

RICS Global Commercial Property Monitor: Q4 2020 results - Europe and Americas

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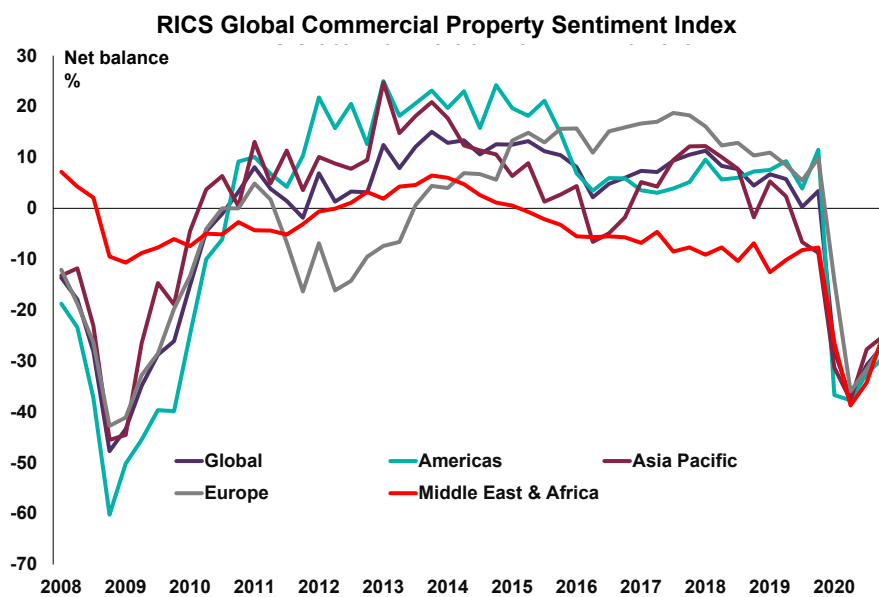
The key conclusions of the Q4 RICS GCPM

- Real estate sentiment at a headline remains negative albeit less so than previously
- Aggregated regional metrics point to a broadly consistent message around the globe for now
- At a country level, only 2 of the 41 markets included in the survey report non-negative readings and only marginally so
- From a sector perspective, logistics/industrial are viewed as continuing to outperform alongside some alternative asset classes such as data centres
- Retail sentiment remains very negative alongside hotels with prime offices more resilient than secondary offices
- Feedback from investors generally remains a little less bearish than that from occupiers reflecting, in part, the weight on money waiting to be deployed in markets as well as the impact of the macro environment on the latter
- The indicator tracking sentiment around cross-border investment enquiries recorded its fourth successive negative reading albeit being the best outcome since Q4 2019
- Just under half of respondents still perceive their local market to be expensive

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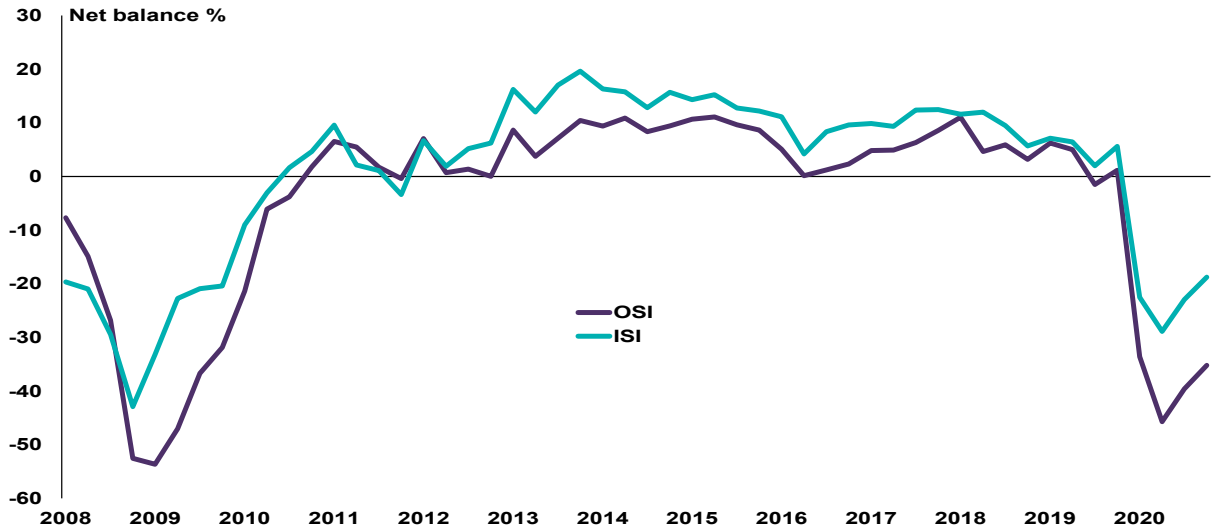
The Global Commercial Property Sentiment index by region – a modest improvement in all areas but still in negative territory



