

Leading Indicators



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Key economic and financial metrics, updated weekly

28th October 2025

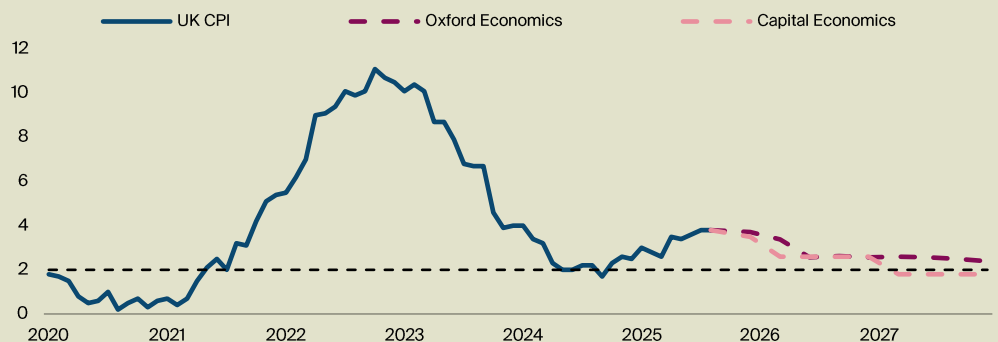
A softer landing takes shape...

3.8%

UK inflation held steady at 3.8% in September, coming in below the Bank of England's 4% forecast, and signalling that price pressures may have peaked following earlier rises in food prices and employer National Insurance costs. The softer-than-expected reading sparked a clear shift in market sentiment, with markets now pricing in more than a 70% probability of a December rate cut, reversing earlier expectations that policy rates would remain unchanged through year-end.

BoE rate cut expectations build as inflation holds at 3.8%

UK CPI and Forecasts, % change YoY

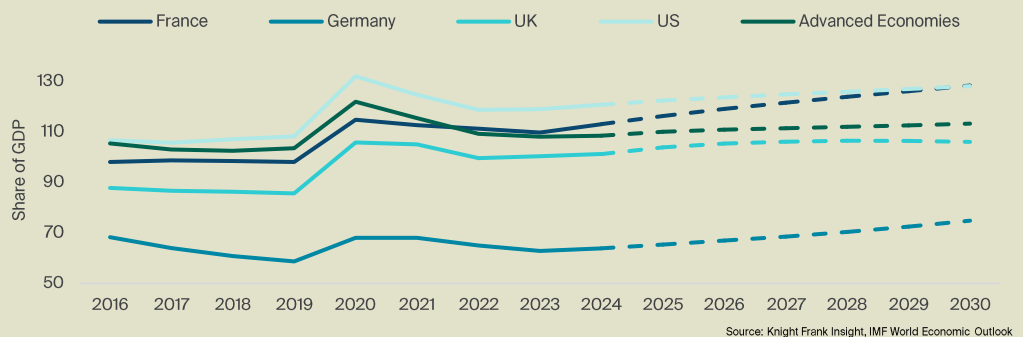


101.2%

According to the IMF's latest projections, the UK's fiscal position is broadly in line with other advanced economies. UK public debt, at just over 100% (101.2%) of GDP, sits below the US and France and close to the advanced-economy average. While borrowing has risen sharply since the pandemic, the UK is not a fiscal outlier, offering some reassurance ahead of the November Budget. However, with limited fiscal headroom, the government is likely to remain cautious on new spending or tax measures.

UK debt elevated, but broadly in line with peers

General government gross debt as a percentage of GDP in the UK and comparator countries, %

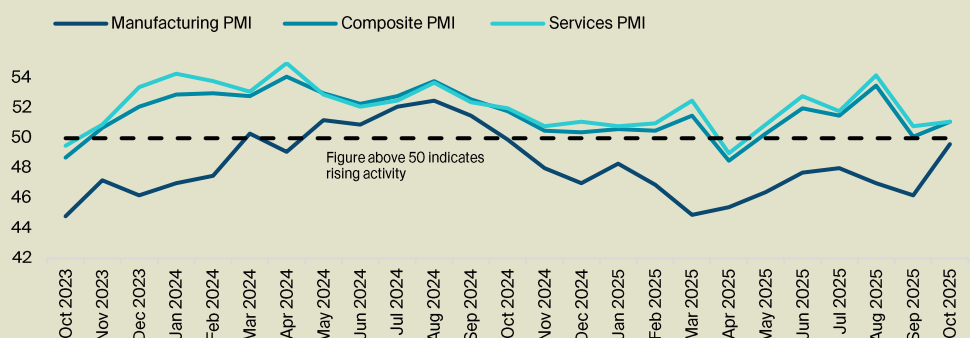


51.1

The UK Composite PMI increased to 51.1 in October from 50.1 in September, indicating a modest expansion in private-sector output at the start of the fourth quarter. The services PMI rose to 51.1 from 50.8, marking a sixth consecutive month above the 50 threshold, while the manufacturing PMI moved up to 49.6 from 46.2, remaining in contraction but showing a slower rate of decline.

