macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS



Macro View: Global & Swiss Markets

The world tightens, Switzerland doesn't – what it means for real estate

Dr. Ólafur Margeirsson | SFORES, Bad Ragaz | 3 November 2026

macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

What to take away from the next 30 minutes

Higher rates abroad, low rates at home and how to position oneself for the difference in cycle phases

- **The energy shock has turned the global rate cycle**: almost half of the 37 central banks we track are raising rates. A year ago, four in five were cutting.
- In Europe, **property returns now have to come from rents, not from falling yields**: yields are moving out again and spreads over bonds are tight in 93.5% of the markets we track.
- Switzerland is the exception – a policy rate of 0.00%, falling property yields and a housing shortage – **but it is priced like one**.
- Hedged into CHF, foreign prime yields offer little or nothing extra. **Go abroad for growth**, i.e. sectors with structural tailwinds that Switzerland barely offers, **not for yield**.

macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

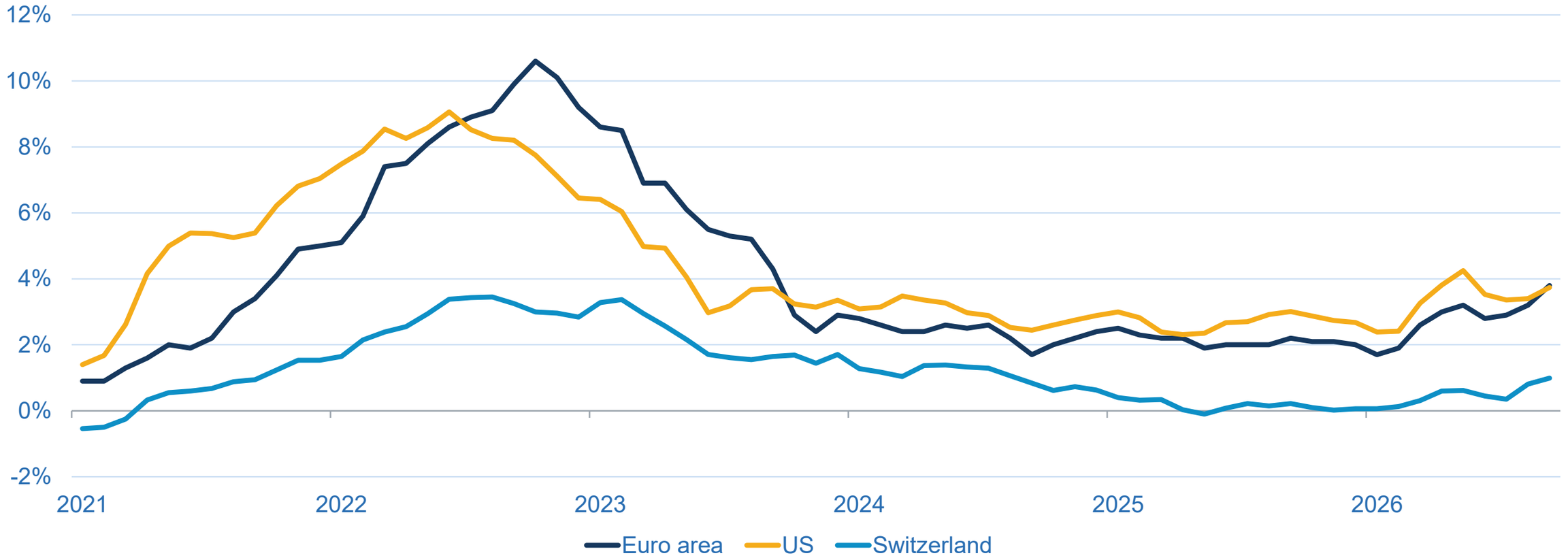
Global macro: the rate cycle has turned

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

An energy shock, not (yet) a wage-price spiral

Euro area 3.8%, US 3.7%, Switzerland 1.0% in September; core inflation is still near 2.5%

Headline consumer price inflation, year-on-year, %



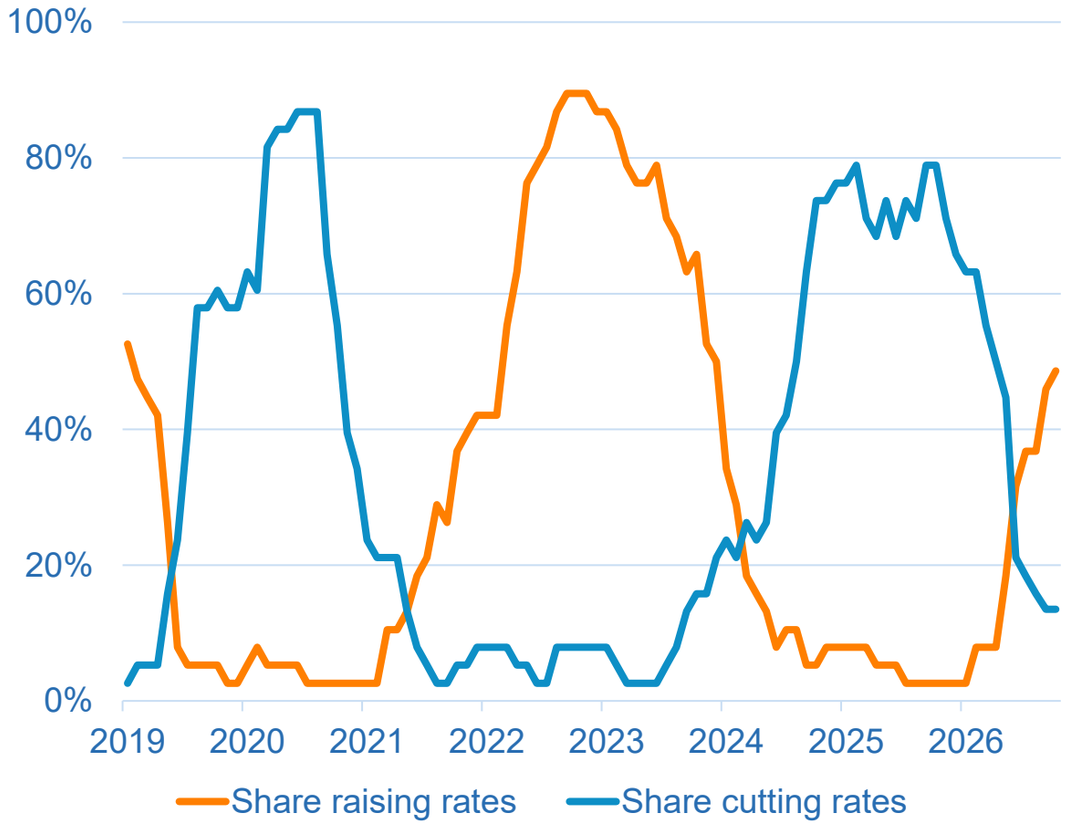
Note: core inflation (ex energy and food) 2.5% in the euro area, 2.6% in the US, September 2026. Source: Eurostat, US BLS via FRED, SNB, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