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With the global readings for investor sentiment less negative than for the occupier market

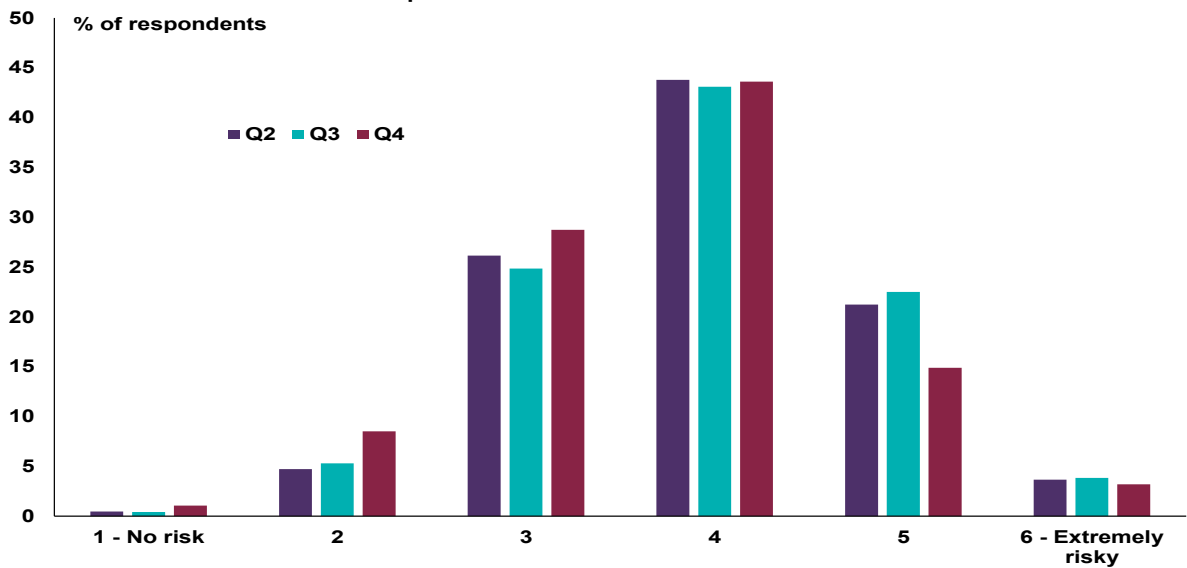
RICS Occupier and Investment Sentiment Indices



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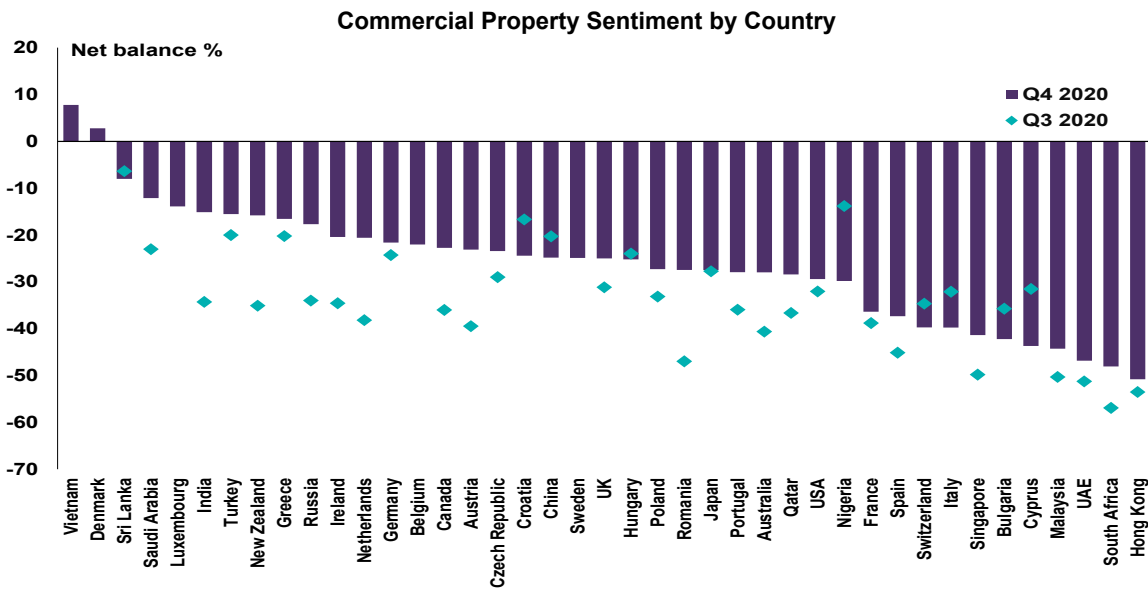
The question on risk has seen a small shift to the left in the distribution of responses

