

London is considered to be one of the world's most important global cities and has been deemed the world's most powerful, most desirable, most influential, most visited, most expensive, innovative, sustainable, most investment friendly, and most popular for work city in the world. The city is one of the world's largest financial hubs and ranks 26 out of 300 major cities for economic performance.

POPULATION

In 2016, there were 8.8 million living in the capital, 13% of the total UK population. Over five years from 2011 London's population rose by around 650,000, an annual increase of around 120,000 a year. Rapid growth is expected to continue, with the population reaching 9.3 million by 2021.

PROPERTY MARKET

The number of homes built in London remained at near record levels in the second quarter of 2019.

There were 2,400 construction starts recorded in the year to Q2 2019. While the number of prime sales increased in the year to Q2 for the first time since Q3 2017. Around 3,400 prime sales represent a 9% increase on the previous quarter.

In the latter months of 2019, transactions in some of London's wealthiest boroughs (Mayfair, Knightsbridge, and Kensington) rose by 14% on the same period last year. Buyers reportedly negotiated an average discount of 11% off the original asking prices.

On the rental side, between 2018 and 2022 rents in Greater London are expected to rise by an average 2.5% per year.



EMPLOYMENT

In the three months to July 2019 there were 4.6 million Londoners in work. The capitals' 16-64 employment rate was 74.3% and the UK's employment rate rose by 0.6 percentage points on the year, returning to its joint record high of 76.1%. While the city's unemployment rate stood at 4.6%, unchanged on the previous year.

There were 6.1 million jobs in London in the first quarter of 2019, an increase of 100,000 jobs or 1.7% on the previous year. Among the capitals' sectors, Professional, Scientific & Technical activities saw the highest annual growth in jobs (+45,000), followed by Transport and Storage, and Accommodation and Food Services (+15,000 for both).

Data from the Office for National Statistics shows that average annual growth in weekly earnings for employees increased to 4.0% for total pay (including bonuses). After adjusting for inflation this is an increase of 2.1%.

ECONOMY

London's economy outstripped all other English regions with a 19% surge in growth since 2012.

In the first quarter of 2019, Gross Domestic Product (GDP) in the capital grew by 1.2%, following negative growth of 0.1% in Q4 2018. Compared with the same quarter of the previous year, GDP grew by 4.2%.

The finance sector grew by 1.9% making the largest positive contribution to the city's growth at 0.28 percentage points. Of the other main industrial groups, the service sectors also made a positive contribution to GDP growth at 1.19 percentage points.

INFRASTRUCTURE

London has a comprehensive plan in place for infrastructure to achieve aims such as: shorter journey times, world-class access to the internet and smart solutions to reduce energy and water usage.

The first new scheme the city plans to bring forward is Crossrail 2, which will improve connections between London and the South East. While proposals for a Bakerloo Line extension beyond its upgrade, is also being considered. A key factor of these schemes is the development potential they will unlock in helping to house London's growth.

DEMOGRAPHICS

Those aged 25 to 34 make up a higher proportion of London's population compared with the rest of England.

As a city the capital is more diverse than the rest of the United Kingdom. Across England and Wales, 86% of the population is white based on the 2011 Census, but in London that proportion falls to 69.7%. Around 3.32 million people were born outside of the United Kingdom, a third of which were born within European Union countries, while the other two-thirds were born outside of the European Union.

