

MARKETBEAT INVESTMENT

APRIL 2026

THE FOG OF WAR

With a ceasefire announced on 8th April, we were starting to see some light at the end of the tunnel on energy prices, and the associated impacts on inflation and the associated risk and cost of debt.

On announcement of the ceasefire, the 10-year gilt had fallen as low as 4.7%, its lowest since 17th March, and down from its conflict peak of 5.01% on 27th March, albeit there was still volatility on pricing due to the fragility of the ceasefire. That fragility was evidenced with the announcement that there was no peace deal to be had with Iran after talks in Pakistan. The response from the US was an announcement of a naval blockade of the Strait of Hormuz.

With renewed uncertainty in the market, this will continue to impact investor decision-making. One of the positives may be the knock-on impact on staycations, and the domestic hotel market, after some buoyant Easter trading. However, with consumer confidence weak, that will also impact demand across even those markets with tailwinds.

Across all sectors, new product being launched to the market is limited, with vendors reluctant to launch sales openly, to avoid looking distressed.

SENTIMENT SHIFTS

Across the market, the prevailing sentiment is one of uncertainty. Prior to the ceasefire announcement (and subsequent halting of peace talks), the evidence was that there continued to be activity across smaller lot sizes, with challenges across larger lot sizes as a result of the increased cost of debt.

Furthermore, investors have unsurprisingly put a greater focus on strong in-year income and tenant risk. In both instances, this impacts perceptions on pricing levels. Nevertheless, while price points have moved, capital is still mandated, and allocation pressure remains, which will drive continued investor interest.



Jason Winfield
Head of UK Capital Markets
jason.winfield@cushwake.com



Daryl Perry
Head of UK Research & Insight
daryl.perry@cushwake.com

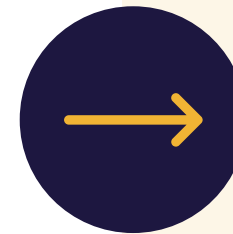
KEY TAKEAWAYS



5-year SONIA is currently at ~4.0%, having risen sharply from ~3.6% at the start of the conflict. It is worth noting that rates remain below the level of a year ago when 5-year SONIA was approximately 4.3%.



After the ceasefire, the 10-year gilt had fallen as low as 4.7%, its lowest since 17th March, and down from its conflict peak of 5.01% on 27th March. However, as of the end-day 10th March, it was hovering north of 4.8% once again.



Prime yields remain stable cross almost all markets, with only Central and Greater London Student accommodation seeing outward yield movement.



The MPC voted unanimously (9-0) to hold Bank Rate at 3.75% at its meeting ending 18 March 2026.

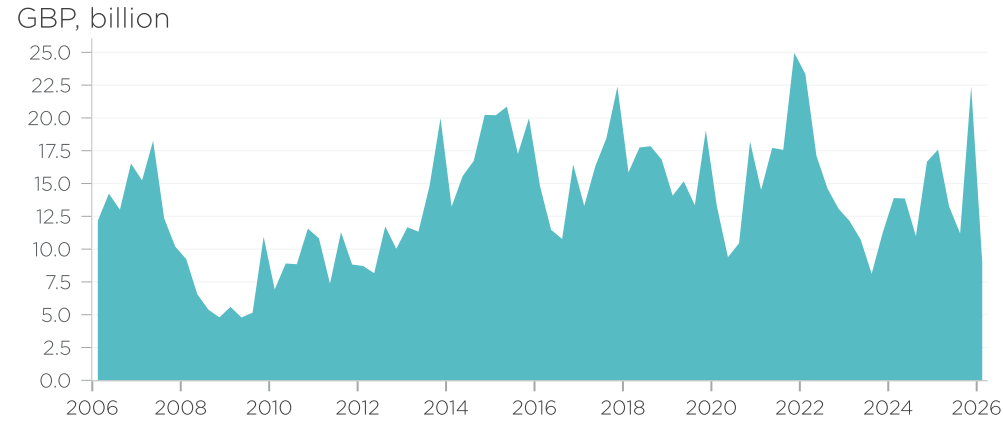


Demand continues for smaller lot sizes and strong income. The uncertainty in the market has impacted the number of new launches.

