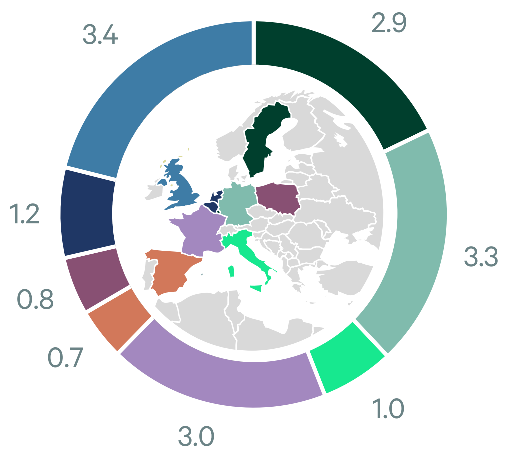
European I&L volumes rose 7% in H1 2026, despite the continued global headwinds

European industrial investment recovered to €19.2bn in H1

- European I&L investment increased 7% YoY in H1 2026 to €19.2bn, showing resilience in the face of geopolitical tensions and weak economic indicators. I&L also accounted for 17% of European CRE volumes, a similar level to H1 2025.
- Continental Europe, which was 26% higher volume YoY in H1, was the driver of this performance. Significant growth was recorded in France (+59%), Sweden (+130%) and Finland (+223%), which was partly offset by declines in Czech, Belgium and Denmark.
- Although the Nordics became the largest regional cluster, with volumes of €4.7bn in H1, the UK remained Europe's largest single I&L market, despite underperforming Continental Europe with a 36% YoY fall in the year to date.
- An increased appetite for portfolios and deals over €100m suggested an improvement in market liquidity and investor appetite in Q2. Portfolio deals increased to 58% of transaction volume in Q2 from 33% in Q1, while deals above €100m exceeded half the total for the first time in 9 years, from 31% in Q1.
- Capital flows also reflected improved sentiment, as 75% was sourced from within Europe in the last 12 months, with domestic investment 19% higher YoY and cross border volumes up 9%. Although North American capital was 29% lower, Asian investment trebled to €1.9bn.

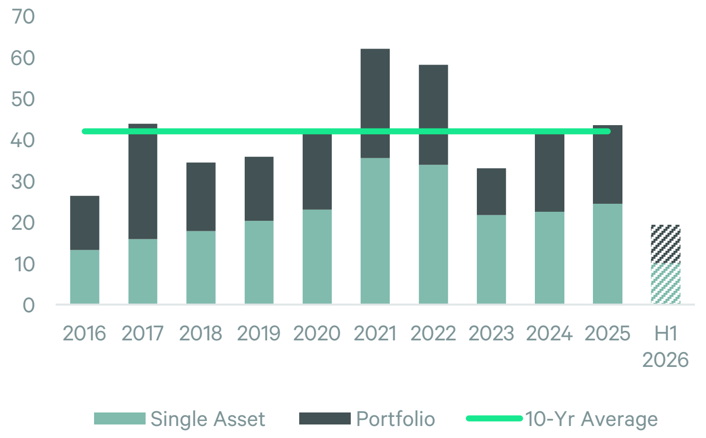
Figure 1: YTD I&L investment by market (€bn)



Source: CBRE Research

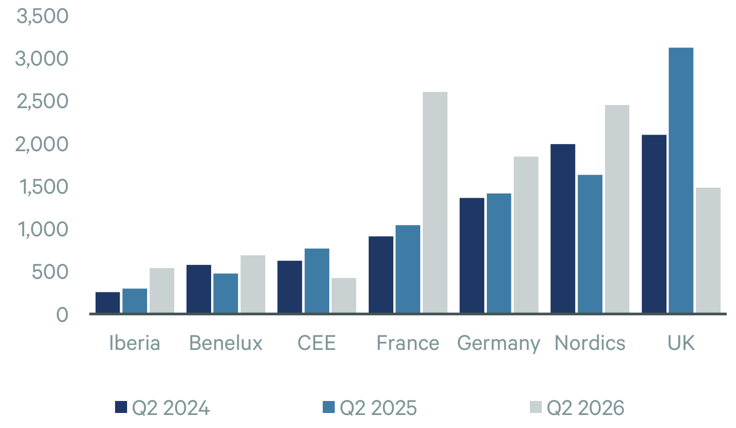
Improved investment in France, Sweden, and Finland offset falls in Denmark, Belgium, and Czech Republic

