



EPRA

EUROPEAN PUBLIC
REAL ESTATE ASSOCIATION

MONTHLY
MARKET REVIEW

Monthly Market Review

June 2018

06
June
2018

Monthly Market Review

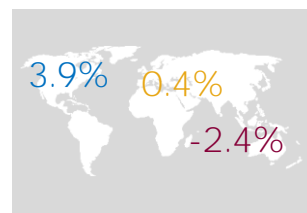
Europe

Asia

Americas

Emerging

% Total Returns (EUR)	Jun-18	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Global Real Estate	1.6	3.8	4.2	5.1	9.2	8.9	8.7
Global Equities (FTSE)	0.0	0.9	11.2	9.1	11.4	7.7	5.9
Global Bonds (JP Morgan)	0.2	-0.1	0.7	2.1	2.9	3.7	3.9
Europe Real Estate	0.4	2.4	9.9	5.7	12.7	7.9	7.9
Asia Real Estate	-2.4	3.2	5.5	2.8	5.9	7.0	8.8
North America Real Estate	3.9	4.5	1.9	5.9	10.1	10.7	8.9



FTSE EPRA/NAREIT Developed Index

The FTSE EPRA/NAREIT Developed (Global) Index increased 1.6% during June 2018. Global equities and global bonds market lost 0.01% and gained 0.2% respectively during the month of June. Real estate markets in North America increased 3.9% and Europe's market increased by 0.4% while Asia was down 2.4%.

Over a one-year period, global real estate investments have returned 4.2% compared to a gain of 11.2% and a gain of 0.7% from global equities and global bonds, respectively. Annualised ten-year rolling returns for real estate investments stand at 8.9%. Equities gained 7.7% while bonds markets posted a 3.7% return per annum.

At the end of June 2018, the FTSE EPRA/NAREIT Developed Index counted a total of 338 constituents, representing a free float market capitalisation of over EUR 1,263 billion.

Developed Index (TR) (EUR)

(ENGL) **4,488** ▲ 1.6%

Developed Europe (TR) (EUR)

(EPRA) **4,606** ▲ 0.4%

Developed Asia (TR) (EUR)

(EGAS) **2,938** ▼ -2.4%

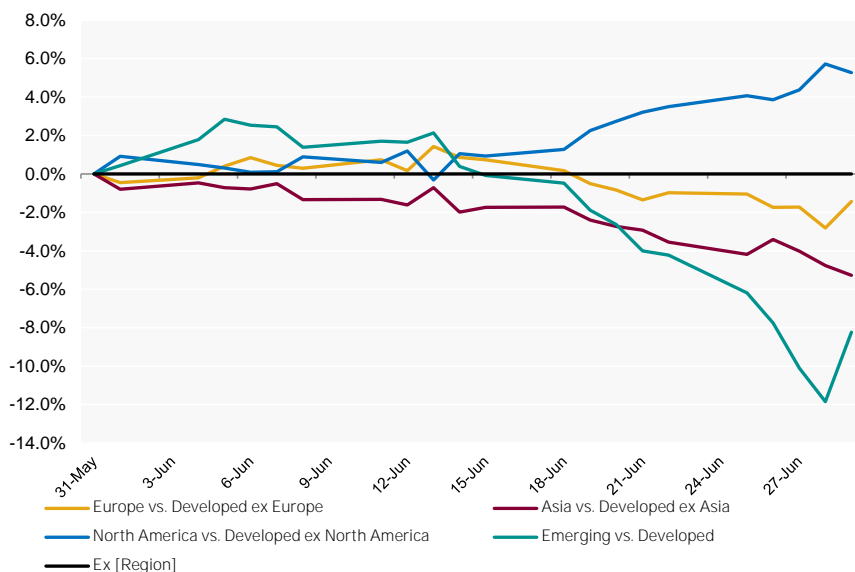
North America (TR) (EUR)

(EGNA) **6,208** ▲ 3.9%

Emerging (TR) (EUR)

