



EPRA

EUROPEAN PUBLIC
REAL ESTATE ASSOCIATION

MONTHLY MARKET REVIEW

Monthly Market Review and Developers' Research Benchmark

July
2024

Overview

The FTSE EPRA Nareit Global Developed Real Estate Index gained 5.1% during July, now YTD return stands at 4.9%. Global equities (41 bps) and bonds (2.2%) also returned positive for the month.

In terms of regional performance: All regions gained momentum and posted positive returns: Europe (3.7%), North America (5.2%) and Asia (5.3%). Emerging markets (57 bps) also provided lower but still positive return in July.

Focusing on sector performance, office (10.4%) and specialty (10.1%) were outperformers followed by industrial (9.3%) and retail (6.1%), while lodging/resorts (-24 bps) was the only sector returned negative as bottom performer.

At the end of July, the FEN Developed Index totalled 359 constituents, representing a free float market capitalisation of around EUR 1.6 trillion and the FEN Emerging Index totalled 128 constituents, representing a free float market capitalisation of around EUR 123 billion.

EPRA Developers Research Benchmark

The EPRA Developed Europe benchmark provided a strong monthly return of 13.2% (m-o-m), brought YTD return at 17.6% in July. 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 52,883 million (31/07/2024)– *Details on page 5.*

Highlights of the Month

After cutting rates for the first time in June (lowering the refinancing rate to 4.25%), the ECB will likely hold rates until later this year and further cuts is expected in 2025, taking rates to around 2%. The BoE also reduced policy rate by 25 bps (now 5.0%) at August meeting. It is expected to help stabilizing real estate performance with support of continued economic growth and the prospects for LRE remains positive once the rate cutting cycle gathers momentum.

Oxford Economics expects that 2024 is a year of transition for real estate values before returning to growth in 2025. Markets will continue to feel the lagged impact of tighter monetary policy for the rest of this year, indicating a steady, rather than spectacular, recovery and investment activity picking up moderately. Although European LRE performed weak during the first half of the year in combination with the ongoing market uncertainty over further policy rate cuts in 2024 and heightened political risks, the projections remain positive over the next 6-12 months with attractive valuations, appealing discounts-to-NAV for most sectors. In addition, limited development supply should sustain REIT occupancy levels and income growth.

The FTSE EPRA Nareit Developed Europe Index gained momentum in July (3.7%, m-o-m), bringing YTD return to 1.3%. The average P/D to NAV in Europe slightly improved and stood at -26.5% (-29.8% in June), Industrial (0.8%) was the only sector and Sweden (6.5%) was the only country with a premium to NAV. On the other hand, the European average LTV increased slightly to 38.79% in July (38.5% in June).

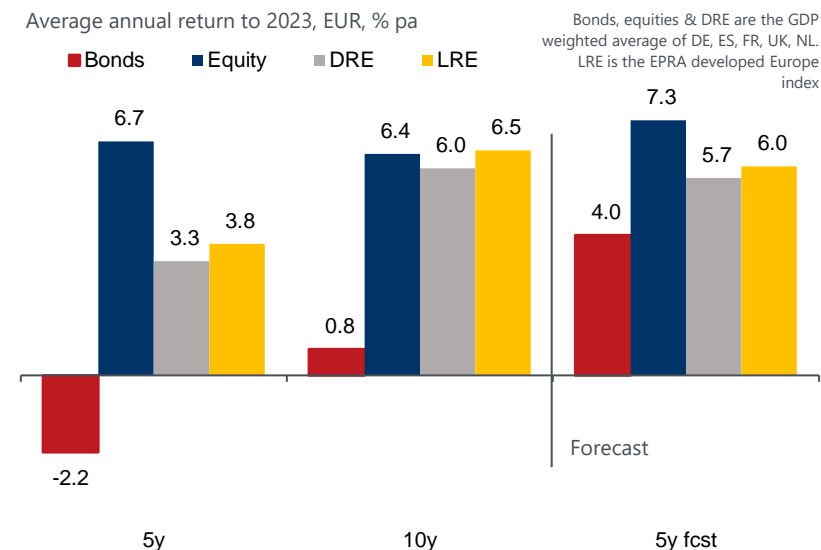
The FTSE EPRA Nareit Developed Europe constituents raised over EUR 2.4 billion capital (EUR 0.8 bln bonds and EUR 1.6 bln equity) during July (more info on [EPRA Monthly LTV Monitor](#)).

