



REAL ESTATE AND CONSTRUCTION

Thrive Index 2026

A strong year but financial
pressures building

Real estate outperforms global benchmark but financing worries pile up

+38.2

Thrive Index score for real estate

69%

Expect costs to rise again next year

Real estate and construction recorded an overall Thrive Index score of 38.2, slightly above the global average for the world's key industries.

The Moore Thrive Index measures 5 key pillars vital for success in the global economy – general business performance, revenue, the labour market and investment.

In real estate and construction, the strongest scores were in business performance (+69.9), investment (+68.8) and revenue (+67.7). However, cost pressures were higher than the global average.

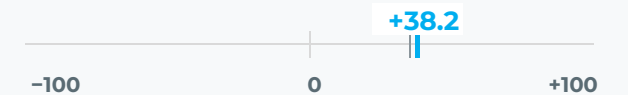
More than two-thirds expect expenses to raise again over the next 12 months due to higher interest rates and financing costs.

REAL ESTATE v GLOBAL AVERAGE

+3.1 points

+12.8 Maritime +38.2 This sector +43.3 Tech

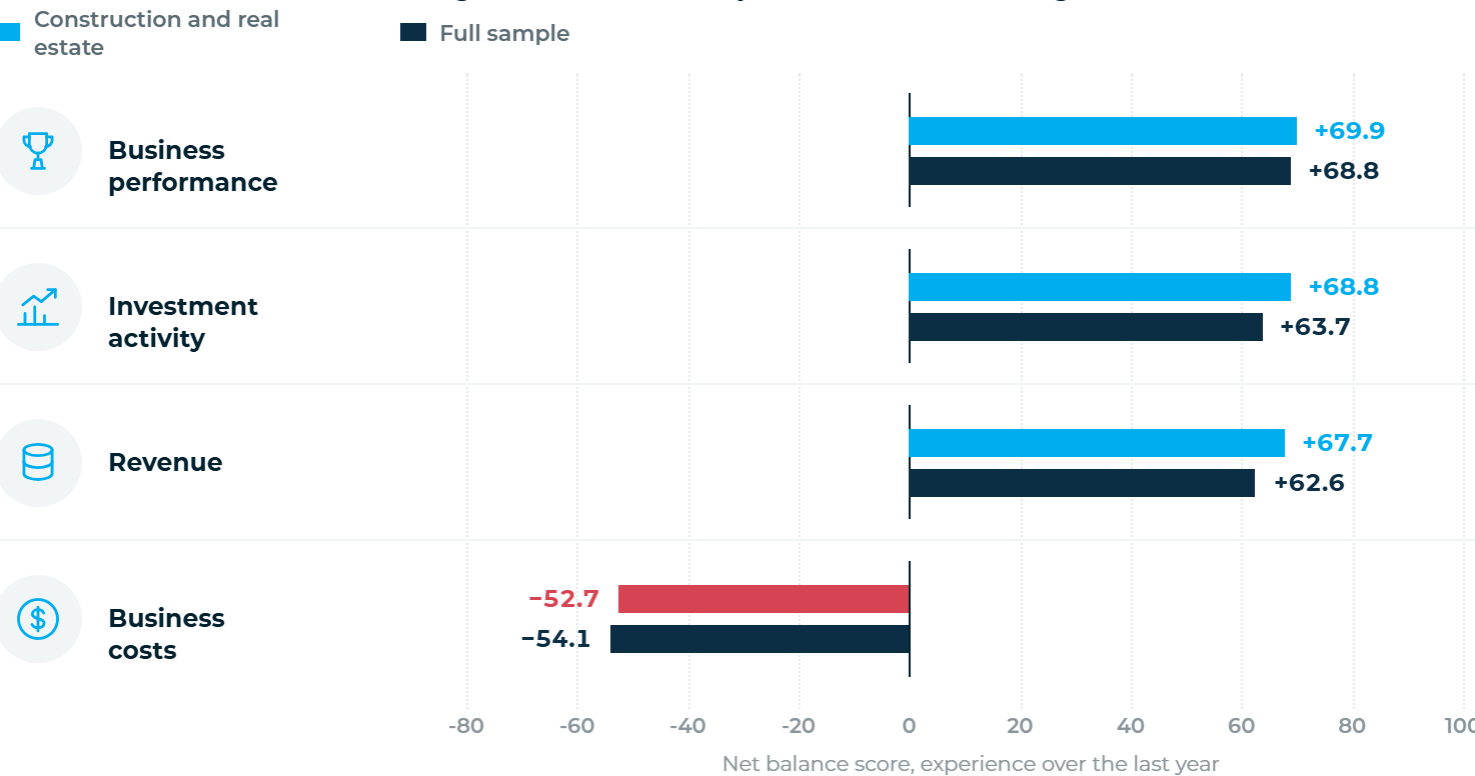
HOW TO READ A SCORE



Every figure is a net balance: positive responses less negative ones. Zero is neutral. Pillar scores combine the backward- and forward-looking readings.

