



# EPRA

EUROPEAN PUBLIC  
REAL ESTATE ASSOCIATION

MONTHLY  
MARKET REVIEW

# Monthly Market Review

October 2017

10  
October  
2017

# Monthly Market Review

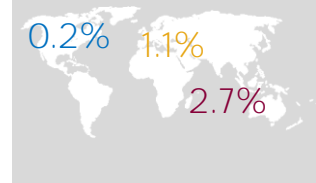
Europe

Asia

Americas

Emerging

% Total Returns (EUR)	Oct-17	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Global Real Estate	1.0	-3.3	0.8	6.9	9.6	4.5	8.0
Global Equities (FTSE)	2.7	17.1	22.9	10.1	13.5	5.4	6.8
Global Bonds (JP Morgan)	0.3	1.2	-0.6	2.5	2.8	3.9	4.3
Europe Real Estate	1.1	8.1	12.6	9.0	12.0	3.5	8.1
Asia Real Estate	2.7	0.7	0.0	4.6	6.4	1.7	6.7
North America Real Estate	0.2	-8.1	-2.1	7.5	10.8	7.2	8.9



## FTSE EPRA/NAREIT Developed Index

The FTSE EPRA/NAREIT Developed (Global) Index increased 1.0% during October 2017. Global equities and global bonds market gained 2.7% and 0.3% respectively during the month of October. Real estate markets in North America increased 0.2% and Europe's market increased by 1.1% while Asia was down up 2.7%.

Over a one-year period, global real estate investments have returned 0.8% compared to a gain of 22.9% and a gain of 1.2% from global equities and global bonds, respectively. Annualised ten-year rolling returns for real estate investments stand at 4.5%. Equities gained 5.4% while bonds markets posted a 3.9% return per annum.

At the end of October 2017, the FTSE EPRA/NAREIT Developed Index counted a total of 331 constituents, representing a free float market capitalisation of over EUR 1,224 billion.

**Developed Index (TR) (EUR)**  
(ENGL) **4,274** ▲ 1.0%

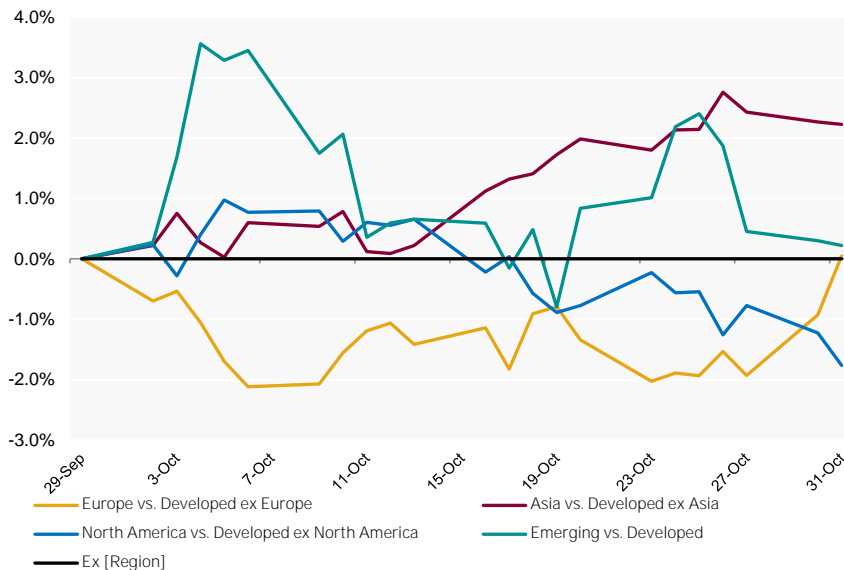
**Developed Europe (TR) (EUR)**  
(EPRA) **4,289** ▲ 1.1%

**Developed Asia (TR) (EUR)**  
(EGAS) **2,812** ▲ 2.7%

**North America (TR) (EUR)**  
(EGNA) **5,940** ▲ 0.2%

**Emerging (TR) (EUR)**  
(ENEI) **3,409** ▲ 1.2%

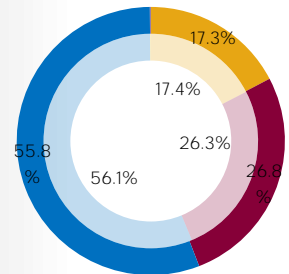
## Monthly Regional Over/Under Performance



