



EPRA

EUROPEAN PUBLIC
REAL ESTATE ASSOCIATION

MONTHLY MARKET REVIEW



Monthly Market Review and Developers' Research Benchmark

June
2024

Overview

The FTSE EPRA Nareit Global Developed Real Estate Index gained 1.8% during June, bringing YTD to -20 bps. Global equities (3.7%) and bonds (1.2%) also returned positive for the month.

In terms of regional performance: North America (3.9%) index gained compared to losses from Europe (-3.4%) and Asia (-1.1%) indexes. Meanwhile, Emerging markets (-24 bps) saw negative return in June.

Focusing on sector performance, self-storage (7.3%) outperformed followed by residential (4.3%) and data centres (2.3%), while industrial/office (-1.5%), diversified (-83 bps) and office (-30 bps) were the bottom performers lower but still negative monthly returns. The remaining sectors returned positive in June.

At the end of June, the FEN Developed Index totalled 359 constituents, representing a free float market capitalisation of around EUR 1.5 trillion and the FEN Emerging Index totalled 129 constituents, representing a free float market capitalisation of around EUR 123 billion.

EPRA Developers Research Benchmark

The EPRA Developed Europe benchmark lost 6.3% (m-o-m), pushed YTD return to 3.9% in June. The benchmark now has 28 constituents from 11 different countries in Developed Europe (17 out of the UK) representing an aggregated full market cap of EUR 47,545 million (28/06/2024)– Details on page 5.

2024-Q2 Quarterly Review

During the Q2-2024 quarterly review, there were two additions and one deletion in the Developed index, whereby three companies were added in, and four companies were deleted from the Emerging index. The changes were effective on June 11 and represented a net value of EUR 12,461 million in free float market cap to the global index. The details are given in the related sections.

Highlights of the Month

The ECB has made its first cut by 25 bps (lowering the refinancing rate to 4.25%) in June meeting, following the Riksbank and SNB (lowering policy rates to 3.75% and to 1.5%, respectively). On the other hand, the BoE maintained bank rate at 5.25% in the latest meeting in June and the first cut is expected to be in the next meeting in August with at least one more before year end. The positive impact on the real estate sector is expected to observe in the second half of the year.

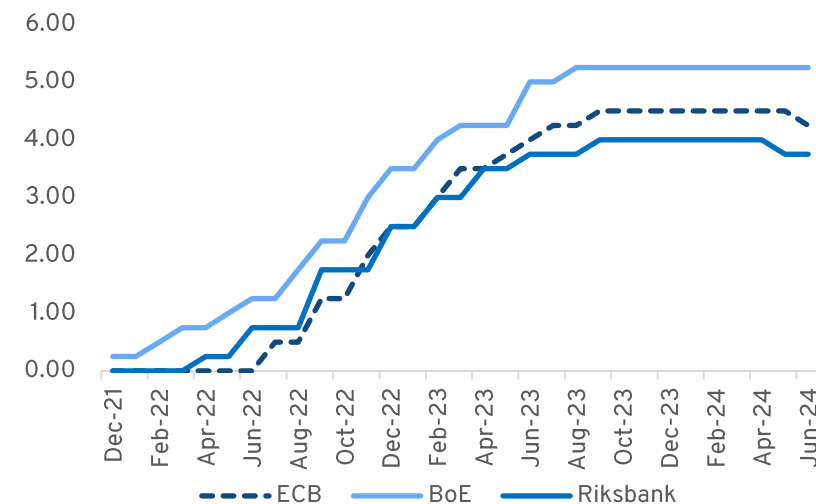
The FTSE EPRA Nareit Developed Europe Index lost momentum (-3.4%, m-o-m) in June, bringing YTD return down to -2.3%. The average P/D to NAV in Europe stood at -29.9% with a slight increase on monthly basis (-26.7% in May), however it the discount improved almost 15% on annual basis (-44.2% in June 2023). All sectors were traded with discount which was the lowest for Industrial (-2.4%), while Sweden was the only country with a premium to NAV (1.2%). The European average LTV decreased slightly to 38.5% in June. The FTSE EPRA Nareit Developed Europe constituents raised over EUR 1.4 billion capital (EUR 9.2 bln bonds and EUR 2.2 bln equity) during the H1-2024 (more info on [EPRA Monthly LTV Monitor](#)).

