

Leading Indicators



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Key economic and financial metrics, updated weekly

2nd December 2025

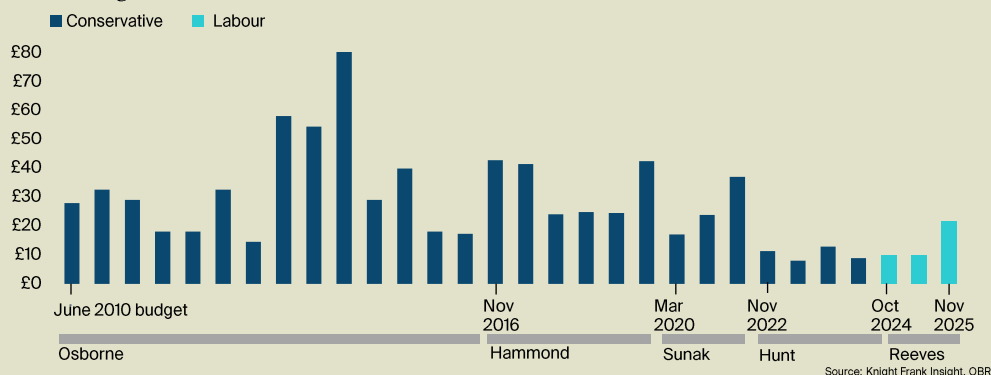
Autumn Budget 2025: need to know

£22bn

The Autumn Budget signalled a shift toward fiscal consolidation, with fiscal headroom rising to around £22bn from £9.9bn in March. To support this, the Chancellor set out £26bn in tax increases, a package that will push the tax burden to a record level by the end of the Parliament.

Chancellor lifts fiscal headroom

Headroom against each chancellor's main fiscal rule (£bn)

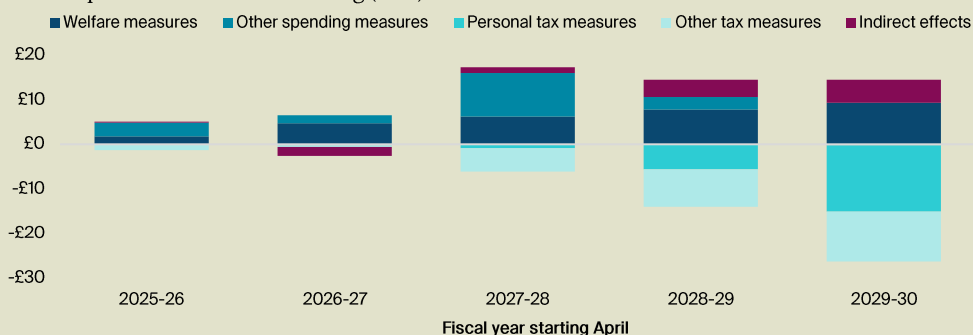


£17bn

Much of the consolidation is scheduled for the later years of the forecast, with the largest tax and spending measures falling in 2028-29 and 2029-30. The plans imply a tightening of around £17bn in 2029-30 (about 0.5% of GDP). Key drivers include the extension of the income-tax threshold freeze into 2028-29 and higher employer NICs on salary-sacrifice pension contributions.

But bulk of fiscal adjustment deferred to 2029-30

Effect on public-sector net borrowing (£bn)

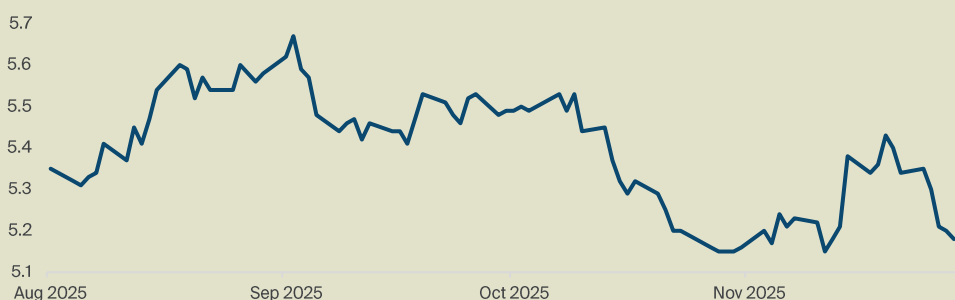


5.22%

Market reaction was relatively steady, though gilt yields did move lower after the announcement. The 30-year yield dropped by around -11bps on the day and now sits near 5.22% - well below the peaks seen in September, when long-dated gilts reached their highest levels in over a decade. The drop mainly reflects softer inflation expectations and a shift in market pricing for the BoE's rate path, both of which have been pushing yields down.