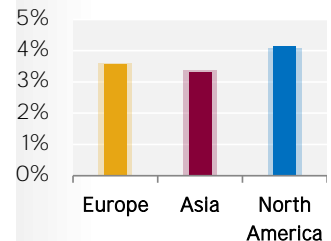
\* Annualised

\*\* Shaded bars display previous month's data

## Global Weights (EUR)\*\*



## Dividend Yields\*\*



# Monthly Market Review

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## FTSE EPRA/NAREIT Developed Index – Top 5 Performers

Company	Country	Total Return
City Developments	SI	▲ 14.2%
Immobiliare Grande Distribuzione SIQ SpA	ITA	▲ 12.5%
UOL Group	SI	▲ 11.3%
Sumitomo Realty & Development Co Ltd	JA	▲ 10.6%
QTS Realty Trust	US	▲ 10.5%

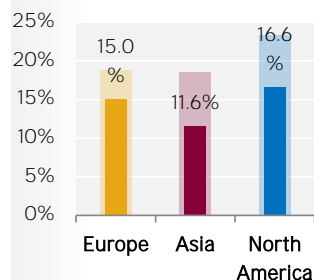
## FTSE EPRA/NAREIT Developed Index – Bottom 5 Performers

Company	Country	Total Return
DDR Corp	USA	▼ -16.3%
Seritage Growth Properties	US	▼ -10.7%
Sabra Health Care REIT	USA	▼ -9.2%
JBG SMITH Properties	USA	▼ -8.8%
Omega Healthcare Investors, Inc.	USA	▼ -7.5%

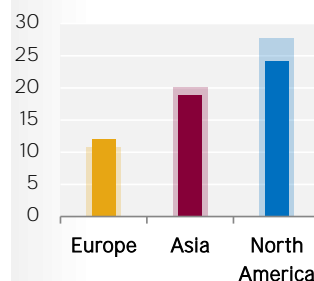
## FTSE EPRA/NAREIT Developed Index – Top 10 Constituents

Company	Country	Total Return
Simon Property Group, Inc.	USA	▼ -3.5%
ProLogis	USA	▲ 1.8%
Public Storage, Inc.	USA	▼ -3.2%
AvalonBay Communities, Inc.	USA	▲ 1.6%
Unibail Rodamco	NETH	▲ 4.4%
Welltower Inc.	USA	▼ -4.7%
Digital Realty Trust	USA	▲ 0.1%
Equity Residential Properties Trust	USA	▲ 2.0%
Sun Hung Kai Properties Limited	HK	▲ 0.6%
Ventas, Inc.	USA	▼ -3.7%

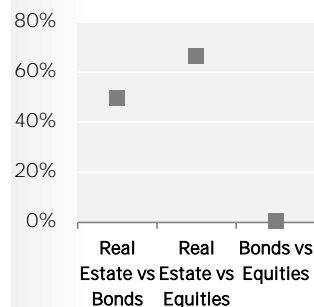
### Volatility (10 yr. & 3 yr.)\*



### Index Turnover (EUR billion)\*\*



### Correlation (3 yr. rolling)



\* Shaded bars are 10 yr.

\*\* Shaded bars are last month's



**EPRA**  
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**Sustainability Workshop**  
November 22, from 14:00 to 18:00  
Brussels

For more info click here

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## FTSE EPRA/NAREIT Developed Europe Index

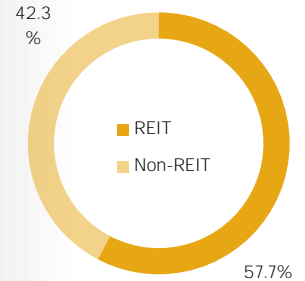
The FTSE EPRA/NAREIT Developed Europe Index gained 1.1% during October 2017. The UK Index decreased by 0.1% compared to an increase of 1.2% in France. The Netherlands was up by 3.5%.