FTSE EPRA Nareit Global Index Total Return

% Total Returns (EUR)	Jul-24	YTD	1 yr	3 yrs*	5 yrs*
Global Real Estate ▲	5.1	4.9	10.0	-0.2	2.0
Global Equities (FTSE) ▲	0.4	17.5	21.1	11.4	10.6
Global Bonds (JP Morgan) ▲	2.2	0.5	3.3	-3.6	0.4
Europe Real Estate ▲	3.7	1.3	17.8	-8.5	-1.1
Europe Equities (FTSE) ▲	1.3	11.2	13.6	6.8	8.3
Europe Bonds (JP Morgan) ▲	1.2	2.4	7.0	-2.7	-2.2
Asia Real Estate ▲	5.3	0.0	0.5	-3.1	-2.8
Asia Equities (FTSE) ▼	-0.4	17.5	17.3	9.9	10.3
Asia Bonds (JP Morgan) ▼	-0.5	0.2	0.1	0.4	-1.2
North America Real Estate ▲	5.2	7.3	11.9	2.9	4.4
North America Equities (FTSE) ▲	0.6	18.9	24.2	12.2	15.4
North America Bonds (JP Morgan) ▲	1.3	3.7	6.2	0.3	0.5
Emerging Real Estate ▲	0.6	-1.7	-6.0	-4.1	-7.6
Emerging Equities (FTSE) ▼	-0.1	11.8	10.0	2.4	5.0
Emerging Bonds (JP Morgan) ▲	0.9	6.1	10.6	1.3	1.0

(* Annualised.)

Fig. 1. Europe: Multi asset class performance



Source: Oxford Economics (July-24) EPRA Real Estate Report. Oxford Economics/Haver Analytics/MSCI/EPRA.

