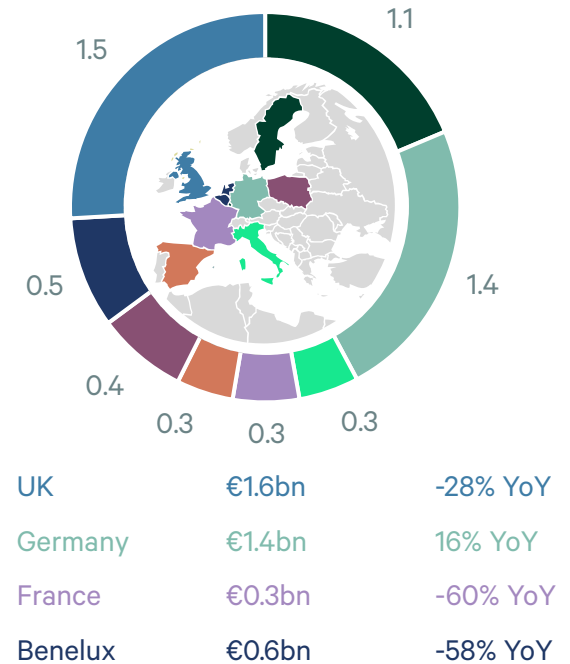


European I&L volumes fell 17% YoY in Q1 2026, in the wake of continued global headwinds

European industrial investment in the year to Q1 2026 was flat on the previous 12-month period

- European I&L investment decreased 17% YoY in Q1 2026 to €7.3bn, extending the H2 2025 slowdown amid geopolitical tensions and weak economic indicators. I&L accounted for 14% of European CRE volumes, down from 18% in 2025
- Rolling 12-month I&L volumes were flat YoY at €41.9bn, with Sweden, Finland, and Poland the strongest performers
- The UK remained Europe’s largest I&L market despite a 28% YoY decline, underperforming Continental Europe (-14%). Significant growth was recorded in Finland (+576%), Sweden (+121%), and Poland (+121%), offset by sharp declines in France, Italy, and Spain
- Market liquidity weakened, with single-asset deals rising to 65% of transactions and 68% of deals below €100m, indicating constrained deal sizes and selective investor appetite
- Capital flows reflected increased caution, with 78% sourced within Europe and domestic investment up 56% YoY. Cross-border and North American capital declined, while Asian investment rose 51% to €1bn
- Valuations were broadly stable, with prime yields largely unchanged and rents mostly flat, aside from growth in key markets including Frankfurt, Hamburg, Milan, Rome, and Milton Keynes

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

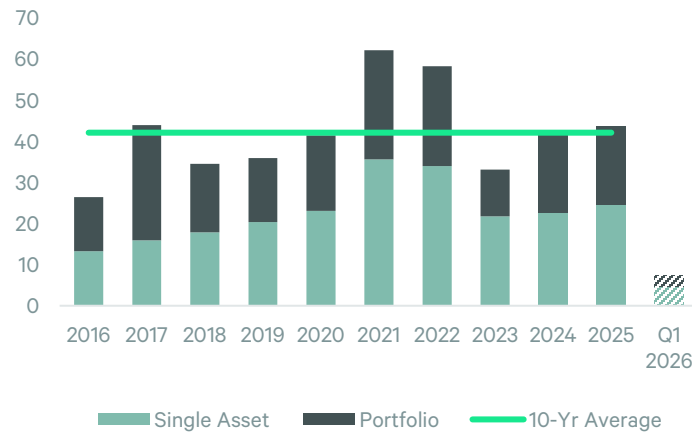


Source: CBRE Research

EUROPEAN INDUSTRIAL AND LOGISTICS CAPITAL MARKETS FIGURES | Q1 2026

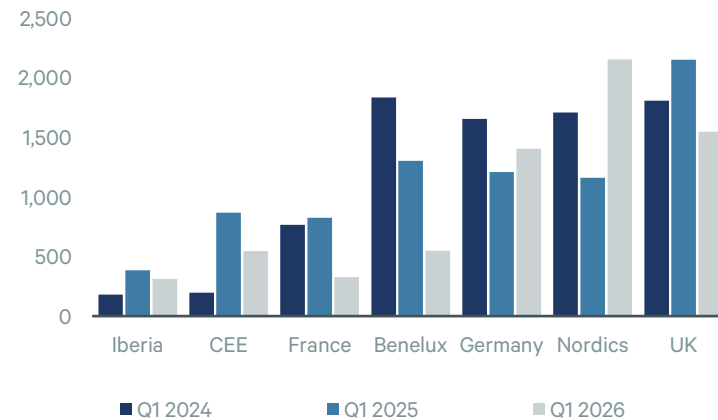
Improved investment in Finland, Sweden, and Poland offset by falls in France, Italy, and the UK