At the end of October 2017, the FTSE EPRA/NAREIT Developed Europe Index counted a total of 103 constituents, representing a free float market capitalisation of over EUR 212 billion.

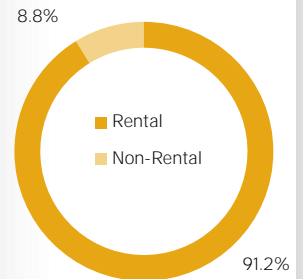
## FTSE EPRA/NAREIT Developed Europe - Selected Country Indices

% Total Returns	Oct-17	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Europe (EUR)	1.1	8.1	12.6	9.0	12.0	3.5	8.1
Europe ex UK (EUR)	1.4	11.3	12.7	13.7	13.0	5.9	10.8
UK (GBP)	-0.1	4.0	9.9	3.7	10.7	1.0	5.0
France (EUR)	1.2	5.8	6.8	8.6	9.5	6.9	13.8
Netherlands (EUR)	3.5	-0.2	3.9	5.3	7.8	1.4	7.4

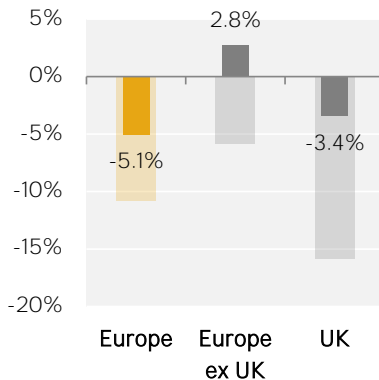
## Developed Europe REIT / Non-REITs



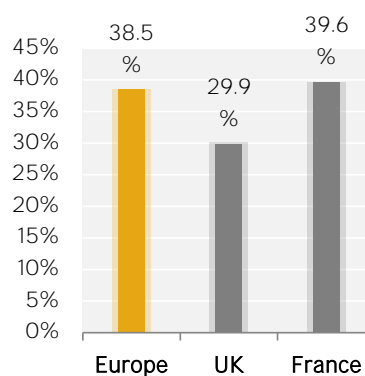
## Developed Europe Focus split



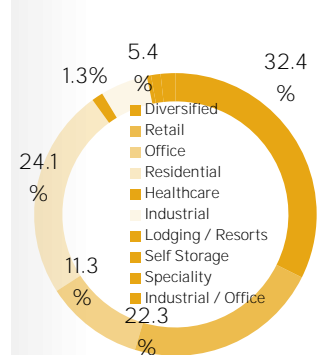
## Discounts to NAV\*



## LTV (last month)



## Developed Europe Sector split



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## FTSE EPRA/NAREIT Developed EMEA Index – Top 5 Performers

Company	Country	Total Return
Immobiliare Grande Distribuzione SIIQ SpA	ITA	▲ 12.5%
Daejan Holdings Plc	UK	▲ 8.6%
DIC Asset AG	GER	▲ 7.5%
Kungsliden AB	SWED	▲ 6.6%
LondonMetric Property Plc	UK	▲ 6.1%

## FTSE EPRA/NAREIT Developed EMEA – Bottom 3 Performers

Company	Country	Total Return
Axiare Patrimonio SOCIMI, S.A.	SP	▼ -6.9%
Retail Estates	BELG	▼ -6.5%
Citycon Oyj	FIN	▼ -5.8%
UK Commercial Property Trust	UK	▼ -4.8%
INTU Properties Plc	UK	▼ -4.3%

## FTSE EPRA/NAREIT Developed EMEA – Top 10 Constituents

Company	Country	Total Return
Unibail Rodamco	NETH	▲ 4.4%
Vonovia SE	GER	▲ 4.9%
Deutsche Wohnen AG	GER	▲ 1.8%
Landsec	UK	▼ -0.7%
British land company	UK	▲ 1.1%
Klepierre SA	FRA	▲ 2.8%
Gecina	FRA	▲ 1.5%
SEGRO	UK	▲ 1.3%
LEG Immobilien AG	GER	▲ 1.9%
Swiss Prime Site AG	SWIT	▼ -2.2%

## Corporate Actions

On October 20, Kennedy Wilson Europe Real Estate was deleted from the indices following a successful merger with parent company Kennedy Wilson Holdings Inc. Wcm Beteiligungs- und Grundbesitz from Germany has a new free float percentage of 14%, coming from 65.15%, following a partial acquisition by TLG Immobilien. TLG Immobilien has a new number of shares of 94,221,418 and a new free float percentage of 82.71%, coming from 88.98%.