Fig. 2. Global Weights (EUR)*

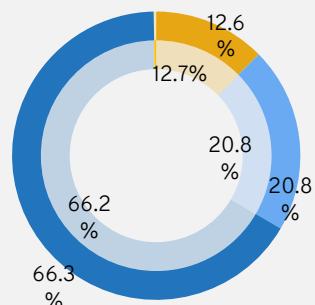


Fig. 3. REIT / Non-REITs

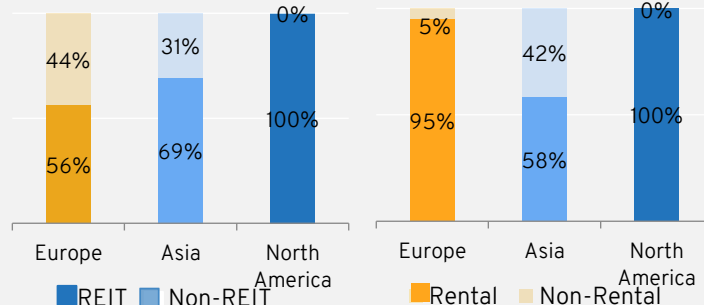


Fig. 4. Focus Split

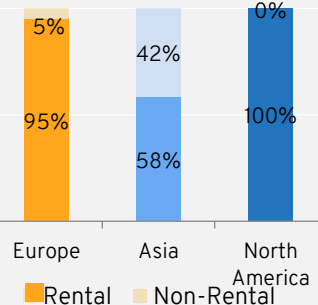


Fig. 5. Dividend Yields*

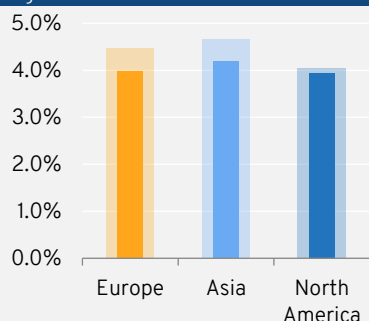


Fig. 6. Volatility (10 yr. & 3 yr.)**

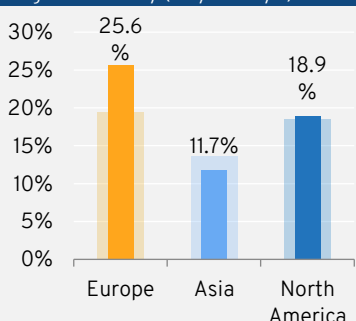
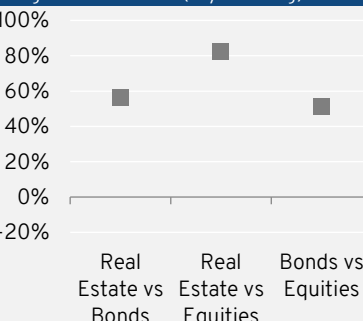


Fig. 7. Correlation (3 yr. rolling)



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

Dev. Europe: Total Return	Weekly Total Return by Sector					YTD	Covid-19
	Jul-24	5-Jul	12-Jul	19-Jul	26-Jul	Dec-23	19-Feb-20
Developed Europe	3.7%	3.0%	3.2%	-2.5%	-1.2%	1.3%	-24.8%
Industrial	2.8%	2.1%	3.4%	-2.3%	-2.0%	3.9%	8.0%
Self-Storage	5.0%	2.4%	3.1%	-1.3%	-2.1%	-2.6%	5.3%
Lodging/Resorts	3.0%	2.5%	5.7%	-2.4%	-1.7%	30.1%	-13.4%
Retail	2.9%	3.6%	1.1%	-1.6%	-2.6%	10.6%	-22.9%
Diversified	4.1%	3.0%	2.7%	-2.4%	-0.4%	2.1%	-24.5%
Residential	5.3%	2.6%	5.6%	-3.2%	-0.3%	0.2%	-32.3%
Office	4.5%	3.6%	1.8%	-2.5%	-0.3%	-6.4%	-34.2%
Healthcare	3.7%	4.3%	1.5%	0.2%	-1.7%	-4.4%	-35.3%

Source: Data is compiled from FTSE EPRA Nareit (as of July 31, 2024)

FTSE EPRA Nareit Developed Index - Top 10 Constituents

Company	Sector	Country	Total Return
Prologis	Industrial	USA	▲ 12.2%
Equinix Inc	Data Centers	USA	▲ 4.5%
Welltower Inc.	Healthcare	USA	▲ 6.7%
Simon Property Group	Retail	USA	▲ 1.1%
Digital Realty Trust	Data Centers	USA	▲ 9.2%
Realty Income	Retail	USA	▼ -1.7%
Public Storage	Self-Storage	USA	▲ 2.9%
Goodman Group	Diversified	AU	▲ 1.0%
Extra Space Storage	Self-Storage	USA	▲ 2.7%
VICI Properties	Specialty	USA	▲ 9.2%

FTSE EPRA Nareit Developed Index - Top 10 Performers

Company	Sector	Country	Total Return
SBB i Norden AB	Diversified	SWED	▲ 26.0%
Hudson Pacific Properties	Offices	USA	▲ 24.5%
Douglas Emmett Inc.	Offices	USA	▲ 22.3%
ARC Global II Sarl	Office/Ind	USA	▲ 22.1%
Acadia Realty Trust	Retail	USA	▲ 21.8%
Safehold Inc.	Specialty	USA	▲ 20.9%
Kilroy Realty Corporation	Offices	USA	▲ 20.3%
Retail Opportunity Investment Corp.	Retail	USA	▲ 20.3%
Cousins Properties Incorporated	Offices	USA	▲ 20.2%
Piedmont Office Realty Trust	Offices	USA	▲ 19.3%

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%

FTSE EPRA Nareit Developed Europe Index

The FEN Developed Europe Index returned 3.7% in July. Both European equities (1.3%) and bonds (1.2%) also posted positive returns for the month.

