

Mori Memorial Foundation Issues GPCI–2023 & GPCI–Financial Centers Reports:
— Latest rankings affected by changes in global transportation, cost of living and workstyles —



48 major cities evaluated in Mori Memorial Foundation's GPCI–2023 Report

Tokyo, November 9, 2023 — [The Mori Memorial Foundation's Institute for Urban Strategies](#), a research body established by Mori Building, Tokyo's leading urban developer, announced today its [Global Power City Index \(GPCI\) 2023](#) report on the overall strength of the world's 48 major cities. There was no change in the rankings from 1st to 7th, and Tokyo (3rd) and Paris (4th) remained close, neither managing to grow their scores from last year. Among other top 10 cities, Dubai rose from 11th to 8th, becoming the first Middle Eastern city in the top 10, while Shanghai dropped from 10th to 15th and Berlin fell two places to 10th. London (1st) and Singapore (5th) improved their scores by renewing strengths that had stagnated during the pandemic.

Global conditions such as international conflicts, high inflation and changing workstyles had a significant impact on this year's rankings overall as well as in six urban functions and 70 indicators. In many cities, "Number of Air Passengers" and "Number of Arrivals and Departures at Airports" under the Accessibility function remained below 2019 levels, indicating continued stagnation in the international aviation sector.

In Livability, "Price Level" and "Housing Rent" rankings changed significantly, likely due to the cost of living. Scores generally declined in "Number of Retail Stores" and "Number of Restaurants," especially among U.S. cities, suggesting that recent work-from-home trends as well as cost of living continued to impact city centers. In Accessibility, "Commuting Time" continued to decrease in the majority of cities since 2019 based on data collected through residential surveys in each city.

Looking at each of the six functions, starting with Economy, Tokyo lost much of its strength and dropped five places to 10th, mainly due to less competitiveness in "Variety of Workplace Options" and "Wage Levels." In R&D, continued strength was exhibited by New York and other U.S. cities that made up half of the top 10. London showed overwhelming strength in Cultural Interaction, especially with recovered performance in "Number of Foreign Visitors," and Dubai also expanded its presence in this function. Livability saw the most change due to rising costs of living. In Environment, European cities, especially those with populations under one million, continued to dominate the top ranks, as they did last year. Strong "Commitment to Climate Action" influenced rankings, as in the case of Geneva, which gained significant strength in this indicator. In Accessibility, Amsterdam was No. 1 for the first time due to high scores in "Commuting Time" and "Average Driving Speed," whereas in previous years the top cities tended to score well in "Number of Air Passengers" and "Direct International Flights."

This year's Mori Memorial Foundation report includes a new index, "GPCI–Financial Centers," which is positioned as a derivative of the GPCI and reflects the growing importance of measures taken by major cities to improve their status as international financial centers. This year's report ranks the competitiveness of the GPCI's 48 cities in this function, using 14 total indicators in four categories.

GPCI–2023 Highlights

London (1st)

London, after seeing its scores decline during the pandemic, made a strong comeback this year in indicators such as “Wage Level” (Economy), “Number of Foreign Visitors” (Cultural Interaction) and “Number of Air Passengers” (Accessibility), all of which rose from last year. Even after the pandemic, London's international air connections remained strong. Scores that declined, however, included “Availability of Skilled Human Resources” (Economy), “Satisfaction with Urban Cleanliness” (Environment) and “Average Driving Speed” (Accessibility).

New York (2nd)

New York remained in 2nd, but its overall score lost ground to London. The city improved in “Wage Level,” “Variety of Workplace Options” and “Commuting Time” (Economy) but declined in “Number of Retail Shops” and “Number of Restaurants” (Livability). Reflecting concerns about the hollowing out of cities due to changes in workstyles, New York lost competitiveness in its number of restaurants and retail stores, representative features of urban life.

Tokyo (3rd)

Tokyo held on to 3rd but was still close to Paris in 4th. “Price Level” and “Housing Rent” (Livability) both improved due to the impact of a weaker yen, which strengthened Tokyo's position as a more affordable city to live in. However, Tokyo lost competitiveness in “Wage Level” and “Variety of Workplace Options” to fall to 10th in Economy, its lowest ranking ever in this function. Tokyo also slipped in “Commitment to Climate Action” and “Satisfaction with Urban Cleanliness” (Environment).

Paris (4th)

Paris came within striking distance of third-place Tokyo but was unable to reverse the ranking. In Accessibility, Paris improved in “Number of Air Passengers” but weakened in “Average Driving Speed” and “Ease of Mobility by Taxi or Bicycle,” both measures of intra-city mobility, in contrast to Amsterdam, which rose in both indicators. Improving intra-city mobility will be key to Paris' future prospects as it prepares to host the 2024 Summer Olympic Games.

