

Central London Retail Dashboard



Q2 2025 | A concise quarterly update on key data and current market sentiment.

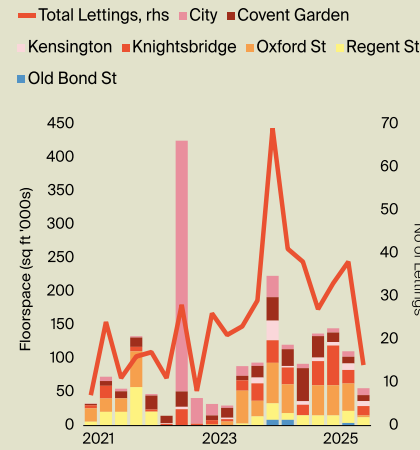
Key Takeaways

- **A strong recovery in footfall failing to convert into spend.** After a sluggish Q1, West End footfall grew by a monthly average of +3.4% between April and June.
- **But sales declined at a monthly average of -2.2% over the same period.** This was despite an average increase in transactions volumes of +2.9%, but a -5.0% decline in ATV.
- **Relatively subdued leasing activity in Q2.** According to EGI data, there were just 14 new lettings across the core Central London retail markets over the quarter, totaling ca. 55k sq ft.
- **Decent property performance metrics.** Central London retail achieved capital growth of +0.5% in Q2, while rents grew +1.4%, with the City & Midtown (+1.9%) slightly outpacing the West End (+1.3%).

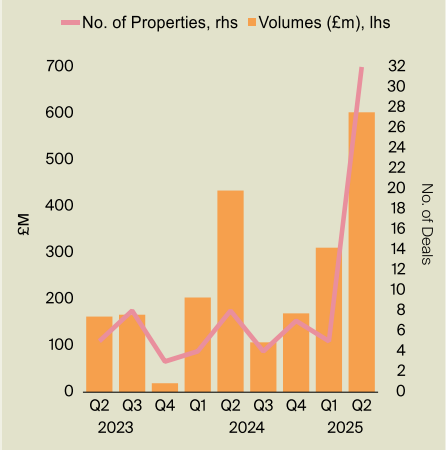
Prime Zone A Rents
(Knight Frank) Quarterly



Lettings by Sub-market
(EGI, Knight Frank) Quarterly



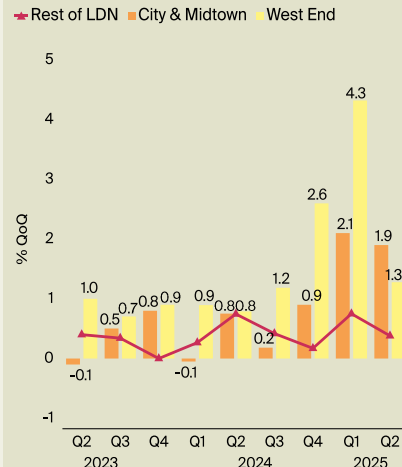
Investment Volumes
(RCA) Quarterly



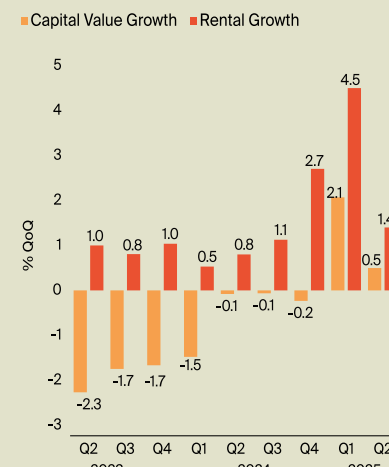
“Proposed pedestrianisation of Oxford Street finally receiving the green light and publication of the latest iteration of the London Plan. The former wildly trumpeted and celebrated, the latter flying largely under the radar. But both stand to have a profound long-term impact on the constitution and future of London’s retail market.