A bond market budget? Long gilts are finally falling

UK 30-year government bond yield (%)

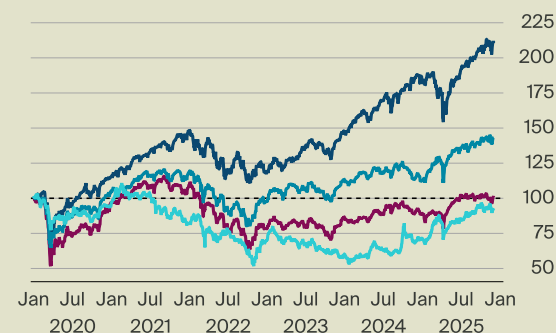


Equities

Equity markets

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

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



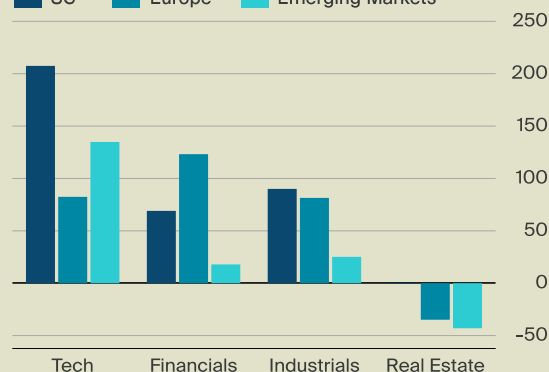
Source: Knight Frank, Macrobond

Index	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
DAX 30	10,281	-0.4	3.3	-1.6	55.3	29.5
FTSE 250	29,182	-0.3	4.4	-0.3	0.7	12.8
Hang Seng	3,350	0.9	1.4	-1.0	-7.4	29.7
IBEX 35	19,066	0.5	4.8	2.8	77.9	58.0
MIB	50,325	0.4	2.6	0.7	91.2	41.8
S&P 500	6,813	0.0	3.2	-0.1	110.9	15.8
STOXX 600	669	0.4	3.5	0.7	43.4	26.7
TOPIX	22	-0.5	2.2	0.6	36.4	21.5

Equity regional sectors

Price return index percentage change since Jan 2020

■ US ■ Europe ■ Emerging Markets



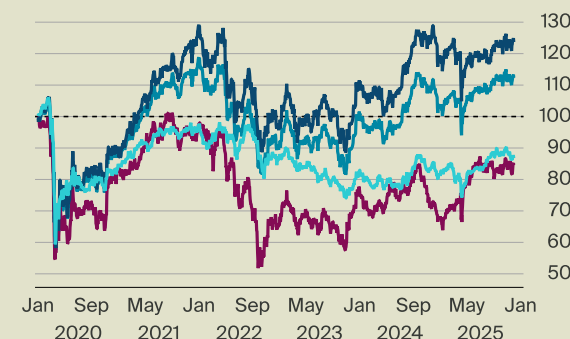
Source: Knight Frank, Macrobond

	US	Europe	World
Tech	207.5%	82.5%	134.9%
Financials	69.0%	123.2%	17.9%
Industrials	90.0%	81.4%	25.2%
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

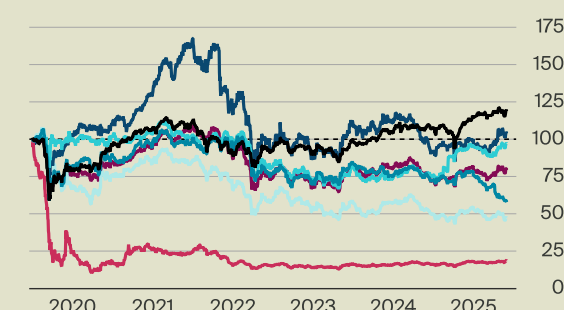
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
US	2,957	-0.6	0.9	1.6	23.7	4.17
Europe	2,413	-0.5	3.6	0.5	-15.4	23.92
World	3,609	-0.6	1.2	1.0	12.4	8.76
Asia Pacific	3,407	-1.0	0.8	-2.3	-13.2	7.00