FTSE EPRA Nareit Global Index Total Return

% Total Returns (EUR)	Jun-24	YTD	1 yr	3 yrs*	5 yrs*
Global Real Estate	▲ 1.8	-0.2	7.6	-0.5	1.5
Global Equities (FTSE)	▲ 3.7	17.0	23.5	11.4	10.7
Global Bonds (JP Morgan)	▲ 1.2	-1.6	0.2	-3.8	0.1
Europe Real Estate	▼ -3.4	-2.3	24.0	-7.7	-1.7
Europe Equities (FTSE)	▼ -1.4	9.8	14.2	6.9	8.2
Europe Bonds (JP Morgan)	▲ 1.6	1.2	4.8	-2.5	-1.7
Asia Real Estate	▼ -1.1	-5.1	-2.3	-5.1	-3.6
Asia Equities (FTSE)	▲ 3.9	17.9	21.2	8.4	10.8
Asia Bonds (JP Morgan)	▲ 1.8	0.7	-1.5	0.8	-0.7
North America Real Estate	▲ 3.9	2.0	8.2	2.8	4.1
North America Equities (FTSE)	▲ 4.7	18.2	26.5	12.8	16.0
North America Bonds (JP Morgan)	▲ 2.2	2.5	3.6	0.3	0.7
Emerging Real Estate	▼ -0.2	-2.3	-1.0	-7.8	-7.6
Emerging Equities (FTSE)	▲ 4.4	11.9	16.0	0.2	5.3
Emerging Bonds (JP Morgan)	▲ 1.9	5.1	10.4	1.1	1.5

(* Annualised).

Fig. 1. The policy rates of major central banks



Source: Data is compiled from ECB, BoE, Riksbank.

