



### 1. J-REIT Market Monthly Review (for Aug 2019)

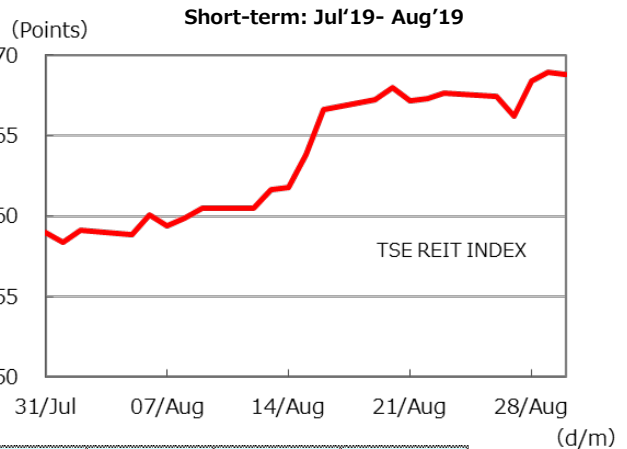
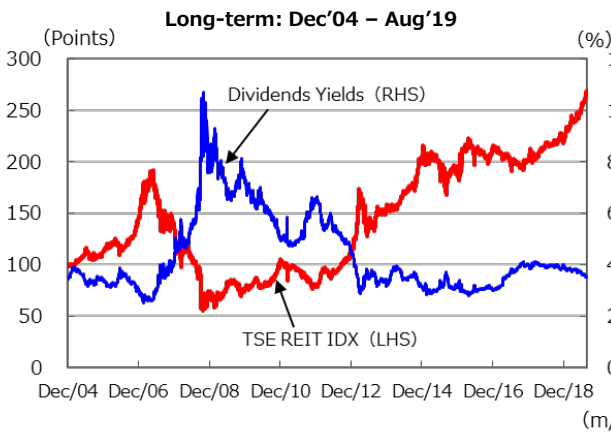
In August, the TSE REIT Index (with dividends) rose 3.78% from the previous month. Japanese long term interest rates further declined in negative territory, as global interest rates decline due to monetary easing by major countries on the back of correction in stock market owing to US-China trade friction. J-REIT market moved firm with increasing demand in favor of its high dividends and strong fundamentals. Also supply/demand situation in J-REITs remained solid despite 4 POs for the month.

By sector, residential and office sectors outperformed while retail and logistic sectors underperformed. Logistic sector moved as firm as previous month but overall hotel sector were flat.

July office vacancy rate in Tokyo five central wards increased to 1.71% from the previous month. Also average rent has risen for 67 consecutive months..

In August, BoJ purchased 1.2bn worth of J-REIT by once.

### 2. TSE REIT Index (with dividends)



TSE REIT Index	As of	1 week ago	1 month ago	3 months ago	6 months ago	1 year ago	3 years ago
	30 Aug 19	23 Aug 19	31 Jul 19	31 May 19	28 Feb 19	31 Aug 18	31 Aug 16
Index	4,275.94	4,257.49	4,120.33	3,889.57	3,728.00	3,457.71	3,325.60
% Change	-	0.4%	3.8%	9.9%	14.7%	23.7%	28.6%

Note: (1) TSE REIT Index (w/ dividends) of the last trading day of a month. 12/31/04 = 100  
(2) % chg: changes for each period.

Source: SMDAM, based on Datastream data.

### 3. Top 10 REIT Constituents in J-REIT

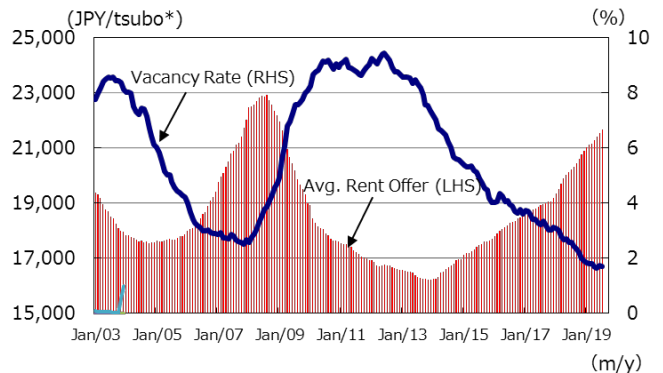
(# of TSE REIT Index Components:63)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	7.2%
2	JAPAN REAL ESTATE INV.	J8952	6.7%
3	NOMURA RLST.MASTER FUND	J3462	5.5%
4	UNITED URB.INV.	J8960	4.3%
5	ORIX JREIT	J8954	4.3%
6	NIPPON PROLOGIS REIT	J3283	3.9%
7	JAPAN RET.FD.INV.	J8953	3.8%
8	DAIWA HOUSE REIT INV.	J8984	3.6%
9	GLP J-REIT	J3281	3.1%
10	ADVANCE RESIDENCE INV.	J3269	3.0%
	Others		54.6%
	Total		100.0%

Source: SMDAM, based on Datastream data.

(As of the end of Aug 2019)

### 4. Tokyo Office Rent and Vacancy Rate



Notes: (1) Covering a period from January 2003 to Jul 2019(monthly basis).  
(2) Tokyo 5 wards: Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku.  
(3) Tsubo is a Japanese traditional unit of measuring area. One tsubo represents approx. 10.76 square feet or 3.3 square meters

Source: SMDAM, based on Datastream data.