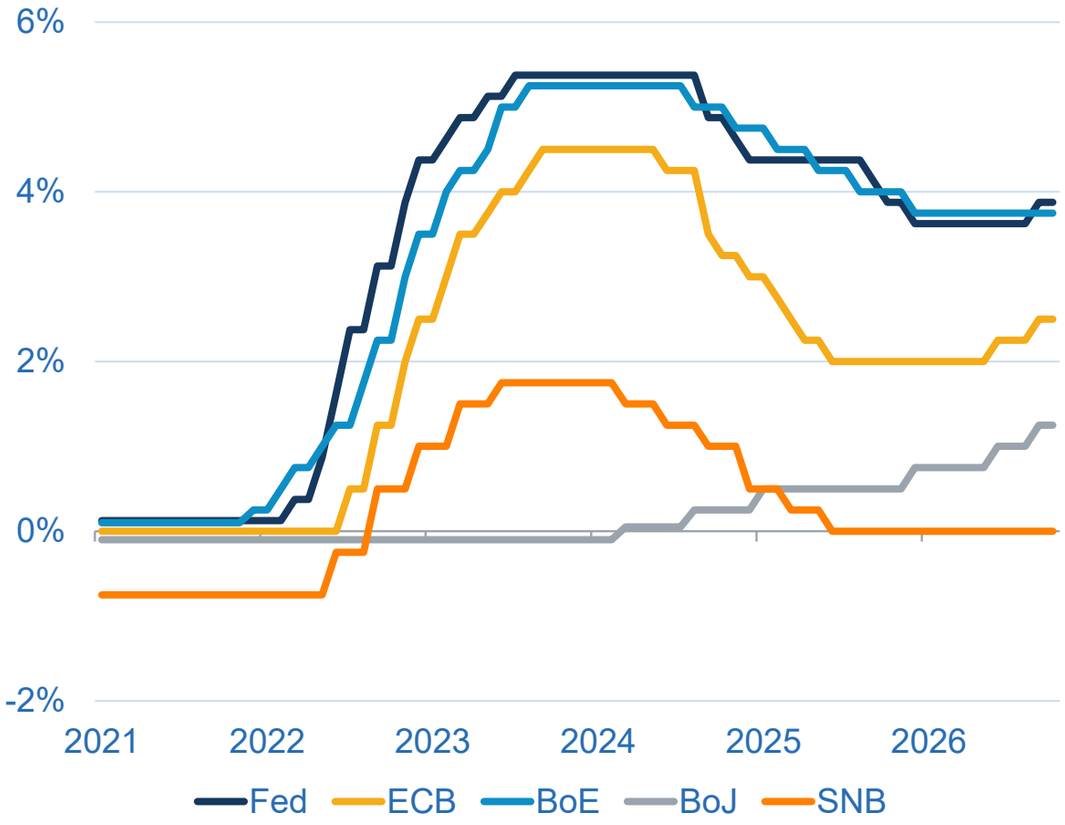
Almost half of central banks are hiking again

A year ago four in five were cutting; the SNB holds at 0.00% while the others hike

Central banks raising vs cutting, %



Policy rates, %



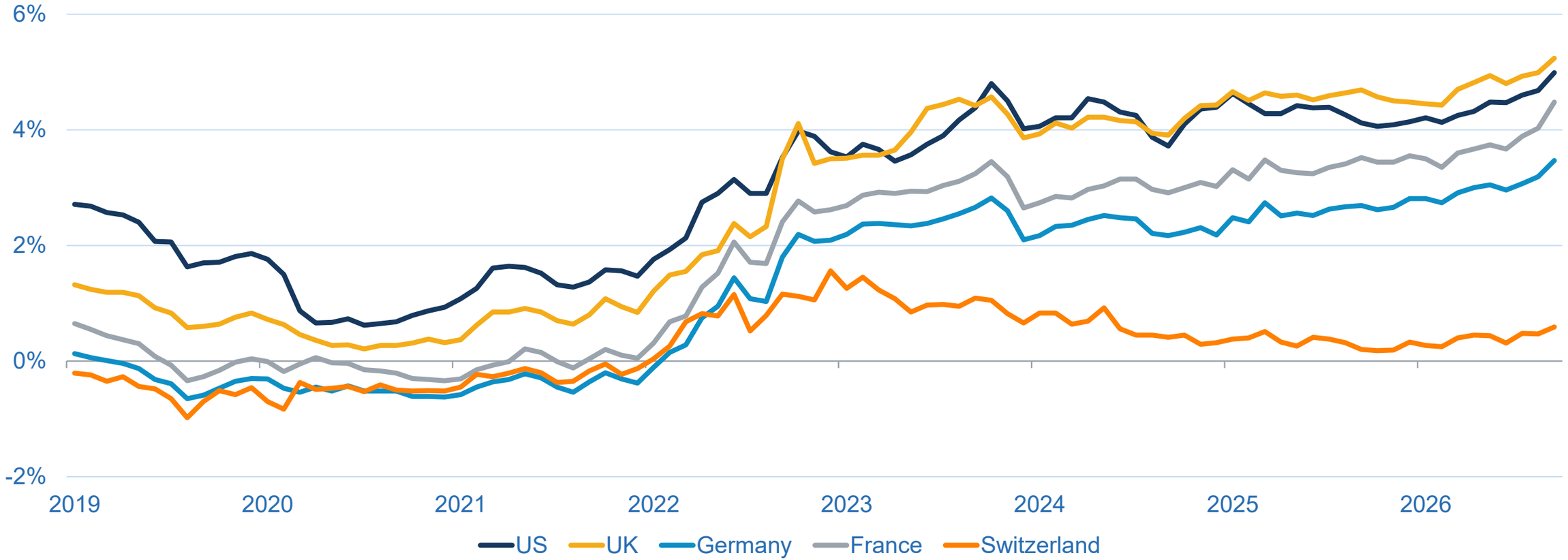
Note: share of 37 central banks with a higher (lower) policy rate than six months earlier; data to 19 October 2026; Fed = midpoint of target range. Source: BIS, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Long-term rates have reset higher, except in Switzerland