(ENEI) **3,281** ▼ -6.8%

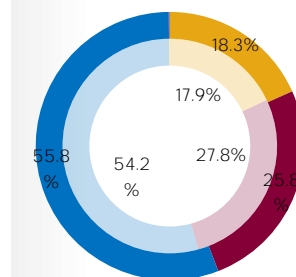
Monthly Regional Over/Under Performance



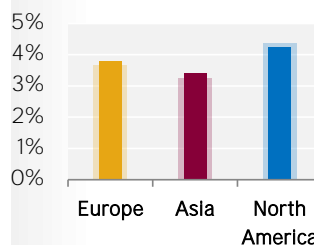
* Annualised

** Shaded bars display previous month's data

Global Weights (EUR)**



Dividend Yields**



FTSE EPRA/NAREIT Developed Index – Top 5 Performers

Company	Country	Total Return
DDR Corp	USA	▲ 20.4%
Washington Prime Group	USA	▲ 14.9%
CBL & Associates Properties, Inc.	USA	▲ 14.2%
Education Realty Trust	USA	▲ 13.6%
Xior Student Housing NV	BELG	▲ 13.1%

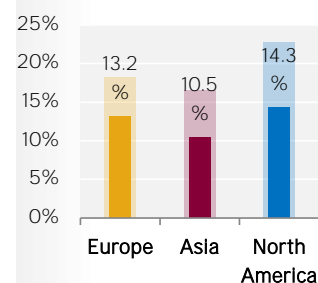
FTSE EPRA/NAREIT Developed Index – Bottom 5 Performers

Company	Country	Total Return
Kloven B	SWED	▼ -9.7%
INTU Properties Plc	UK	▼ -9.5%
Henderson Land Development Company Ltd	HK	▼ -9.2%
Hang Lung Properties Ltd.	HK	▼ -9.1%
CapitaLand Limited	SI	▼ -8.7%

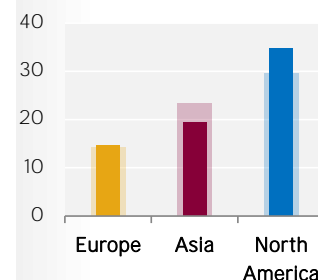
FTSE EPRA/NAREIT Developed Index – Top 10 Constituents

Company	Country	Total Return
Simon Property Group, Inc.	USA	▲ 6.2%
ProLogis	USA	▲ 2.8%
Public Storage, Inc.	USA	▲ 8.0%
Unibail-Rodamco-Westfield	NETH	▼ -2.1%
Vonovia SE	GER	▲ 1.0%
AvalonBay Communities, Inc.	USA	▲ 4.8%
Welltower Inc.	USA	▲ 8.7%
Digital Realty Trust	USA	▲ 4.8%
Equity Residential Properties Trust	USA	▲ 0.4%
Mitsui Fudosan Co., Ltd.	JA	▼ -2.1%

Volatility (10 yr. & 3 yr.)*



Index Turnover (EUR billion)**



Correlation (3 yr. rolling)



* Shaded bars are 10 yr.

** Shaded bars are last month's



FTSE EPRA/NAREIT Developed Europe Index

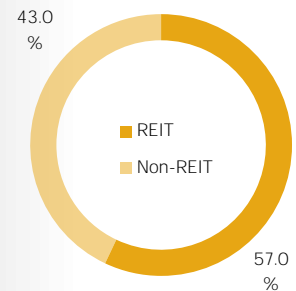
The FTSE EPRA/NAREIT Developed Europe Index gained 1.1% during June 2018. The UK Index decreased by 0.03% compared to a decrease of 0.7% in France. The Netherlands was down by 1.8%.

At the end of June 2018, the FTSE EPRA/NAREIT Developed Europe Index counted a total of 107 constituents, representing a free float market capitalisation of over EUR 231 billion.