Singapore (5th)

Singapore, like London, regained strength after stagnating since the start of the pandemic in 2020. This year the city scored higher in “Wage Level” (Economy), “Number of Foreign Visitors” (Cultural Interaction) and “Number of Air Passengers” (Accessibility). However, while the soaring cost of living was pronounced among all cities, Singapore suffered a particularly significant drop from 25th to 35th in Livability, including lower scores in both “Housing Rent” and “Price Level.”

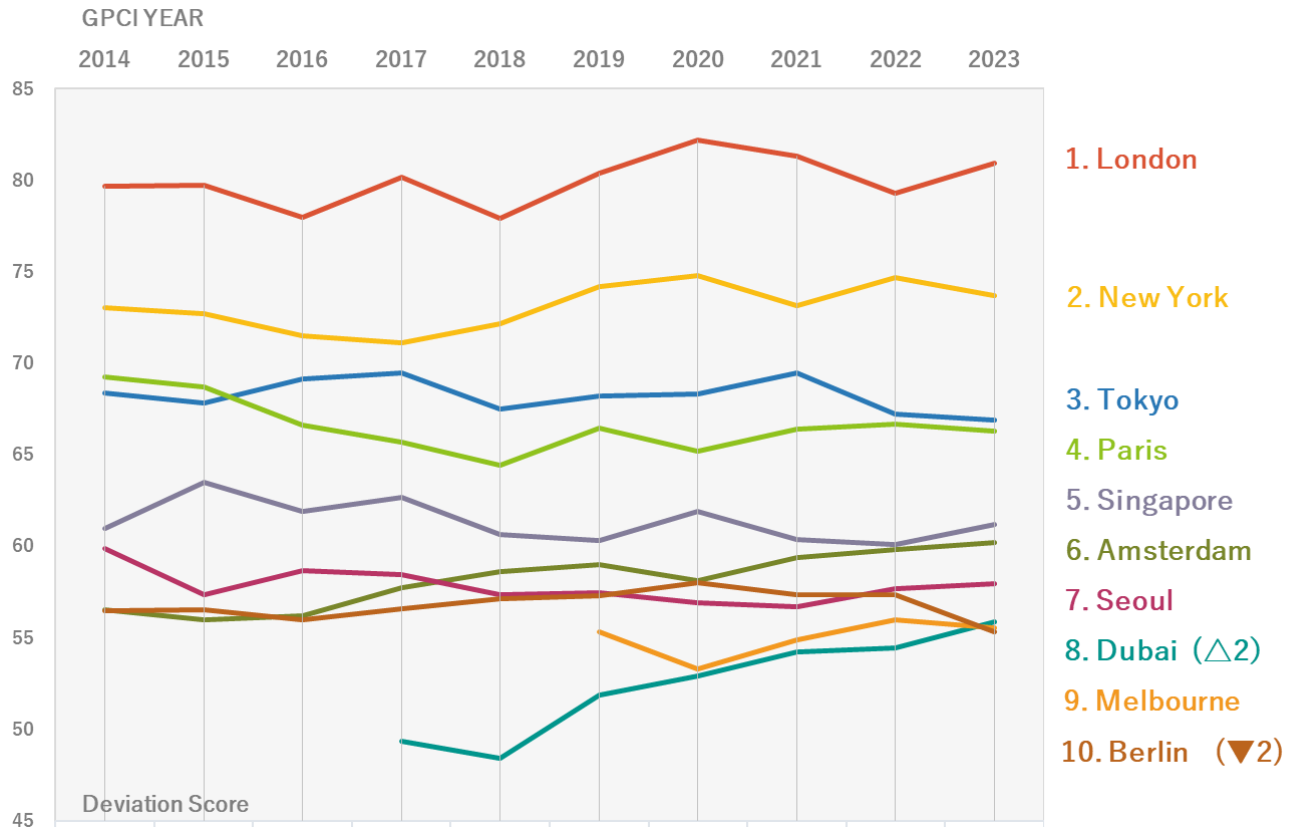
Dubai (8th)

Dubai rose to 8th, its highest ranking ever, thanks to improved scores in Economy, Cultural Interaction, Livability and Accessibility. In Economy, it ranked 1st in “Corporate Tax Rate” and rose from 23rd to 10th in “Wage Level.” In Cultural Interaction, it was 1st in “Number of Foreign Residents” and 2nd in “Number of Luxury Hotel Rooms.” It also was 1st in “Total Unemployment Rate” and “Workstyle Flexibility” (Livability) as well as “Average Driving Speed” (Accessibility). Dubai is steadily increasing its presence as a core city in the Middle East, similar to London in Europe and New York in the Americas.

