

Leading Indicators



knightfrank.com/research

Key economic and financial metrics, updated weekly

24th June 2025

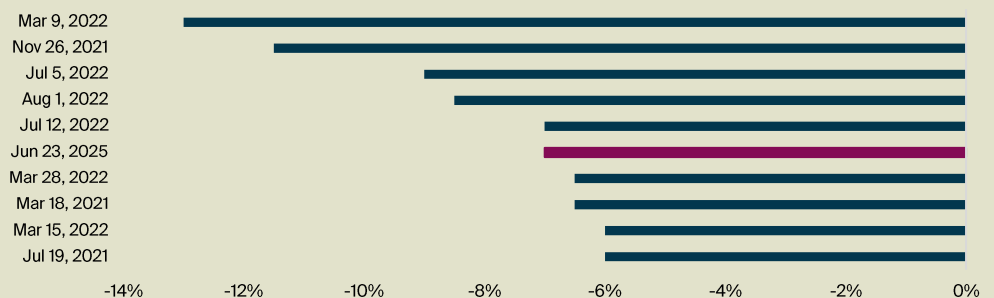
Oil and shipping costs hold steady amid geopolitical tensions as energy relief nears

\$67.50

Oil prices have reversed recent gains, with Brent crude recording its largest single-day decline since 2022, down c.5.6% to \$67.50, underscoring short-term volatility amid ongoing geopolitical tensions. Despite elevated risk premiums, prices appear to have stabilised for now. The International Energy Agency expects global oil supply to exceed demand in 2025, reinforcing the recent downward trend in prices and supporting a more subdued oil price environment.

Oil sees sharpest drop since 2022, signs of price settling

Biggest One-Day Drops, % for Brent Crude, past 5 years



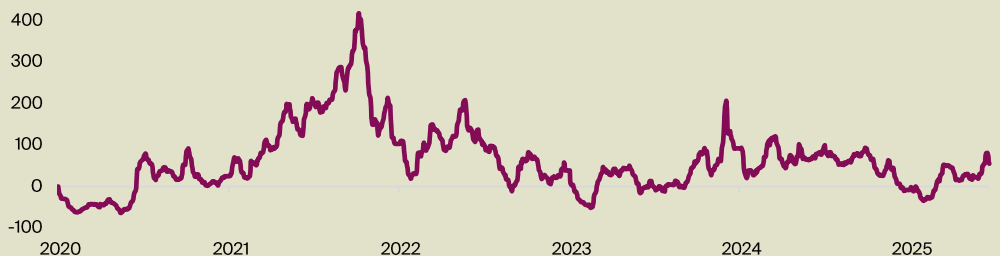
Source: Knight Frank Insight, Financial Times

-34%

The Baltic Dry Index (BDI), a key gauge of global shipping costs for raw materials, has declined -34% over the past week following a brief spike driven by geopolitical tensions. While recent volatility reflects short-term supply chain disruptions, the index remains well below its pandemic-era highs. Despite the market noise, the underlying fundamentals for UK CRE and broader economic conditions remain stable.

And shipping costs remain within normal range, limiting any inflationary fears

Baltic Exchange, Shipping Dry Index (BDI)



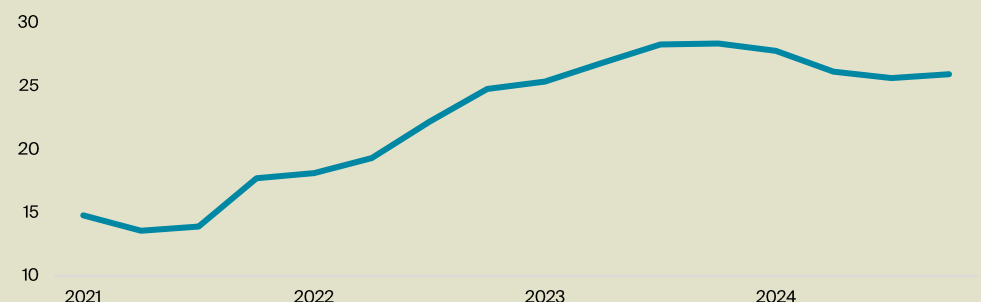
Source: Knight Frank Insight, Macrobond

25%

As part of its 10-year industrial strategy, the UK government will invest £2bn over four years to reduce electricity costs by up to 25% for more than 7,000 energy-intensive businesses. The new British Industrial Competitiveness Scheme, set to launch in 2027, will target sectors such as automotive, aerospace, and chemicals, primarily through exemptions from green levies. The initiative follows a 46% rise in non-domestic electricity prices between 2021 and 2024.

