



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

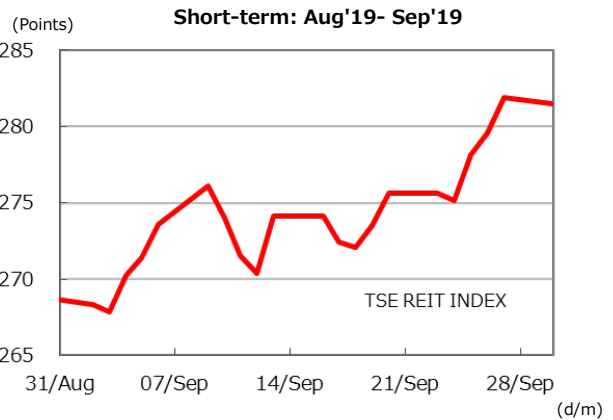
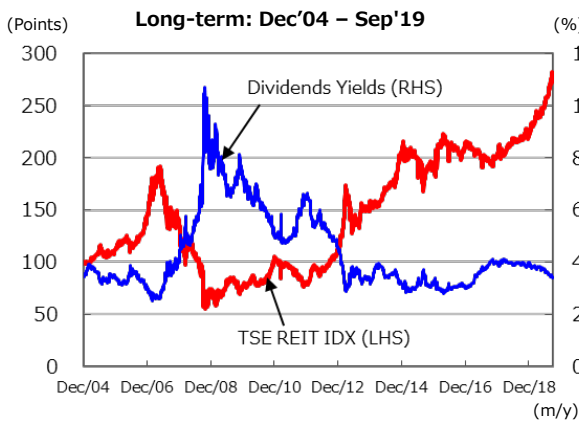
In September, the TSE REIT Index (with dividends) increased 4.72% MoM, for 5 consecutive months. J-REIT market moved firm with the expectation of FTSE Global Equity Index including J-REITs as their composite. In addition, the market was supported by 1) solid investors' demand focusing on its high dividends as low interest rates environment continues globally, and by 2) strong economic fundamentals. Also, supply/demand situation in J-REITs remained solid despite 4 POs for the month.

By sector, office sector outperformed the market. Housing and commercial logistics sectors slightly underperformed. In general, large caps tended to be purchased while small caps were lagged behind.

August office vacancy rate in Tokyo five central wards remained unchanged at 1.71% as previous month while average rent has risen for 68 consecutive months.

In September, BoJ purchased J-REIT twice (total of 2.4bn worth).

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 Sep 19	23 Sep 19	31 Aug 19	30 Jun 19	31 Mar 19	30 Sep 18	30 Sep 16
Ibindex	4,477.77	4,384.38	4,275.94	3,947.76	3,851.10	3,513.39	3,336.34
% Change	-	2.1%	4.7%	13.4%	16.3%	27.4%	34.2%

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

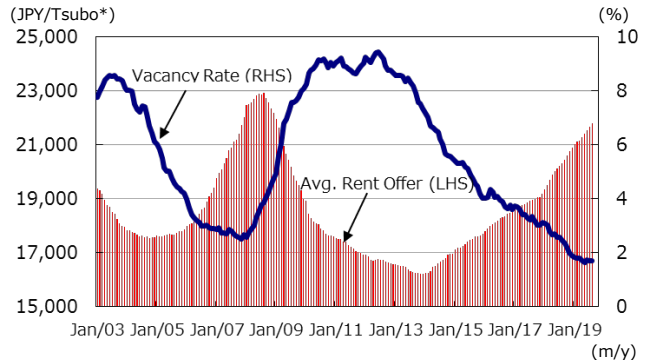
(# of TSE REIT Index Components: 63)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	7.3%
2	JAPAN REAL ESTATE INV.	J8952	6.6%
3	NOMURA RLST.MASTER FUND	J3462	5.5%
4	ORIX JREIT	J8954	4.3%
5	UNITED URB.INV.	J8960	4.2%
6	JAPAN RET.FD.INV.	J8953	3.9%
7	NIPPON PROLOGIS REIT	J3283	3.9%
8	DAIWA HOUSE REIT INV.	J8984	3.7%
9	GLP J-REIT	J3281	3.2%
10	ADVANCE RESIDENCE INV.	J3269	3.0%
	Others		54.4%
	Total		100.0%

Source: SMDAM, based on Datastream data.

(As of the end of Sep 2019)

4. Tokyo Office Rent and Vacancy Rate



Notes: (1) Covering a period from January 2003 to Aug 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

October 2019



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1. Global REIT Market Monthly Review (for Sep 2019)

In September, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) rose 2.7%. On a local currency basis, the REIT return increased 2.6% and Forex was 0.0%.

