

Central London Retail Dashboard



Q3 2024 | A concise quarterly update on key data and current market sentiment.

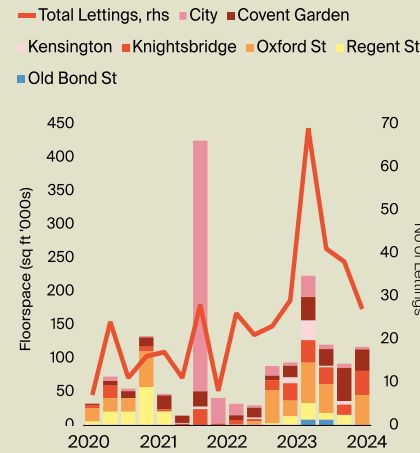
Key Takeaways

- **West End consumer spend (Jul +1.0% / Aug +1.5%) outpaced footfall (+0.4% / +0.5%),** indicating larger and more intentional purchasing patterns.
- **International spend (Jul +4.8% / Aug +6.0%) was considerably stronger than domestic (-1.2% / -0.9%).**
- **Lettings totalled c. 117k sq ft** according to EGI data, with activity particularly strong across Covent Garden (Space NK, Alo Yoga, Axel Arigato) and Oxford St (Activate – We do Play, Keikoo, Caffe Concerto).
- **Central London rental growth accelerated +0.8%, driven by the West End (+1.2%).** Capital growth also improved to -0.1% (vs. -1.6% in Q2).

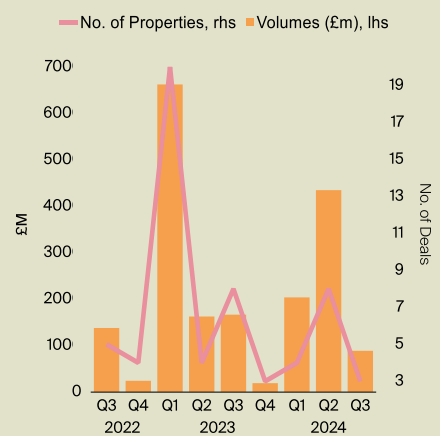
Prime Zone A Rents
(Knight Frank) Quarterly



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



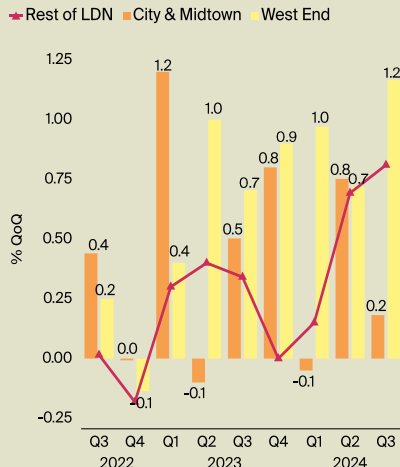
Investment Volumes
(RCA) Quarterly



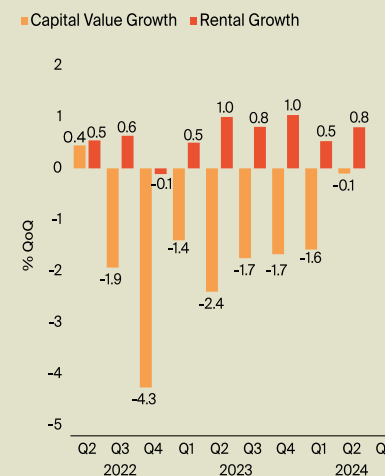
“Improving sentiment and occupational metrics generally, tempered somewhat by a brutal Autumn Budget that will increase cost pressures on retailers. The indication that properties with a rateable value of >£500k are likely to see an unfavourable multiplier on business rates from 2026 a concern for many West End occupiers.”