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## FTSE EPRA/NAREIT Developed Asia Index

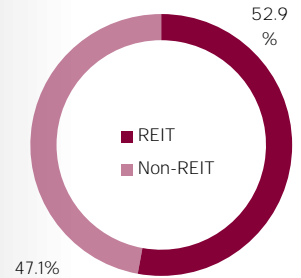
The FTSE EPRA/NAREIT Developed Asia Index increased by 2.7% during October 2017. The Hong Kong Index was down up 0.9% compared to an increase of 2.3% in Japan. The Australia Index was up by 2.1%, while Singapore increased 5.0% during the month.

At the end of October 2017, the FTSE EPRA/NAREIT Developed Asia Index counted a total of 79 constituents, representing a free float market capitalisation of over EUR 328 billion.

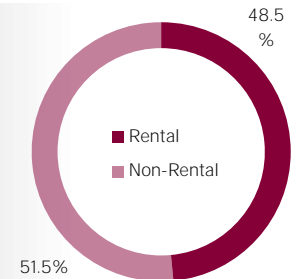
## FTSE EPRA/NAREIT Developed Asia - Selected Country Indices

% Total Returns	Oct-17	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Asia (EUR)	2.7	0.7	0.0	4.6	6.4	1.7	6.7
Hong Kong (HKD)	0.9	32.1	17.6	6.9	6.2	1.7	8.2
Japan (JPY)	2.3	-5.4	2.1	-3.1	11.1	-0.9	4.3
Australia (AUD)	2.1	-0.5	7.3	10.5	12.1	-0.8	7.3
Singapore (SGD)	5.0	29.0	24.2	9.0	6.8	0.5	6.1

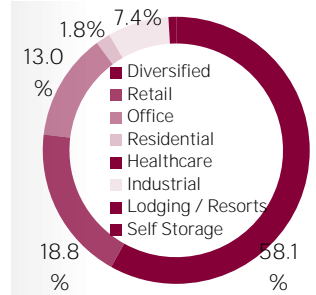
## Developed Asia REIT / Non-REITs



## Developed Asia Focus split



## Developed Asia Sector split



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## FTSE EPRA/NAREIT Developed Asia – Top 5 Performers

Company	Country	Total Return
City Developments	SI	▲ 14.2%
UOL Group	SI	▲ 11.3%
Sumitomo Realty & Development Co Ltd	JA	▲ 10.6%
Tokyo Tatemono Co., Ltd.	JA	▲ 9.9%
Mitsui Fudosan Co., Ltd.	JA	▲ 7.6%

## FTSE EPRA/NAREIT Developed Asia – Bottom 3 Performers

Company	Country	Total Return
Activia Properties	JA	▼ -4.7%
Hulic REIT Inc.	JP	▼ -4.5%
Kenedix Retail REIT	JP	▼ -4.0%
Premier Investment Co	JA	▼ -3.8%
Mori Trust Sogo REIT Inc.	JA	▼ -3.7%

## FTSE EPRA/NAREIT Developed Asia – Top 10 Constituents

Company	Country	Total Return
Sun Hung Kai Properties Limited	HK	▲ 0.6%
Cheung Kong (Holdings) Ltd.	HK	▼ -0.8%
Mitsui Fudosan Co., Ltd.	JA	▲ 7.6%
Mitsubishi Estate Company, Limited	JA	▲ 4.6%
Link REIT	HK	▲ 3.6%
Scentre Group	AUD	▲ 2.3%
Sumitomo Realty & Development Co Ltd	JA	▲ 10.6%
Westfield Corporation Limited	AU	▼ -0.9%
Goodman Group	AU	▲ 1.5%
Wharf (Holdings) Limited	HK	▲ 1.9%

## Corporate Actions

Hong Kong constituent i-CABLE Communications has been deleted from the indices after distribution in specie to Wharf Holdings.