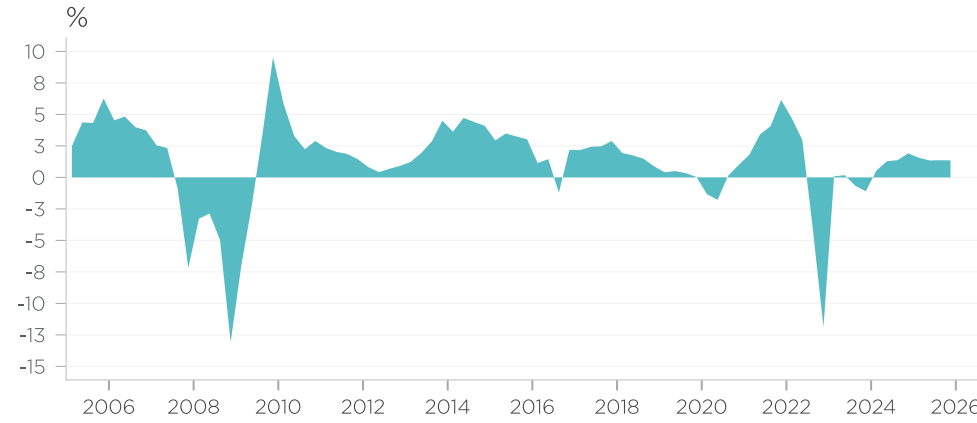
MARKET STATISTICS

Source: MSCI, Chatham Financial, Bank of England, Macrobond, Cushman & Wakefield

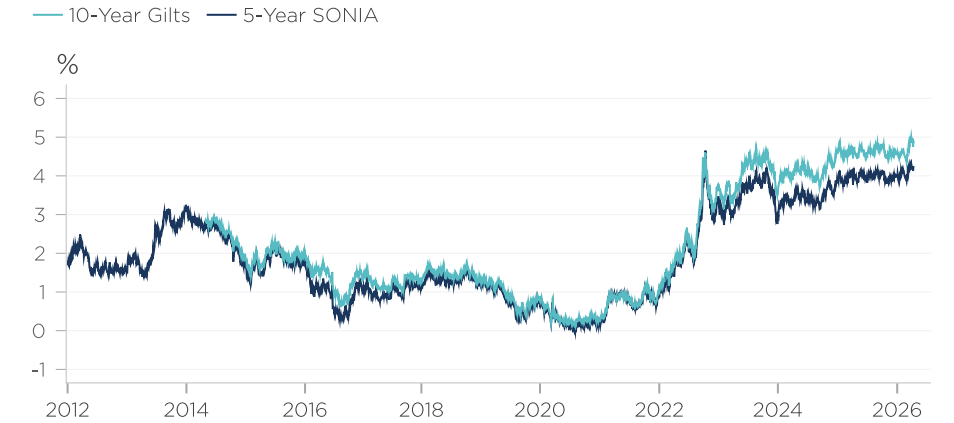
QUARTERLY INVESTMENT VOLUMES (BILLIONS)



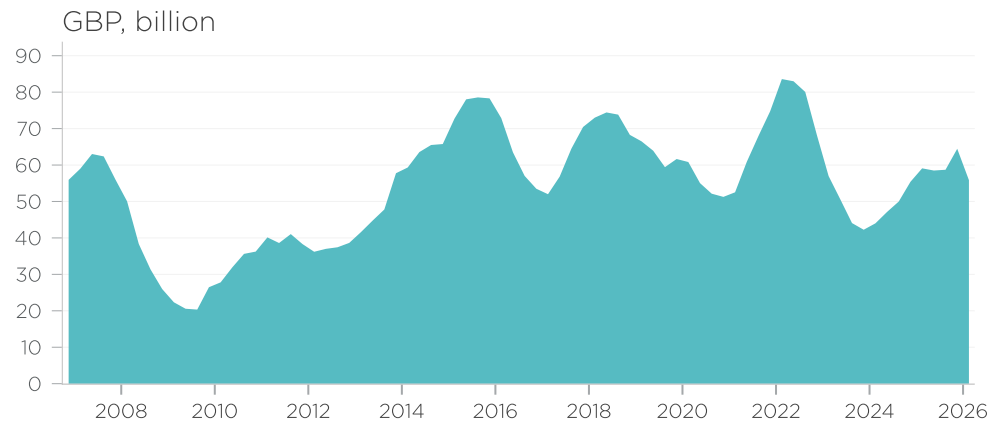
TOTAL RETURNS (%)



