

Leading Indicators



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Key economic and financial metrics, updated weekly

4th November 2025

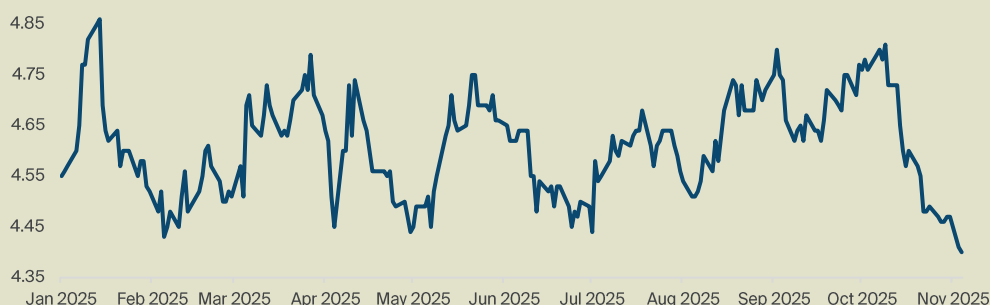
Yields ease, focus turns to monetary and fiscal signals

4.40%

Softer UK inflation earlier this month has reinforced expectations for Bank of England rate cuts in 2025, keeping downward pressure on gilt yields. The 10-year yield has eased to around 4.40%, from its highs earlier in the year, marking the lowest level year-to-date. Speaking this morning ahead of the 26th November Budget, Chancellor Reeves stressed the importance of maintaining fiscal credibility. Longer-dated yields also moved lower in line with the broader rally.

UK 10-year gilt yield falls to lowest level this year

UK 10-year government bond yield, %



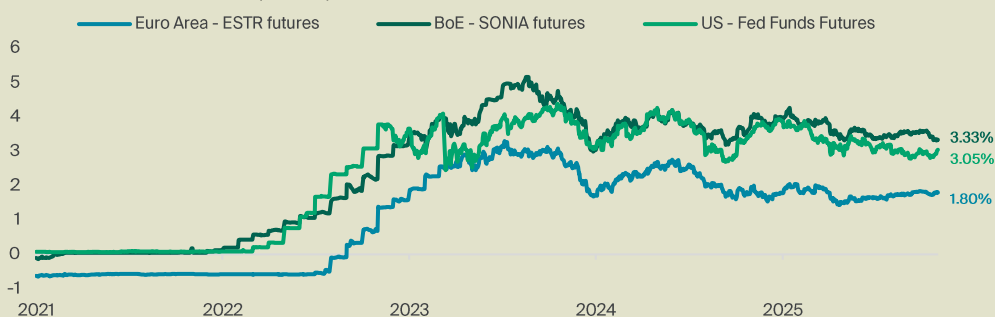
Source: Knight Frank Insight, Macrobond

3.33%

Market expectations for the end of the easing cycle are diverging across major central banks. Terminal rate projections for the Fed and BoE have moved lower, pointing to deeper policy easing in the US (3.05%) and UK (3.33%), while the ECB's terminal rate has edged higher, suggesting a more cautious easing path in the euro area. Focus now turns to Thursday's BoE monetary policy meeting for guidance on the policy outlook ahead.

Meanwhile, markets diverge on outlook for global rate cuts

Market expected floor of key policy rates (Fed, ECB, BoE), %



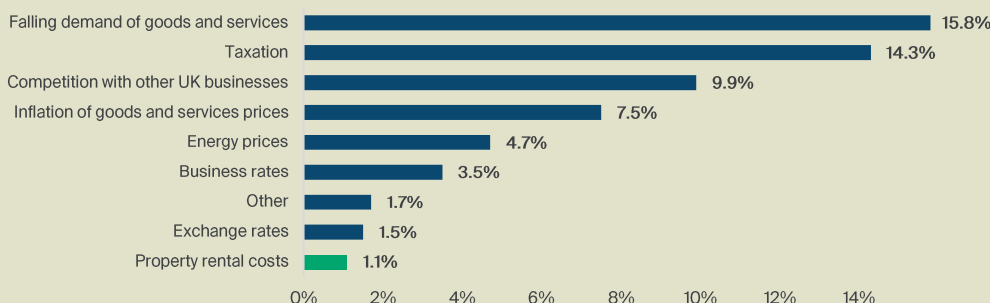
Source: Knight Frank Insight, Macrobond

1.1%

The latest ONS BIC survey found that 72% of UK businesses reported some form of concern in November 2025. Falling demands of good and services were the primary reported business concern at 15.8%, followed by taxation concerns at 14.3%, while property rental costs remained the least reported concern at 1.1%. The findings come ahead of the 26th November Budget, where business support and the wider tax environment are expected to be in focus.