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## FTSE EPRA/NAREIT North America Index

The FTSE EPRA/NAREIT North America Index decreased by 1.2% during October 2017. The United States Index lost 1.2% compared to an increase of 2.2% in Canada .

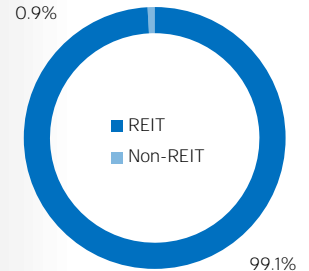
At the end of October 2017, the FTSE EPRA/NAREIT North America Index counted a total of 148 constituents, representing a free float market capitalisation of over EUR 682 billion.

## FTSE EPRA/NAREIT North America - Country Indices

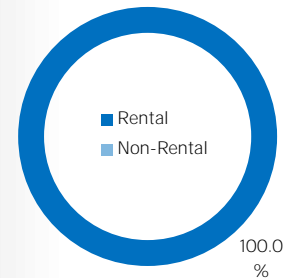
% Total Returns	Oct-17	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
North America (USD)	-1.2%	1.4%	4.1%	4.9%	8.4%	4.9%	8.8%
United States (USD)	-1.2%	1.0%	3.6%	5.2%	9.1%	5.0%	8.7%
Canada (CAD)	2.2%	6.1%	8.8%	5.7%	6.0%	6.7%	9.0%



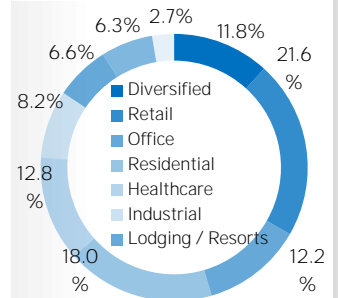
## North America REIT / Non-REITs



## North America Focus split



## North America Sector split



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## FTSE EPRA/NAREIT North America Index – Top 5 Performers

Company	Country	Total Return
QTS Realty Trust	USA	▲ 10.5%
Artis Real Estate Investment Trust	CAN	▲ 5.9%
CubeSmart	USA	▲ 5.9%
Ryman Hospitality Properties	USA	▲ 5.8%
Host Hotels & Resorts Inc.	USA	▲ 5.8%

## FTSE EPRA/NAREIT North America – Bottom 3 Performers

Company	Country	Total Return
DDR Corp	USA	▼ -16.3%
Seritage Growth Properties	USA	▼ -10.7%
Sabra Health Care REIT	USA	▼ -9.2%
JBG SMITH Properties	USA	▼ -8.8%
Omega Healthcare Investors, Inc.	USA	▼ -7.5%

## FTSE EPRA/NAREIT North America – Top 10 Constituents

Company	Country	Total Return
Simon Property Group, Inc.	USA	▼ -3.5%
ProLogis	USA	▲ 1.8%
Public Storage, Inc.	USA	▼ -3.2%
AvalonBay Communities, Inc.	USA	▲ 1.6%
Welltower Inc.	USA	▼ -4.7%
Digital Realty Trust	USA	▲ 0.1%
Equity Residential Properties Trust	USA	▲ 2.0%
Ventas, Inc.	USA	▼ -3.7%
Boston Properties, Inc.	USA	▼ -1.4%
Essex Property Trust, Inc.	USA	▲ 3.3%

## Corporate Actions

First Potomac Realty Trust has been deleted following the acquisition by Government Properties Income Trust. Parkway Properties paid a special dividend of USD 4 per share and was deleted after a successful takeover by Canada Pension Plan Investment Board (CPPIB). Kennedy Wilson Holdings Inc. has been added to the index following the merger with Kennedy Wilson Europe Real Estate (UK). The new number of shares is 151,384,442.

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## FTSE EPRA/NAREIT Emerging Index

The FTSE EPRA/NAREIT Emerging Index gained 1.2% during October 2017. Emerging EMEA was down by 2.1%, while Emerging Asia Pacific gained 2.9%. Real estate markets in Emerging Americas lost 5.7% over the month.

At the end of October 2017, the FTSE EPRA/NAREIT Emerging Index counted a total of 148 constituents, representing a free float market capitalisation of over EUR 162 billion.