UK PMIs indicate modest expansion in October

S&P Global UK Purchasing Managers Index

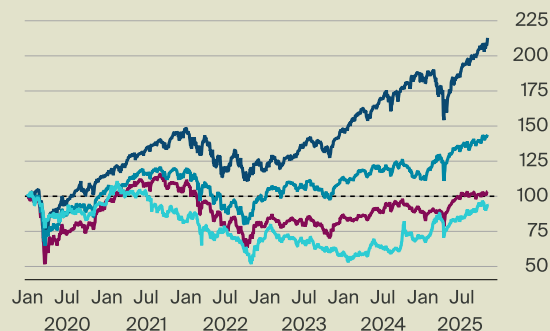


Equities

Equity markets

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

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



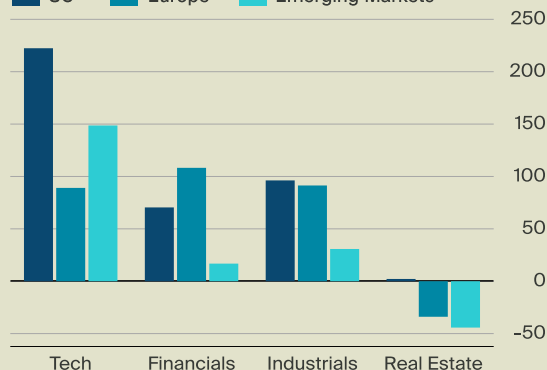
Source: Knight Frank, Macrobond

Index	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
DAX 30	10,596	0.6	1.7	3.0	60.1	33.5
FTSE 250	29,999	0.7	2.8	4.1	3.5	15.9
Hang Seng	3,392	0.7	1.9	-0.4	-6.2	31.3
IBEX 35	18,616	1.5	2.3	5.3	73.7	54.3
MIB	49,926	1.4	2.5	1.3	89.6	40.7
S&P 500	6,875	2.0	3.2	4.1	112.8	16.9
STOXX 600	671	0.6	1.6	4.5	43.8	27.1
TOPIX	21	0.3	-0.5	0.9	36.0	21.1

Equity regional sectors

Price return index percentage change since Jan 2020

■ US ■ Europe ■ Emerging Markets



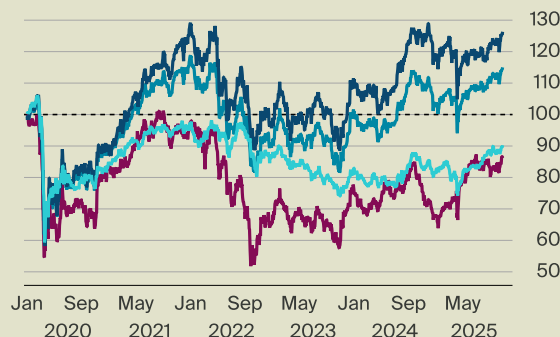
Source: Knight Frank, Macrobond

	Percentage change since Jan 2020		
	US	Europe	World
Tech	222.4%	89.1%	148.6%
Financials	70.4%	108.2%	16.8%
Industrials	96.2%	91.4%	30.8%
Real Estate	2.2%	-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

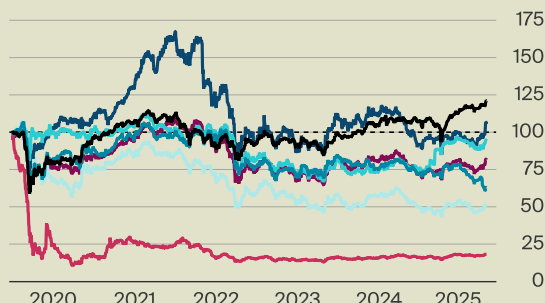
Index, total return	Last	Percentage change since				
Original value and base		1 day	1 week	1 month	Jan '20	YTD %
US	3,019	0.8	1.6	3.6	26.3	6.38
Europe	2,458	-0.5	2.5	5.4	-13.8	26.21
World	3,695	0.6	1.7	3.5	15.0	11.32
Asia Pacific	3,541	0.3	2.0	3.0	-9.8	11.21