Q4 insights: key concerns for UK businesses

'Which of the following, if any, will be the main concern for your business in November 2025?', % of UK businesses



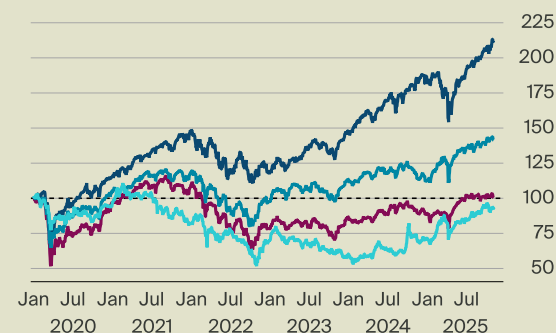
Source: Knight Frank Insight, ONS

Equities

Equity markets

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

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



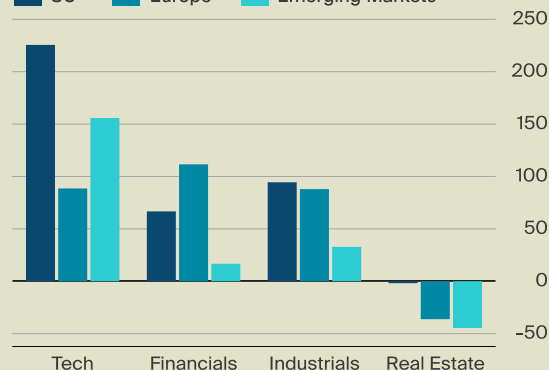
Source: Knight Frank, Macrobond

Index	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
DAX 30	10,420	-0.3	-1.3	-2.7	57.4	31.3
FTSE 250	29,068	-0.7	-3.0	-1.8	0.3	12.3
Hang Seng	3,339	0.2	-1.9	-4.8	-7.7	29.2
IBEX 35	18,482	-0.3	0.2	1.9	72.5	53.2
MIB	49,813	-0.3	0.8	-1.2	89.2	40.4
S&P 500	6,852	0.4	0.9	2.0	112.1	16.5
STOXX 600	660	-0.8	-1.5	-0.7	41.3	24.9
TOPIX	21	-0.7	-1.1	2.5	36.0	21.2

Equity regional sectors

Price return index percentage change since Jan 2020

■ US ■ Europe ■ Emerging Markets



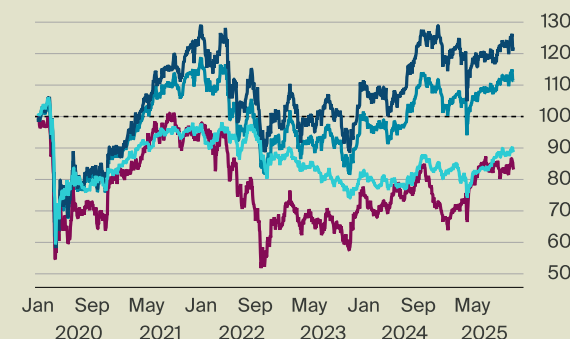
Source: Knight Frank, Macrobond

	Percentage change since Jan 2020		
	US	Europe	World
Tech	225.6%	88.6%	155.8%
Financials	66.7%	111.6%	16.7%
Industrials	94.5%	87.9%	32.8%
Real Estate	-1.9%	-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