## FTSE EPRA/NAREIT Emerging - Country Indices

% Total Returns	Oct-17	YTD	1 yr	3 yrs*	5 yrs*
Emerging (EUR)	1.2	33.2	28.7	13.6	9.4
Emerging EMEA (EUR)	-2.1	-10.7	-9.0	0.1	6.7
Emerging Europe (EUR)	-4.2	-16.2	-25.2	-9.4	-5.1
Emerging MEA (EUR)	-1.8	-10.0	-6.9	1.3	9.6
Emerging Asia Pacific (EUR)	2.9	49.1	44.2	22.0	15.4
Emerging Americas (EUR)	-5.7	9.0	-3.0	-8.2	-13.1

## FTSE EPRA/NAREIT Emerging Index – Top 10 Constituents

Company	Country	Total Return
China Overseas Land & Investment Ltd.	CHN	▼ -0.4%
Evergrande Real Estate Group	CHN	▲ 10.3%
Sunac China Holdings (P Chip)	CHN	▲ 11.1%
Country Garden Holdings	CHN	▼ -0.5%
China Resources Land Ltd	CHN	▼ -2.7%
Global Logistics Properties	CHN	▲ 0.6%
SM Prime Holdings	PHIL	▲ 7.4%
Central Pattana	THAI	▲ 1.9%
Ayala Land	PHIL	▼ -0.7%
Fibra Uno Administracion S.A. de C.V.	MEX	▼ -0.1%

## Corporate Actions

Malaysian Resources had a rights issue 1 (with 1 free detachable Warrant on the basis of 5 rights share held) per 1 at MYR 0.79. Fibra Uno Administracion S.A. de C.V. from Mexico has a new number of shares in issue of 3,687,892,986. Helbor Empreendimentos S.A. from Brazil had a rights issue of 0.4373709 for 1 at 2 BRL, the new number of shares is 460,094,446.

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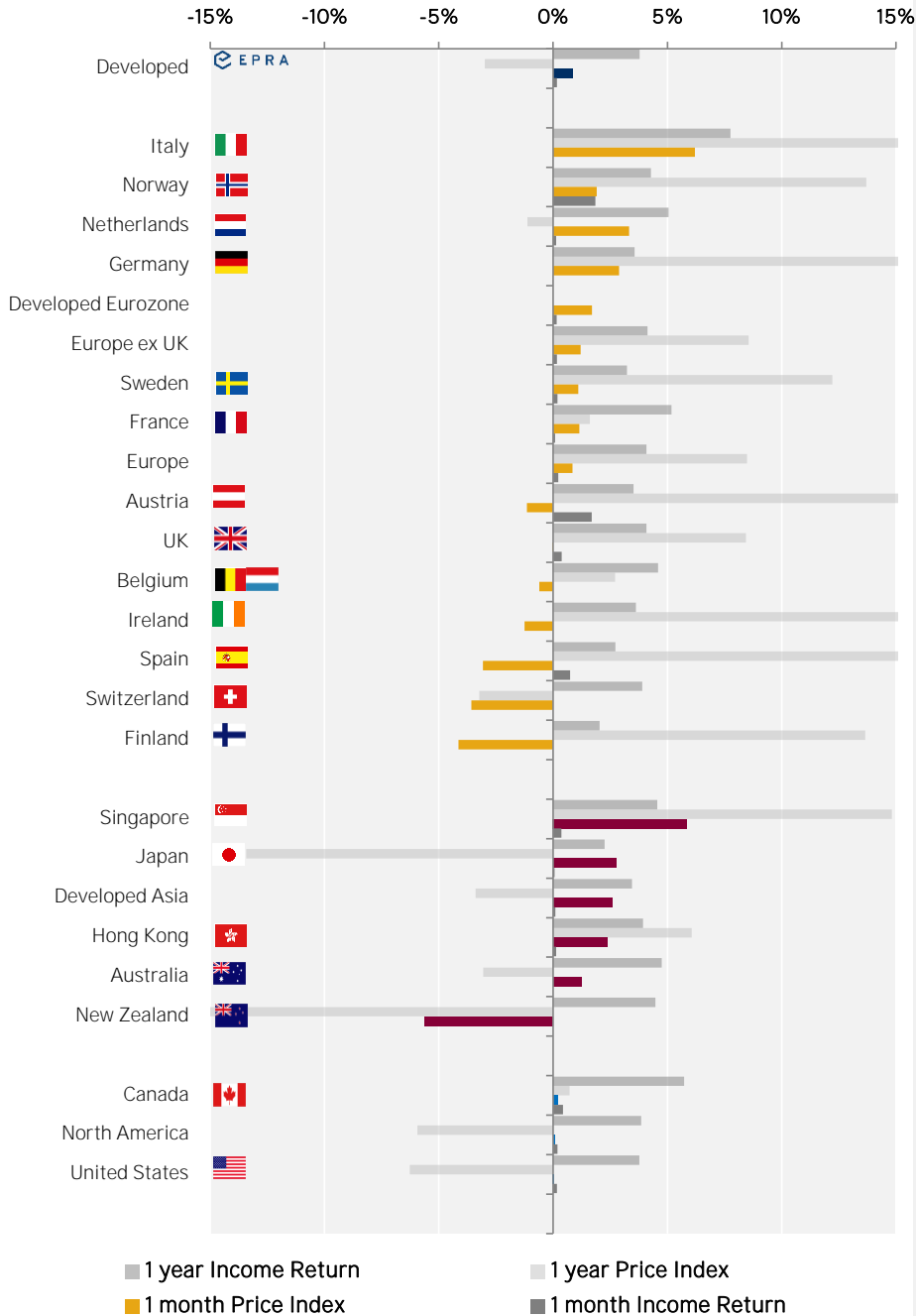
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## FTSE EPRA/NAREIT Monthly Index Performances (EUR)