The Germany (5.8%), the UK (4.2%), Netherlands (3.2%), France (3.9%) and Sweden (2.7%) indexes returned positive in July. Austria (-2.5%) and Finland (-3.4%) were only country indexes returned negative in Developed Europe.

There was no major corporate action in Developed Europe region.

Sector Performance: All sectors returned positive which residential (5.3%), self-storage (5.0%) and office (4.5%) were top performers while industrial (2.8%) was the bottom performer with a relatively lower but positive monthly return.

Top 3 constituents: *SBB I Norden AB* (26.0%, Sweden, Diversified), *Lar Espana Real Estate SOCIMI SA* (19.2%, Spain, Retail), *IGD SIIQ SpA* (17.2%, Italy, Retail).

Developed Europe representing a free float MCap of around EUR 201 billion with 103 constituents

FTSE EPRA Nareit Developed Asia Index

The FEN Developed Asia Index gained 5.3% compared to losses from both Asian equities (-41 bps) and bonds (-50 bps) in July.

All country indexes returned positive in Developed Asia region: Japan (8.5%), South Korea (7.2%), Singapore(5.2%), Australia (2.7%), New Zealand (2.1%) and Hong Kong (47 bps) – *in Euros*.

There was no major corporate action in Developed Asia region.

Sector Performance: All sectors posted positive returns which data centres (10.0%) was the top performer followed by retail (7.2%) and office (6.1%), while residential (67 bps) returned relatively lower as the bottom performer.

Top 3 constituents: *Waypoint REIT* (16.6%, Australia, Retail), *Lotte REIT* (16.2%, South Korea, Retail), *GPT Group* (15.7%, Australia, Diversified).

Developed Asia representing a free float MCap of around EUR 332 billion with 134 constituents

FTSE EPRA Nareit North America Index

The FEN North America Index posted 5.2% monthly return in July. North American equities (58 bps) and bonds (1.3%) also posted positive returns for the month.

The US (5.2%) and Canada (6.2%) indexes posted positive monthly returns in July – *in Euros*.

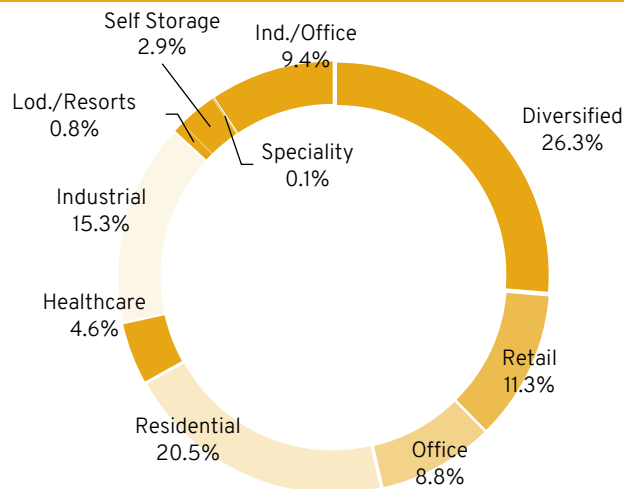
There was no major corporate action in Developed North America region.

Sector Performance: Industrial/office (21.6%) was outperformer followed by office (15.6%), industrial (11.4%) and specialty (10.4%). Meanwhile, lodging/resorts (-1.9%) was the only sector returned negative as the bottom performer.