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

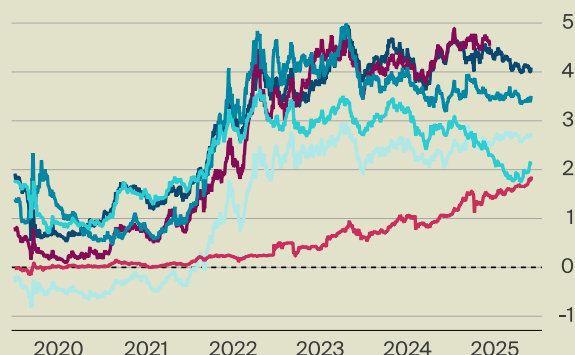
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
All REITs	813	-1.0	2.8	-0.4	-20.5	9.5
Office	1,402	-0.4	3.4	-4.9	-52.7	-4.1
Industrial	1,288	-0.9	2.2	0.5	3.9	12.3
Retail	67	-0.9	4.1	3.6	-81.5	14.7
Healthcare	2,202	0.0	3.2	2.8	-2.9	27.6
Residential	881	-1.5	-1.7	-5.2	-42.2	-20.2
FTSE 250	20,268	-0.3	3.1	-0.8	19.0	10.5

Bonds & Rates

Government bond yields

10 year government bond yields, %

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



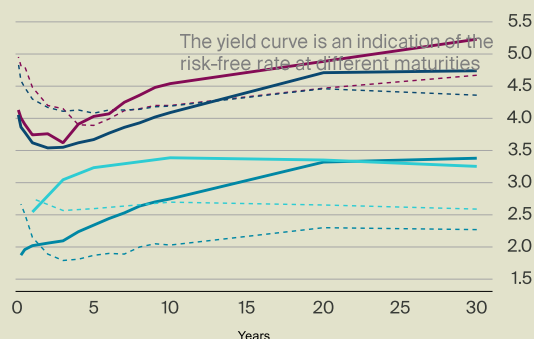
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Italy	3.51	3.51	3.40	3.38	1.40
Japan	1.86	1.79	1.77	1.65	-0.03
Singapore	2.13	2.13	2.09	1.99	1.74
UK	4.54	4.54	4.55	4.47	0.74
US	4.09	4.09	4.01	4.11	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

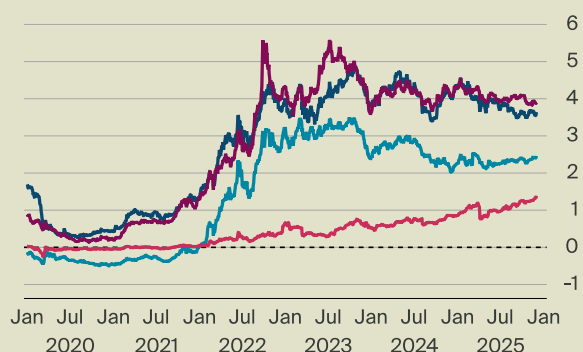


Source: Knight Frank, Macrobond

Interest rate swaps

5 year swap rates, %

— US — UK — Eurozone — Japan



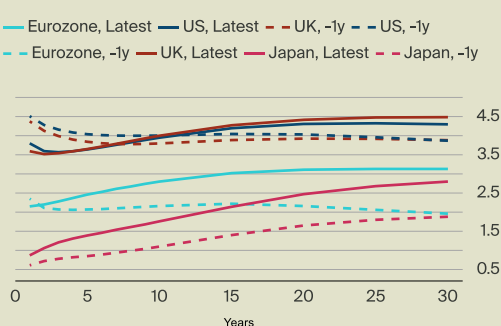
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Eurozone	2.46	2.42	2.41	2.35	-0.13
Japan	1.39	1.34	1.29	1.24	0.03
UK	3.90	3.87	3.93	3.86	0.88
US	3.64	3.57	3.57	3.66	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

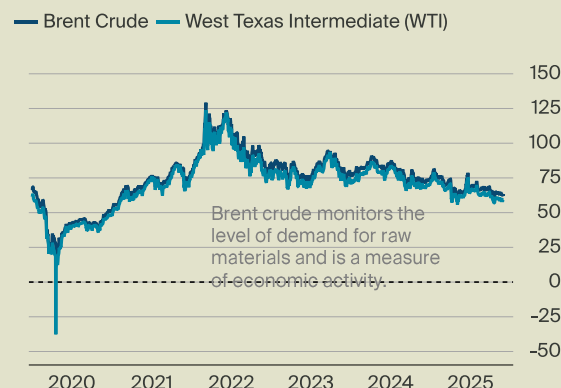


Source: Knight Frank, Macrobond

Commodities & Volatility

Energy

Oil spot prices, \$ per barrel



Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20	YTD %
Brent, \$ per barrel	63.3	62.3	63.3	64.6	66.0	-15.4
WTI, \$ per barrel	59.5	59.5	58.8	61.2	61.1	-16.9