Ahead of the sample on **key measures** last year

Construction and real estate against the full sample, backward looking



+5.1

ahead of the global average on both revenue and investment

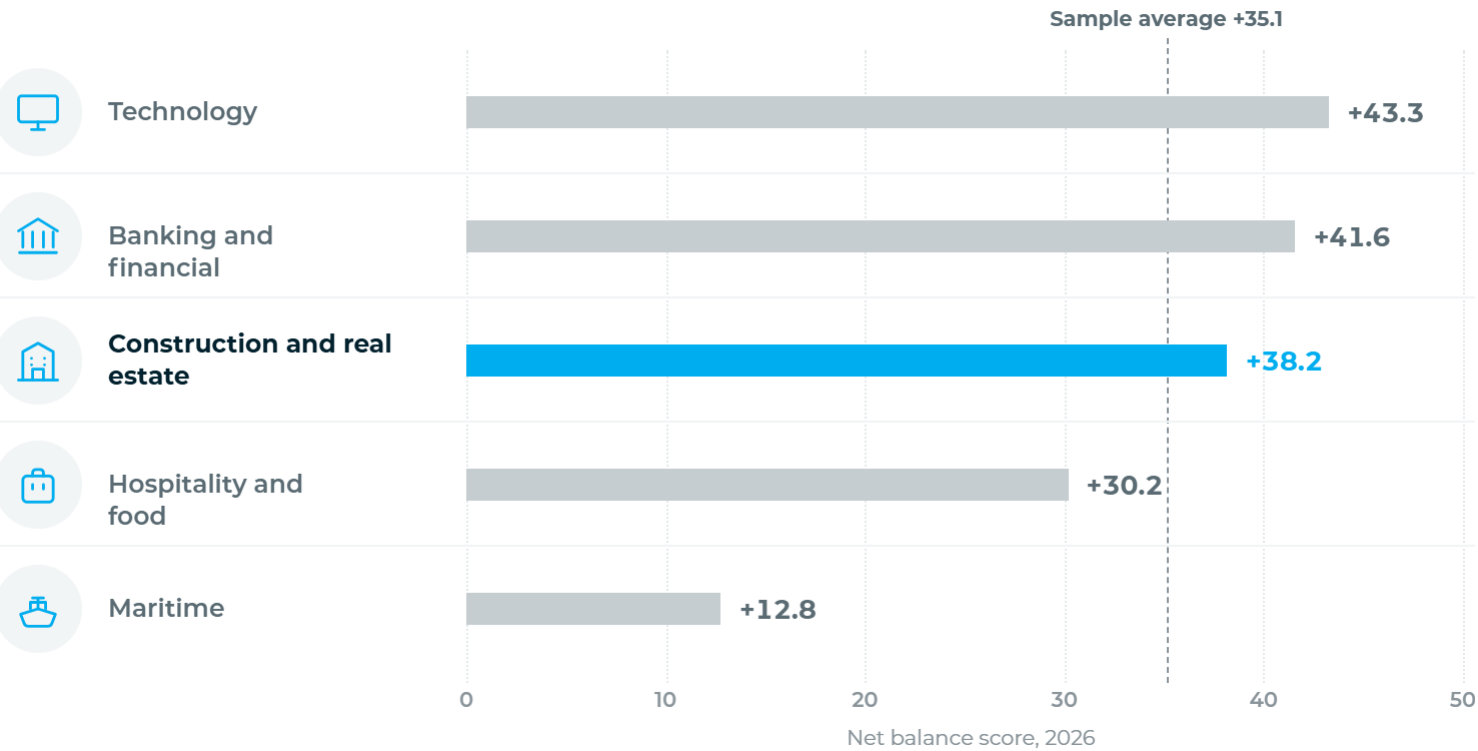


-52.7

cost score, 1.4 points better than the global average

Third of 15 main sectors in the world economy

Overall Index score, the top three and the two adrift



GAP TO THE TOP

5.1 points

Technology leads league table on +43.3; banking sits between on +41.6



+35.1

full-sample average, 3.1 points below this sector

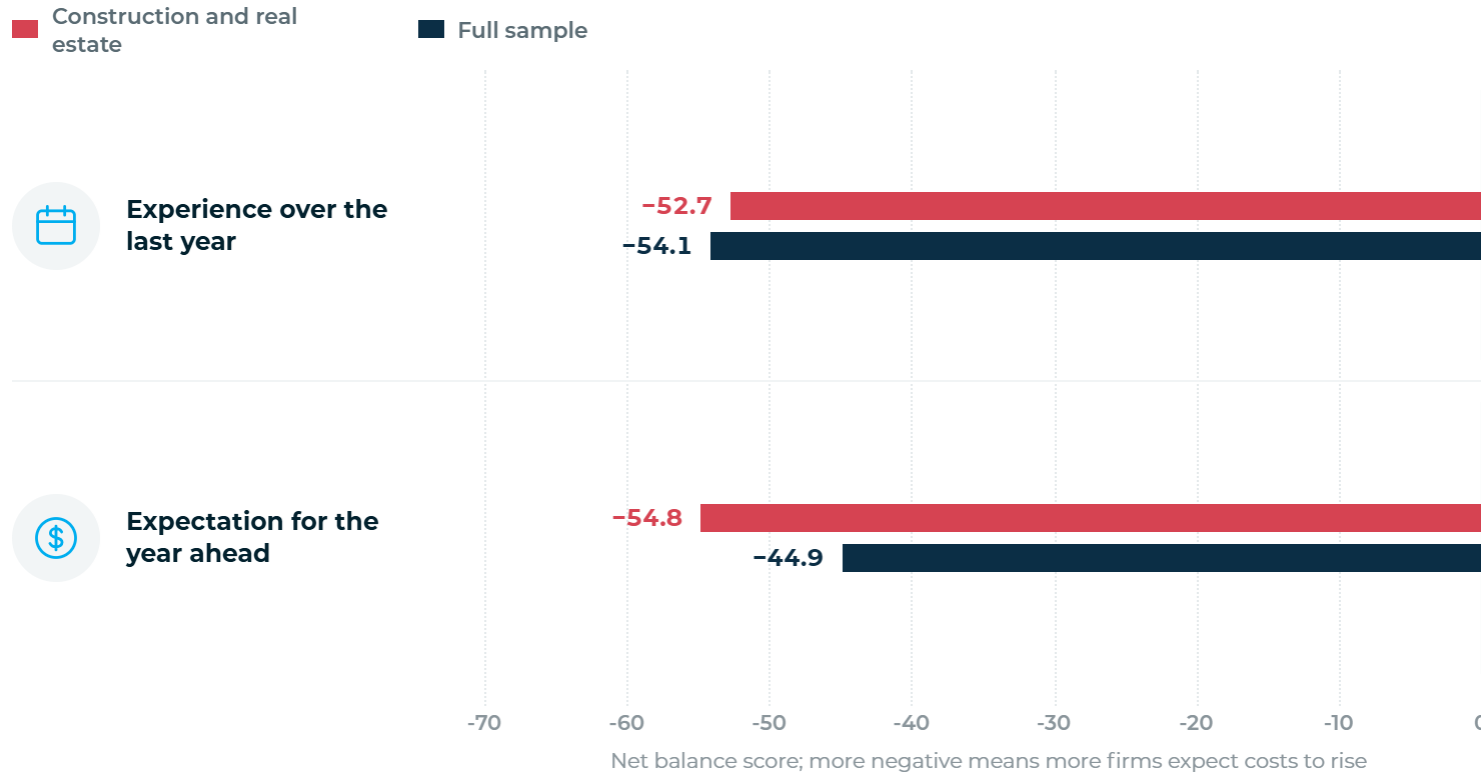


Top 5

on the business performance pillar; 3rd on investment

Real estate more worried about costs this year than other main industries

Cost pillar, construction and real estate against the full sample



