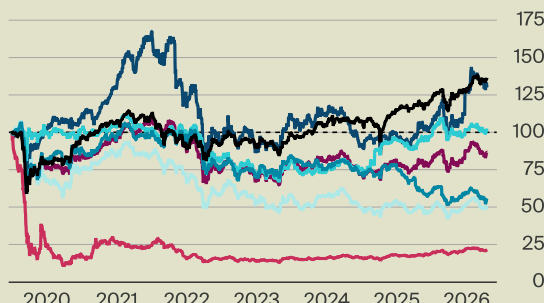
Source: Knight Frank, Macrobond

Index, total return	Last	Percentage change since				
Original value and base		1 day	1 week	1 month	Jan '20	YTD %
US	3,250	1.2	1.8	-2.1	36.0	11.461
Europe	2,465	1.9	4.5	-3.1	-13.5	-0.376
World	3,826	1.1	1.8	-2.3	19.1	6.310
Asia Pacific	3,216	-0.8	0.2	-0.8	-18.1	-6.610

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

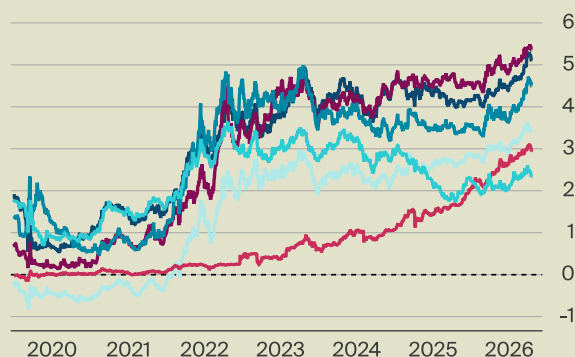
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
All REITs	888	0.6	4.8	1.2	-13.2	7.0
Office	1,514	0.8	6.1	3.9	-48.9	6.0
Industrial	1,613	-2.5	1.4	-1.7	30.1	22.9
Retail	78	2.2	6.1	3.4	-78.4	14.0
Healthcare	2,326	1.5	3.5	1.6	2.6	4.8
Residential	852	2.5	7.4	-0.8	-44.2	-7.4
FTSE 250	23,252	0.8	2.5	3.3	36.5	12.2

Bonds & Rates

Government bond yields

10 year government bond yields, %

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



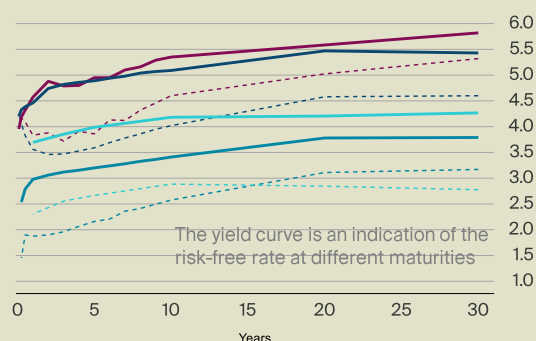
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Italy	4.49	4.49	4.60	4.45	1.40
Japan	2.95	2.94	3.08	2.96	-0.03
Singapore	2.34	2.34	2.44	2.44	1.74
UK	5.35	5.35	5.44	5.31	0.74
US	5.09	5.09	5.24	5.01	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

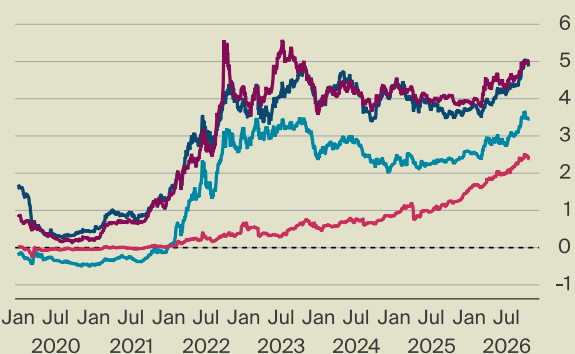


Source: Knight Frank, Macrobond

Interest rate swaps

5 year swap rates, %

— US — UK — Eurozone — Japan



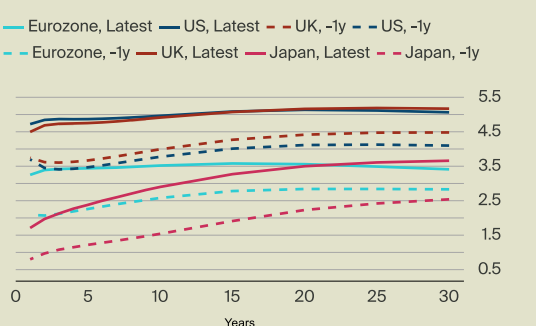
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Eurozone	3.44	3.43	3.48	3.49	-0.13
Japan	2.38	2.37	2.45	2.36	0.03
UK	4.97	4.97	5.01	4.89	0.88
US	4.87	4.90	5.00	4.86	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