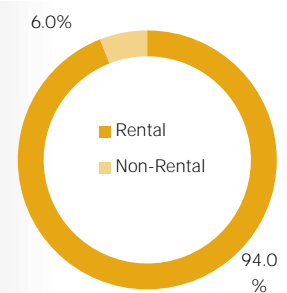
FTSE EPRA/NAREIT Developed Europe - Selected Country Indices

% Total Returns	Jun-18	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Europe (EUR)	0.4	2.4	9.9	5.7	12.7	7.9	7.9
Europe ex UK (EUR)	0.6	2.8	10.4	11.6	14.1	9.2	10.3
UK (GBP)	0.5	1.0	9.3	2.6	9.9	5.7	5.5
France (EUR)	-1.5	-3.3	6.3	6.4	10.3	9.3	12.5
Netherlands (EUR)	-1.4	-4.6	-5.6	-0.2	6.1	2.5	6.6

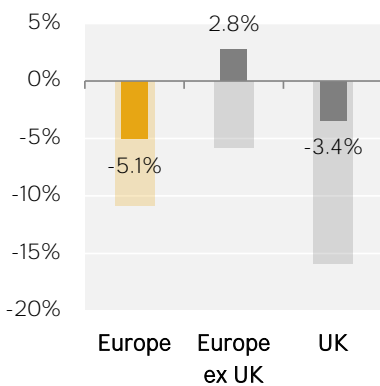
Developed Europe REIT / Non-REITs



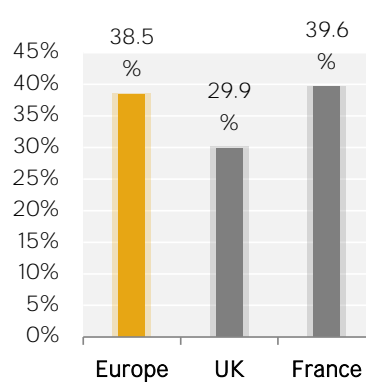
Developed Europe Focus split



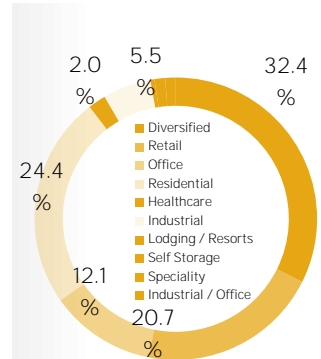
Discounts to NAV*



LTV (last month)



Developed Europe Sector split



Monthly Market Review

Europe

Asia

Americas

Emerging

FTSE EPRA/NAREIT Developed EMEA Index – Top 5 Performers

Company	Country	Total Return
Xior Student Housing NV	BELG	▲ 13.1%
Grand City Properties	GER	▲ 9.4%
Lar Espana	SP	▲ 8.1%
Wihlborgs Fastigheter AB	SWED	▲ 8.1%
Axiare Patrimonio SOCIMI, S.A.	SP	▲ 7.3%

FTSE EPRA/NAREIT Developed EMEA – Bottom 3 Performers

Company	Country	Total Return
Klovern B	SWED	▼ -9.7%
INTU Properties Plc	UK	▼ -9.5%
Hemfosa Fastigheter	SWED	▼ -8.2%
Helical Bar Plc	UK	▼ -7.7%
Sirius Real Estate Limited	UK	▼ -6.0%

FTSE EPRA/NAREIT Developed EMEA – Top 10 Constituents

Company	Country	Total Return
Unibail-Rodamco-Westfield	NETH	▼ -2.1%
Vonovia SE	GER	▲ 1.0%
Deutsche Wohnen SE	GER	▲ 5.2%
Land Securities Group PLC	UK	▲ 4.5%
SEGRO	UK	▲ 2.3%
British land company	UK	▲ 0.3%
Gecina	FRA	▼ -1.3%
Klepierre SA	FRA	▼ -3.2%
LEG Immobilien AG	GER	▼ -0.7%
Swiss Prime Site AG	SWIT	▼ -0.9%

Corporate Actions

After the successful merger between Unibail-Rodamco (Netherlands) and Westfield Corp. (Australia) the new free float percentage of the new entity called Unibail-Rodamco-Westfield is 97.3167% (coming from 99.31%). The new number of shares in issue is 138,032,136. During the quarterly review, three companies were added to the EPRA Developed EMEA Index: LXI REIT (UK), Triple Point Social Housing REIT (UK), and Victoria Park AB (Sweden). The following five companies were reclassified from Non-Rental to Rental: Allreal Holdings (Switzerland), Azrieli Group (Israel), Icade (France), Pandox AB (Sweden), and TAG Immobilien (Germany). Dutch REIT NSI NV was reclassified from Diversified to Office, DIC Asset AG from Germany was reclassified from Rental to Non-Rental, and Capital & Counties Properties from the UK was reclassified from Retail to Diversified.