Latest: US 4.9%, UK 5.2%, France 4.9%, Germany 3.3%, Switzerland 0.5%

10-year government bond yields, monthly average, %



Note: chart to September 2026 (monthly averages); latest levels as of 2 November 2026. Source: OECD via FRED, Bloomberg, Macro Real Estate

macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

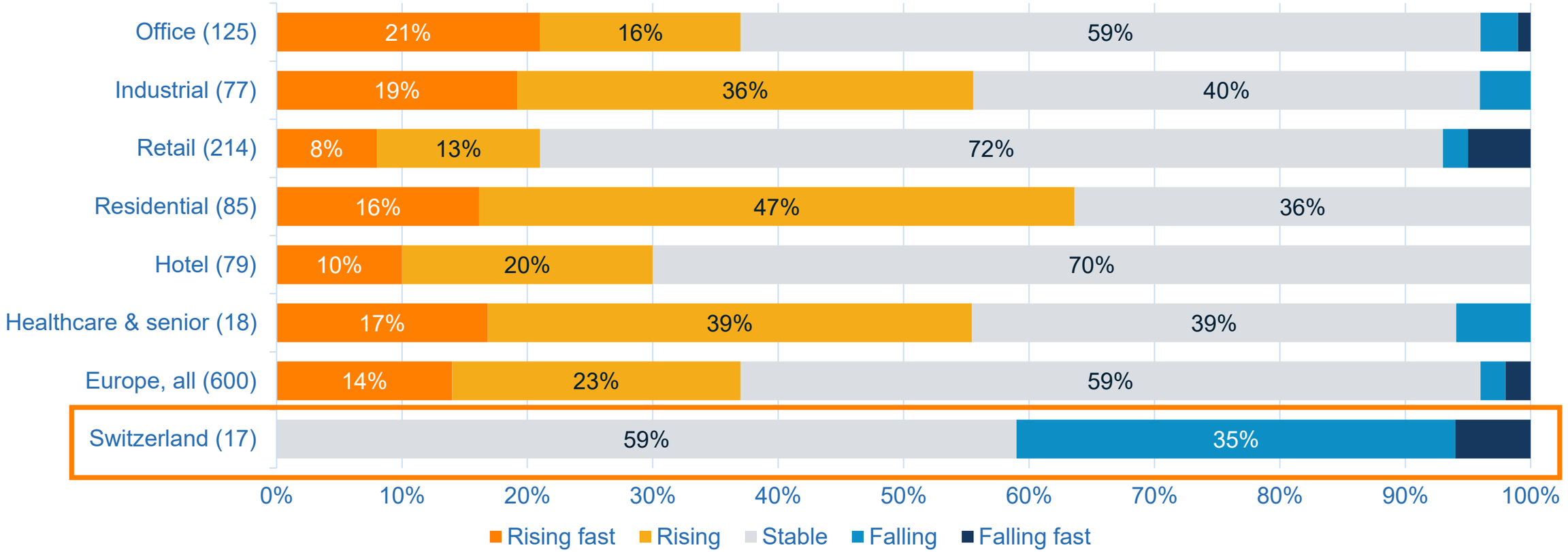
Real estate: returns now have to come from income growth

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

European yields are moving out again

More than a third of ca. 600 CBRE yield series rose over three months, only 4% fell; Swiss yields fell

CBRE yield series by 3-month change, % of series (number of series)



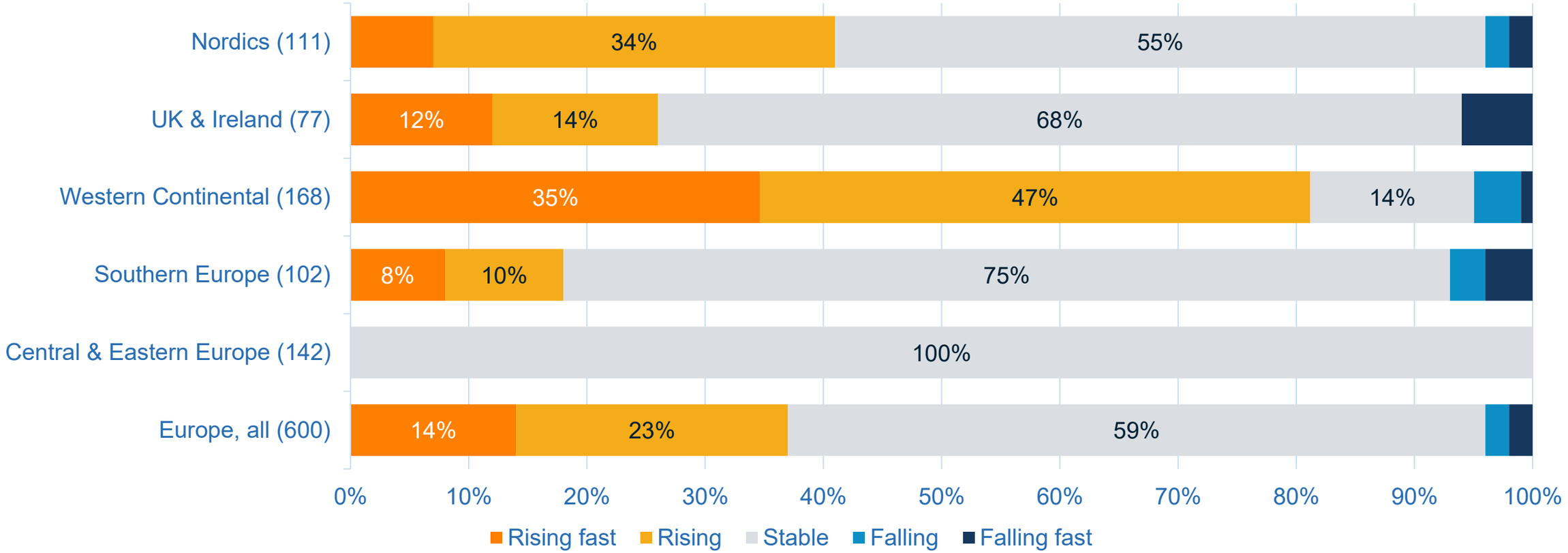
Note: fast = 25 bps or more; rising/falling = 5–24 bps; stable = less than 5 bps; 3 months to Oct. 2026. Source: CBRE, MRE European Yield Monitor, MRE Country Brief Switzerland, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Western Continental Europe leads the repricing