Shanghai (15th)

Shanghai suffered a precipitous fall from the top 10, dropping to 15th. In Accessibility, Shanghai dropped from 1st to 9th. Worse, due to China's prolonged travel restrictions, the city plunged from 3rd to 27th in “Number of Air Passengers.” It also fell in “Average Driving Speed” and “Ease of Mobility by Taxi or Bicycle,” indicating that improvements are needed not only in international connections but also the ease and convenience of traveling within Shanghai.

Deviation scores in comprehensive rankings since 2014



Rankings in six functions

 Economy	 R&D	 Cultural Interaction	 Livability	 Environment	 Accessibility
1 New York 371.1	1 New York 206.5	1 London 367.6	1 Paris 390.0	1 Stockholm 228.7	1 Amsterdam 229.2 ▲1
2 London 336.2	2 London 181.4	2 New York 259.4	2 Madrid 380.9 ▲2	2 Copenhagen 224.2	2 Frankfurt 217.6 ▲3
3 Beijing 309.4 ▲1	3 Los Angeles 154.9	3 Paris 250.7	3 Tokyo 367.7 ▲8	3 Geneva 217.6 ▲7	3 New York 216.1 ▲1
4 Singapore 308.3 ▲2	4 Tokyo 143.4	4 Dubai 237.5	4 Barcelona 365.6 ▼2	4 Helsinki 210.7 ▼1	4 London 215.9 ▲2
5 Zurich 302.7 ▼2	5 Boston 137.7	5 Tokyo 237.5	5 Vienna 360.0 ▲8	5 Vienna 210.5	5 Paris 210.4 ▼2
6 Dublin 298.7 ▲3	6 Seoul 136.4	6 Istanbul 207.2	6 Berlin 359.3 ▲1	6 Melbourne 203.1 ▲1	6 Dubai 192.5 ▲3
7 San Francisco 291.4	7 San Francisco 117.7	7 Madrid 183.9	7 Frankfurt 358.1 ▲10	7 Sydney 202.1 ▼3	7 Singapore 183.8 ▲4
8 Geneva 274.6	8 Chicago 113.0	8 Moscow 176.5 ▲1	8 Amsterdam 357.9 ▼2	8 Zurich 201.5 ▼2	8 Tokyo 183.3 ▲2
9 Washington,DC 271.3 ▲2	9 Paris 108.3	9 Singapore 174.9 ▲2	9 London 357.9 ▼1	9 Berlin 192.2	9 Shanghai 175.5 ▼8
10 Tokyo 270.1 ▼5	10 Hong Kong 107.4	10 Berlin 173.4 ▼2	10 Stockholm 357.3 ▲4	10 Vancouver 189.8 ▼2	10 Copenhagen 174.5 ▲2
				⋮	
				16 Tokyo 173.8 ▼3	

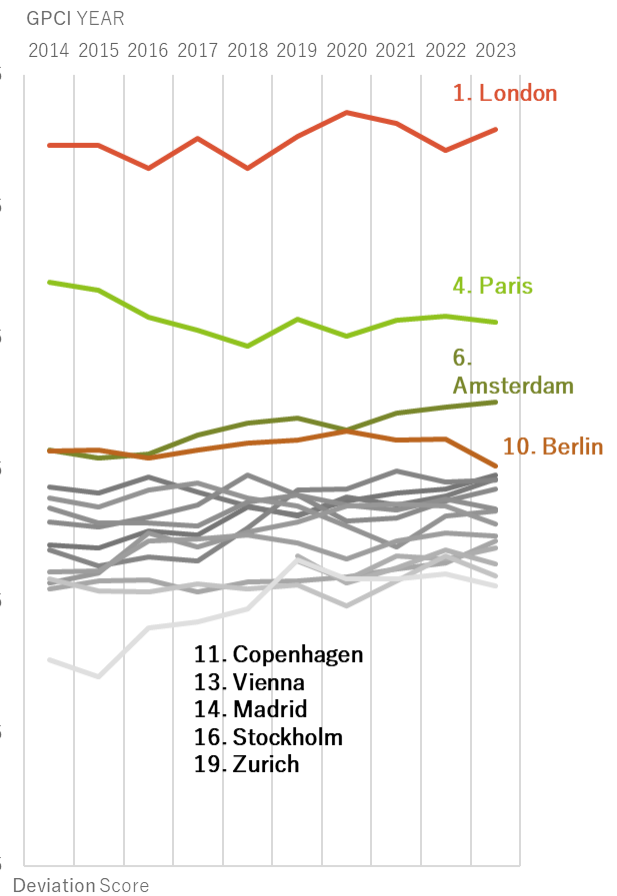
Rankings and trends by region

Cities in Europe

Looking at overall rankings of European cities, deviation scores were higher than those of cities in the Americas and Oceania & Asia. In particular, 7 of the cities that ranked between 10th and 20th are European, giving Europe a high concentration of top-ranked cities.