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

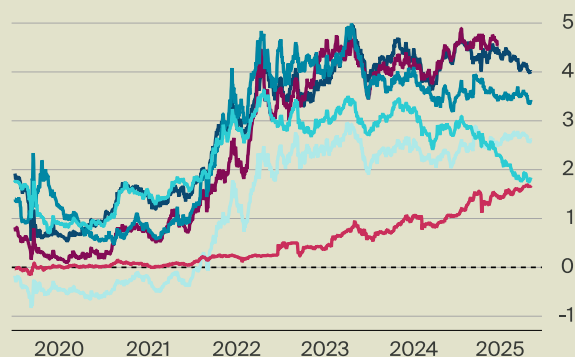
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
All REITs	834	-0.5	4.6	8.3	-18.5	12.3
Office	1,525	0.0	3.8	9.3	-48.6	4.3
Industrial	1,309	-1.2	7.5	11.0	5.5	14.1
Retail	66	0.5	3.5	7.0	-81.7	13.2
Healthcare	2,136	-0.7	1.9	7.0	-5.8	23.8
Residential	960	-0.2	2.0	-7.4	-37.1	-13.2
FTSE 250	20639	0.7	3.4	4.5	21.1	12.5

Bonds & Rates

Government bond yields

10 year government bond yields, %

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



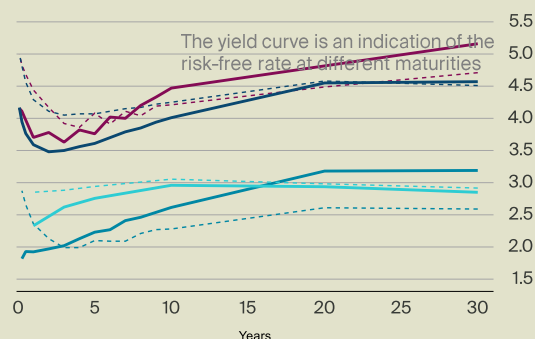
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Italy	3.39	3.39	3.34	3.60	1.40
Japan	1.67	1.66	1.67	1.66	-0.03
Singapore	1.84	1.84	1.77	1.94	1.74
UK	4.47	4.47	4.55	4.75	0.74
US	4.01	4.01	3.98	4.20	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

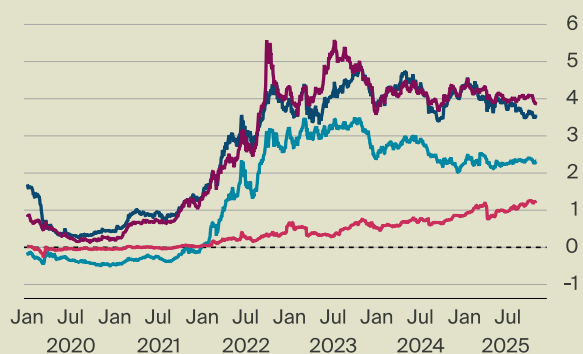


Source: Knight Frank, Macrobond

Interest rate swaps

5 year swap rates, %

— US — UK — Eurozone — Japan



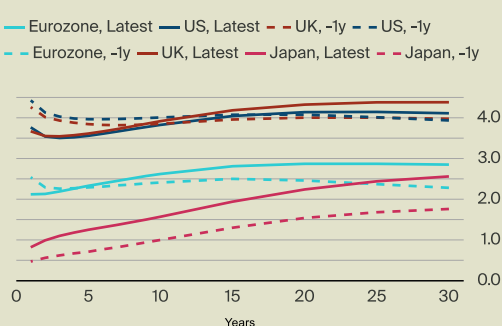
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Eurozone	2.33	2.33	2.27	2.41	-0.13
Japan	1.25	1.24	1.24	1.24	0.03
UK	3.86	3.87	3.91	4.11	0.88
US	3.56	3.54	3.50	3.68	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



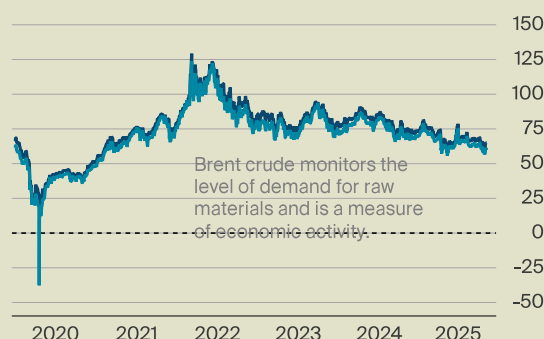
Source: Knight Frank, Macrobond

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	65.0	65.0	60.9	68.7	66.0	-13.1
WTI, \$ per barrel	61.1	60.2	57	64.9	61.1	-14.6