UK Industrial Strategy targets lower energy costs for businesses following rising costs seen since 2021

UK Industrial Energy Prices, Non-Domestic Average, Price (p/kWh)



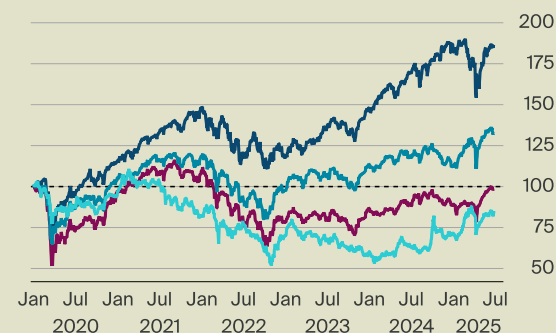
Source: Knight Frank Insight, Gov.UK

Equities

Equity markets

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

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



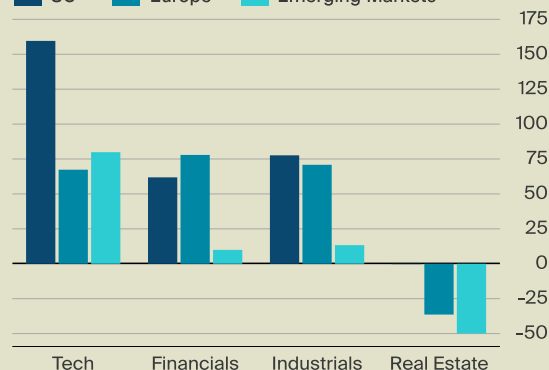
Source: Knight Frank, Macrobond

Index	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
DAX 30	10,057	1.5	-1.1	-1.1	52.0	26.70
FTSE 250	28,499	0.7	-0.9	2.1	-1.7	10.13
Hang Seng	3,080	2.7	0.5	2.4	-14.9	19.20
IBEX 35	15,966	1.3	-0.6	-0.8	49.0	32.33
MIB	44,809	0.3	-1.6	-1.3	70.2	26.29
S&P 500	6,025	0.7	0.8	3.1	86.5	2.44
STOXX 600	617	0.4	-1.9	-0.6	32.3	16.85
TOPIX	19	-0.1	-1.5	0.5	20.2	7.08

Equity regional sectors

Price return index percentage change since Jan 2020

■ US ■ Europe ■ Emerging Markets



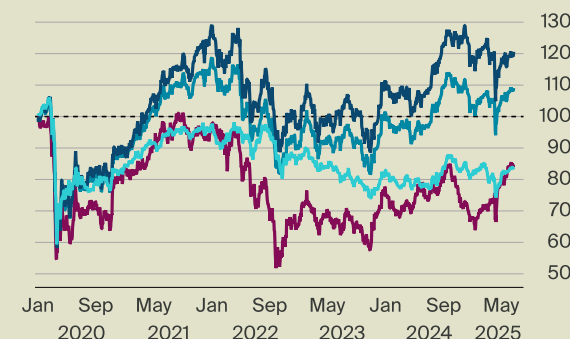
Source: Knight Frank, Macrobond

	Percentage change since Jan 2020		
	US	Europe	World
Tech	159.6%	67.3%	79.9%
Financials	61.9%	77.9%	10.0%
Industrials	77.6%	70.9%	13.3%
Real Estate	-0.3%	-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

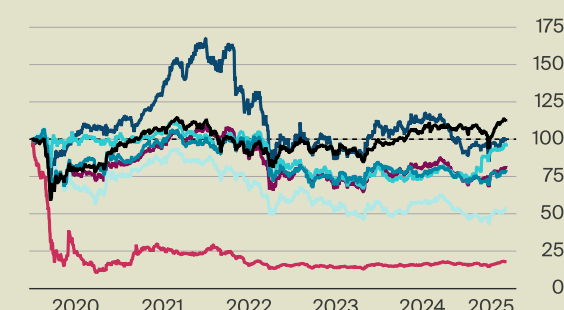
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
US	2,882	1.0	1.2	4.1	20.6	1.56
Europe	2,414	0.8	0.4	5.1	-15.3	23.94
World	3,504	0.8	0.7	4.1	9.1	5.57
Asia Pacific	3,264	-0.8	-0.5	1.5	-16.8	2.52