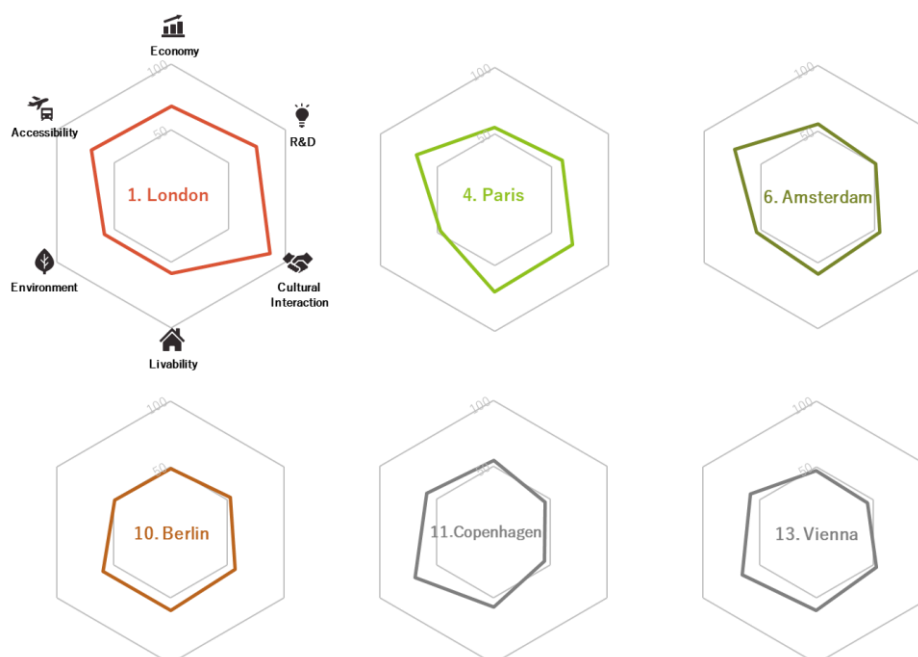
London, ranked 1st based on its overwhelming strength, continued to maintain its position as the axis of Europe as evidenced by its radar chart showing balanced strengths in all six functions. Compared to other cities, London has no major weakness and is particularly strong in Cultural Interaction, where it has ranked 1st for the past four years, including in indicators such as “Tourist Attractions,” “Nightlife Options” and “Number of Stadiums.”

The deviation scores of Paris (4th) and Amsterdam (6th) show that the gap between these two cities has narrowed since GPCI–2014. However, while their radar charts confirm that both are strong in transportation and access, they are very different overall. Paris has superior international air connections while Amsterdam ranked among the best in terms of intra-city travel, including 1st in “Commuting Time,” 2nd in “Ease of Mobility by Car” and 3rd in “Ease of Mobility by Taxi or Bicycle.” Changes in the relative strengths of these two European cities will be a focus in the future.



Deviation scores in Europe

Scores were very close among European cities ranked 10th or lower, so even small changes in indicators significantly influenced their relative rankings. The radar charts also show that Berlin (10th), Copenhagen (11th) and Vienna (13th) have very similar characteristics, excelling in Environment and Livability but average in Economy, Research and Development, and Cultural Interaction. In order for these cities to compete for the top 10, it will be important for them to strengthen other functions and differentiate themselves.



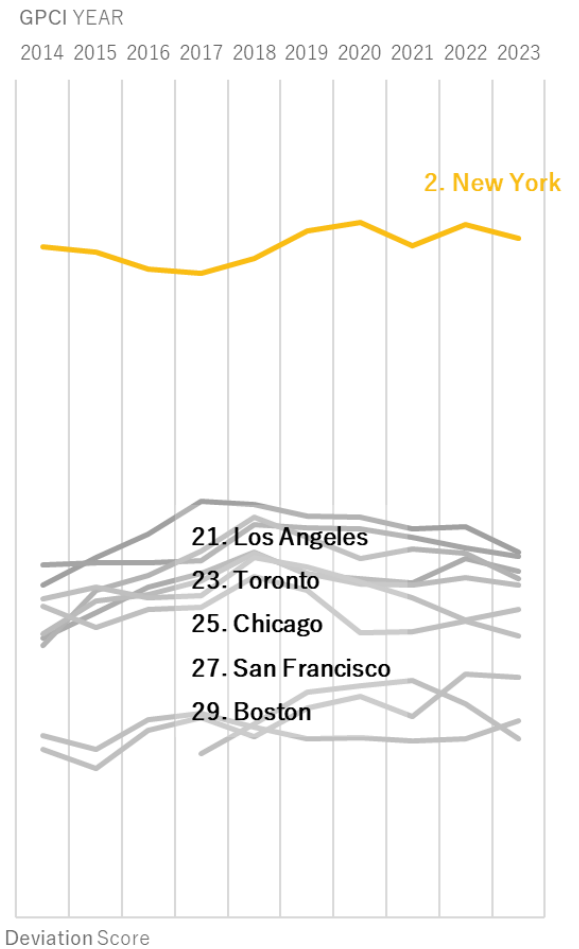
Radar charts of 6 functions
(number before name is comprehensive ranking)