82% of its yield series rose over three months (on average by 18 bps); CEE was unchanged

CBRE yield series by 3-month change, % of series (number of series)



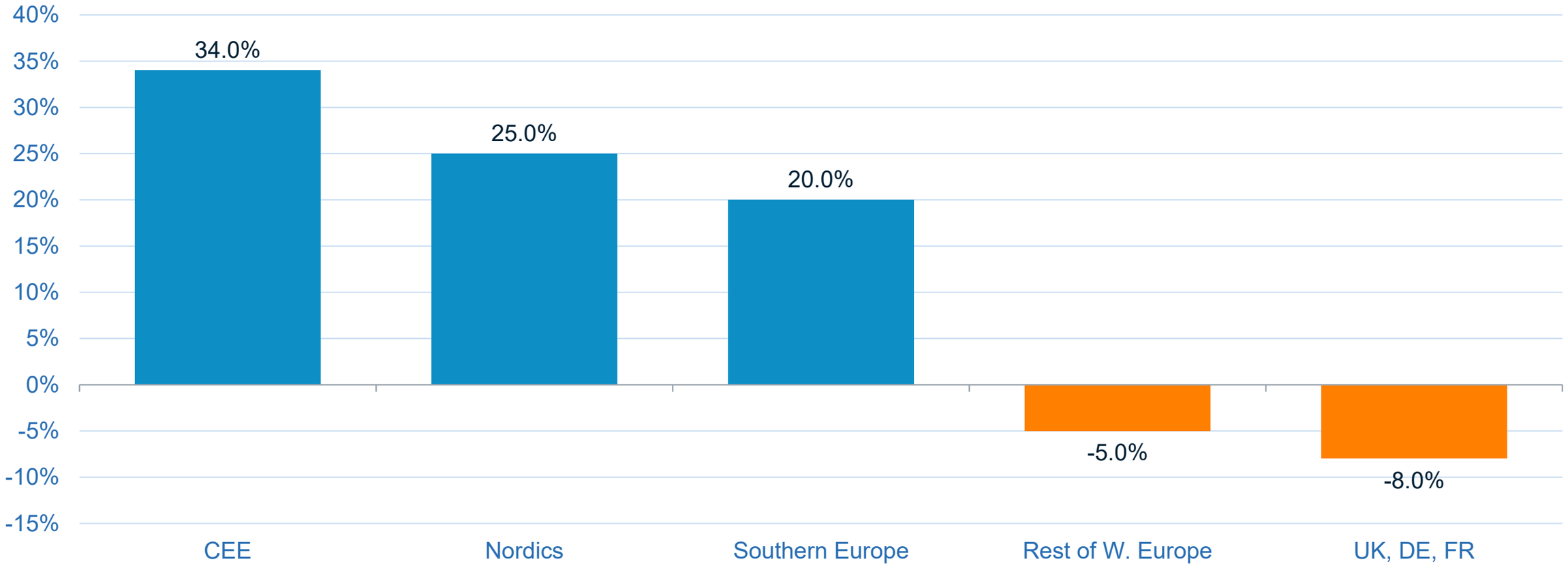
Note: three months to October 2026. Source: CBRE, MRE European Yield Monitor, October 2026, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Capital is selective: the periphery leads

European volumes up 4.0% to EUR 156bn in nine months, but the UK, Germany and France are down 8.0%

Investment volume, Q1–Q3 2026 vs Q1–Q3 2025, change in %



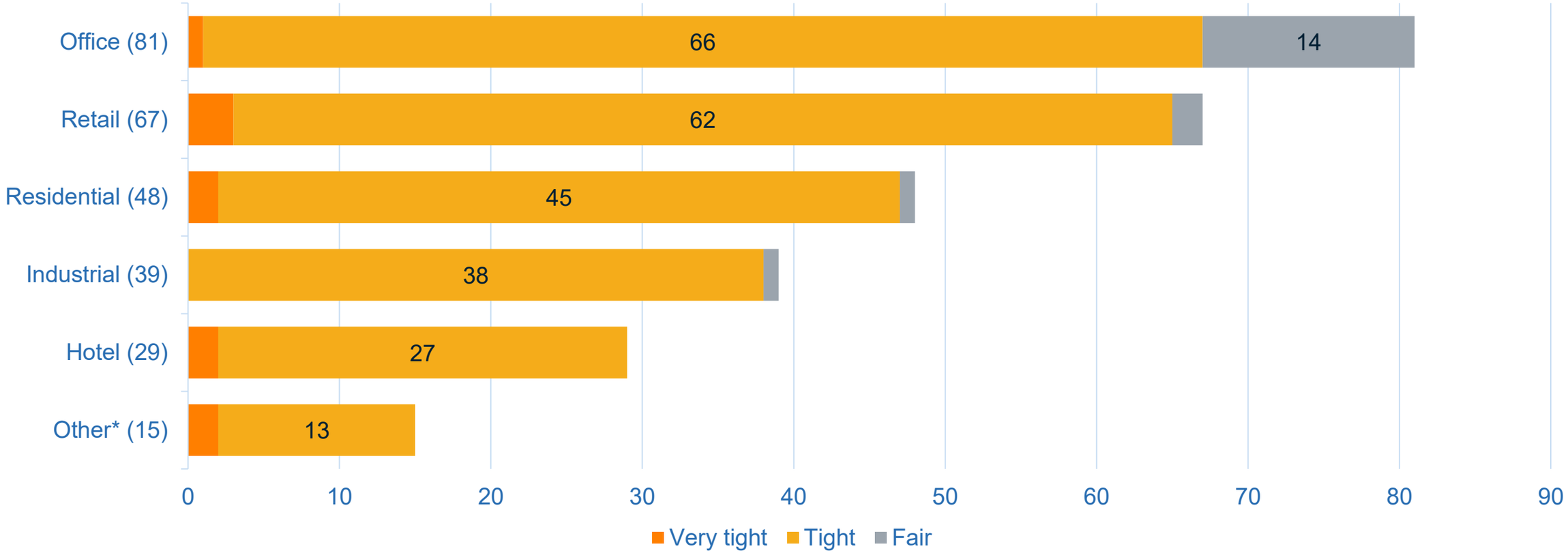
Source: Savills European Investment Nowcast Q3 2026, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Spreads over bonds are tight almost everywhere

93.5% of 279 European prime markets have tight or very tight spreads; none are wide

Prime markets by MRE Score zone and sector, number of markets



Note: MRE Score = prime yield spread over the 10-year bond vs its own five-year history; Oct. 2026. *Healthcare, senior housing, data centres, leisure. Source: CBRE, Bloomberg, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Rents are doing the heavy lifting