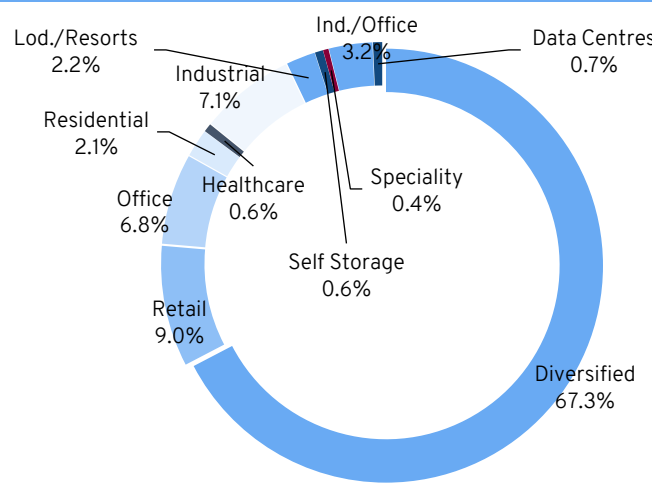
Top 3 constituents: *Huson Pacific Properties* (24.5%, USA, Office), *Douglas Emmett Inc.* (22.3%, USA, Office), *ARC Global II Sarl* (22.1%, USA, Office/Industrial).

Developed North America representing a free float MCap of around EUR 1,057 billion with 119 constituents