RESEARCH VIEW
Stephen Springham
Partner, Head of Retail Research

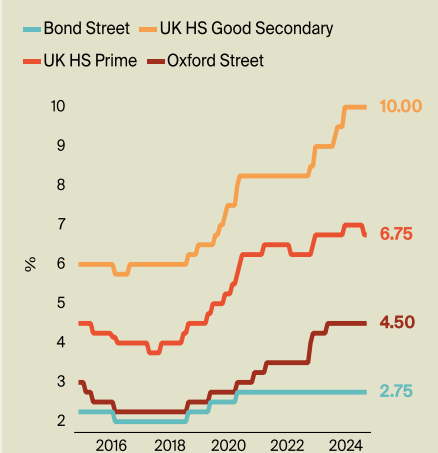
Rental Growth by Sub-market
(MSCI, Knight Frank) Quarterly



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



Prime Yields
(Knight Frank) Central London vs. UK



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Research Commentary

Rising shopper spending and increased international visits have fuelled enthusiasm for a wave of new retail & leisure openings in the Capital.

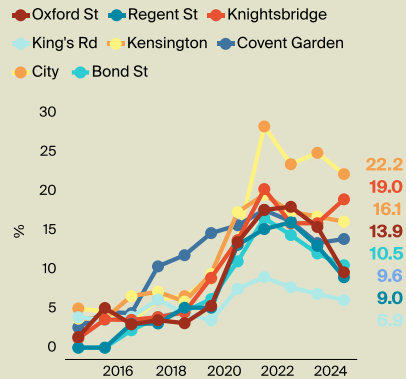
In consumer markets, West End spending showed year-on-year growth in July (+1.0%) and August (+1.5%), though September saw a slight dip (-1.1%). Spending growth notably outpaced footfall (Jul +0.4%, Aug +0.5%, Sep -2.4%), indicating larger and more intentional purchases per visit, as average transaction values rose by +3.5% in September. Spending by international visitors (Jul +4.8%, Aug +6.0%) was considerably stronger than domestic (-1.2%, -0.9%). However, domestic spend still accounts for the lion share (67% of total spend) and there are ongoing concerns regarding the loss of tax-free shopping.

Occupationally, the market has largely regained its pre-pandemic vibrancy, with growing demand for retail space. Notable Q3 activity including Ben Sherman's return to Soho (97 Berwick St), Alo Yoga's expansion to 150 Regent St, and Astrid & Miyu's flagship ('HOAM') on Foubert's Place. House of CB also launched a permanent flagship at 225 Oxford St after a successful pop-up. Rental growth accelerated +0.8% quarter-on-quarter across Central London, driven by the West End sub-market (+1.2%). Annual forecasts now project year-on-year growth of +2.1% in 2024, outpacing wider UK retail (+1.3%), with the West End (+2.3%) outperforming the City/Mid-Town (+1.5%).

In terms of investment, Q3 was a relatively quiet quarter (£88.5m) according to RCA, compared to a bumper Q2 (£434m). Year-to-date volumes have reached £726m, surpassing the five-year average (£546m) for the same period. During the quarter, JP Morgan completed a £71m acquisition of 291 Oxford St / 2 Harewood Place, leased to McDonald's and EE, marking the largest single-asset sale on Oxford St in nearly three years. In addition, M&G provided a £285m loan to Trophaeum AM for a portfolio of prime retail assets, including a Gucci store at 144/146 New Bond St, as it expects to benefit from a 'strong rebound' in the luxury market.

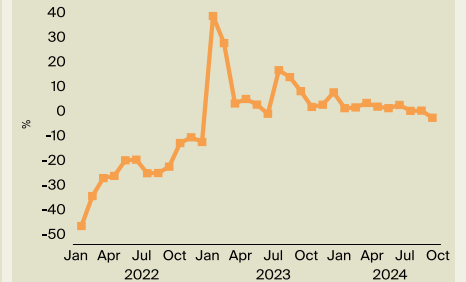
Vacancy

(PMA, Knight Frank) Unit %



West End Footfall

(New West End Company) YoY % change



	Footfall (YoY % change)
July	+0.4% ▼
August	+0.5% ▲
September	-2.4% ▼

▲ Indicates increase / decrease versus previous month

Key lettings

(EGL, Knight Frank)

Location	Unit Size (sq ft)	Tenant
118 New Bond Street	3,860	Clive Christian Perfume
162 Oxford Street	2,693	Dune
124 Regent Street	1,370	Swarovski
67-69 & 79 Knightsbridge	4,700	Les100Cieles
14-16 Neal Street - Covent Garden	4,676	Onitsuka Tiger
99-103 Long Acre - Covent Garden	6,565	MANGO
12 The Piazza - Covent Garden	4,000	Charlotte Tilbury

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