Prime office rents up 5.0% y/y across up to 43 European cities, even as prime yields edge out

- Milan: record CBD prime rent of EUR 850 per m² a year, up ca. 12% y/y
- Germany: prime logistics rent up 6.6% y/y to EUR 9.55 per sqm a month
- UK logistics: vacancy down to 6.6%, the lowest since Q1 2025
- Dublin: office take-up 28% above its five-year average; AI firms drove tech demand
- Manhattan: office availability at 13.7%, the lowest since Q3 2020

Prime rental growth, Q3 2026, %



Source: Cushman & Wakefield DNA of Real Estate Q3 2026, CBRE, Savills, Macro Real Estate

macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

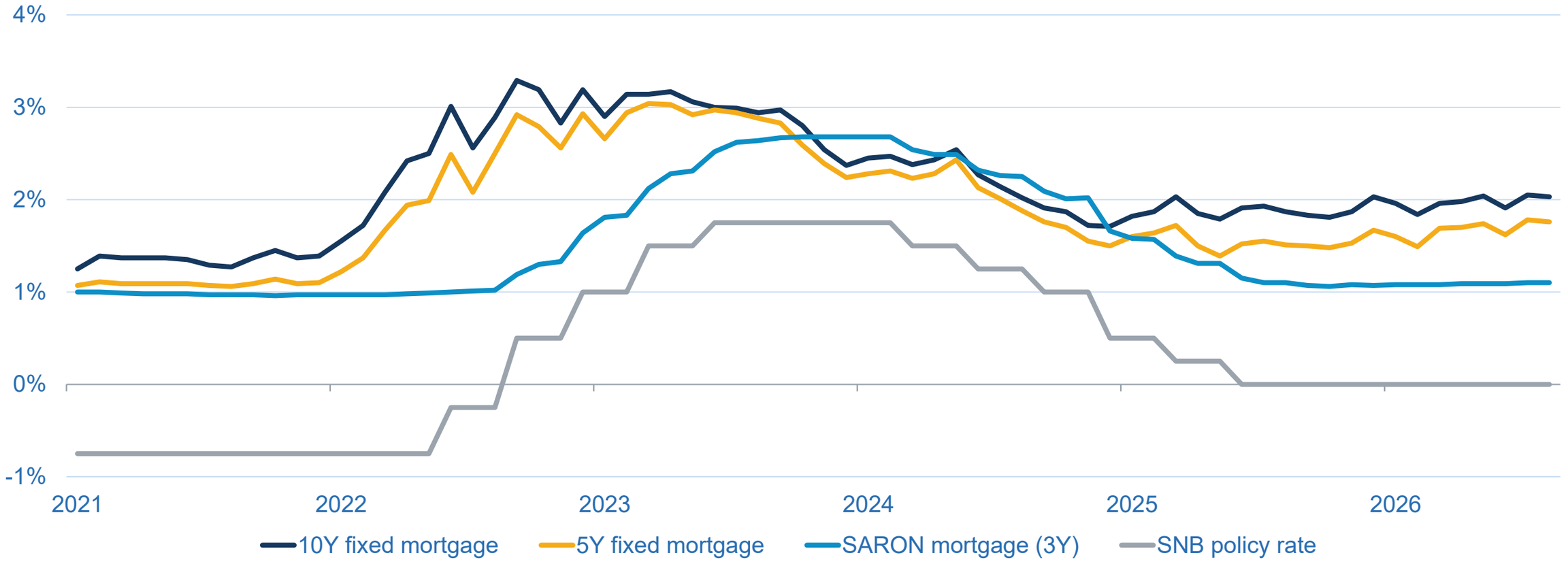
Switzerland: the exception

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Swiss financing costs stay low while the world tightens

SNB at 0.00% and inflation at 1.0%; fixed 10-year mortgages ca. 90 bps above SARON loans

Indicative rates for new mortgages (mean) and SNB policy rate, %



Note: mortgage rates to August 2026: 10-year fixed 2.03%, 5-year fixed 1.76%, SARON (3-year) 1.10%. Source: SNB, BIS, Macro Real Estate

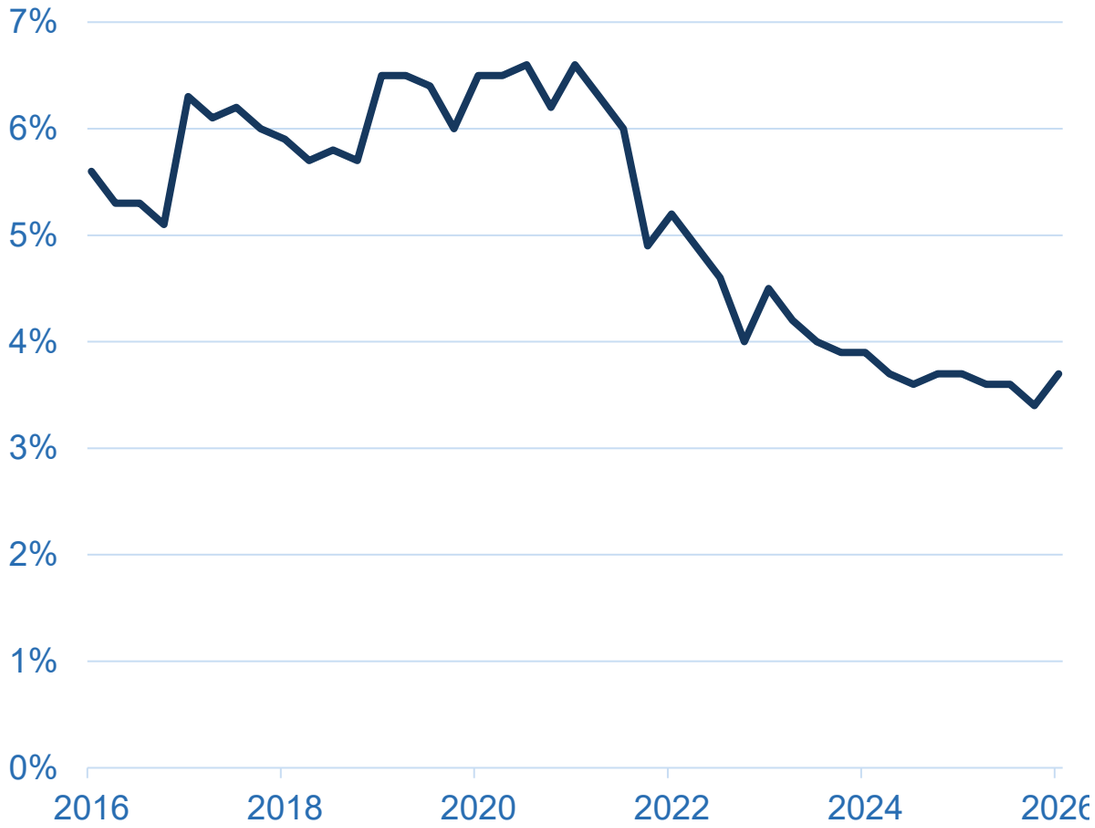
macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Swiss housing: demand keeps outrunning supply