Cities in the Americas

In terms of deviation scores among cities in the Americas, the very large gaps between New York and other cities were not seen in Europe or Oceania & Asia. New York's second-place score remained unchanged, but cities such as Los Angeles (21st), Toronto (23rd), Chicago (25th) and Boston (29th) failed to build on their positions, with little score growth since GPCI-2018.

The function-specific radar charts reveal the challenges and characteristics of these cities. While U.S. cities are strong in R&D, they scored below average in Livability and Environment, contributing to low overall rankings. In Livability, the high cost of living as measured by "Price Level" and "Housing Rent" and urban safety as measured by "Number of Murders" and other factors are common weaknesses of U.S. cities. Shared weaknesses in Environment were seen in indicators such as "Satisfaction with Urban Cleanliness." Improvements in these indicators could help other U.S. cities move closer to or even overtake New York within the region.

Toronto (23rd) earned a balance of average scores in all six functions, in contrast to U.S. cities. Toronto's particular strengths were in human resources and innovation, ranking 5th in "Availability of Skilled Human Resources" (Economy) and 7th in "Number of Startups" (R&D). Additional strengths in these indicators and improvements in the city's innovation ecosystem could make Toronto as competitive as any U.S. city.



Deviation scores in the Americas



Radar charts of 6 functions
(number before name is comprehensive ranking)

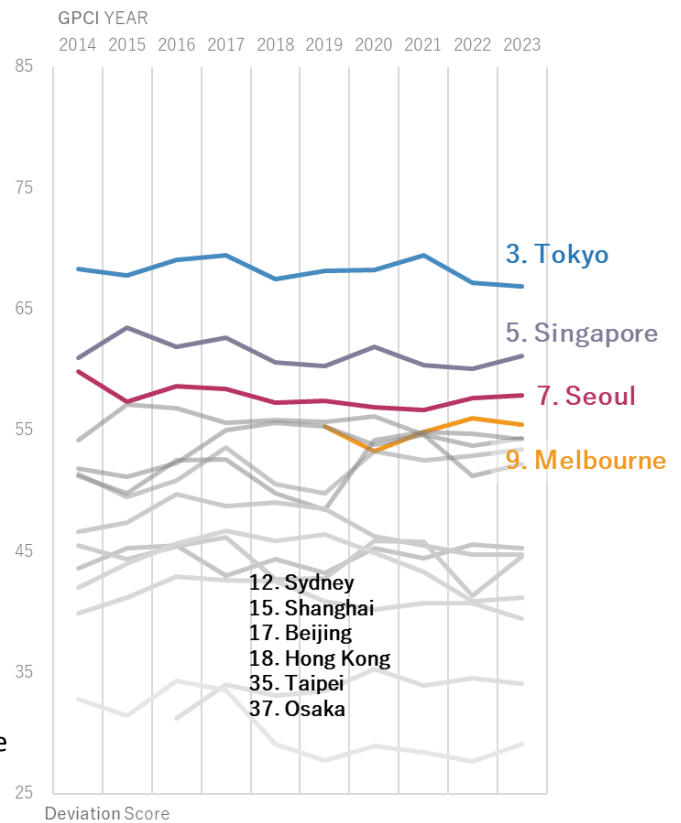
Cities in Oceania & Asia

Deviation scores in the overall rankings of cities in Oceania & Asia were more widely distributed from top to bottom than in Europe or the Americas. Furthermore, there was no core city in the region like a London or New York; Tokyo (3rd), Singapore (5th) and Seoul (7th) have not changed significantly relative to each other over the past 10 years, with their scores remaining unchanged. Tokyo has balanced strengths in all six functions with a particular strength in Cultural Exchange and no major weakness. Singapore and Seoul are respectively strong in Economy and Research and Development, but both are weak in Livability.