FTSE EPRA/NAREIT Developed Asia Index

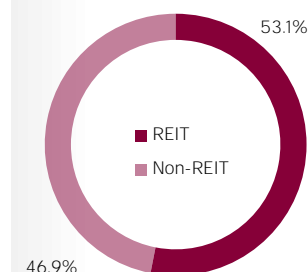
The FTSE EPRA/NAREIT Developed Asia Index increased by 0.9% during June 2018. The Hong Kong Index was down 3.9% compared to a decrease of 0.9% in Japan. The Australia Index was up by 5.0%, while Singapore decreased 8.1% during the month.

At the end of June 2018, the FTSE EPRA/NAREIT Developed Asia Index counted a total of 79 constituents, representing a free float market capitalisation of over EUR 325 billion.

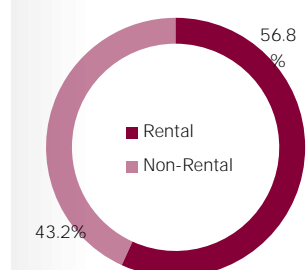
FTSE EPRA/NAREIT Developed Asia - Selected Country Indices

% Total Returns	Jun-18	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Asia (EUR)	-2.4	3.2	5.5	2.8	5.9	7.0	8.8
Hong Kong (HKD)	-4.1	-3.0	11.0	5.6	6.6	6.2	11.1
Japan (JPY)	0.6	6.0	5.3	-1.4	2.4	3.6	5.8
Australia (AUD)	2.0	3.0	12.9	9.7	12.0	5.1	6.9
Singapore (SGD)	-3.5	-7.3	2.9	5.4	5.7	3.3	8.4

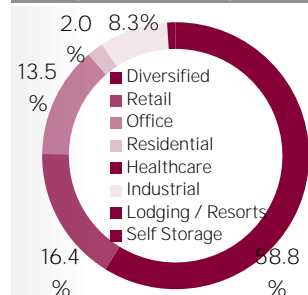
Developed Asia REIT / Non-REITs



Developed Asia Focus split



Developed Asia Sector split



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Monthly Market Review

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FTSE EPRA/NAREIT Developed Asia Index – Top 5 Performers

Company	Country	Total Return
Hulic	JA	▲ 6.9%
Activia Properties	JA	▲ 6.8%
Nippon Building Fund of Japan	JA	▲ 6.3%
Investa Office Fund	AU	▲ 5.5%
Cromwell Property Group	AU	▲ 5.1%

FTSE EPRA/NAREIT Developed Asia – Bottom 3 Performers

Company	Country	Total Return
Henderson Land Development Company Ltd	HK	▼ -9.2%
Hang Lung Properties Ltd.	HK	▼ -9.1%
CapitaLand Limited	SI	▼ -8.7%
New World Development Company Limited	HK	▼ -8.3%
Wharf Real Estate Investment	HK	▼ -7.8%

FTSE EPRA/NAREIT Developed Asia – Top 10 Constituents

Company	Country	Total Return
Mitsui Fudosan Co., Ltd.	JA	▼ -2.1%
Sun Hung Kai Properties Limited	HK	▼ -6.5%
Cheung Kong (Holdings) Ltd.	HK	▼ -4.9%
Mitsubishi Estate Company, Limited	JA	▼ -2.0%
Link REIT	HK	▲ 5.1%
Scentre Group	AUD	▲ 5.0%
Sumitomo Realty & Development Co Ltd	JA	▼ -0.6%
Goodman Group	AU	▲ 4.5%
Wharf Real Estate Investment	HK	▼ -7.8%
Hongkong Land Holdings	HK	▼ -1.5%

Corporate Actions

OneMarket (Australia), a spinoff of former constituent Westfield Corp, has been deleted from the indices due to ineligibility. Both the Westfield Cash Dummy Line and the Unibail-Rodamco Stapled Shares CDIs have been deleted from the index after conclusion of the successful merger between Westfield Corp and Unibail-Rodamco. Hong Kong listed Henderson Land Dev paid out a special dividend in the form of 1 bonus share from every 10 shares held. The new number of shares in issue is 4,392,796,623. Comforia Residential REIT (Japan) was added to the indices at the quarterly review. The following four companies were reclassified from Non-Rental to Rental: Mitsubishi Estate, NTT Urban Development (both from Japan), and Swire Properties and Wharf Real Estate Investment (both listed in Hong Kong). Hang Lung Properties (Hong Kong) was reclassified from Rental to Non-Rental and CapitaLand Commercial Trust from Office to Diversified.