Baltic dry index

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

— Baltic dry index



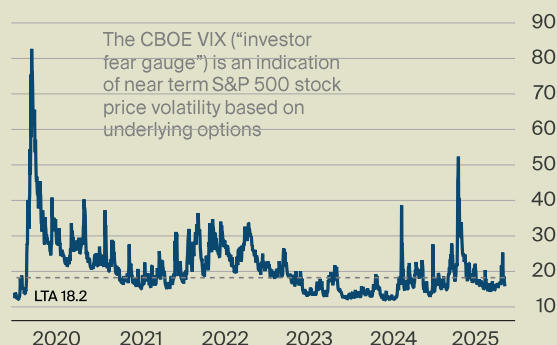
Source: Knight Frank, Macrobond

	Last	Percentage change since				
		1 day	1 week	1 month	Jan '20	YTD %
Baltic Dry	1976	-3.94	-4.59	-12.5	81.3	98.2

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	15.8	15.8	17.9	15.3	13.8	-8.99
Euro Stoxx 50 VIX	16.3	16.3	16.9	16.7	14.0	-3.88
Nikkei VIX	27.3	28.7	30.1	26.0	14.8	25.42
KOSPI VIX	33.2	32.9	30.6	21.8	14.7	57.24

Systemic stress

Measures FX, money, sovereign and bond yield volatility

— New ECB Composite Indicator of Systemic Stress (CISS)

--- Long term average



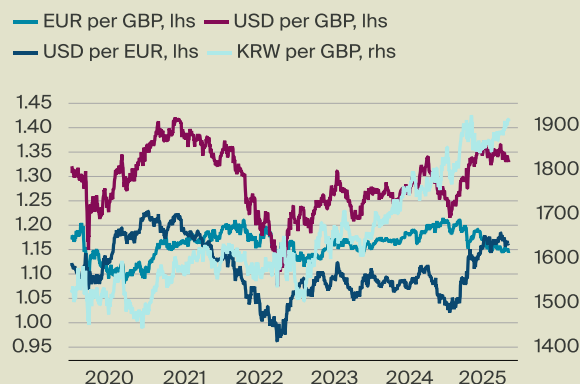
Source: Knight Frank, Macrobond

	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

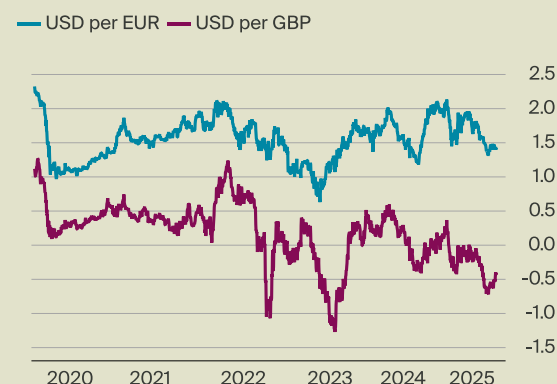
Spot prices



	Last	1 day	1 week	1 month	Jan '20
EUR per GBP	1.146	1.144	1.151	1.146	1.177
KOR per GBP	1,910	1,914	1,906	1,889	1,525
USD per GBP	1.333	1.330	1.342	1.340	1.321
USD per EUR	1.163	1.163	1.166	1.169	1.123

Hedging benefits

Hedging benefit p.a. on a 5 year forward



	Last	1 day	1 week	1 month	Jan '20
USD to EUR	1.43	1.40	1.43	1.46	2.32
USD to GBP	-0.40	-0.43	-0.50	-0.55	1.12

Inflation and monetary policy

Inflation rate (%)

	Sep	Aug	Jul	June
Australia ¹	n/a	n/a	n/a	2.0
Canada	2.4	1.9	1.7	1.9
China	-0.5	-0.6	-0.2	-0.1
Euro Area	2.2	2.0	2.0	2.0
France	1.2	0.9	1.0	1.0
Germany	2.4	2.3	2.0	2.0
India	1.5	2.1	1.6	2.1
Italy	1.6	1.6	1.7	1.7
Japan	2.9	2.7	3.1	3.3
Saudi Arabia	2.2	2.3	2.2	2.0
South Korea	2.1	1.7	2.1	2.2
Spain	n/a	2.7	2.7	2.3
Sweden	0.9	1.1	0.8	0.7
UK	3.8	3.8	3.8	3.6
US	3.0	2.9	2.7	2.7

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

Interest rates (%)

	Last	Jan '24
	3.60	4.35
	2.50	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
	4.75	6.00
	2.50	3.50
	2.15	4.50
	1.75	4.00
	4.00	5.25
	4.25	5.50

Asset purchasing

	Latest (\$)	1m change (%)
	0.26 tn	1.0
	170 bn	-4.1
	6.61 tn	1.8
	7.2 tn	1.9
	1.78 tn	1.7
	2.66 tn	-0.6
	488 bn	5.8
	1.29 tn	2.1
	4.62 tn	-2.2
	528 bn	3.8
	406 bn	1.2
	487 bn	0.2
	99.6 bn	0.8
	1.16 tn	-0.7
	6.59 tn	-0.3

Source: Knight Frank, Macrobond



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