Melbourne (9th) first appeared in GPCI-2019, overtook its Australian neighbor Sydney in GPCI-2021 and rose to 9th in GPCI-2022. While both cities scored well in Environment, Melbourne ranked higher in intra-city mobility, namely “Station Density” and “Ease of Mobility by Taxi or Bicycle.”

Shanghai (15th) had been in the top 10 for three consecutive years since overtaking Beijing (17th) in GPCI-2020, but it fell sharply this year due to the impact of China’s prolonged COVID-19 border measures, which hurt Shanghai’s competitiveness in access. Nevertheless, Shanghai still ranked 1st in total employment, 2nd in stock market capitalization, and its concentration of economic and human resources remained a strength.

The top cities in Oceania & Asia have varying strengths and greater individuality than cities in other regions, so it will be interesting to see how these cities evolve individually as they strive for the dominant position as the axis of Asia.

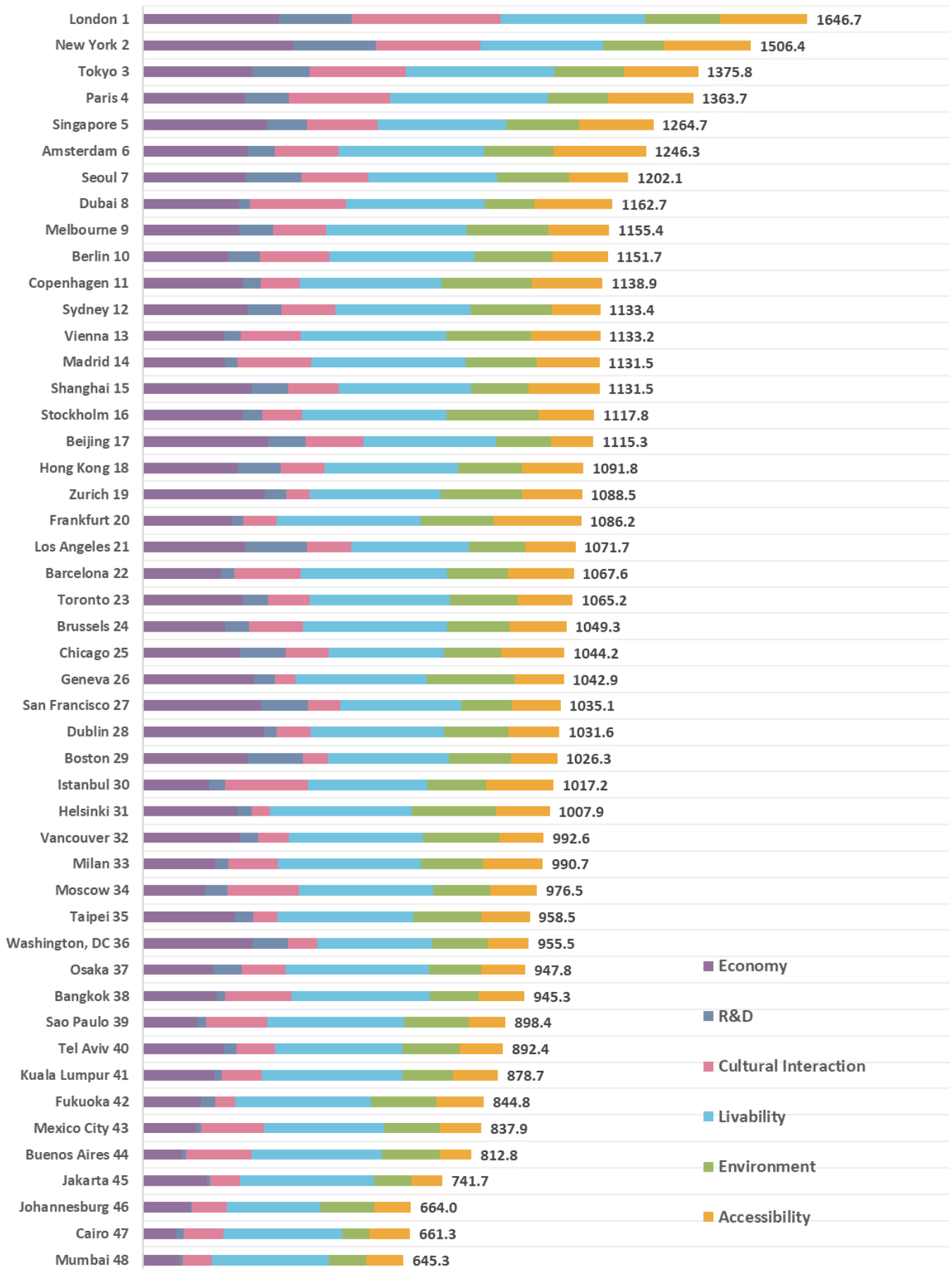


Deviation scores in Oceania & Asia



Radar charts of 6 functions
(number before name is comprehensive ranking)