FTSE EPRA/NAREIT North America Index

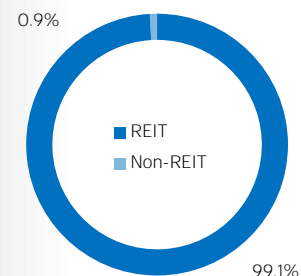
The FTSE EPRA/NAREIT North America Index increased by 8.3% during June 2018. The United States Index gained 8.8% compared to an increase of 4.4% in Canada.

At the end of June 2018, the FTSE EPRA/NAREIT North America Index counted a total of 151 constituents, representing a free float market capitalisation of over EUR 704 billion.

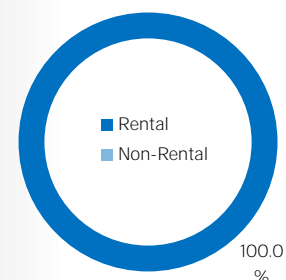
FTSE EPRA/NAREIT North America - Country Indices

% Total Returns	Jun-18	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
North America (USD)	3.9%	1.6%	4.4%	7.6%	7.7%	7.4%	9.1%
United States (USD)	4.1%	1.7%	4.0%	7.6%	8.0%	7.5%	9.0%
Canada (CAD)	1.6%	5.1%	11.6%	8.8%	8.3%	9.0%	9.8%

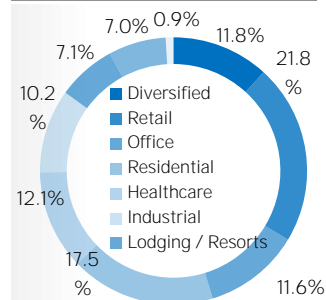
North America REIT / Non-REITs



North America Focus split



North America Sector split



EPRA Global REIT Survey 2017

A comparison of the major REIT
regimes around the world



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FTSE EPRA/NAREIT North America Index – Top 5 Performers

Company	Country	Total Return
DDR Corp	USA	▲ 20.4%
Washington Prime Group	USA	▲ 14.9%
CBL & Associates Properties, Inc.	USA	▲ 14.2%
Education Realty Trust	USA	▲ 13.6%
Forest City Enterprises, Inc.	USA	▲ 12.0%

FTSE EPRA/NAREIT North America – Bottom 3 Performers

Company	Country	Total Return
Spirit Realty Capital	USA	▼ -8.3%
Summit Hotel Properties	USA	▼ -6.4%
Apple Hospitality REIT Inc.	USA	▼ -5.5%
Dream Office REIT	CAN	▼ -5.0%
RLJ Lodging Trust	USA	▼ -4.4%

FTSE EPRA/NAREIT North America – Top 10 Constituents

Company	Country	Total Return
Simon Property Group, Inc.	USA	▲ 6.2%
ProLogis	USA	▲ 2.8%
Public Storage, Inc.	USA	▲ 8.0%
AvalonBay Communities, Inc.	USA	▲ 4.8%
Welltower Inc.	USA	▲ 8.7%
Digital Realty Trust	USA	▲ 4.8%
Equity Residential Properties Trust	USA	▲ 0.4%
Ventas, Inc.	USA	▲ 5.7%
Boston Properties, Inc.	USA	▲ 3.7%
Essex	USA	▲ 0.8%

Corporate Actions

Spirit MTA REIT was added to the index after a demerger from Spirit Realty Capital. The number of shares in issue is 45,589,708 and the free float percentage is 99.5683%. Spirit Realty Capital paid a special dividend in the form of a capital repayment of USD 0.91 due to the demerger of Spirit MTA REIT. At the quarterly review three US companies were added to the index: Americold Realty Trust, Colony NorthStar, and Independence Realty Trust. Global Net Lease was reclassified from Diversified to Industrial/Office Mixed and Gramercy Property Trust was reclassified from Industrial/Office Mixed to Industrial.