Fig. 2. Global Weights (EUR)*

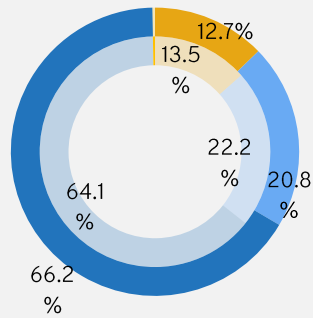


Fig. 3. REIT / Non-REITs

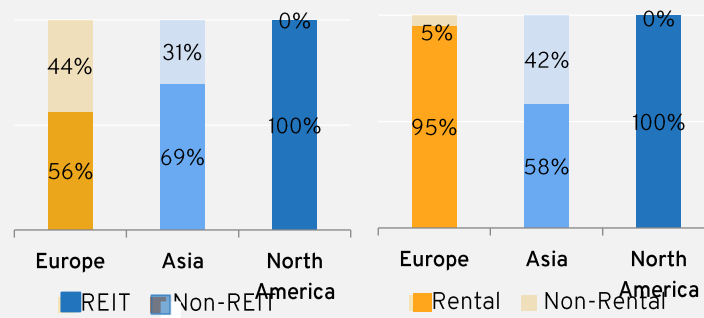


Fig. 4. Focus Split

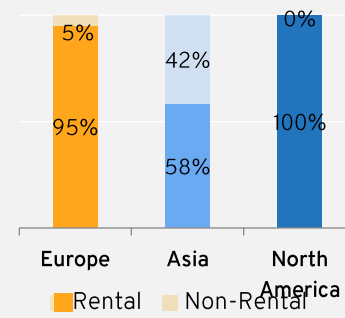


Fig. 5. Dividend Yields*

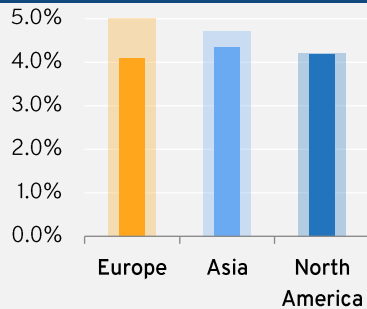


Fig. 6. Volatility (10 yr. & 3 yr.)**

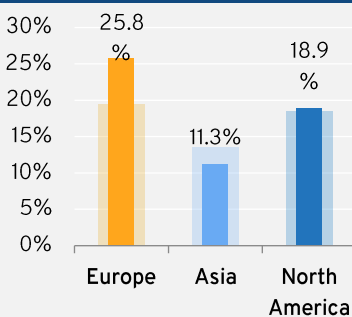
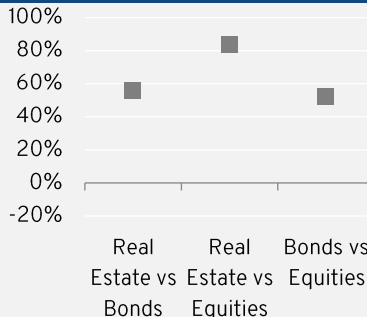


Fig. 7. Correlation (3 yr. rolling)



(*): Shaded bars are last month's (**) Shaded bars are 10 yr.

Dev. Europe: Total Return	Weekly Total Return by Sector					YTD	Covid-19
	Jun-24	7-Jun	14-Jun	21-Jun	28-Jun	Dec-23	19-Feb-20
Developed Europe	-3.4%	-1.6%	-1.4%	-0.4%	0.0%	-2.3%	-27.5%
Industrial	-1.7%	-0.7%	-0.6%	-0.9%	0.6%	1.1%	5.0%
Self-Storage	-9.7%	-3.4%	-3.7%	-0.3%	-2.6%	-7.2%	0.3%
Lodging/Resorts	0.3%	-0.8%	1.1%	0.9%	-1.0%	26.2%	-15.9%
Retail	-6.0%	-0.8%	-5.0%	0.8%	-1.0%	7.4%	-25.1%
Diversified	-0.8%	-0.4%	-1.1%	0.5%	0.2%	-1.9%	-27.5%
Residential	-5.7%	-5.0%	0.1%	-1.9%	1.2%	-4.9%	-35.7%
Office	-5.1%	0.2%	-3.1%	-0.9%	-1.3%	-10.4%	-37.0%
Healthcare	-2.6%	-1.7%	-1.0%	0.3%	-0.3%	-7.8%	-37.6%

FTSE EPRA Nareit Developed Index – Top 10 Constituents

Company	Sector	Country	Total Return
Prologis	Industrial	USA	▲ 7.9%
Equinix Inc	Data Centers	USA	▼ -1.6%
Welltower Inc.	Healthcare	USA	▲ 0.6%
Simon Property Group	Retail	USA	▲ 1.6%
Digital Realty Trust	Data Centers	USA	▲ 5.5%
Realty Income	Retail	USA	▲ 0.0%
Public Storage	Self-Storage	USA	▲ 6.1%
Goodman Group	Diversified	AU	▲ 4.1%
Extra Space Storage	Self-Storage	USA	▲ 8.5%
VICI Properties	Specialty	USA	▲ 1.2%

FTSE EPRA Nareit Developed Index – Top 10 Performers

Company	Sector	Country	Total Return
SBB i Norden AB	Diversified	SWED	▲ 28.7%
National Storage Affiliates Trust	Self-Storage	USA	▲ 17.7%
Independence Realty Trust	Residential	USA	▲ 16.3%
Tritax Eurobox plc	Industrial	UK	▲ 14.3%
Vornado Realty Trust	Office	USA	▲ 13.6%
SL Green Realty Corp.	Office	USA	▲ 13.4%
Helical plc	Office	UK	▲ 11.3%
Workspace Group plc	Office	UK	▲ 11.0%
Extra Space Storage	Self-Storage	USA	▲ 10.3%
Nexpoint Residential Trust	Residential	USA	▲ 10.2%

FTSE EPRA Nareit Emerging Index – Top 10 Constituents

Company	Sector	Country	Total Return
China Resources Land (Red Chip)	Diversified	CHN	▼ -12.5%
China Overseas Land & Inv (Red Chip)	Diversified	CHN	▲ 11.1%
Aldar Properties PJSC	Diversified	UAE	▲ 12.4%
DLF	Diversified	IDA	▲ 1.1%
SM Prime Hldgs	Diversified	PHIL	▲ 5.0%
Macrotech Developers	Diversified	IDA	▲ 11.8%
Central Pattana	Diversified	THAI	▼ -3.5%
Embassy Office Parks REIT	Office	IDA	▲ 1.6%
Ayala Land	Diversified	PHIL	▲ 8.6%
Fibra Uno Administracion S.A. de C.V.	Diversified	MEX	▶ 0.0%