” **RESEARCH VIEW**
Stephen Springham
Partner, Head of Retail Insight

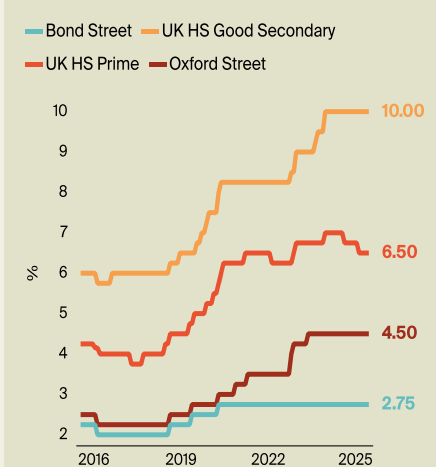
Rental Growth by Sub-market
(MSCI, Knight Frank) Quarterly



Rental & Capital Value Growth
(MSCI, Knight Frank) Central London



Prime Yields
(Knight Frank) Central London vs. UK



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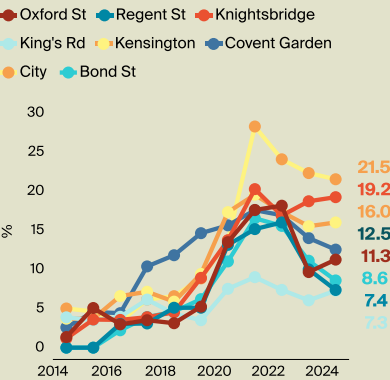
Insight Commentary

A widening gulf between footfall and spending trends in the West End. Footfall staged a strong recovery in Q2 (Apr: +5.2%, May: +3.2%, Jun: +1.7%), with a surge in international visitors (+18.2%, +18.7%, +11.0%) more than offsetting declines in domestic traffic (-0.7%, -3.3%, -2.3%). But, critically, the rise in footfall did not filter through to spending growth (-0.7%, -1.6%, -4.2%), with ATVs (Average Transaction Values) down considerably. This divergence once again underlines the perennial lack of correlation between footfall and actual demand, whilst also underscoring the ongoing importance of domestic trade to Central London retail.

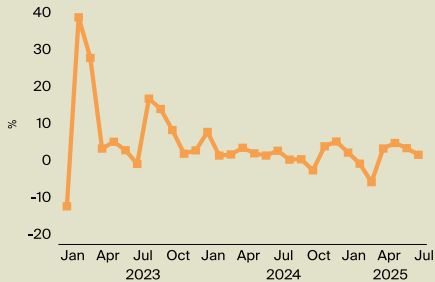
Subdued occupier demand – a by-product of limited available stock. EGI listed just 14 retail & leisure lettings in the core Central London markets in Q2, well below the 38 reported in Q1 and the 35 long-term quarterly average. The highest profile new letting was Kim Kardashian’s shapewear brand Skims signing up to a 10-year lease on the 12,000 sq ft former Ted Baker store on Regent Street (due to open in Summer 2026). There was a single new letting on Oxford Street, a 2,788 sq ft lease renewal to Sunglass Hut. More broadly, LDC reported that vacancy rates across Greater London high streets stood at 9.6% at Q2, down -30bps QoQ and -40bps YoY.

The long-proposed pedestrianisation of Oxford Street has finally received the go ahead from London Mayor Sadiq Khan and is to happen “as quickly as possible”. Widely (though not universally) supported, this move is likely to be transformative for the West End’s retail core. However, details and timings remain sketchy at best beyond a few speculative CGI images and the likelihood is that the implementation process will prove far more complex and time-consuming than many imagine.

Vacancy
(PMA, Knight Frank) Unit %



West End Footfall
(New West End Company) YoY % change



	Footfall (YoY % change)
April	+4.9% ▲
May	+3.5% ▲
June	+1.7% ▼

▲ Indicates increase / decrease versus previous month

Key lettings

(EGI, Knight Frank)

Location	Unit Size (sq ft)	Tenant
245 - 247 Regent Street	12,000	Skims
196-222 King's Road	7,500	Arket
40 Leadenhall Street (City)	4,531	Campanelle
29 Bedford Street (Covent Garden)	4,200	Crust Bros
198 - 200 Kensington High Street	3,000	Tonico
90 - 92 Oxford Street	2,788	Sunglass Hut
Broadgate Circle (City)	1,970	Comptoir Libanais

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