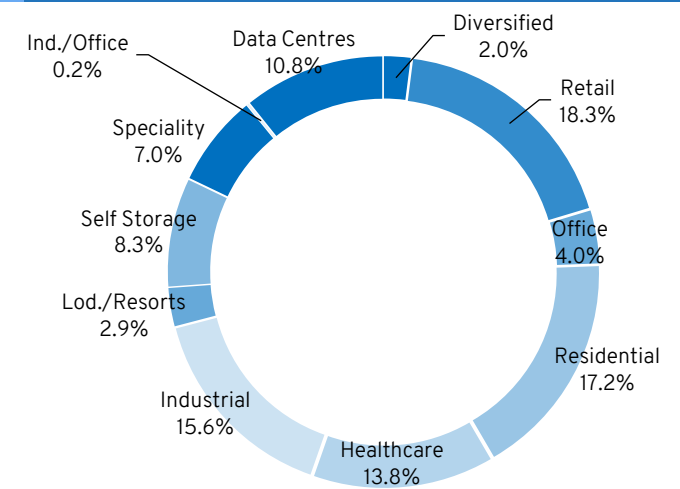
Developed Europe Sector Split



Developed Asia Sector Split

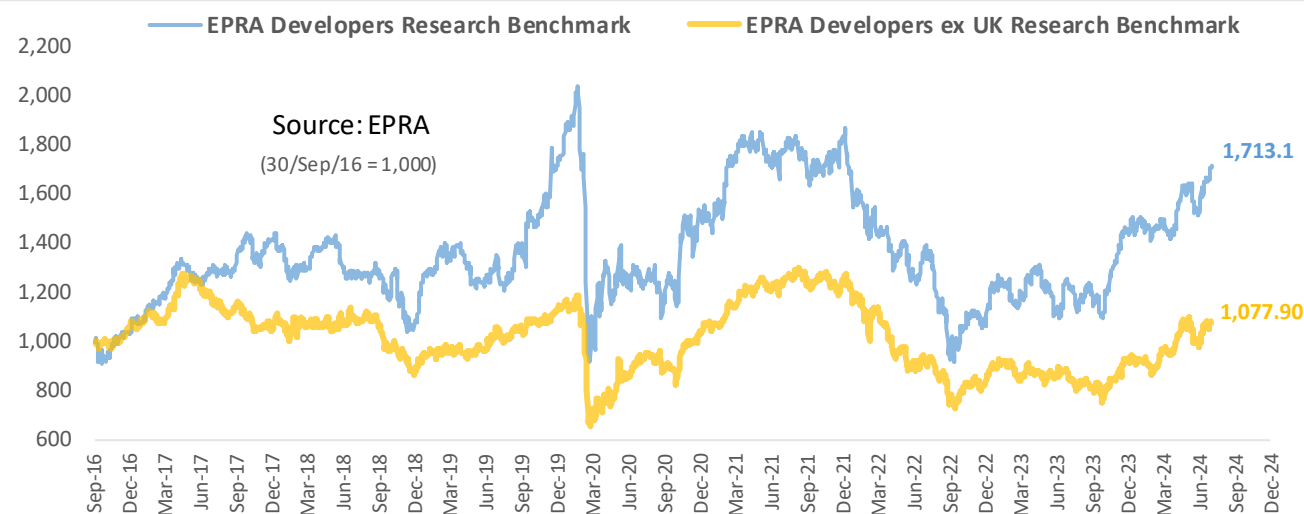


North America Sector Split



EPRA Developers Research Benchmark

31 July 2024



EPRA DEVELOPERS RESEARCH BENCHMARK	Developed Europe			Developed Europe ex UK		
	1M	YTD	1 Year	1M	YTD	1 Year
Total Return	13.2%	17.6%	39.3%	10.2%	16.1%	25.5%
Return	YTD	6M	5 Years	YTD	6M	5 Years
Total Return	17.6%	13.9%	30.2%	16.1%	16.5%	3.2%
Maximum Return	3.5%	3.5%	11.6%	2.9%	2.9%	5.6%
Minimum Return	-3.4%	-3.4%	-13.2%	-3.3%	-3.3%	-12.5%
Mean Return (Annualized)	51.1%	47.9%	15.3%	45.4%	56.5%	4.1%
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)	19.4%	19.0%	31.4%	15.9%	16.3%	20.9%
Downside Risk (Annualized)	14.0%	13.7%	22.1%	11.7%	12.1%	15.9%
Kurtosis	0.22	0.36	6.54	0.01	0.01	0.13
Skewness	-0.13	-0.15	0.11	0.00	0.00	-0.01
Semivariance (Annualized)	19.9%	19.6%	31.0%	17.0%	17.7%	23.1%
VaR (ex-post)	-2.06	-2.01	-2.93	-1.47	-1.48	-1.96
Risk-Adjusted Performance	YTD	6 Months	5 Years	YTD	6 Months	5 Years
Sharpe Ratio	1.57	1.50	0.31	1.69	2.09	0.10