Source: Data is compiled from FTSE EPRA Nareit (as of June 28, 2024)

FTSE EPRA Nareit Developed Europe Index

The FEN Developed Europe Index lost 3.4% in June. European equities lost (-1.6%) compared to a gain from bonds (1.6%).

The Sweden (-19 bps), the UK (-1.8%), Netherlands (-1.8%), Germany (-6.8%) and France (-9.5%) indexes returned negative in June.

2024-Q2 index review: *Care Property Invest* (Belgium, REIT, Healthcare) was added to the index.

Sector Performance: Lodging/resorts (28 bps) was the top performer, with a relatively lower but still positive monthly return. The remaining sectors returned negative that retail (-6.0%) and self-storage (-9.7%) were the bottom performers.

Top 3 constituents: *SBB I Norden AB* (28.7%, Sweden, Diversified), *Tritax Eurobox plc* (14.3%, UK, Industrial), *Helical plc* (11.3%, UK, Office).

Developed Europe representing a free float MCap of around **EUR 193 billion** with **103** constituents

FTSE EPRA Nareit Developed Asia Index

The FEN Developed Asia Index lost 1.1%. Both Asian equities (3.9%) and bonds (1.8%) also returned positive in June.

The South Korea (2.8%) and Australia (2.4%) indexes returned positive while Singapore(-85bps), Japan (-1.9%) and Hong Kong (-5.8%) indexes posted negative returns in Asia- *in Euros*.

2024-Q2 index review: *CK Asset Holdings* (Hong Kong) deleted from the index.

Sector Performance: Except data centres (52 bps) as the top performer, all sectors posted negative returns that industrial (-2.5%) and lodging/resorts (-2.1%) were the bottom performers.

Top 3 constituents: *SK REIT* (6.8%, South Korea, Diversified), *Kiwi Property Group* (5.6%, New Zealand, Diversified), *National Storage REIT* (5.6%, Australia, Self-Storage).

Developed Asia representing a free float MCap of around **EUR 315 billion** with **134** constituents

FTSE EPRA Nareit North America Index

The FEN North America Index posted 3.9% monthly return in May. North American equities (4.7%) and bonds (2.2%) gained for the month. The US (4.0%) and Canada indexes (89 bps) posted positive return for the month - *in Euros*.

Apartment Income REIT (USA) was deleted from the index due to delisting.

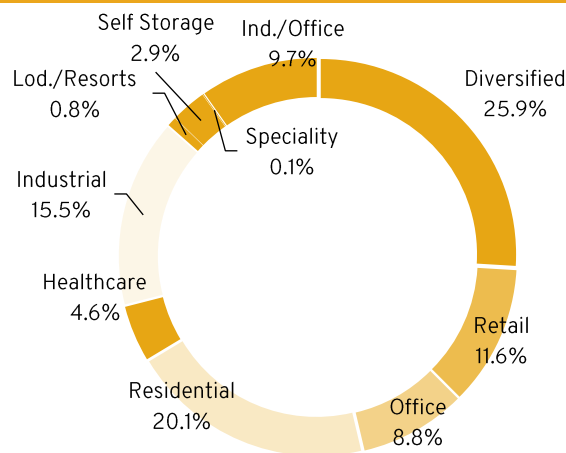
2024-Q2 index review: *Iron Mountain* (USA, REIT, Specialty) was added to the index.

Sector Performance: Self-storage (8.7%) and residential (6.8%) were outperformers while the sectors returned positive, except industrial/office (-47 bps) as the top performer.