Appendix: GPCI–2023 Comprehensive Rankings



GPCI–Financial Centers

The rapid expansion and internationalization of the global financial industry is intensifying competition among major cities, making each city’s status as an international financial center increasingly important. The Mori Memorial Foundation, in addition to its multifaceted evaluation of cities in terms of six functions in the Global Power City Index (GPCI), namely Economy, R&D, Cultural Interaction, Livability, Environment, and Accessibility, has now added the Finance function, which consists of 14 indicators in 4 groups, as shown in the table below.

Finance function indicators

#	IG#	Function	Group	Indicator
71	Fi1	Finance	Financial Instruments Markets	Stock Market Capitalization
72	Fi1			Stock Market Trading Value
73	Fi1			Options/Futures Transaction Volume
74	Fi1			Capital Raised Through IPOs
75	Fi2		Financial Intermediaries	World’s Top Bank Headquarters
76	Fi2			World’s Top Insurance Company Headquarters
77	Fi2			World’s Top Pension Funds
78	Fi2			World’s Top Asset Managers
79	Fi3		Foreign Exchange and Interest Rate Markets	Foreign Exchange Turnover
80	Fi3			Interest Rate Derivatives Turnover
81	Fi4		Highly Skilled Personnel	Employees in Business-support Services
82	Fi4			International Law Offices
83	Fi4			Personal Income Tax
84	Fi4			Financial Industry Unicorn Companies

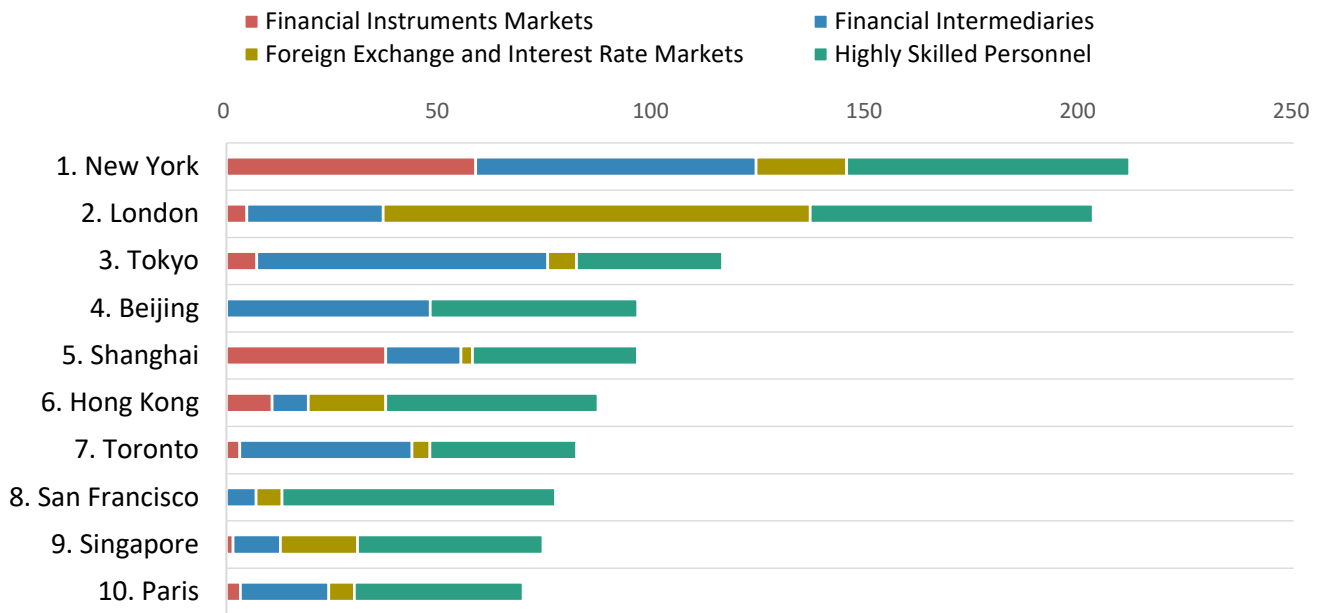
Notes: Definitions of all indicators will be available on the website.

Stock Market Capitalization and Employees in Business-support Services are included under Economy in the GPCI, and those scores are included Financial x-specific rankings but are omitted in GPCI Financial Center comprehensive rankings.