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



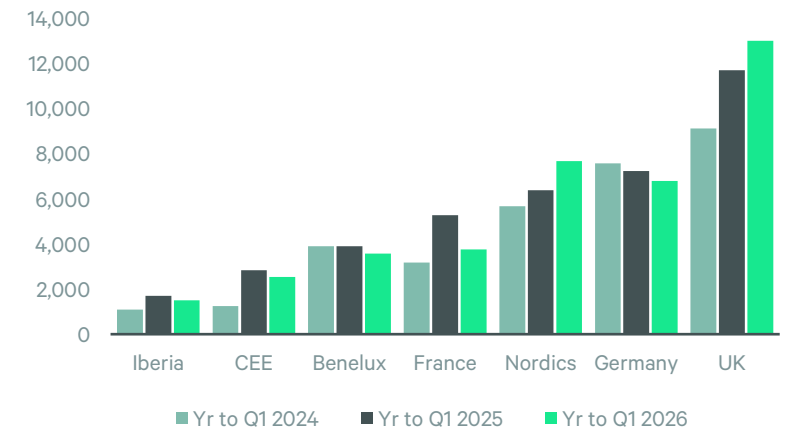
Source: CBRE Research

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



Source: CBRE Research

Figure 4: 12 month I&L investment volumes by region (€m)

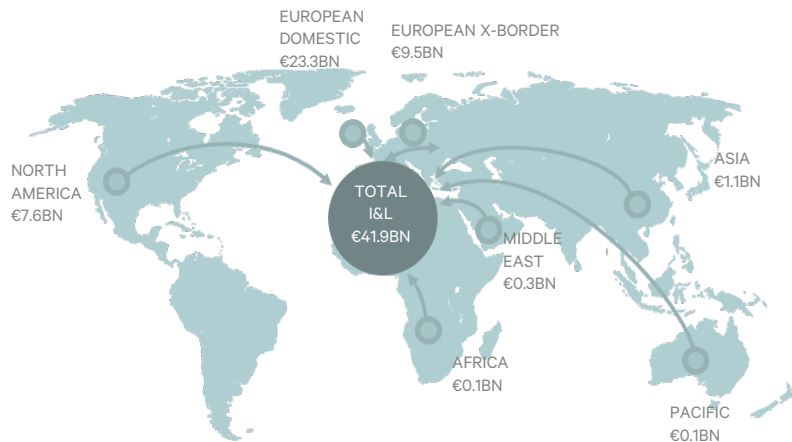


Source: CBRE Research

EUROPEAN INDUSTRIAL AND LOGISTICS CAPITAL MARKETS FIGURES | Q1 2026

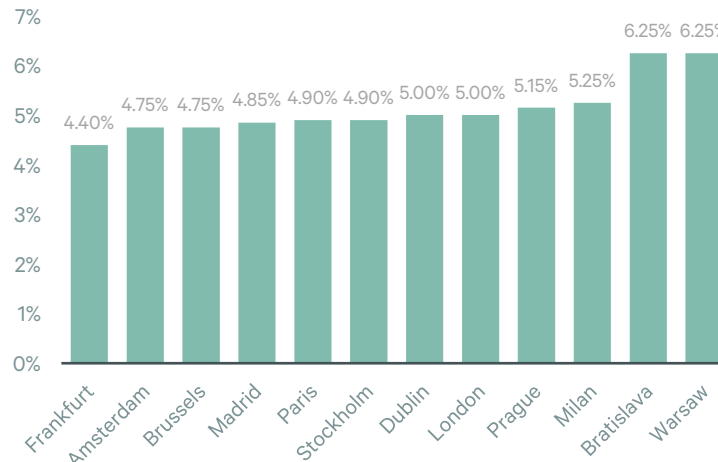
Heightened macro uncertainty kept yields largely on hold, with mild lagged compression in Italy and Portugal

Figure 5: Capital flows into European I&L, Year to Q1 2026



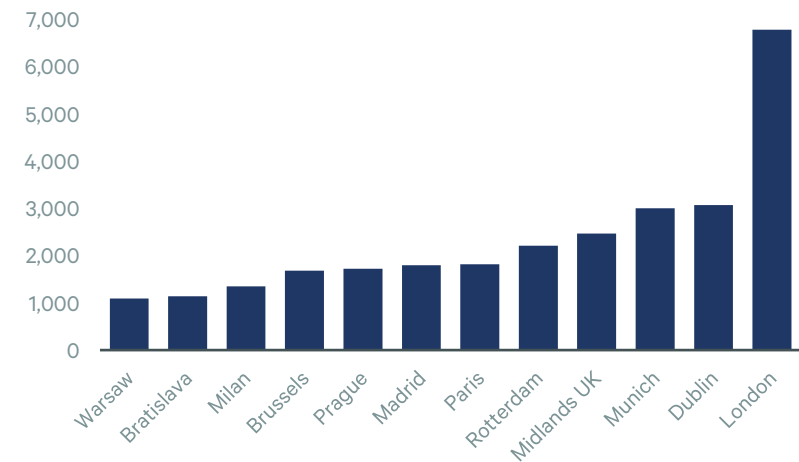
Source: CBRE Research

Figure 6: Prime logistics yields, Q1 2026



Source: CBRE Research

Figure 7: Prime logistics capital values, Q1 2026 (€/sq m)



Source: CBRE Research

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