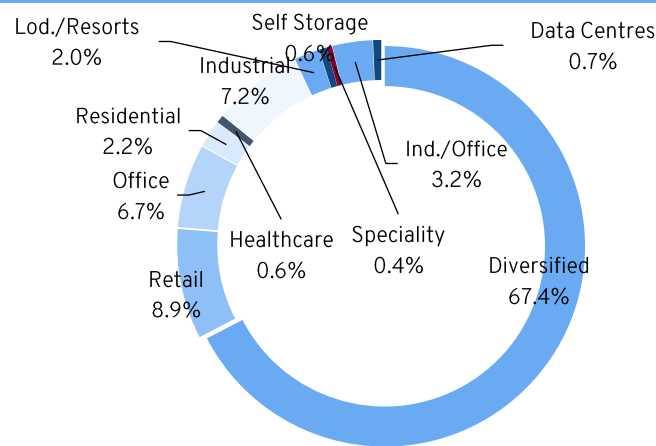
Top 3 constituents: *National Storage Affiliates Trust* (1.7%, USA, Self-Storage), *Independence Realty Trust* (16.3%, USA, Residential), *Vornado Realty Trust* (13.6%, USA, Office).

Developed North America representing a free float MCap of around **EUR 1,006 billion** with **119** constituents

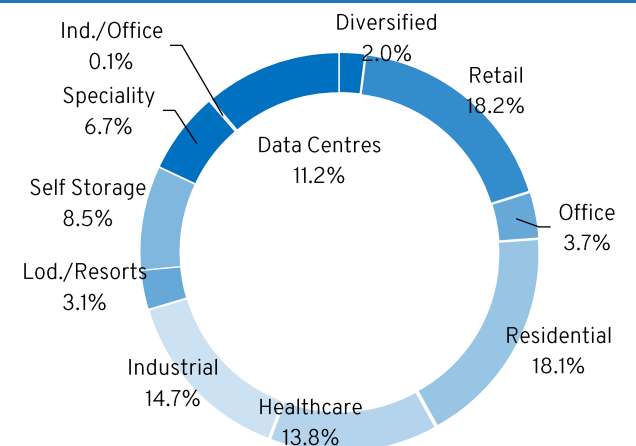
Developed Europe Sector Split



Developed Asia Sector Split

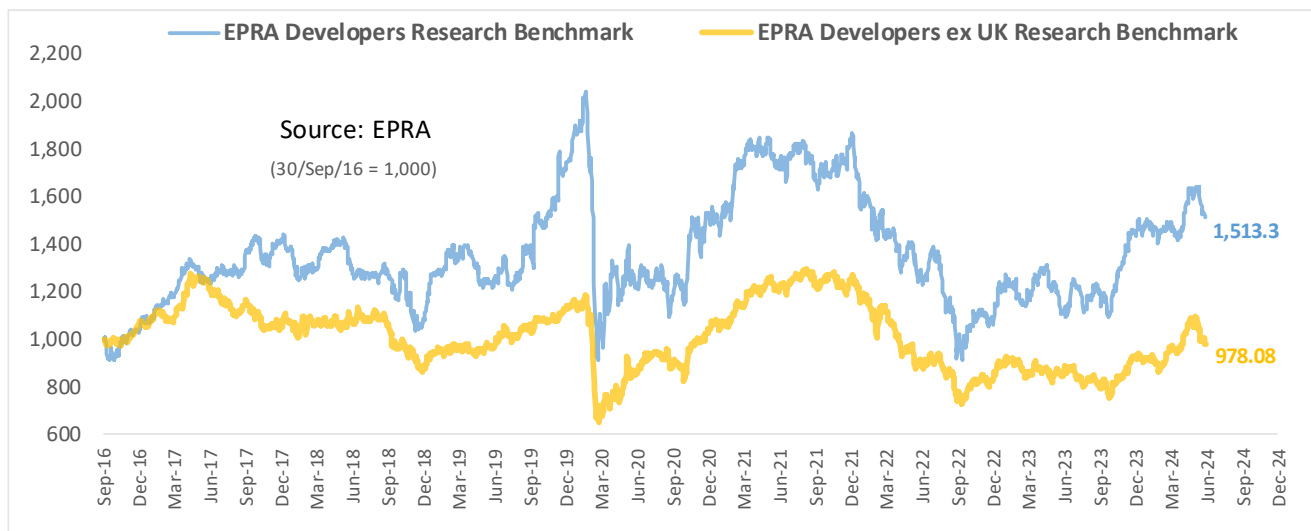


North America Sector Split



EPRA Developers Research Benchmark

Friday, 28 June 2024



EPRA DEVELOPERS RESEARCH BENCHMARK	Developed Europe			Developed Europe ex UK		
	1M	YTD	1 Year	1M	YTD	1 Year
Total Return	-6.3%	3.9%	35.6%	-9.3%	5.4%	14.2%
Return	YTD	6M	5 Years	YTD	6M	5 Years
Total Return	3.9%	3.9%	19.1%	5.4%	5.4%	0.8%
Maximum Return	3.5%	3.5%	11.6%	2.3%	2.3%	5.6%
Minimum Return	-3.4%	-3.4%	-13.2%	-3.3%	-3.3%	-12.5%
Mean Return (Annualized)	14.3%	15.6%	12.5%	17.8%	17.9%	3.4%
Maximum Drawdown	-7.9%	-7.9%	-55.3%	-10.6%	-10.6%	-45.1%
Maximum Drawdown Length	16	16	690	19	19	22
Risk	YTD	6 Months	5 Years	YTD	6 Months	5 Years
Standard Deviation (Annualized)	19.7%	19.6%	31.4%	15.5%	15.5%	21.0%
Downside Risk (Annualized)	14.1%	14.1%	22.0%	11.7%	11.7%	15.9%
Kurtosis	0.23	0.25	6.53	0.01	0.01	0.13
Skewness	-0.06	-0.07	0.12	-0.01	-0.01	-0.01
Semivariance (Annualized)	20.2%	20.2%	30.9%	17.3%	17.3%	23.0%
VaR (ex-post)	-2.12	-2.11	-2.93	-1.68	-1.66	-1.96
Risk-Adjusted Performance	YTD	6 Months	5 Years	YTD	6 Months	5 Years
Sharpe Ratio	0.31	0.36	0.25	0.55	0.56	0.08

The **EPRA Developers Research Benchmark** is an equity index aiming to represent the aggregated performance of the most significant and liquid real estate developers in Europe, including both residential and commercial developers.

This is a benchmark developed for **research purposes only**, using free float market cap as the main input for computing index weights. The final list of constituents has been filtered applying a comprehensive methodology that combines both market and real estate criteria to determine the best companies to represent the sector. **Two sub-indexes are also computed:** 1) Liquid Developers (FFMC > EUR 500M) and 2) Residential Developers