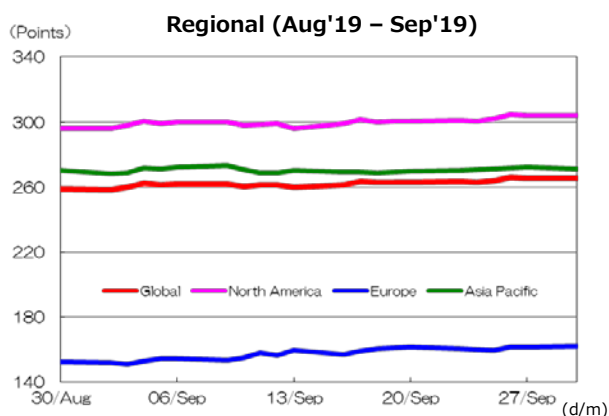
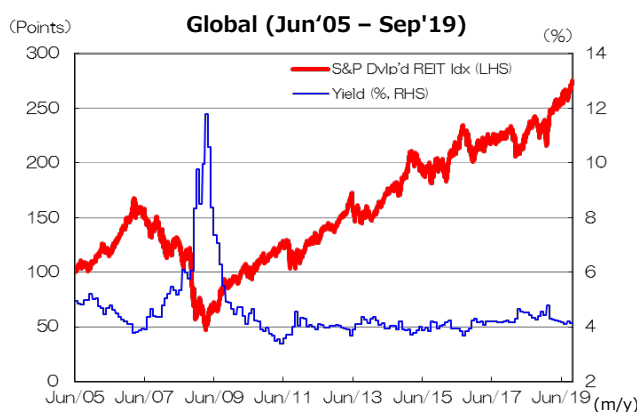
The US REIT market rose for the month. Retail, hotel and complex facility sectors were purchased with re-evaluation.

The European REIT market rose in favor of 1) continuing price hike as investors' interests in direct investment in real estates maintained high and 2) its high dividends against negative government bond yields of major European countries.

The Australian REIT market dropped due to 1) profit-taking and 2) rise in long term interest rates. The index also declined as one of the largest Australian REITs was excluded from a real estates index which is globally used.

Regarding the Forex, GBP, CAD and SGP strengthened while EUR weakened against USD. AUD and HKD moved almost flat.

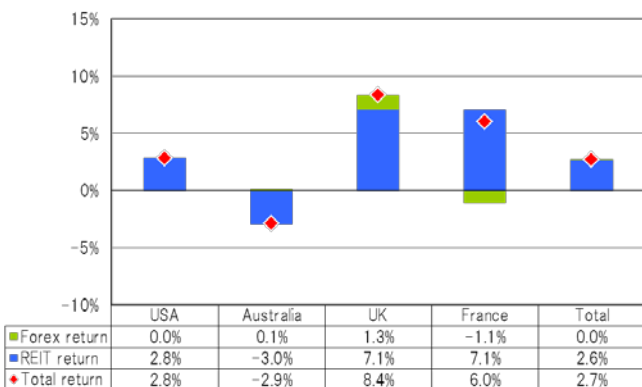
2. Global REIT Index (in USD)



As of 30 Sep 2019	1 week ago 23 Sep 19	1 month ago 30 Aug 19	3 months ago 28 Jun 19	6 months ago 29 Mar 19	1 year ago 28 Sep 18	3 years ago 30 Sep 16
Global	0.8%	2.7%	5.5%	6.6%	15.1%	21.4%
North America	1.0%	2.9%	7.5%	8.3%	17.8%	22.7%
Europe	1.1%	6.2%	3.4%	1.4%	-1.1%	4.3%
Asia Pacific	-0.5%	-1.4%	-3.5%	1.6%	15.5%	30.1%

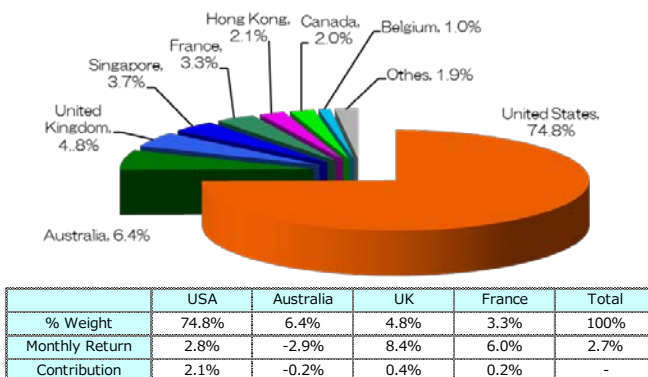
Note:
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)
Regional indexes are components of S&P Developed REIT Index.
(2) 6/1/05=100 for both charts
(3) % figures in the table indicate returns for each period
Source: SMDAM, based on FactSet data.

3. Return Contribution by Factors (Sep'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 (Sep'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.