The vacancy rate fell to 0.9% in June 2026, from 1.7% in 2021

- 45,493 vacant dwellings, down 6.1% y/y; rental units on offer have fallen six years in a row
- Vacancy: Zurich region 0.5%, canton of Zug 0.2%
  - Weak rental growth, despite low vacancy, signalling affordability is an issue
- Population above 9.1 million at end-2025, 10.5 million by 2055 in the FSO reference scenario
- Residential returned 6.2% in 2025, the best of all sectors
- Rents of sitting tenants follow the reference rate, held at 1.25% (next review 1 December 2026)

Rental flats: availability, % of stock



Source: FSO, BWO, Wüest Partner, Macro Real Estate

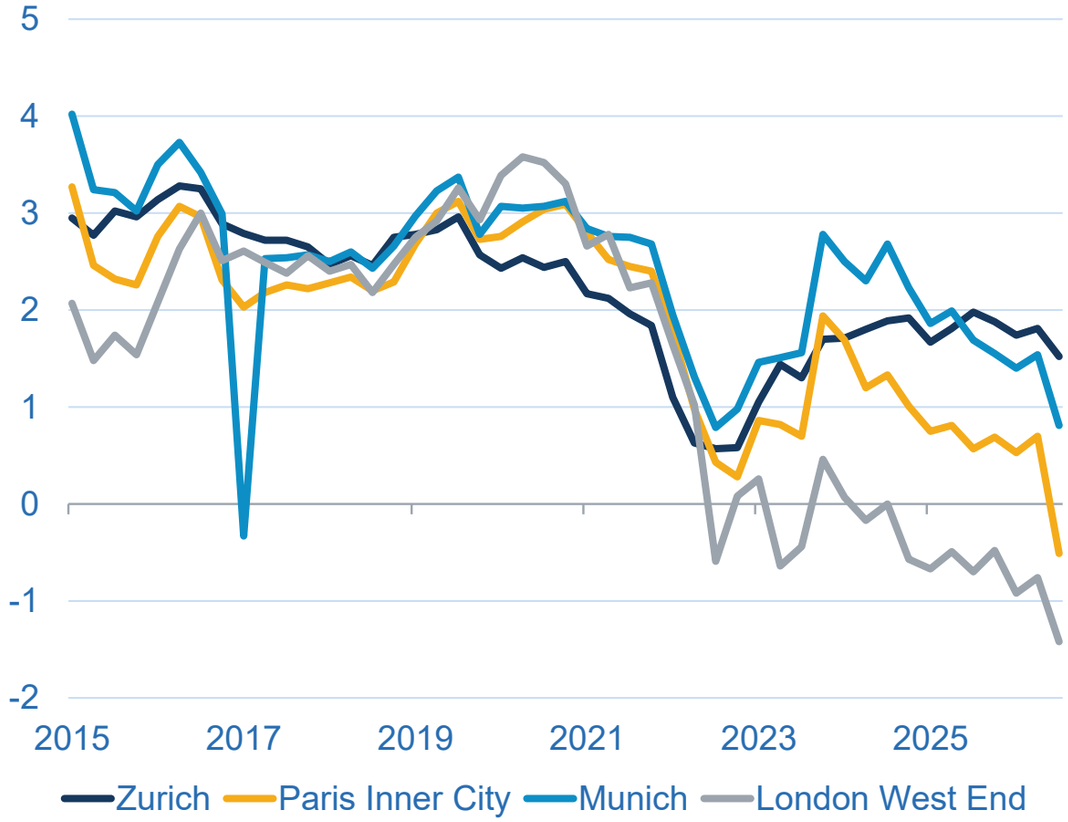
macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Swiss property still pays a premium over bonds

Zurich prime offices yield ca. 1.5 pp more than bonds; in Paris and London the spread is negative

- Swiss yields keep falling: of 17 CBRE series, none rose and 7 fell over three months
- Europe moved the other way: average up 6 bps over three months
- 8 of 11 Swiss markets have fair spreads on our MRE Score; across Europe only 18 of 279 do
- Investment volume up 56% y/y over the last four quarters
- But levels are low and downside risks considerable: Zurich prime office 2.10%, multifamily 1.90%; a 25 bps rise in yield costs ca. 11% of value
- Regulatory risks are real and binary (Lex Koller expansion; further limits on rent increases)