The global financial sector is led by New York and London, followed by four Asian cities: Tokyo, Beijing, Shanghai, and Hong Kong. The financial characteristics of these top cities are described below.

- New York: Highly ranked in all four groups of indicators, and first in four specific indicators: “Stock Market Capitalization,” “Stock Market Trading Value,” “World’s Top Asset Managers,” and “International Law Offices.”
- London: Ranked first in both “Foreign Exchange Turnover” and “Interest Rate Derivatives Turnover,” indications of the city’s distinctive strengths. Also ranked second in “Highly Skilled Personnel.”
- Tokyo: Strong in Financial Intermediaries, ranking first in the indicators “World’s Top Insurance Company Headquarters” and “World’s Top Pension Funds.”
- Beijing: Strong in Financial Intermediaries and Highly Skilled Personnel, including ranking first in “World’s Top Bank Headquarters.”
- Shanghai: Strong in Financial Instruments Markets, ranking first in “Capital Raised Through IPOs,” second in “Stock Market Capitalization,” and third in “Stock Market Trading Value.”
- Hong Kong: Strong in Foreign Exchange and Interest Rate Markets (3rd), Highly Skilled Personnel (4th) and Financial Instruments Markets (5th).

Finance Function Rankings



New York



London

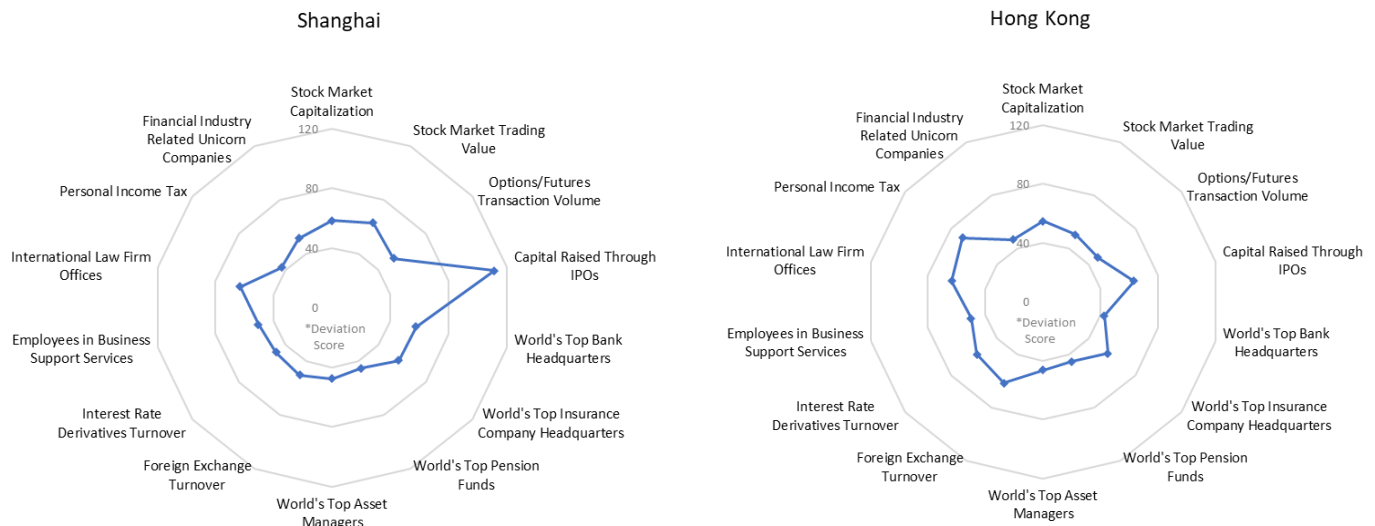


Tokyo



Beijing





About Global Power City Index (GPCI)

Since 2008, the annual GPCI report has ranked the world's major cities in terms of their "magnetism," or overall power to attract creative individuals and businesses from around the world. Cities are ranked on the basis of 70 indicators across six basic urban functions: Economy, R&D, Cultural Interaction, Livability, Environment, and Accessibility. The indicators and data-collection methods are continually refined to ensure that the GPCI accurately reflects current conditions affecting global cities.

About GPCI–Financial Centers

The GPCI–Financial Centers ranking, introduced from this year, assesses the competitiveness of the world's major cities as international financial centers. This multifaceted approach uses "Finance" as well as the six existing functions of the Global Power City Index to comprehensively assess and rank each city's characteristics, strengths and weaknesses as a financial center within the global financial system.

For further information:

Hiromi Jimbo and Peter Dustan, Institute for Urban Strategies, The Mori Memorial Foundation

Phone: +81 (0)3-6406-6800 iusall@mori-m-foundation.or.jp