Figure 2: European I&L investment volumes (€bn)



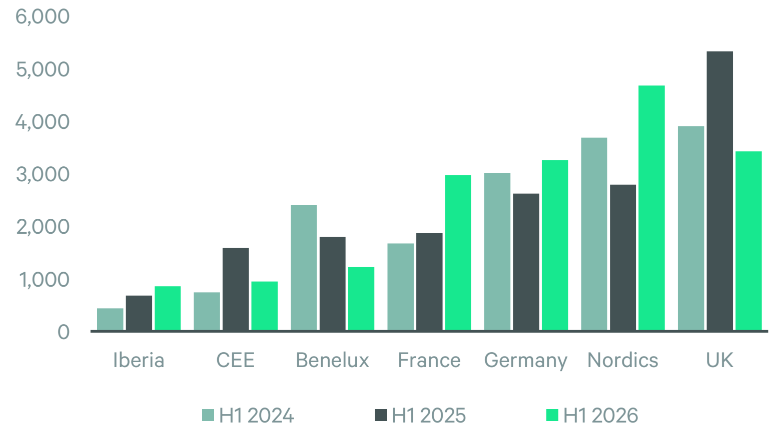
Source: CBRE Research

Figure 3: Quarterly I&L investment volumes by region (€m)



Source: CBRE Research

Figure 4: YTD I&L investment volumes by region (€m)



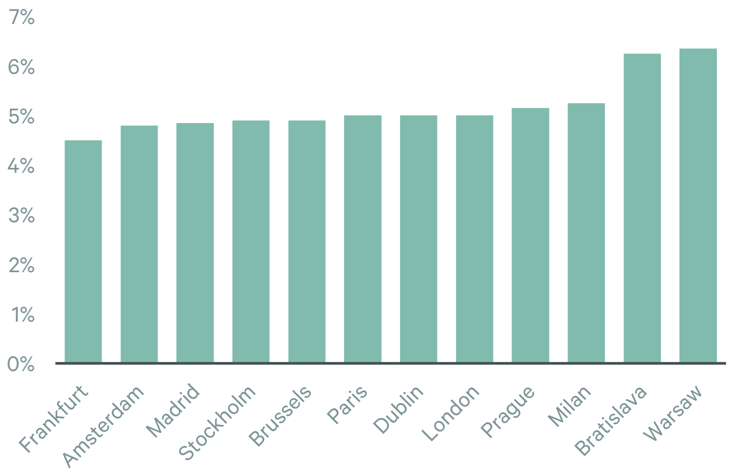
Source: CBRE Research

Capital flows reflected the improved sentiment, with Europe rising 16% and Asian flows up 193% in the last year

Figure 5: Capital flows into European I&L, Year to Q2 2026

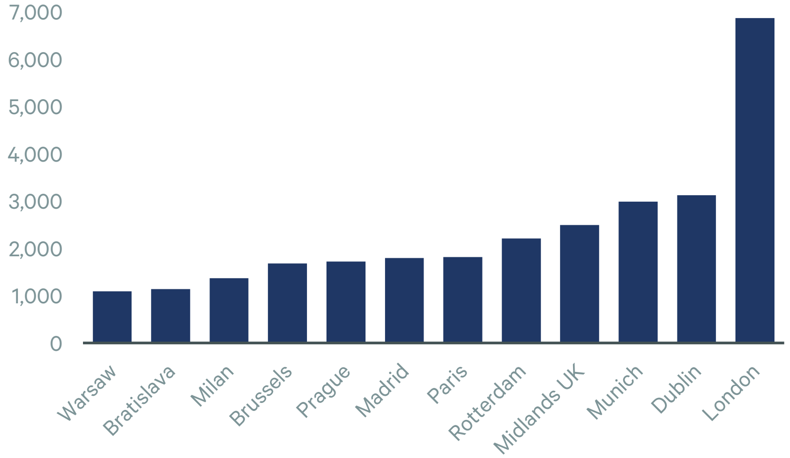
Source: CBRE Research

Figure 6: Prime logistics yields, Q2 2026



Source: CBRE Research

Figure 7: Prime logistics capital values, Q2 2026 (€/sq m)



Source: CBRE Research

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