Prime office yield minus 10-year bond, pp



Source: Wüest Partner, CBRE, Bloomberg, Macro Real Estate

macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

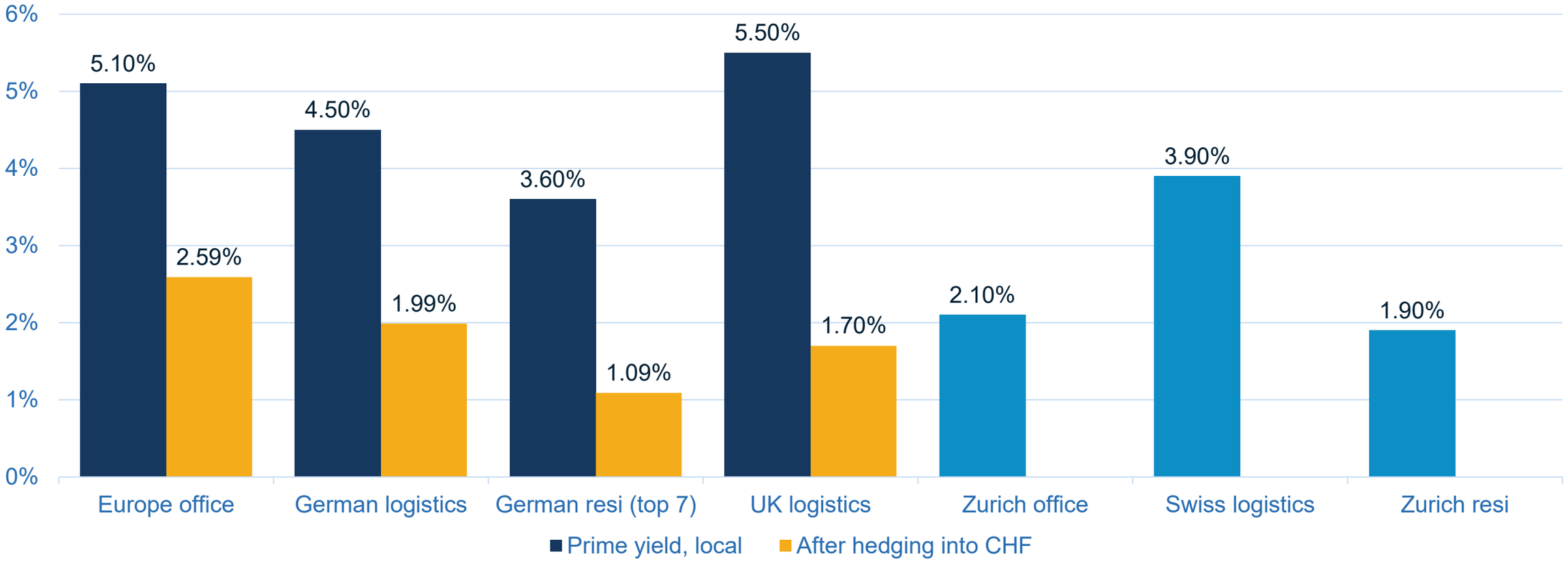
What it means for a family office

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

After hedging, foreign yields lose their edge

Hedging EUR into CHF costs ca. 2.5 pp a year, GBP ca. 3.8 pp. This is most of the yield premium.

Prime yields, local and after hedging into CHF, % (Swiss assets in blue)



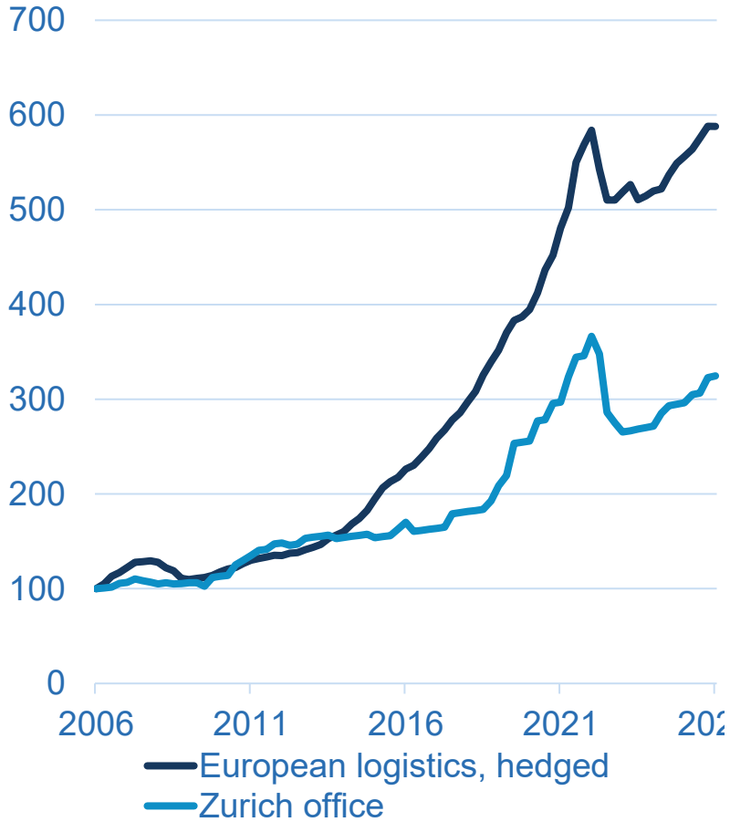
Note: hedge cost approximated by the overnight rate differential (ESTR 2.4%, SONIA 3.7% vs SARON -0.1%, Sept. 2026 averages); ignores basis and costs. Yields Q3 2026. Source: CBRE, Savills, SNB, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

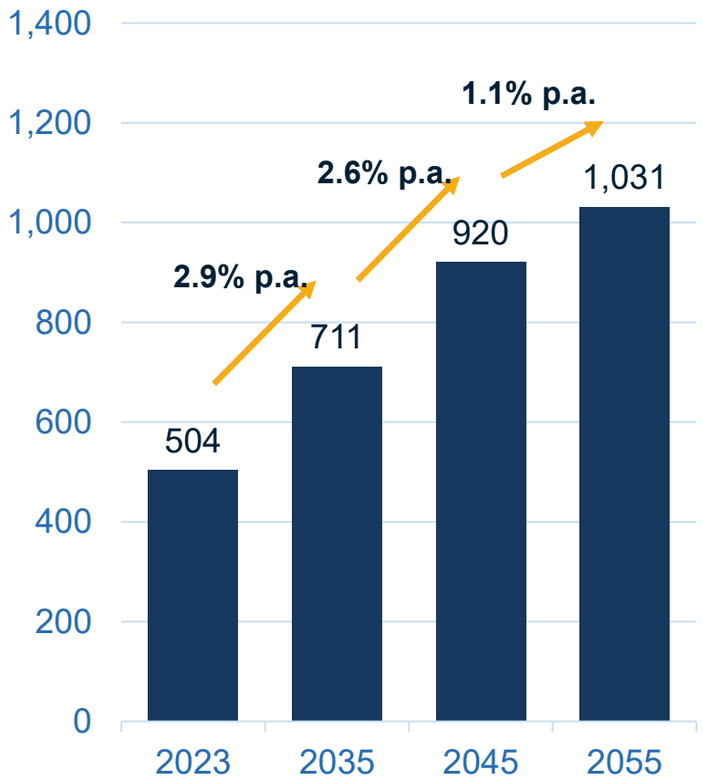
Buy the sector, not the market

Logistics returned ca. 9.3% a year (CHF hedged) over 20 years; ageing is today's tailwind