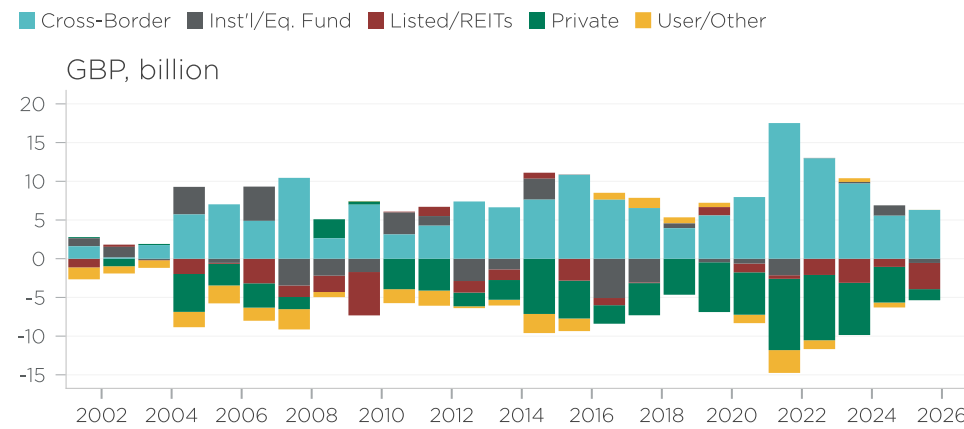
10 YEAR GILTS, 5 YEAR SONIA



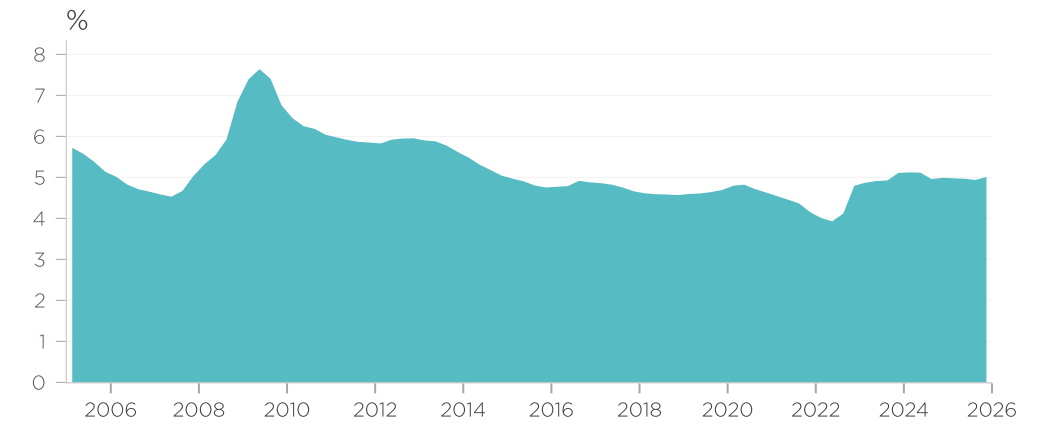
ROLLING ANNUAL INVESTMENT VOLUME (BILLIONS)