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FTSE EPRA/NAREIT Emerging Index

The FTSE EPRA/NAREIT Emerging Index lost 7.9% during June 2018. Emerging EMEA was down by 12.6%, while Emerging Asia Pacific lost 5.8%. Real estate markets in Emerging Americas lost 11.6% over the month.

At the end of June 2018, the FTSE EPRA/NAREIT Emerging Index counted a total of 143 constituents, representing a free float market capitalisation of over EUR 153 billion.

FTSE EPRA/NAREIT Emerging - Country Indices

% Total Returns	Jun-18	YTD	1 yr	3 yrs*	5 yrs*
Emerging (EUR)	-6.8	-4.2	9.6	7.3	8.3
Emerging EMEA (EUR)	-9.1	-9.9	-4.6	-1.6	5.9
Emerging Europe (EUR)	-4.4	-26.0	-34.0	-15.9	-9.5
Emerging MEA (EUR)	-9.4	-8.1	-0.9	-0.2	8.7
Emerging Asia Pacific (EUR)	-7.1	-2.0	16.9	11.2	12.2
Emerging Americas (EUR)	-2.0	-13.4	-16.6	-5.7	-10.2

FTSE EPRA/NAREIT Emerging Index – Top 10 Constituents

Company	Country	Total Return
Country Garden Holdings	CHN	▼ -5.7%
China Overseas Land & Investment Ltd.	CHN	▲ 0.2%
China Resources Land Ltd	CHN	▼ -5.1%
Sunac China Holdings (P Chip)	CHN	▼ -6.4%
Evergrande Real Estate Group	CHN	▼ -13.0%
SM Prime Holdings	PHIL	▼ -2.8%
Growthpoint Management Services Pty Ltd	SAF	▼ -1.9%
Central Pattana	THAI	▼ -8.5%
Ayala Land	PHIL	▼ -4.8%
China Vanke Co., Ltd (B)	CHN	▼ -2.1%

Corporate Actions

Country Garden Services Holdings (China) was temporarily added to the index following a demerger from Country Garden Holdings, the number of shares in issue is 2,498,837,791 and the free float percentage is 33.9568%. During the quarterly review, two Chinese companies were added to the index: Zhenro Properties Group and Sino-Ocean Group Holding. Two companies were deleted from the index due to the EBITDA rule: Emaar Misr for Development from Egypt and Fantasia Holdings Group from China. Three companies were deleted due to the size rule: Unitech (India), Puradelta Lestari (Indonesia), and Tecnisa (Brazil). Turkish constituent IS Gayrimenkul Yatirim Ortakligi was reclassified from Non-Rental to Rental.