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

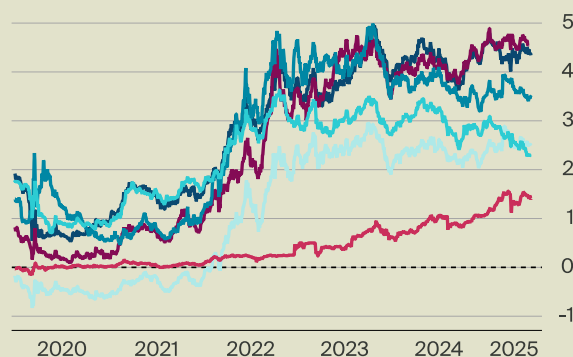
Index, total return	Last	Percentage change since				
Original value and base	1 day	1 week	1 month	Jan '20	YTD %	
All REITs	829	0.0	1.0	4.9	-19.0	11.7
Office	1,599	0.4	3.1	6.5	-46.1	9.3
Industrial	1,235	0.1	0.1	5.7	-0.4	7.7
Retail	65	0.0	0.3	5.2	-82.1	11.0
Healthcare	2,156	-1.7	-1.7	2.9	-4.9	24.9
Residential	1,194	-0.1	1.7	4.0	-21.8	8.1
FTSE 250	19,130	0.2	-0.2	1.9	12.3	4.3

Bonds & Rates

Government bond yields

10 year government bond yields, %

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



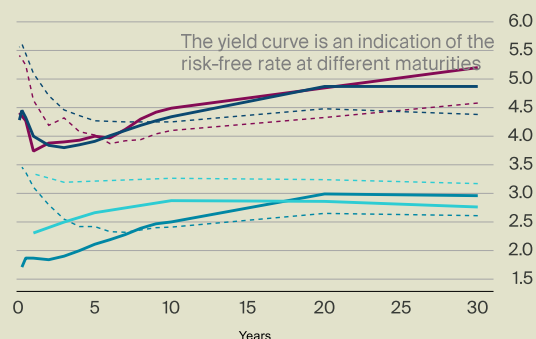
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Italy	3.48	3.48	3.48	3.59	1.40
Japan	1.41	1.40	1.45	1.55	-0.03
Singapore	2.29	2.29	2.30	2.49	1.74
UK	4.55	n/a	n/a	4.68	0.82
US	4.34	4.34	4.39	4.51	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

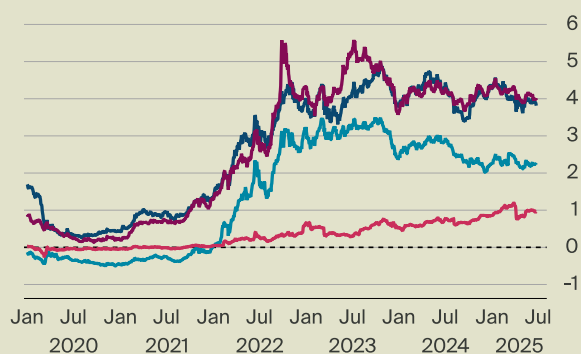


Source: Knight Frank, Macrobond

Interest rate swaps

5 year swap rates, %

— US — UK — Eurozone — Japan



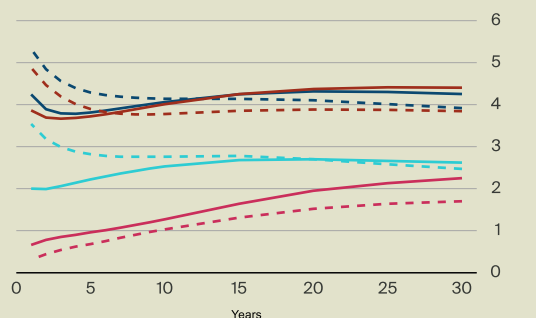
Source: Knight Frank, Macrobond

	Last	1 day	1 week	1 month	Jan '20
Eurozone	2.22	2.24	2.24	2.22	-0.13
Japan	0.96	0.95	0.99	0.97	0.03
Singapore	3.66	n/a	n/a	n/a	1.50
UK	3.97	4.00	3.99	4.10	0.88
US	3.81	3.87	3.95	3.96	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



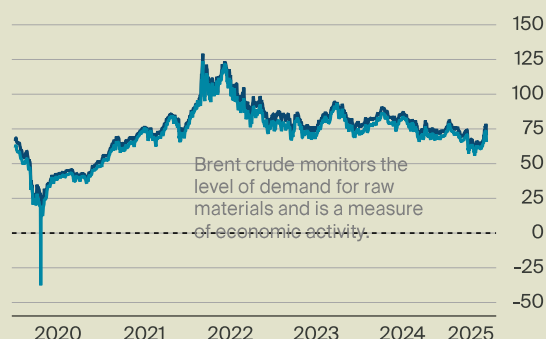
Source: Knight Frank, Macrobond

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	70.5	70.5	77.1	64.9	66.0	-5.78
WTI, \$ per barrel	65.6	65.6	73.5	61.8	61.1	-8.34

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	1681	-0.474	-13.9	25.4	54.2	68.6

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	19.8	19.8	21.6	22.3	13.8	14.29
Euro Stoxx 50 VIX	22.5	22.5	22.1	22.5	14.0	32.06
Nikkei VIX	23.9	26.6	24.6	24.5	14.8	9.78
KOSPI VIX	25.8	24.8	25.8	19.6	14.7	21.85