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

ETF Provider	ETF Name	Benchmark BB ticker	ETF 1M return	AUM June 2017	AUM July 2017	% change
Amundi	Amundi ETF FTSE EPRA Europe Real Estate UCITS ETF	NEPRA	-2.4%	58	59	1.4%
Amundi	Amundi ETF FTSE EPRA Global UCITS	TRNGLE	-3.7%	371	191	-48.4%
AMP Capital	AMP Capital Global Property Securities Unhedged	RGHATR	-5.8%	11	11	-2.1%
Blackrock	iShares Developed Markets Property Yield UCITS ETF	TENGDN	-2.7%	3,172	3,150	-0.7%
Blackrock	iShares European Property Yield UCITS ETF	TENDPNE	-1.9%	1,649	1,635	-0.9%
Blackrock	iShares UK Property UCITS ETF	TELUKNG	-0.9%	1,127	1,137	0.9%
Blackrock	iShares US Property Yield UCITS ETF	TENUDNU	-2.7%	958	970	1.3%
Blackrock	iShares International Developed Real Estate ETF	TRGXUU	-1.1%	525	539	2.6%
Blackrock	iShares Asia Property Yield UCITS ETF	TENADNU	-4.4%	319	318	-0.2%
Blackrock	iShares Global REIT ETF	RNXG	-0.2%	386	396	2.5%
Blackrock	iShares Europe Developed Real Estate ETF	NUPRA	0.8%	41	38	-7.2%
BNP Paribas	BNP Paribas Easy FTSE EPRA/NAREIT Eurozone Capped	NROEUE	-2.1%	547	567	3.6%
BNP Paribas	BNP Paribas Easy FTSE EPRA/NAREIT Developed Europe	NEPRA	-2.5%	224	237	6.0%
Deutsche Bank	db x-trackers FTSE EPRA/NAREIT Developed Europe Real Estate ETF (DR) 1C	NEPRA	-2.5%	430	436	1.4%
Deutsche Bank	db x-trackers FTSE Developed Europe Ex UK Property UCITS ETF (DR) 1C	NROUKE	-2.4%	87	92	5.5%
First Trust	First Trust FTSE EPRA/NAREIT Developed Markets Real Estate Index Fund	RUGL	-0.1%	63	63	0.5%
HSBC	HSBC FTSE EPRA/NAREIT Developed UCITS ETF	TRNGLU	-3.3%	104	104	0.5%
Lyxor	Lyxor FTSE EPRA/NAREIT Global Developed UCITS ETF	TRNGLU	-4.1%	129	124	-3.9%
Lyxor	Lyxor FTSE EPRA/NAREIT United States UCITS ETF	TRNUSU	-3.2%	27	28	1.2%
Lyxor	Lyxor FTSE EPRA/NAREIT Developed Europe UCITS ETF	NEPRA	-2.0%	14	14	-1.5%
Lyxor	Lyxor PEA FTSE EPRA/NAREIT Developed Europe UCITS ETF	NEPRA	-2.2%	5	5	1.4%
Nikko AM	NikkoAM - STC Asia REIT	EPAXJRSN	1.8%	43	46	6.4%
Psagot	Psagot Sal Real Estate EPRA Europe 4Db	NEPRA	-0.1%	23	23	-0.2%
SSGA	SPDR FTSE EPRA Europe ex UK Real Estate UCITS ETF	REXUK	-2.6%	104	105	0.8%
				<b>Total June 2017</b>	<b>10,417</b>	<b>-1.2%</b>
				<b>Total July 2017</b>	<b>10,287</b>	