Monthly Market Review

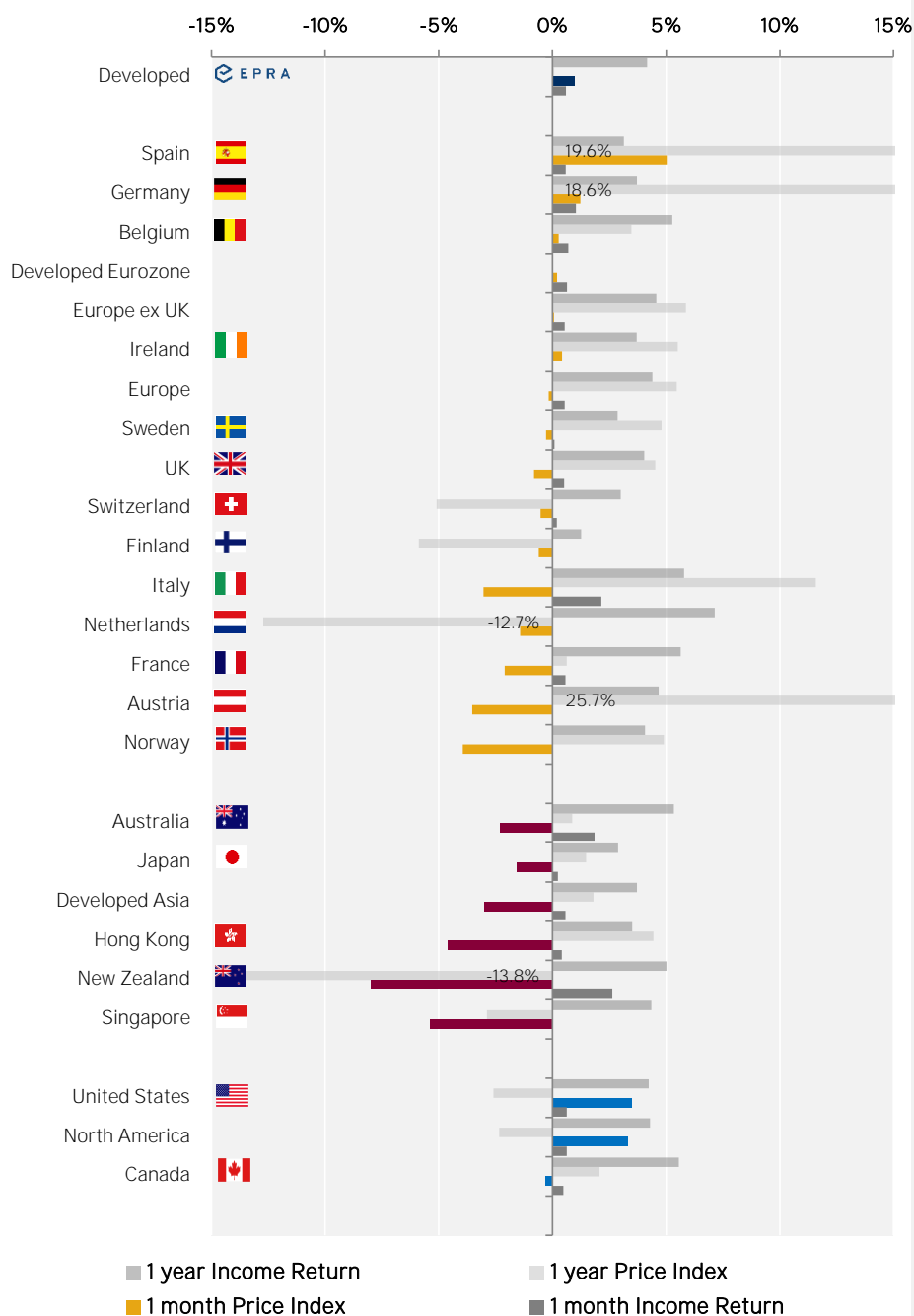
Europe

Asia

Americas

Emerging

FTSE EPRA/NAREIT Monthly Index Performances (EUR)