# Global REIT Monthly

For your information only

September 2019



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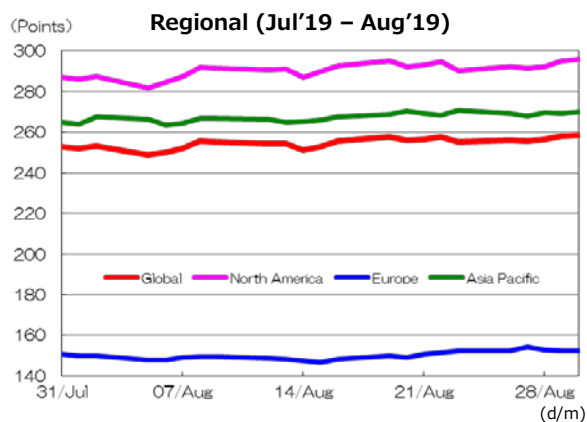
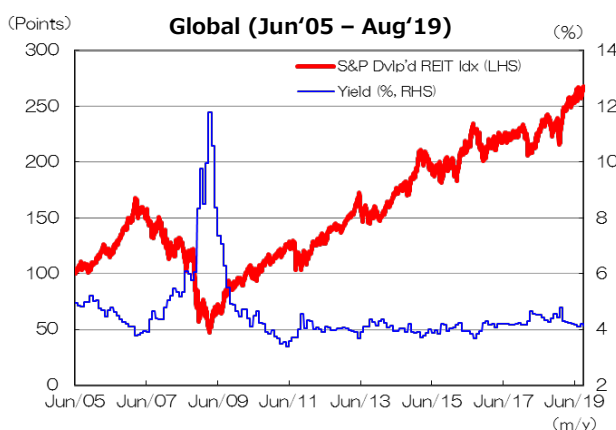
In August, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) rose 2.3%. On a local currency basis, the REIT return increased 2.7% and Forex declined 0.4%.

The US REIT market rose for the month. The market dropped during the first half of the month due to rising concern over US-China trade friction but recovered during the second half, as the concern has somewhat eased and US long term interest rates kept moving downward.

The European REIT market declined due to rising concern over economic slowdown with deterioration in European economic indicators. On the other hand, market favored drastic decline in European interest rates with global decline of interest rates. The Australian REIT market dropped with profit-taking as the market had been rising and RBA lowered policy rates for 2 consecutive month. On the other hand, the market was favored by 1) lowering long term interest rates and 2) solid financial results of REITs.

Regarding the Forex, EUR, AUD, SGP and CAD weakened against USD.

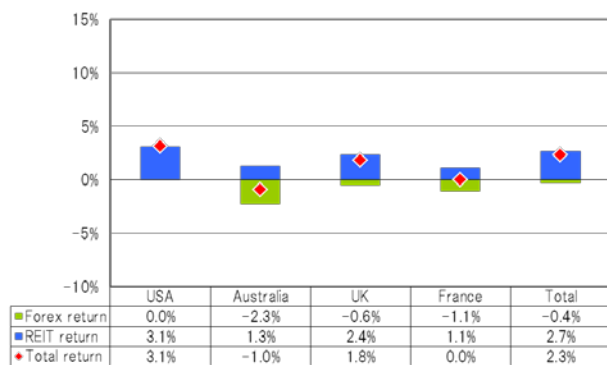
## 2. Global REIT Index (in USD)



As of 30 Aug 2019	1 week ago	1 month ago	3 months ago	6 months ago	1 year ago	3 years ago
	23 Aug 19	31 Jul 19	31 May 19	28 Feb 19	31 Aug 18	31 Aug 16
Global	1.3%	2.3%	4.8%	7.1%	9.3%	16.3%
North America	1.9%	3.1%	5.7%	8.6%	11.5%	17.2%
Europe	0.1%	1.3%	-0.6%	-3.4%	-9.8%	-3.3%
Asia Pacific	-0.9%	-1.3%	4.2%	7.7%	16.1%	30.2%

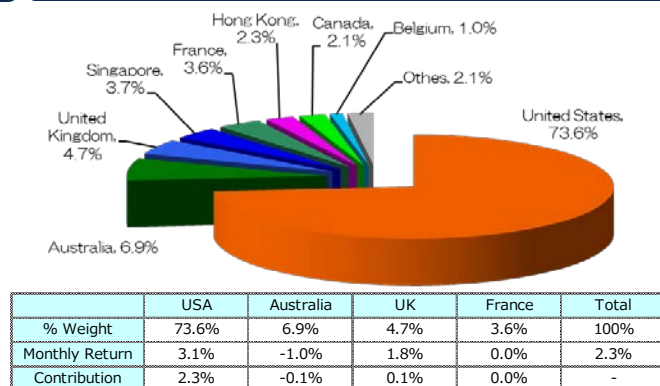
Note:  
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)  
Regional indexes are components of S&P Developed REIT Index.  
(2) 6/1/05=100 for both charts  
(3) % figures in the table indicate returns for each period  
Source: SMDAM, based on FactSet data.

## 3. Return Contribution by Factors (Aug'19)



Note: Total-return breakdown of S&P Developed REIT Index (in USD) by forex and market factors, by countries.  
Source: SMDAM, based on FactSet data.

## 4. Global % Weight by Markets (Aug'19)



Note: (1) S&P Developed REIT Index breakdown by country (ex-Japan, in USD).  
(2) Contribution is calculated by multiplying each country's % weight by Monthly Return  
Source: SMDAM, based on FactSet data.