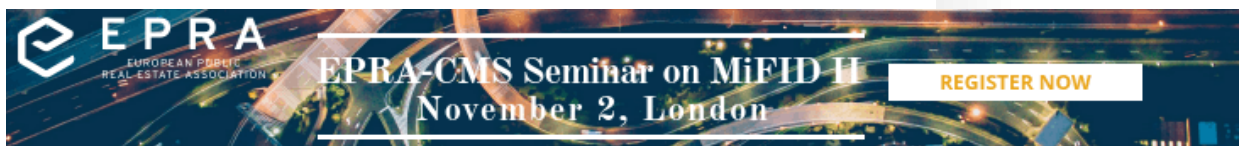
Source: EPRA, Bloomberg

AUM values are in USD million as of 19 July 2017

ETF returns are as of 19 July 2017



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## Table of the month: Size of the Commercial Real Estate market in Developed Europe

EPRA	Dec-16	Dec-16	Sep-17	Sep-17	Sep-17	Sep-17	Sep-17
	GDP	Commercial Real Estate	Total Listed Real Estate	Index Full Market Cap	Stock Market Size	Index/Stock Market	Index/Total CRE
	(\$ Bln.)	(\$ Bln.)	(\$ Bln.)	(\$ Bln.)	(\$ Bln.)	%	%
Austria	386.59	179.30	12.78	6.05	146.06	4.14%	3.37%
Belgium	466.56	216.78	16.78	11.43	482.50	2.37%	5.27%
Denmark	306.73	143.06	1.68	-	457.07	0.00%	0.00%
Finland	238.60	111.07	5.44	3.07	267.41	1.15%	2.76%
France	2,466.47	1,155.93	93.41	68.26	2,502.53	2.73%	5.90%
Germany	3,479.23	1,601.83	88.91	59.41	2,352.44	2.53%	3.71%
Ireland	304.43	127.96	3.20	3.21	126.15	2.54%	2.51%
Italy	1,850.74	869.48	3.65	2.82	705.01	0.40%	0.32%
Luxembourg	59.98	27.40	-	-	20.82	0.00%	0.00%
Netherlands	777.55	360.65	5.79	5.50	617.73	0.89%	1.53%
Norway	370.56	187.26	5.88	2.52	299.11	0.84%	1.34%
Portugal	204.65	84.44	0.04	-	76.12	0.00%	0.00%
Spain	1,232.60	559.28	27.53	14.73	815.07	1.81%	2.63%
Sweden	511.00	236.59	53.59	28.81	836.32	3.45%	12.18%
Switzerland	669.04	306.94	48.17	15.13	1,753.44	0.86%	4.93%
United Kingdom	2,629.19	1,565.60	100.17	82.32	3,619.30	2.27%	5.26%
<b>Total Europe</b>	<b>15,953.91</b>	<b>7,733.55</b>	<b>467.01</b>	<b>303.26</b>	<b>15,077.09</b>	<b>2.01%</b>	<b>3.92%</b>

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