Key Features

Benchmark Type: Equity Index

Industry: Real Estate Developers

Launch Date: 31/Dec/2021

Geography: Developed Europe

Weights Input: FF Market cap

Base Currency: EUR

Base Date: 30/Sep/2016

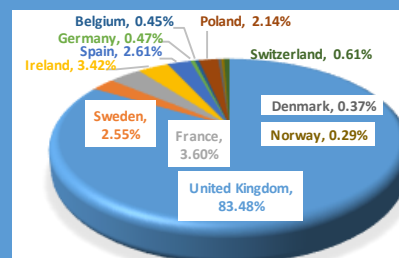
Base Value: 1,000

Review Dates: April, October

EPRA Developers Research Benchmark

Friday, 28 June 2024

Constituent	Classification	Weight	Country	TR 1M	TR 1Y	Std.Dev
BERKELEY GROUP	Residential	14.49%	UK	-11.3%	23.5%	21.8%
BARRATT DEV	Residential	14.87%	UK	-5.7%	22.1%	25.6%
TAYLOR WIMPEY PL	Residential	14.45%	UK	-2.9%	51.4%	24.7%
PERSIMMON	Residential	12.08%	UK	-3.2%	38.9%	33.2%
VISTRY GROUP PLC	Residential	9.38%	UK	-7.7%	84.8%	35.8%
BELLWAY PLC	Residential	9.07%	UK	-4.8%	35.1%	26.3%
REDROW PLC	Residential	5.49%	UK	-5.8%	59.0%	31.5%
CREST NICHOLS	Residential	1.88%	UK	2.1%	39.2%	41.6%
HARWORTH GROUP P	Diversified	0.81%	UK	16.2%	53.8%	36.1%
MJ GLEESON PLC	Residential	0.67%	UK	-8.8%	50.2%	29.9%
WATKIN JONES PLC	Residential	0.28%	UK	-7.3%	-34.0%	62.7%
NEXITY	Residential	1.37%	France	-33.2%	-54.9%	50.7%
KAUFMAN & BROAD	Residential	1.07%	France	-22.7%	2.5%	29.4%
ALTAREA	Residential	1.16%	France	-16.0%	-10.4%	35.8%
METROVACESA SA	Residential	0.95%	Spain	-7.7%	21.2%	20.4%
NEINOR HOMES SA	Residential	1.14%	Spain	7.2%	49.8%	26.6%
AEDAS HOMES SA	Residential	0.52%	Spain	0.0%	39.3%	25.3%
IMMOBEL	Diversified	0.32%	Belgium	-9.5%	-25.3%	38.4%
ATENOR	Diversified	0.12%	Belgium	-4.1%	-60.5%	76.7%
CAIRN HOMES	Residential	1.83%	Ireland	-6.8%	45.8%	23.9%
GLENVEAGH PROPER	Residential	1.59%	Ireland	-9.2%	14.2%	24.1%
DEVELIA SA	Diversified	1.31%	Poland	-0.6%	65.6%	36.8%
DOMDEV	Residential	0.83%	Poland	-2.6%	45.7%	31.5%
HUSCIET A/S	Residential	0.37%	Denmark	-8.0%	0.2%	32.7%
INSTONE REAL EST	Residential	0.47%	Germany	-8.7%	63.8%	37.7%
SELVAAG BOLIG AS	Residential	0.29%	Norway	-1.7%	26.7%	34.6%
JM AB	Residential	2.55%	Sweden	-1.6%	47.5%	44.7%
CHAM GROUP AG	Diversified	0.61%	Switzerland	1.8%	0.2%	19.8%



Eligibility Criteria

EBITDA: ≥ 50% from Property Development

EBITDA: ≥ 75% from Real Estate Activities

Size: > 0.30% of the Benchmark size and
Minimum of EUR 150 Million in FFMC

Liquidity: ≥ 0.05% of their (FF) shares in
issue based on their median daily trading
volume per month

Reporting: public AR in English (Full set of
audited FS, notes and Mgt Report)