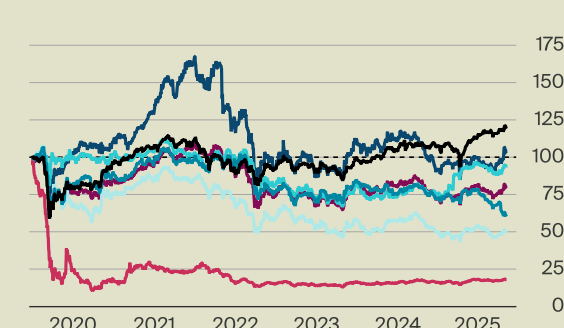
Index, total return	Last	Percentage change since				
Original value and base		1 day	1 week	1 month	Jan '20	YTD %
US	2,921	0.4	-2.8	-1.1	22.2	2.91
Europe	2,371	-1.2	-3.9	-0.9	-16.9	21.74
World	3,579	0.1	-2.7	-1.2	11.4	7.84
Asia Pacific	3,481	-0.1	-1.1	0.1	-11.3	9.34

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

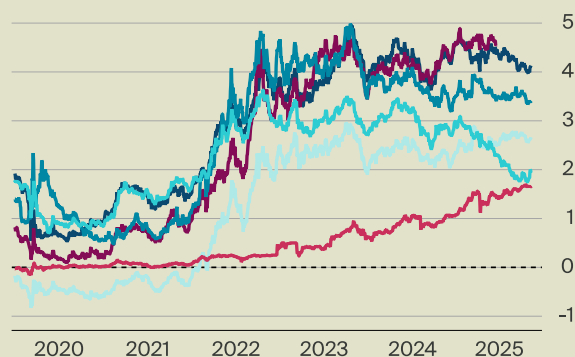
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
All REITs	808	-1.0	-3.7	2.3	-21.0	8.8
Office	1,459	-1.1	-4.1	1.2	-50.8	-0.2
Industrial	1,270	-0.9	-4.0	5.1	2.4	10.7
Retail	64	-0.4	-2.5	3.0	-82.2	10.3
Healthcare	2,128	-0.6	-0.9	3.6	-6.1	23.3
Residential	919	-1.2	-4.4	-13.2	-39.8	-16.8
FTSE 250	20,280	-0.8	-1.8	0.5	19.0	10.5

Bonds & Rates

Government bond yields

10 year government bond yields, %

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



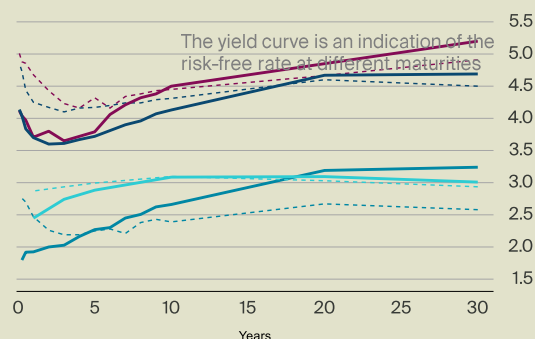
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Italy	3.40	3.40	3.39	3.55	1.40
Japan	1.66	1.65	1.67	1.67	-0.03
Singapore	1.94	1.94	1.83	1.92	1.74
UK	4.50	4.50	4.46	4.76	0.74
US	4.13	4.13	3.99	4.13	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

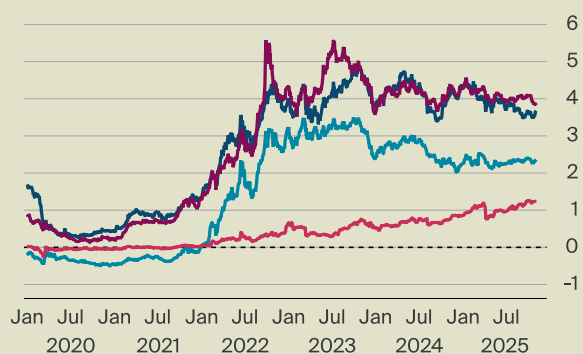


Source: Knight Frank, Macrobond

Interest rate swaps

5 year swap rates, %

— US — UK — Eurozone — Japan



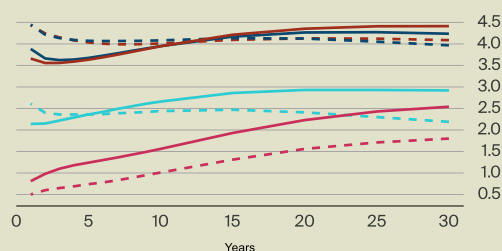
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Eurozone	2.36	2.35	2.33	2.38	-0.13
Japan	1.24	1.24	1.25	1.25	0.03
UK	3.88	3.86	3.86	4.06	0.88
US	3.68	3.66	3.56	3.63	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
 — Eurozone, Latest — US, Latest — UK, -1y — US, -1y
 — Eurozone, -1y — UK, Latest — Japan, Latest — Japan, -1y