Systemic stress

Measures FX, money, sovereign and bond yield volatility

— New ECB Composite Indicator of Systemic Stress (CISS)

--- Long term average



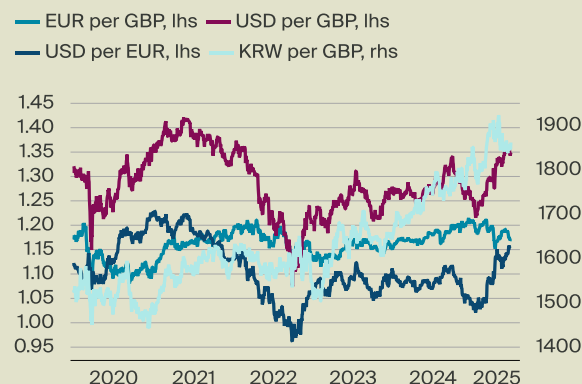
Source: Knight Frank, Macrobond

	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

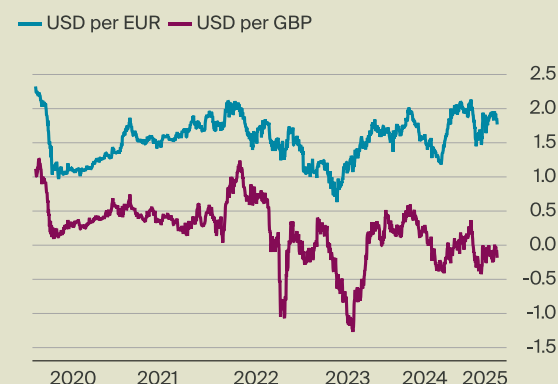
Spot prices



	Last	1 day	1 week	1 month	Jan '20
EUR per GBP	1.170	1.170	1.173	1.190	1.177
KOR per GBP	1,862	1,847	1,844	1,846	1,525
USD per GBP	1.349	1.347	1.360	1.350	1.321
USD per EUR	1.152	1.152	1.158	1.135	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	1.77	1.83	1.93	1.95	2.32
USD to GBP	-0.18	-0.13	-0.02	-0.12	1.12

Inflation and monetary policy

Inflation rate (%)

	May	Apr	Mar	Feb
Australia ¹	n/a	n/a	2.4	2.4
Canada	1.7	1.7	2.3	2.6
China	-0.2	-0.1	-0.1	-0.7
Euro Area	1.9	2.2	2.2	2.3
France	0.7	0.8	0.8	0.8
Germany	2.2	2.1	2.1	2.3
India	2.8	3.2	3.3	3.6
Italy	1.6	1.9	1.9	1.6
Japan	3.5	3.6	3.6	3.7
Saudi Arabia	2.2	2.3	2.3	2.0
South Korea	1.9	2.1	2.1	2.0
Spain	2.0	2.3	2.1	2.9
Sweden	0.2	0.3	0.5	1.3
UK	3.4	3.5	2.6	2.8
US	2.4	2.3	2.4	2.8

Interest rates (%)

	Last	Jan '24
	3.85	4.35
	2.75	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
	5.00	6.00
	2.50	3.50
	2.15	4.50
	2.25	4.00
	4.25	5.25
	4.50	5.50

Asset purchasing

	Latest (\$)	1m change (%)
	0.26 tn	0.4
	184 bn	0.9
	6.26 tn	-0.9
	7.19 tn	-0.8
	1.73 tn	0.2
	2.66 tn	-0.6
	445 bn	0.0
	1.25 tn	-0.5
	4.91 tn	-2.2
	512 bn	-1.6
	392 bn	-5.0
	487 bn	-1.8
	105 bn	-2.9
	1.18 tn	-1.2
	6.68 tn	-0.3

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



(Y)OURSPACE

Welcome to the fourth edition of (Y)OUR SPACE—Knight Frank's global research campaign that explores the forces reshaping work, workplace, and the real estate strategies evolving in response. In a world defined by disruption, this is the occupier voice: clear, direct, and rooted in the realities of corporate life.

[View report](#)



Healthcare Development Opportunities – 2025

Knight Frank's annual assessment of supply trends and development prospects in the UK Care Home industry.

[View report](#)

Recent research



Life Sciences & Innovation Insight: Q1 2025

The UK science and innovation sectors are changing at pace. With this in mind, we have developed a quarterly update to monitor key developments. The report tracks sector performance and real estate activity while listing the most promising occupiers.



UK Real Estate Navigator: Q1 2025

Explore the current trends in UK commercial real estate with the latest edition of our UK Real Estate Navigator, available now.

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



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