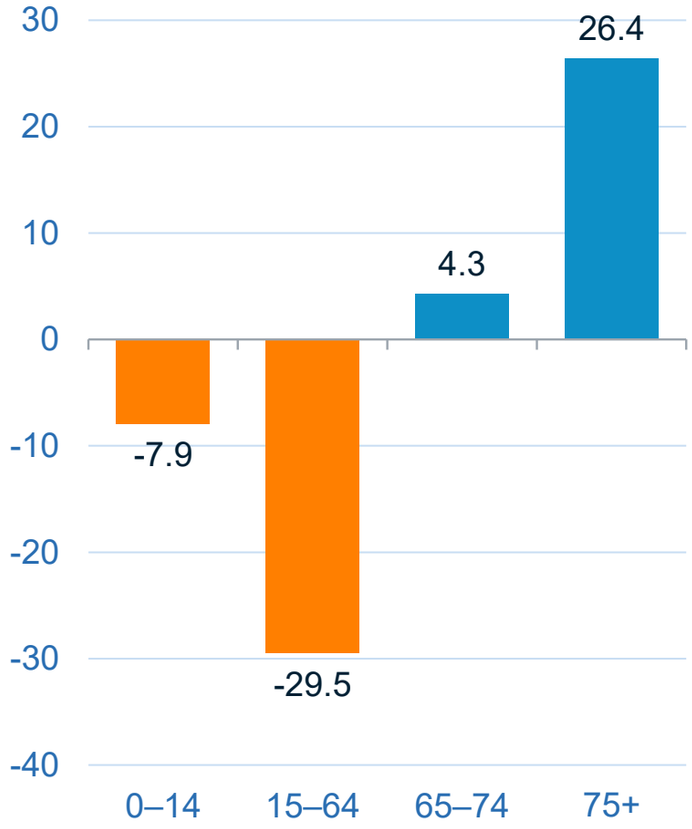
Prime total return, CHF, 2006 = 100



Swiss residents aged 80+, thousands



EU population change to 2050, m



Note: implied from CBRE prime rents and yields (euro area, equal-weighted, no costs or capex), hedged into CHF; 80+: FSO reference scenario. Source: CBRE, SNB, FSO, European Commission, Macro Real Estate

macro REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

What this means for a family office

Underwrite income growth, be selective at home and concentrated abroad

- **Underwrite on rental growth**, not on yields falling again: the bond market will not do the work.
- At home, Swiss housing remains the anchor, but at yields around 2% **there is no room for overpaying**.
- Abroad, **buy the sector, not the market**: concentrated positions in sectors with tailwinds that Switzerland barely offers, e.g. senior housing and logistics. Choose the operator as carefully as the building.
- **Decide on the currency first**: hedged, the return must come from rental growth; unhedged, from the franc not rising further.
- Use your edge: **patient, low-leverage capital can buy when others have to sell**, most likely in Western Continental Europe.
- **Watch four things**: the Strait of Hormuz, the French budget, the SNB and regulations (Lex Koller especially)

macro
REAL ESTATE
ANALYTICS • STRATEGIES • TRANSACTIONS

Thank you! Questions and discussion

Dr. Ólafur Margeirsson, Partner
Macro Real Estate,
olafur.margeirsson@macrorealestate.com
macrorealestate.com

Disclaimer

Research Disclaimer

The distribution of this document in any jurisdiction other than Switzerland may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. This document is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdiction.

This document was produced by and the opinions expressed are those of Macro Real Estate as of the date of writing and are subject to change. It has been prepared solely for information purposes and for the use of the recipient. It does not constitute an offer, an invitation, a personal recommendation or advice by or on behalf of Macro Real Estate to any person to buy or sell any security. Any reference to past performance is not necessarily a guide to the future. The information and analysis contained in this publication have been compiled or arrived at from sources believed to be reliable but Macro Real Estate does not make any representation as to their accuracy or completeness and does not accept liability for any loss arising from the use hereof. Subject to applicable law, the issuer of the securities referred herein or a Macro Real Estate group company may have acted upon the information and analysis contained in this publication before being made available to clients. A Macro Real Estate group company may, to the extent permitted by law and applicable self-regulatory standards (namely the Directives of the Swiss Bankers Association on the Independence of Financial Research), participate or invest in other financing transactions with the issuer of the securities referred herein, perform services or solicit business from such issuers, and/or have a position or effect transactions in the securities or options thereof during the last three years.

Derivative or structured products are complex instruments, typically involve a high degree of risks and are intended for sale only to investors who are capable of understanding and assuming the risks involved. Investments in emerging markets are speculative and considerably more volatile than investments in established markets. Some of the main risks are political risks, economic risks, credit risks, currency risks and market risks. Furthermore, investments in foreign currencies are subject to exchange rate fluctuations. Before entering into any transaction, you should consider the suitability of the transaction to your particular circumstances and independently review (with your professional advisors as necessary) the specific financial risks as well as legal, regulatory, credit, tax and accounting consequences. This document may not be reproduced either in whole, or in part, without the written permission of Macro Real Estate. This document contains specific forward-looking statements, beliefs or opinions which are based on current beliefs, expectations and projections about future events, e.g. statements including terms like "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions.

Such forward looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of the underlying securities and investments and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties readers should not rely on forward-looking statements. Macro Real Estate assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

For Entities and Clients in the United States

Macro Real Estate is not registered as a broker-dealer with the US Securities and Exchange Commission, and it and its analysts are not subject to SEC rules on securities analysts' certification as to the currency of their views reflected in the report. Macro Real Estate is not a member of the Financial Industry Regulatory Authority. It and its securities analysts are not subject to FINRA's rules on Communications with the Public, Debt Research Analysts and Debt Research Reports, and Equity Research Analysts and Equity Research Reports and the attendant requirements for fairness, balance and disclosure of potential conflicts of interest. Macro Real Estate cannot and will not accept orders for the securities covered in this research report placed by any person or entity in the United States.

For UK clients

Macro Real Estate is a company limited by shares incorporated in Switzerland which has no permanent place of business in the UK and which is not an authorised person for the purposes of the Financial Services and Markets Act 2000. The protections provided by the UK regulatory system will not be available to the recipients of any information or documentation provided by Macro Real Estate and compensation under the Financial Services Compensation Scheme will not be available.

The information contained in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information relating to the investments or companies referred to in it. The information and analysis contained in this publication have not been authorised or approved by the issuer of the securities referred herein. Neither Macro Real Estate nor any of its directors, officers or employees, nor any other person shall have any liability whatsoever (for damages, in negligence or otherwise), howsoever arising from any use of this document or its contents or otherwise arising in connection with this communication. This document is not a prospectus and does not constitute or include an offer or invitation to subscribe for or to purchase any investment.

By accepting this document, you agree to be bound by the foregoing limitations.

Data Sources

Data used in this report are sourced from Company data, real estate brokers, Bloomberg, and Macro Real Estate estimates. When used, additional data sources are indicated.

Copyright © Macro Real Estate AG. All rights reserved.