Perception of Risk Around Real Estate Returns



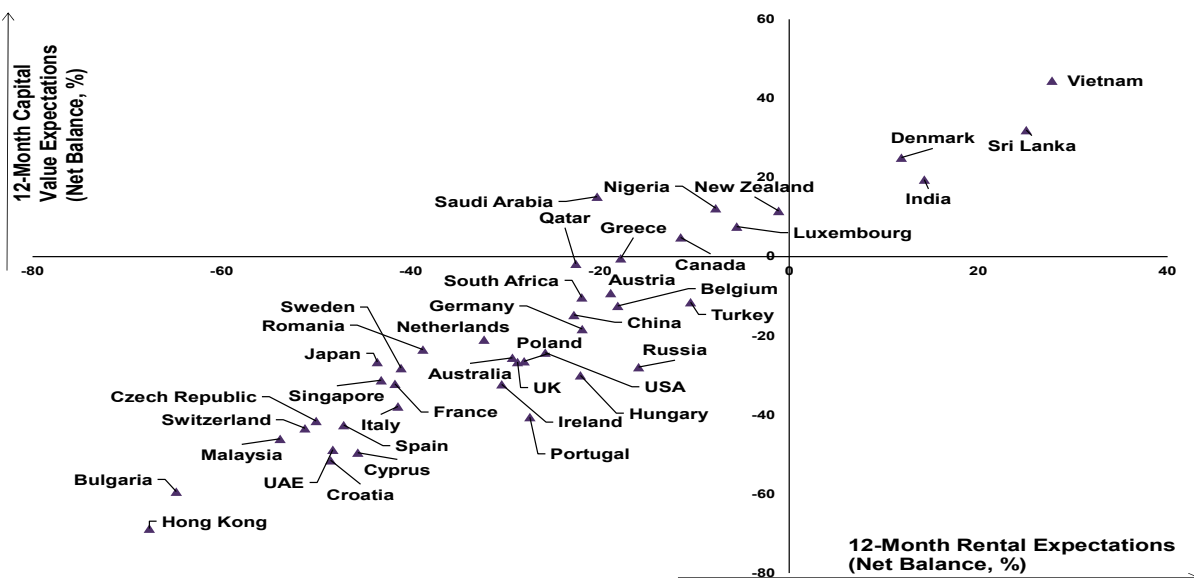
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The breakdown of commercial property sentiment by country



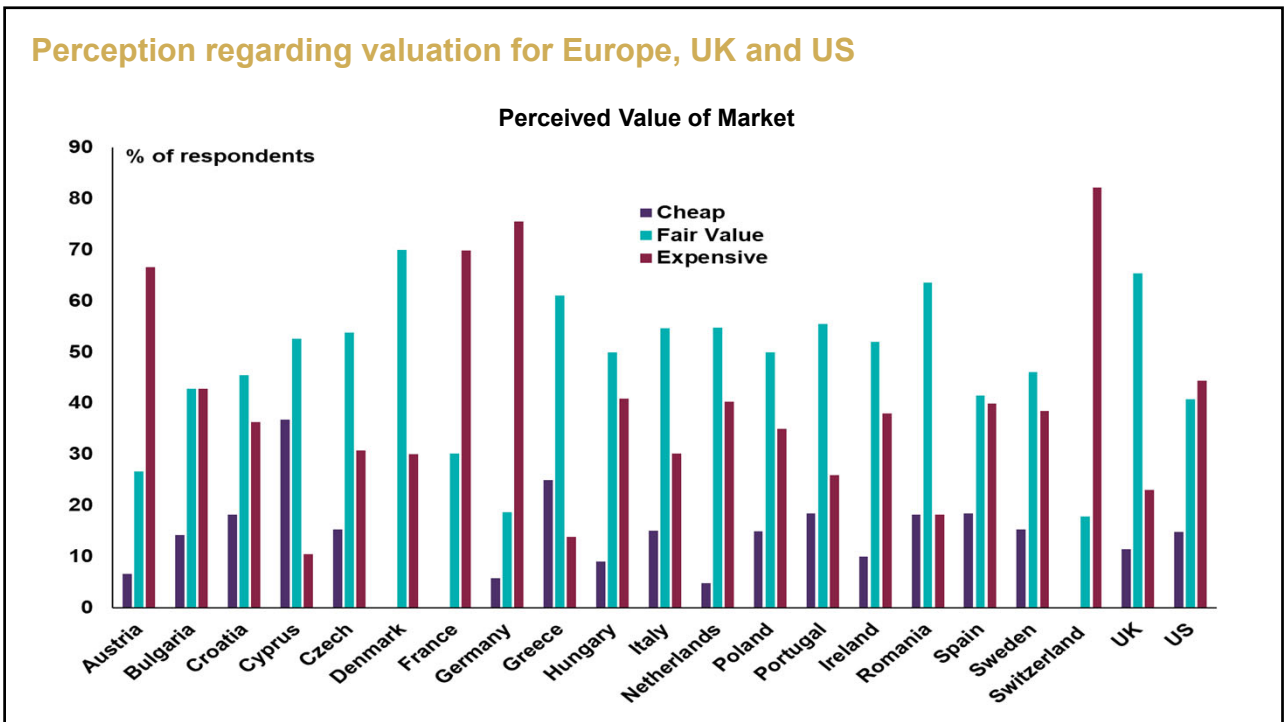
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Responses regarding expectations point to only a modest improvement over the course of the year