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

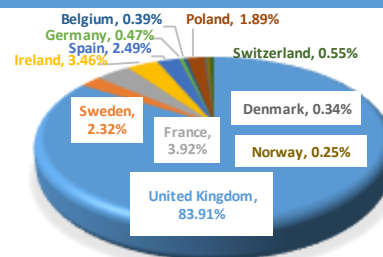
Base Value: 1,000

Review Dates: April, October

EPRA Developers Research Benchmark

31 July 2024

Constituent	Classification	Weight	Country	TR 1M	TR 1Y	Std.Dev
BERKELEY GROUP	Residential	14.26%	UK	11.4%	22.4%	21.1%
BARRATT DEV	Residential	14.74%	UK	12.2%	24.8%	24.7%
TAYLOR WIMPEY PL	Residential	14.41%	UK	12.8%	53.0%	23.8%
PERSIMMON	Residential	12.62%	UK	18.2%	46.3%	32.0%
VISTRY GROUP PLC	Residential	9.76%	UK	17.7%	78.3%	35.1%
BELLWAY PLC	Residential	9.12%	UK	13.7%	37.7%	25.8%
REDROW PLC	Residential	5.46%	UK	12.6%	53.7%	30.0%
CREST NICHOLS	Residential	1.85%	UK	11.6%	38.4%	40.0%
HARWORTH GROUP P	Diversified	0.75%	UK	4.7%	51.2%	35.0%
MJ GLEESON PLC	Residential	0.68%	UK	14.1%	46.1%	31.0%
WATKIN JONES PLC	Residential	0.27%	UK	11.5%	5.4%	48.3%
NEXITY	Residential	1.51%	France	25.1%	-32.3%	52.4%
KAUFMAN & BROAD	Residential	1.17%	France	23.6%	36.6%	28.9%
ALTAREA	Residential	1.24%	France	20.8%	27.8%	33.7%
METROVACESA SA	Residential	0.86%	Spain	3.3%	23.2%	19.2%
NEINOR HOMES SA	Residential	1.09%	Spain	7.9%	64.4%	25.8%
AEDAS HOMES SA	Residential	0.54%	Spain	15.9%	69.7%	25.5%
IMMOBEL	Diversified	0.28%	Belgium	-0.4%	-28.3%	39.3%
ATENOR	Diversified	0.10%	Belgium	-3.4%	-63.9%	76.3%
CAIRN HOMES	Residential	1.92%	Ireland	18.5%	78.7%	25.8%
GLENVEAGH PROPER	Residential	1.54%	Ireland	9.4%	28.1%	24.6%
DEVELIA SA	Diversified	1.18%	Poland	1.7%	30.3%	34.8%
DOMDEV	Residential	0.71%	Poland	-3.4%	25.5%	31.1%
HUSCIET A/S	Residential	0.34%	Denmark	3.6%	3.5%	32.2%
INSTONE REAL EST	Residential	0.47%	Germany	15.1%	54.1%	38.4%
SELVAAG BOLIG AS	Residential	0.25%	Norway	-1.8%	17.4%	34.4%
JM AB	Residential	2.32%	Sweden	2.8%	27.7%	44.4%
CHAM GROUP AG	Diversified	0.55%	Switzerland	2.1%	3.0%	18.3%



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

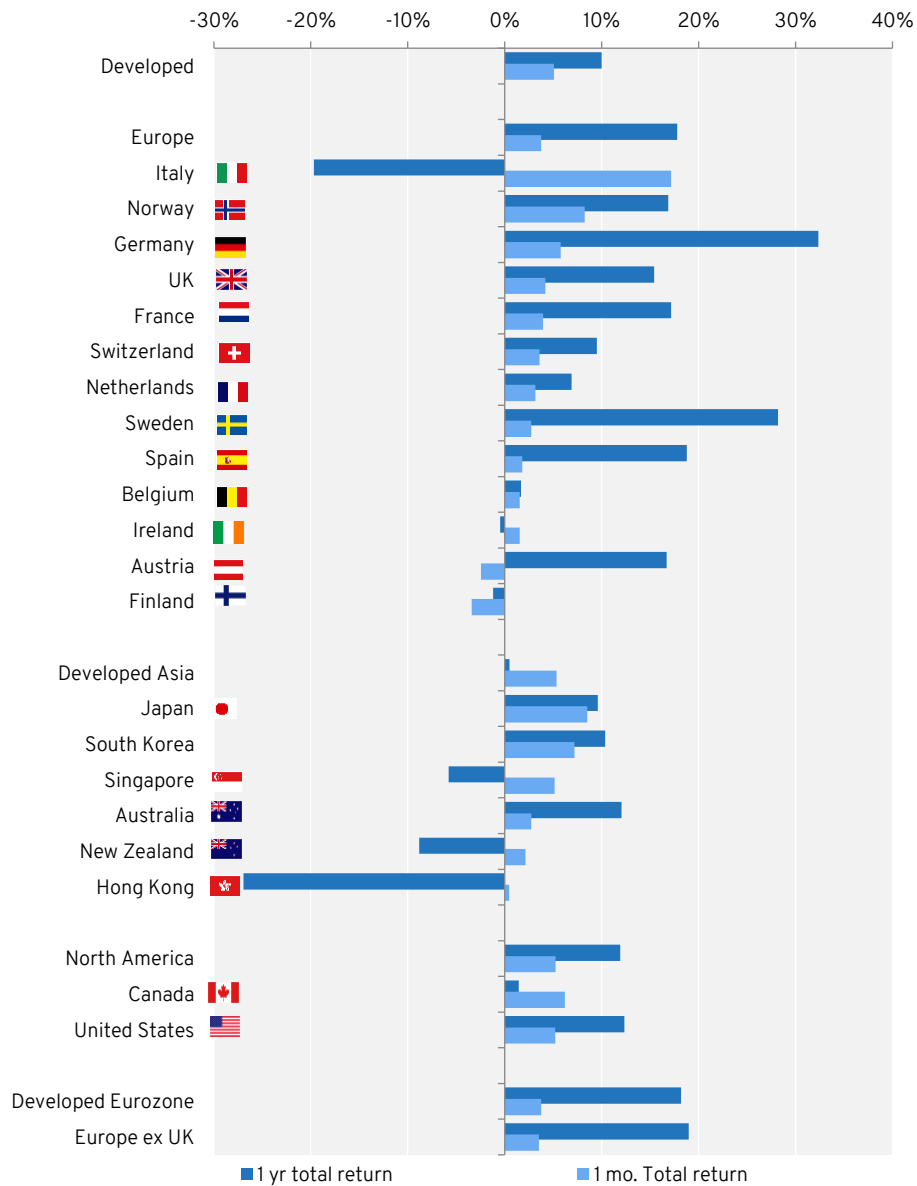
Assets: ≥ 50% of Total Tangible Assets invested in RE. No Holding structures.