Geography: ≥ 75% EBITDA from Developed
countries

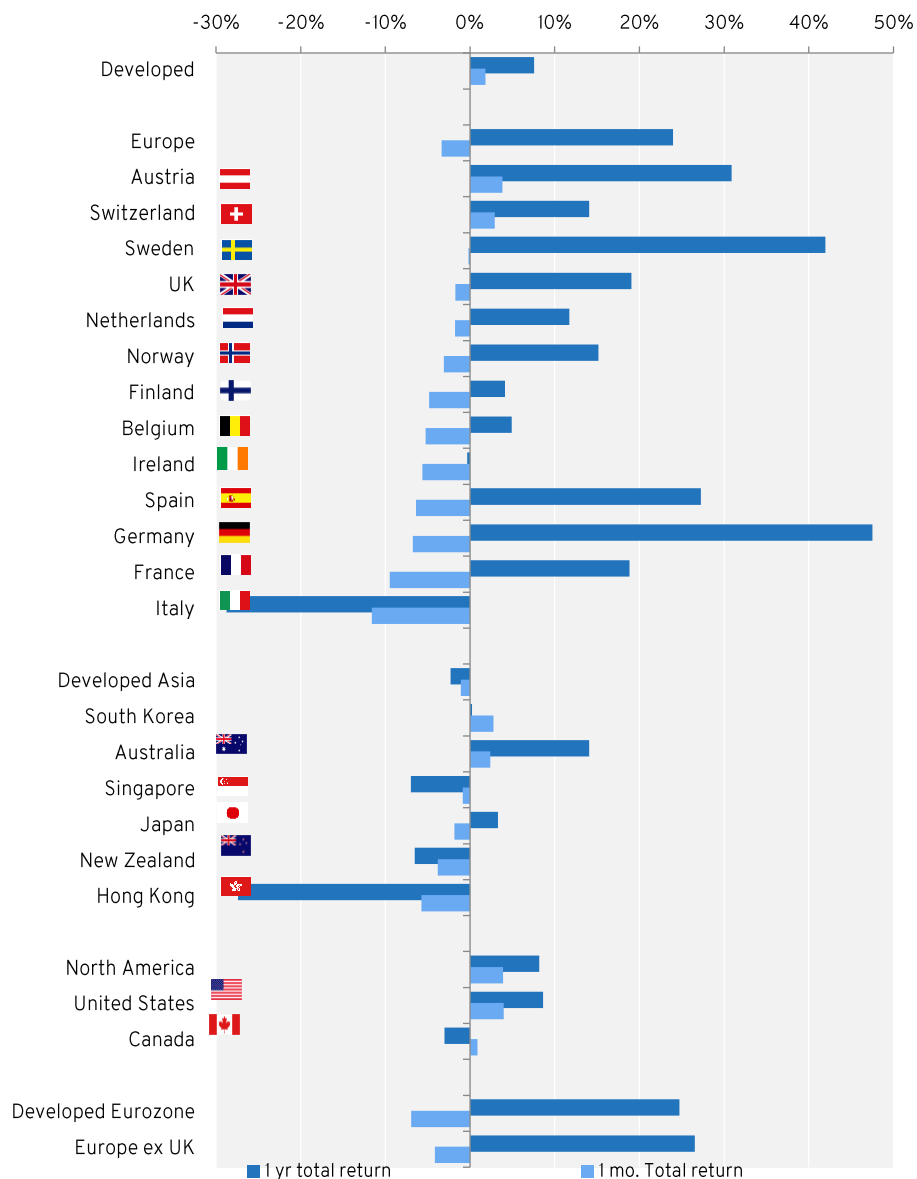
Assets: ≥ 50% of Total Tangible Assets
invested in RE. No Holding structures.

Eligible Markets: Premium and main trading
segments of official stock exchanges.

Data Availability: Monthly computations.
Performance figures available on this report.
Raw data accessible on demand at
research@epra.com

Developers Sub-Indexes: Risk and Return	YTD	6 Months	5 Years	Sharpe	5Y Max. Drawdown
Liquid Developers: Total Return	3.3%	3.3%	17.4%	0.25	-56.1% 690 Days
Standard Deviation (Annualized)	20.9%	20.8%	32.6%		
Residential Developers: Total Return	3.3%	3.3%	17.7%	0.25	-55.6% 690 Days
Standard Deviation (Annualized)	20.1%	20.1%	32.0%		

FTSE EPRA Nareit Monthly Index Performances (EUR)



Source: FTSE EPRA Nareit (as of June 28, 2024)

Link to Reports & Contacts

Monthly Statistical Bulletin
 Monthly Published NAV Bulletin
 Monthly LTV Report
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[Index Ground Rules Version 12.0](#)
[Property Portfolio Analysis \(end of 2022\)](#)
[Emerging Markets 2023](#)
[Sector Analysis: Office \(Aug-21\)](#)
[Total Markets Table 2024-Q1](#)
 (quarterly)



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EPRA Education Programmes

For more information, contact: education@epra.com and follow updates on the [website](#).
[EPRA INSEAD Executive Education Programme 2025](#)
 Held in partnership with INSEAD, the Executive Programme is a unique, intensive course that covers the latest trends shaping the listed real estate sector, such as e-commerce and logistics, digitalisation and data analytics. The fourth edition was **June 18-20, 2024** at INSEAD Fontainebleau campus. For [2025 Edition](#), follow updates on the [website](#).

[EPRA Bayes Business School Online Programme, Understanding the REIT price \(14 October-22 November 2024\)](#)

An online programme dedicated to understanding the listed real estate market, the fourth edition will start in week of October 14.

EPRA 2025 Call for Proposals

The Research Committee of the European Public Real Estate Association (EPRA) is accepting Proposals for Research for 2025. The deadline for Expression of Interest is 23:59 CET on **Friday, September 6, 2024**. You can follow on the [website](#).



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