WHAT WILL PUSH COSTS UP

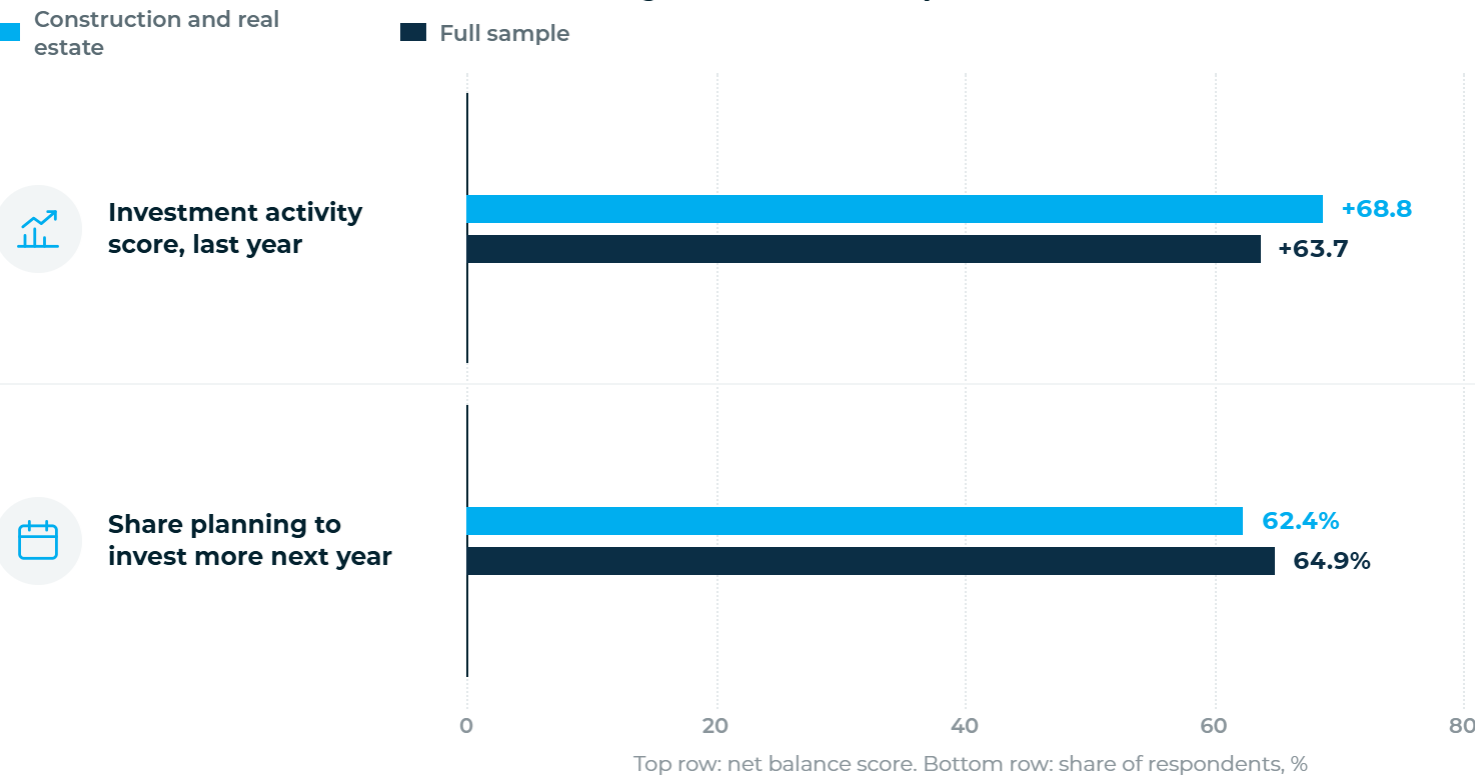
- 01 Interest rates and financing costs
- 02 Raw material costs
- 03 Utilities and fuel costs

68.8%
expect costs to rise next year; 14.0%
expect a fall

9.9
points worse than the sample on
expected costs

Still investing, but more cautious than the global average

Investment, construction and real estate against the full sample



INVESTMENT ACTIVITY, LAST YEAR

+68.8 3rd of 15

Behind technology and banking; 5.1 points above the global average



62.4%

plan to raise investment levels



64.9%

of the full sample plan the same: 12.0% expect to scale back

Three moves for real estate and construction firms

01

Lock in finance before it becomes more expensive

Interest rates and financing costs are the first-named driver of rising costs, in a sector that relies on external finance. Fix terms where possible and stress-test projects against higher rates.

1st

financing costs lead the cost drivers

02

Assume higher material and energy costs in every bid

Raw materials and utilities sit second and third among the drivers. With 68.8% expecting costs to rise, contracts written on last year's inputs will not hold their margin.

68.8%

expect costs to rise again next year

03

Keep investing but be selective

Nearly two in three firms still plan to invest more, and the sector ranks third on the investment pillar. Direct it at productivity and pre-let demand rather than speculative volume.

62.4%

plan to raise investment next year



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