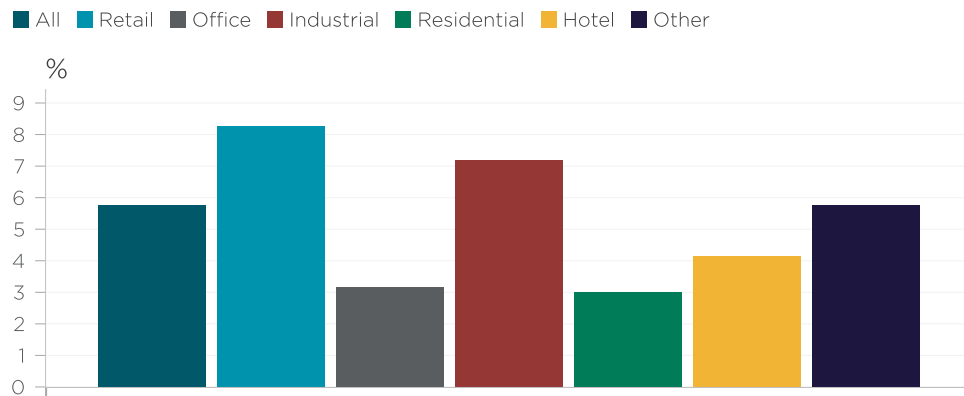
SOURCES OF CAPITAL



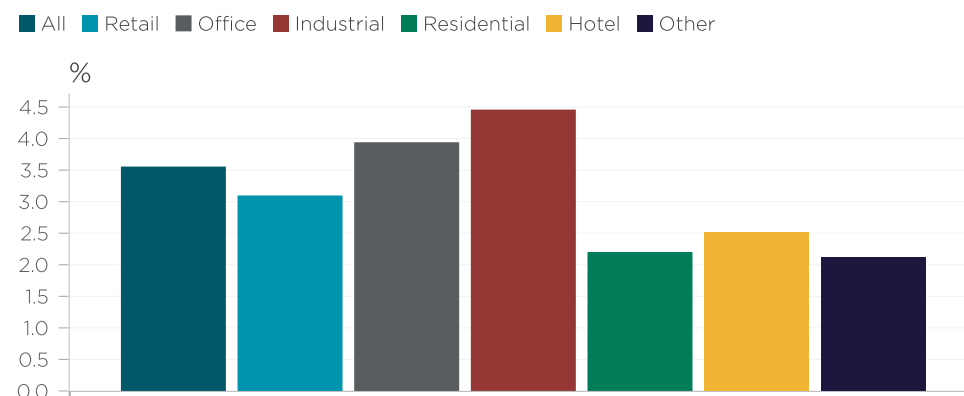
NET INITIAL YIELDS



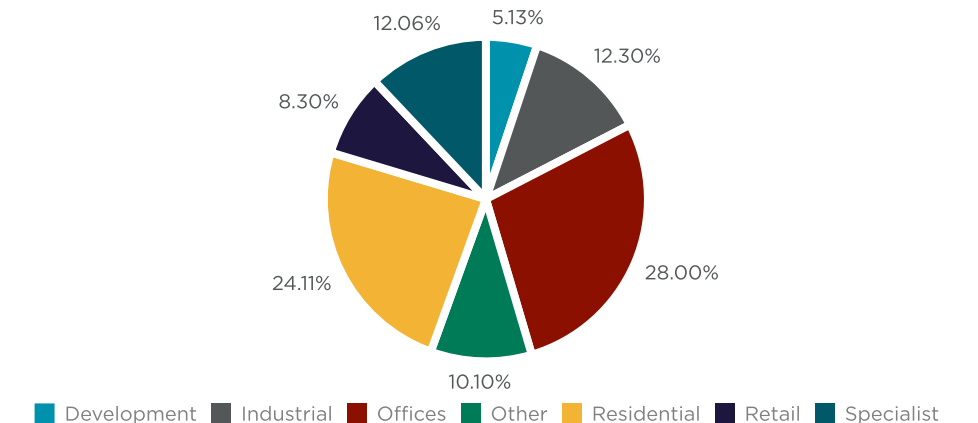
ANNUAL TOTAL RETURN BY SECTOR



ANNUAL AVERAGE RENTAL GROWTH BY SECTOR



ANNUAL INVESTMENT VOLUMES BY SECTOR



YIELD SCHEDULE

Sector	Previous Year	Previous Quarter	Previous month	Present	Annual Change (bps)	Quarterly Change (bps)	Monthly Change (bps)		Sector	Previous Year	Previous Quarter	Previous month	Present	Annual Change (bps)	Quarterly Change (bps)	Monthly Change (bps)	
Sector	April 25	Q4 25	March 26	April 26		Q-to-Q		Outlook	Sector	April 25	Q4 25	March 26	April 26		Q-to-Q		Outlook
Town Centre Retail									Co-living								
Prime Retail Centres	6.75%	6.50%	6.50%	6.50%	-25 bps	0 bps	0 bps	Stable	Greater London	4.50%	4.50%	4.50%	4.50%	0 bps	0 bps	0 bps	Stable
Secondary Retail Centres	10.00%	10.00%	10.00%	10.00%	0 bps	0 bps	0 bps	Stable	Prime Regional	5.00%	5.00%	5.00%	5.00%	0 bps	0 bps	0 bps	Stable
Prime London - West End	3.00%	3.00%	3.00%	3.00%	0 bps	0 bps	0 bps	Stable	Build to Rent								
Shopping Centres									Prime London	4.00%	4.25%	4.25%	4.25%	25 bps	0 bps	0 bps	Stable
Regional	7.75%	7.75%	7.75%	7.75%	0 bps	0 bps	0 bps	Stable	Greater London	4.50%	4.50%	4.50%	4.50%	0 bps	0 bps	0 bps	Outwards
Sub-Regional	11.00%	11.00%	11.00%	11.00%	0 bps	0 bps	0 bps	Stable	Prime Regional	4.75%	4.75%	4.75%	4.75%	0 bps	0 bps	0 bps	Outwards
Local	12.00%	12.00%	12.00%	12.00%	0 bps	0 bps	0 bps	Stable	Hotels								
Retail Warehouses (Greater London and SE in brackets)									Prime London Fixed Income	4.25%	4.25%	4.25%	4.25%	0 bps	0 bps	0 bps	Outwards
Prime Open A1 Retail Park	5.25%	5.00%	5.00%	5.00%	-25 bps	-25 bps	0 bps	Stable	Prime Regional Fixed Income	5.00%	5.00%	5.00%	5.00%	0 bps	0 bps	0 bps	Outwards
Prime Bulky Park									Prime London Trading	5.00%	5.00%	5.00%	5.00%	0 bps	0 bps	0 bps	Outwards
Prime Supermarkets (RPI linked)	4.75%	4.65%	4.65%	4.65%	-10 bps	0 bps	0 bps	Stable	Prime Regional Trading	8.00%	8.00%	8.00%	8.00%	0 bps	0 bps	0 bps	Outwards
Prime Solus (Bulky)	5.75%	5.75%	5.75%	5.75%	0 bps	0 bps	0 bps	Stable	Life Sciences								