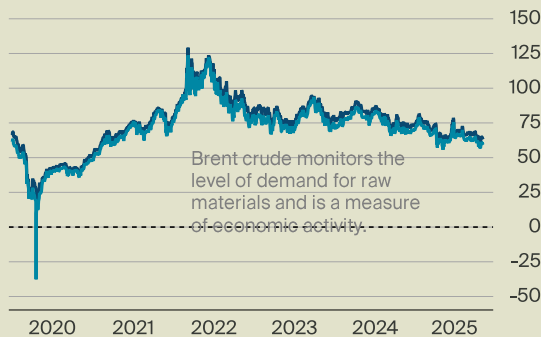
Source: Knight Frank, Macrobond

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

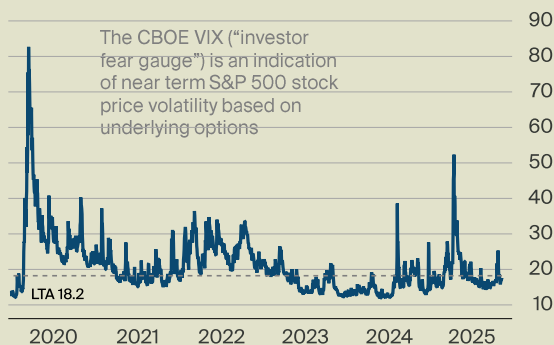
	Last	1 day	1 week	1 month	Jan '20	YTD %
Brent, \$ per barrel	64.8	64.6	65.0	64.3	66.0	-13.4
WTI, \$ per barrel	60.9	60.7	61.1	61.4	61.1	-15.0

	Last	Percentage change since					YTD %
		1 day	1 week	1 month	Jan '20		
Baltic Dry	1945	-1.92	-1.57	2.31	78.4		95.1

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	17.2	17.2	16.4	16.7	13.8	-1.04
Euro Stoxx 50 VIX	18.2	18.2	16.4	16.1	14.0	6.76
Nikkei VIX	32.7	28.2	27.3	24.8	14.8	49.89
KOSPI VIX	35.8	32.9	33.2	22.3	14.7	69.25

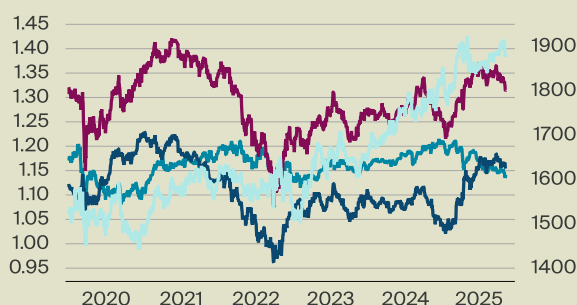
	Last	1 week	1 month	Jan '20
Systemic stress composite	0.094	0.117	0.073	0.023
Equity markets stress sub index	0.078	0.095	0.064	0.009
Bond markets stress sub index	0.032	0.033	0.014	0.02
FX markets stress sub index	0.024	0.039	0.021	0.004

Currencies & Monetary Policy

Currencies

Spot prices

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



Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
EUR per GBP	1.141	1.138	1.146	1.148	1.177
KOR per GBP	1,882	1,877	1,910	1,894	1,525
USD per GBP	1.315	1.314	1.333	1.347	1.321
USD per EUR	1.154	1.154	1.164	1.175	1.123

Hedging benefits

Hedging benefit p.a. on a 5 year forward

USD per EUR USD per GBP



Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
USD to EUR	1.48	1.51	1.43	1.43	2.32
USD to GBP	-0.25	-0.22	-0.40	-0.58	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	n/a	-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

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	0.3
	170 bn	-4.1
	6.61 tn	1.8
	7.2 tn	2.1
	1.78 tn	1.7
	2.66 tn	-0.6
	488 bn	5.8
	1.29 tn	2.1
	4.62 tn	-2.2
	515 bn	-2.4
	406 bn	1.2
	487 bn	0.2
	98.5 bn	-0.5
	1.14 tn	-0.7
	6.59 tn	-0.1

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

Source: Knight Frank, Macrobond



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