Baltic dry index

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



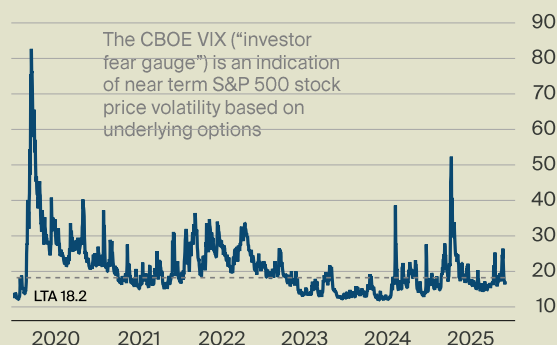
Source: Knight Frank, Macrobond

	Last	Percentage change since				
		1 day	1 week	1 month	Jan '20	YTD %
Baltic Dry	2583	4.15	12.5	31.4	137	159

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	17.2	17.2	18.6	17.4	13.8	-0.634
Euro Stoxx 50 VIX	17.3	17.3	19.8	17.8	14.0	1.941
Nikkei VIX	28.6	30.1	37.2	28.2	14.8	31.299
KOSPI VIX	29.7	31.6	37.2	30.4	14.7	40.634

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

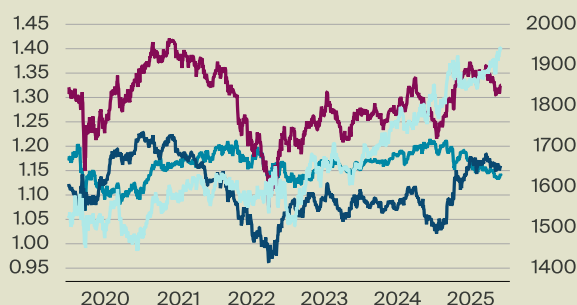
	Last	1 week	1 month	Jan '20
Systemic stress composite	0.094	0.117	0.073	0.023
Equity markets stress sub index	0.078	0.095	0.064	0.009
Bond markets stress sub index	0.032	0.033	0.014	0.02
FX markets stress sub index	0.024	0.039	0.021	0.004

Currencies & Monetary Policy

Currencies

Spot prices

EUR per GBP, lhs USD per GBP, lhs
USD per EUR, lhs KRW per GBP, rhs



	Last	1 day	1 week	1 month	Jan '20
EUR per GBP	1.140	1.142	1.136	1.138	1.177
KOR per GBP	1,944	1,943	1,934	1,877	1,525
USD per GBP	1.325	1.325	1.310	1.314	1.321
USD per EUR	1.160	1.160	1.152	1.154	1.123

Hedging benefits

Hedging benefit p.a. on a 5 year forward

USD per EUR USD per GBP



	Last	1 day	1 week	1 month	Jan '20
USD to EUR	1.37	1.34	1.33	1.51	2.32
USD to GBP	-0.36	-0.42	-0.47	-0.22	1.12

Inflation and monetary policy

Inflation rate (%)

	Nov	Oct	Sep	Aug
Australia ¹	n/a	3.9	3.6	3.2
Canada	n/a	2.2	2.4	1.9
China	n/a	0.0	-0.5	-0.6
Euro Area	2.2	2.1	2.2	2.0
France	0.9	0.9	1.2	0.9
Germany	2.2	2.2	2.4	2.3
India	n/a	0.3	1.4	2.1
Italy	1.2	1.2	1.6	1.6
Japan	n/a	3.0	2.9	2.7
Saudi Arabia	n/a	2.2	2.2	2.3
South Korea	2.4	2.4	2.1	1.7
Spain	n/a	3.1	3.0	2.7
Sweden	n/a	0.9	0.9	1.1
UK	n/a	3.6	3.8	3.8
US	n/a	n/a	3.0	2.9

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 (%)
	0.24 tn	-6.3
	169 bn	-0.2
	6.62 tn	-0.2
	7.1 tn	-0.7
	1.76 tn	0.0
	2.66 tn	-0.6
	466 bn	-3.5
	1.31 tn	2.2
	4.47 tn	0.4
	509 bn	-1.1
	410 bn	2.1
	487 bn	-0.8
	98.6 bn	-0.4
	1.15 tn	-0.7
	6.55 tn	-0.5

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



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