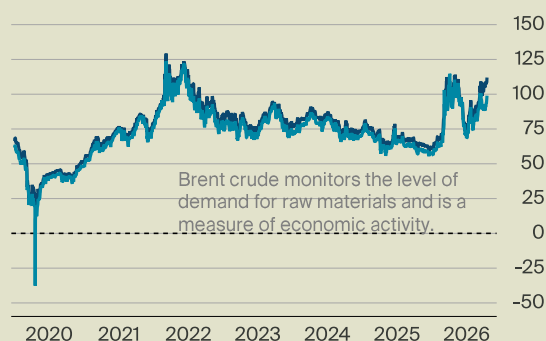
Source: Knight Frank, Macrobond

Commodities & Volatility

Energy

Oil spot prices, \$ per barrel

— Brent Crude — West Texas Intermediate (WTI)



Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20	YTD %
Brent, \$ per barrel	112.0	112.0	109.0	103.7	66.0	83.9
WTI, \$ per barrel	98.9	98.9	91	95.3	61.1	72.6

Baltic dry index

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

— Baltic dry index



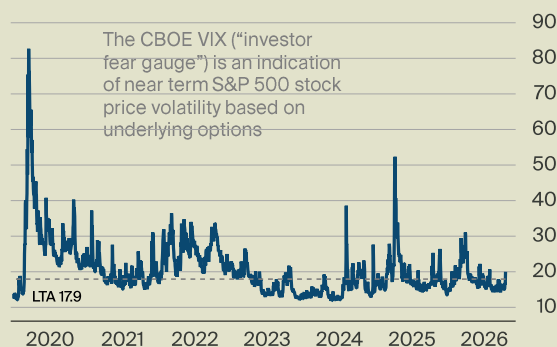
Source: Knight Frank, Macrobond

	Last	Percentage change since				
		1 day	1 week	1 month	Jan '20	YTD %
Baltic Dry	2546	0.039	-10.7	-24.5	134	35.6

Volatility index

Near term stock price volatility indicator

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



Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20	YTD
CBOE VIX	20.0	20.0	15.2	14.8	13.8	33.7
Euro Stoxx 50 VIX	17.2	17.2	18.7	18.3	14.0	17.1
Nikkei VIX	31.2	32.2	30.1	24.2	14.8	31.4
KOSPI VIX	48.6	48.9	40.7	43.6	14.7	68.4

Systemic stress

Measures FX, money, sovereign and bond yield volatility

— New ECB Composite Indicator of Systemic Stress (CISS)

--- Long term average



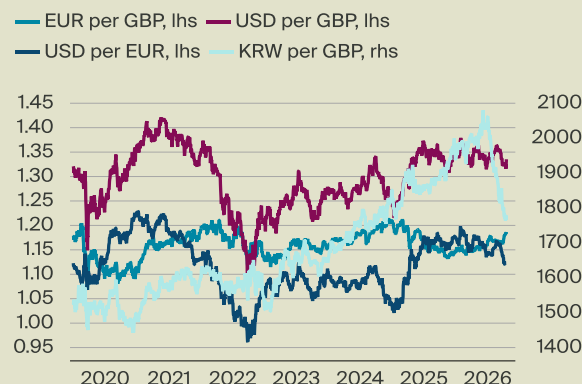
Source: Knight Frank, Macrobond

	Last	1 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	1.187	1.183	1.181	1.166	1.177
KOR per GBP	1,781	1,780	1,775	1,840	1,525
USD per GBP	1.335	1.325	1.323	1.345	1.321
USD per EUR	1.119	n/a	1.119	1.154	1.123

Inflation and monetary policy

Inflation rate (%)

	Sep	Aug	Jul	Jun
Australia ¹	n/a	3.9	3.4	3.7
Canada	3.1	3.0	3.0	2.8
China	1.2	1.1	0.7	1.2
Euro Area	n/a	n/a	n/a	n/a
France	3.1	2.4	2.1	1.8
Germany	3.3	2.9	2.7	2.3
India	5.5	4.8	4.5	4.4
Italy	4.2	3.3	2.9	3.0
Japan	n/a	1.9	1.9	1.6
Saudi Arabia	1.9	1.8	1.8	1.8
South Korea	2.9	3.1	2.8	3.2
Spain	4.9	4.3	3.6	3.2
Sweden	1.1	0.3	0.2	0.7
UK	n/a	3.1	2.9	2.6
US	3.7	3.4	3.3	3.5

Interest rates (%)

Last	Jan '25
4.60	4.35
2.25	3.25
4.35	4.35
2.65	3.15
2.65	3.15
2.65	3.15
5.50	6.50
2.65	3.15
1.25	0.25
4.50	5.00
3.00	3.00
2.65	3.15
1.75	2.75
3.75	4.75
4.00	4.50

Asset purchasing

Latest (\$)	1m change (%)
0.24 tn	-2.8
171 bn	4.6
7.52 tn	1.3
6.66 tn	0.5
1.72 tn	1.5
2.66 tn	-0.6
504 bn	-11.4
1.21 tn	-1.9
3.94 tn	-3.0
517 bn	0.0
479 bn	4.1
487 bn	0.6
88.7 bn	0.3
1.09 tn	-0.5
6.76 tn	0.2

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

Source: Knight Frank, Macrobond



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We like questions, if you've got one about our research, or would like some property advice, we would like to hear from you



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