Monthly Market Review

Europe

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Emerging

Exchange Traded Funds (ETFs) tracking FTSE EPRA/NAREIT Global Index Series

ETF Provider & ETF Name	EPRA Benchmark Bloomberg Ticker	ETF AUM in USD Mln.	ETF 1 year Return	Total Benchmark 1-yr Total Return
Amundi				
Amundi ETF FTSE EPRA Europe Real Estate UCITS ETF	NEPRA Index	38.6	6.2%	6.0%
Amundi ETF FTSE EPRA Global UCITS	TRNGLE Index	888.8	-0.7%	-0.9%
AMP Capital				
AMP Capital Global Property Securities Unhedged	RGHATR Index	10.9	4.1%	4.3%
Blackrock				
iShares Developed Markets Property Yield UCITS ETF	TENDNU Index	3,018.6	-0.3%	-0.5%
iShares European Property Yield UCITS ETF	TENDPNE Index	1,673.6	6.2%	5.3%
iShares UK Property UCITS ETF	TELUKNG Index	986.8	7.8%	8.0%
iShares US Property Yield UCITS ETF	TENDNU Index	650.5	-3.4%	-4.1%
iShares International Developed Real Estate ETF	TRGXUU Index	533.4	8.6%	9.2%
iShares Asia Property Yield UCITS ETF	TENADNU Index	360.2	2.1%	2.5%
iShares Global REIT ETF	RNXG Index	1,111.8	3.8%	2.8%
iShares Europe Developed Real Estate ETF	NUPRA Index	43.2	12.6%	11.9%
BNP Paribas				
BNP Paribas Easy FTSE EPRA/NAREIT Eurozone Capped	NROEUE Index	886.7	9.0%	8.6%
BNP Paribas Easy FTSE EPRA/NAREIT Developed Europe	NEPRA Index	358.1	6.0%	6.0%
Deutsche Bank				
db x-trackers FTSE EPRA/NAREIT Dev. Europe Real Estate ETF	NEPRA Index	633.3	6.2%	6.0%
db x-trackers FTSE Dev. Europe Ex UK Property UCITS ETF	NROUKE Index	37.3	6.8%	6.3%
First Trust				
First Trust FTSE EPRA/NAREIT Dev. Markets RE Index Fund	RUGL Index	45.6	4.4%	5.6%
HSBC				
HSBC FTSE EPRA/NAREIT Developed UCITS ETF	TRNGLU Index	146.2	0.6%	-0.4%
Lyxor				
Lyxor FTSE EPRA/NAREIT Global Developed UCITS ETF	TRNGLU Index	119.1	-0.6%	-0.6%
Lyxor FTSE EPRA/NAREIT United States UCITS ETF	TRNUSU Index	18.2	-4.3%	-4.4%
Lyxor FTSE EPRA/NAREIT Developed Europe UCITS ETF	NEPRA Index	17.5	5.8%	6.0%
Lyxor PEA FTSE EPRA/NAREIT Developed Europe UCITS ETF	NEPRA Index	4.4	6.1%	6.0%
Nikko Asset Management				
NikkoAM - STC Asia REIT	EPAXJRSN Index	83.9	6.6%	7.3%
Listed Index Fund Asian REIT	EPAXJRSN Index	12.8	N/A	10.8%
Psagot				
Psagot Sal Real Estate EPRA Europe 4Db	NEPRA Index	24.4	9.9%	18.6%
SSGA				
SPDR FTSE EPRA Europe ex UK Real Estate UCITS ETF	REXUK Index	88.4	6.2%	5.4%

Total ETF AUM in USD Million based on FTSE EPRA/NAREIT Indexes 11,792.2

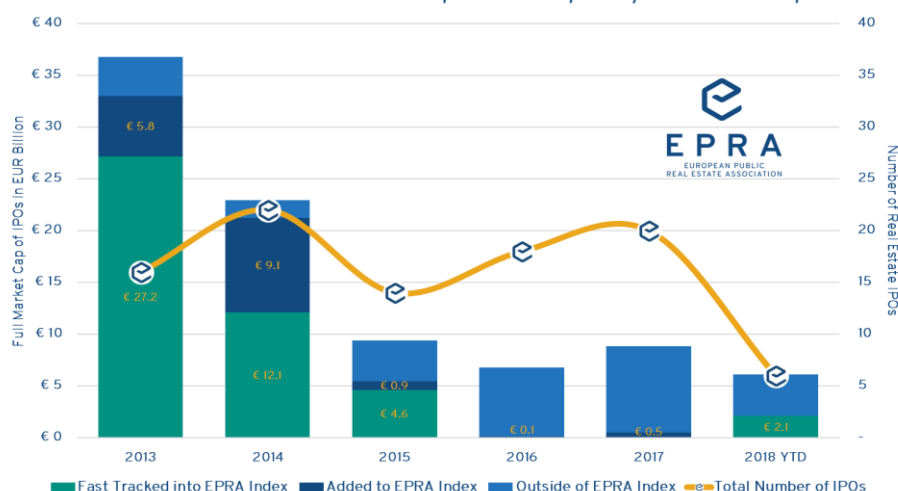
AUM values and ETF returns are in USD millions and as of May 2, 2018

Source: EPRA, Bloomberg



Chart of the Month - Real Estate IPOs in Developed Europe

Real Estate IPOs Developed Europe by market cap



Tim Kessler - EPRA Investor Outreach - July 2, 2018 - Sources: EPRA Research & Bloomberg

Source: EPRA Research - Tim H. Kessler

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