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	17.3%	13.2%	28.8%	0.31	-56.1% 690 Days
Standard Deviation (Annualized)	20.6%	20.1%	32.6%		
Residential Developers: Total Return	17.4%	13.8%	29.1%	0.31	-55.6% 690 Days
Standard Deviation (Annualized)	19.9%	19.5%	32.0%		

FTSE EPRA Nareit Monthly Index Performances (EUR)



Source: FTSE EPRA Nareit (as of July 31, 2024)

Link to Reports & Contacts

Visit our website to read our reports:
[Monthly Reports](#)
To read articles on the: [Blog](#)
[Index Ground Rules Version 12.0](#)
[Property Portfolio Analysis \(end of 2022\)](#)
[Emerging Markets 2023](#)
[Alternative Sector report \(Jul-24\)](#)
[Total Markets Table 2024-Q2 \(quarterly\)](#)



EPRA CONTACTS:
Dilek Pekdemir, Ph.D.
Research Manager
d.pekdemir@epra.com

David Moreno, CFA
Indexes Manager
d.moreno@epra.com

Iskren Marinov
Analyst Indices & Research
i.marinov@epra.com

Giovanni Curatolo
Junior Analyst Indices & Research
g.curatolo@epra.com

EPRA Education Programmes

For more information, contact: education@epra.com and follow updates on the [website](#).
[EPRA INSEAD Executive Education Programme \(17-19 June 2025\)](#)
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.



[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](#).



Disclaimer

EPRA does not intend this presentation to be a solicitation related to any particular company, nor does it intend to provide investment, legal or tax advice. Investors should consult with their own investment, legal or tax advisers regarding the appropriateness of investing in any of the securities or investment strategies discussed in this presentation. Nothing herein should be construed to be an endorsement by EPRA of any specific company or products or as an offer to sell or a solicitation to buy any security or other financial instrument or to participate in any trading strategy. EPRA expressly disclaims any liability for the accuracy, timeliness or completeness of data in this presentation. Unless otherwise indicated, all data are derived from, and apply only to, publicly traded securities. Any investment returns or performance data (past hypothetical or otherwise) are, not necessarily indicative of future returns or performance.