Prime Leisure Parks	8.25%	8.50%	8.50%	8.50%	25 bps	0 bps	0 bps	Stable	Golden Triangle	5.00%	5.00%	5.00%	5.00%	0 bps	0 bps	0 bps	Stable
Multi-Let Industrial									Regional Centres	6.25%	6.50%	6.50%	6.50%	25 bps	0 bps	0 bps	Stable
Prime Greater London	4.75%	4.75%	4.75%	4.75%	0 bps	0 bps	0 bps	Stable	Care Homes								
Prime South East	5.00%	5.00%	5.00%	5.00%	0 bps	0 bps	0 bps	Stable	Prime	4.75%	4.75%	4.75%	4.75%	0 bps	0 bps	0 bps	Stable
Prime Regional	5.25%	5.25%	5.25%	5.25%	0 bps	0 bps	0 bps	Stable	Prime SPV	5.75%	5.75%	5.75%	5.75%	0 bps	0 bps	0 bps	Stable
Distribution Warehousing									Medical								
Prime Long Income	5.00%	5.00%	5.00%	5.00%	0 bps	0 bps	0 bps	Stable	Prime	4.50%	4.50%	4.50%	4.50%	0 bps	0 bps	0 bps	Stable
Prime Medium Income	5.50%	5.50%	5.50%	5.50%	0 bps	0 bps	0 bps	Stable	Secondary	5.75%	5.75%	5.75%	5.75%	0 bps	0 bps	0 bps	Stable
Prime Short Income	5.75%	5.75%	5.75%	5.75%	0 bps	0 bps	0 bps	Stable	Student Accommodation								
In Town Offices									Prime London	4.00%	4.25%	4.25%	4.50%	50 bps	25 bps	25 bps	Stable
Greater London	6.75%	6.75%	6.75%	6.75%	0 bps	0 bps	0 bps	Stable	Greater London	4.75%	4.75%	4.75%	5.00%	25 bps	25 bps	25 bps	Stable
Prime City Offices	5.50%	5.50%	5.50%	5.50%	0 bps	0 bps	0 bps	Stable	Super Prime Regional	5.25%	5.25%	5.25%	5.25%	0 bps	0 bps	0 bps	Outwards
Prime West End Offices	3.75%	3.75%	3.75%	3.75%	0 bps	0 bps	0 bps	Stable	Prime Regional	5.50%	5.50%	5.50%	5.50%	0 bps	0 bps	0 bps	Outwards
Prime M25	7.00%	7.00%	7.00%	7.00%	0 bps	0 bps	0 bps	Stable	Self Storage								
Prime Regional	6.50%	6.50%	6.50%	6.50%	0 bps	0 bps	0 bps	Stable	Primary	4.75%	4.75%	4.75%	4.75%	0 bps	0 bps	0 bps	Stable
Out of Town Offices									Secondary	6.00%	6.00%	6.00%	6.00%	0 bps	0 bps	0 bps	Stable
Prime South East	8.00%	8.00%	8.00%	8.00%	0 bps	0 bps	0 bps	Stable	Tertiary	7.00%	7.00%	7.00%	7.00%	0 bps	0 bps	0 bps	Stable
Prime Regional	9.00%	9.00%	9.00%	9.00%	0 bps	0 bps	0 bps	Stable									



MARKETBEAT INVESTMENT

APRIL 2026

JASON WINFIELD

Head of UK Capital Markets

jason.winfield@cushwake.com

TOM NUTTALL

Head of UK Valuation & Advisory

tom.nuttall@cushwake.com

DARYL PERRY

Head of UK Research & Insight

daryl.perry@cushwake.com

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

Better never settles