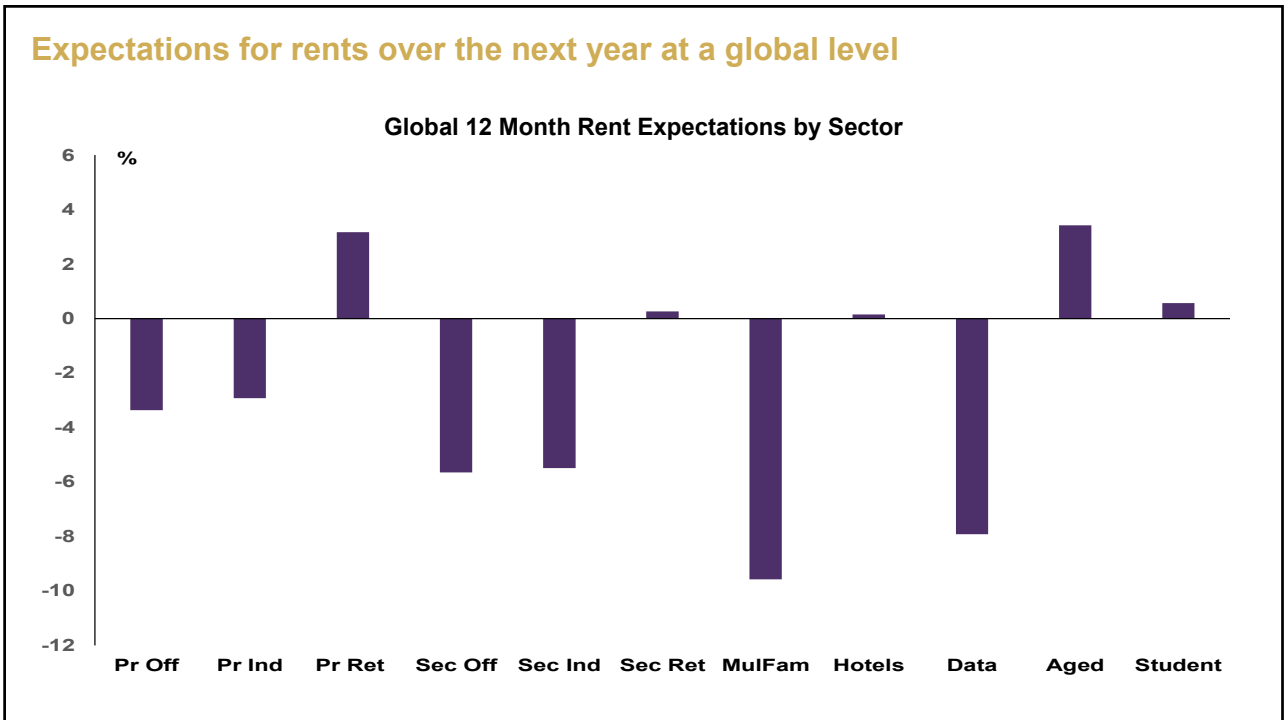
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Perception regarding valuation for Europe, UK and US



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Expectations for rents over the next year at a global level



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