

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

In November, the TSE REIT index (with dividends) declined -0.90%MoM, for the first time in 7 months. J-REIT market was weak till the middle of the month as the Japanese long term interest rates rose due to rise in risk appetite with expectation for progress of US-China trade talk. However, it rebounded sharply thanks to 1) slowdown in the stock market as financial results were mostly announced and 2) the cease of long term interest rates hike as tension of Hong Kong rose. After all, J REIT market declined marginally for the month.

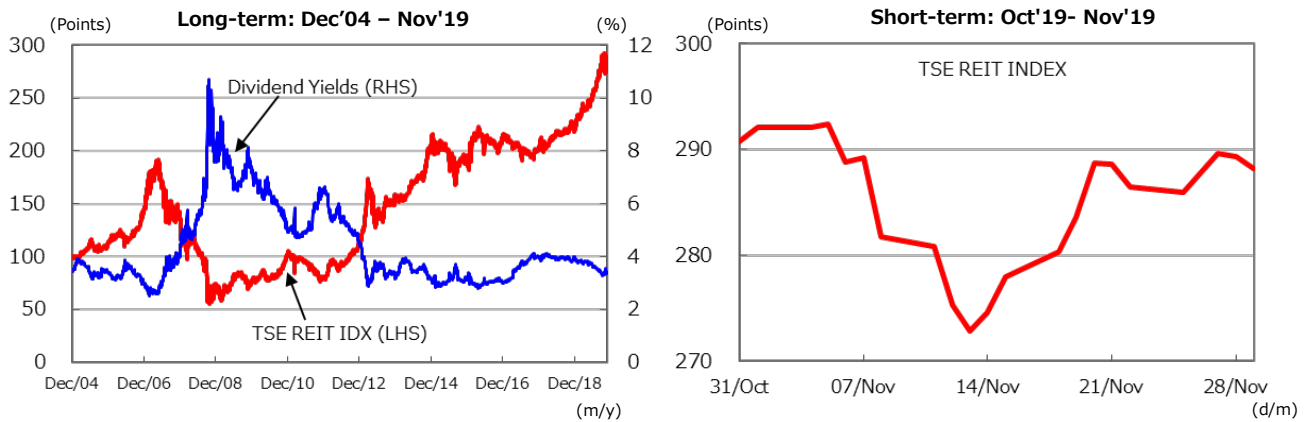
J-REIT market remained solid despite 1 PO for the month.

By sector, although performance of individual REITs varied, 3 sectors: office, residential and commercial logistics, performed in line with TSE REIT index.

October office vacancy rate in Tokyo five central wards improved to 1.63% (the record low) while average rent has risen for 70 consecutive months.

In November, BoJ purchased J-REIT by 8 times (total 9.6bn 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
	29 Nov 19	22 Nov 19	31 Oct 19	31 Aug 19	31 May 19	30 Nov 18	30 Nov 16
Index	4,584.30	4,556.46	4,625.77	4,275.94	3,889.57	3,610.49	3,298.65
% Change	-	0.6%	-0.9%	7.2%	17.9%	27.0%	39.0%

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

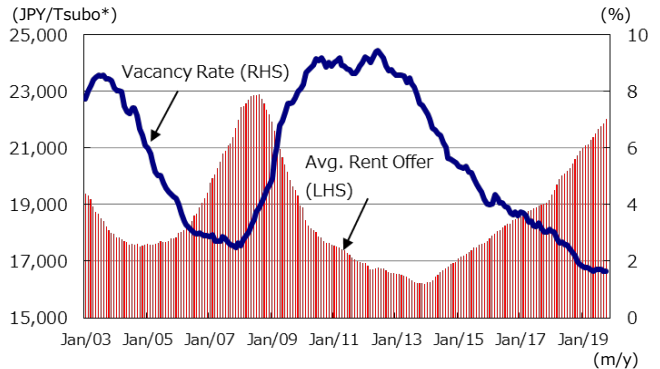
(# of TSE REIT Index Components:63)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	7.0%
2	JAPAN REAL ESTATE INV.	J8952	6.6%
3	NOMURA RLST.MASTER FUND	J3462	5.5%
4	ORIX JREIT	J8954	4.2%
5	UNITED URB. INV.	J8960	4.2%
6	JAPAN RET.FD. INV.	J8953	4.2%
7	NIPPON PROLOGIS REIT	J3283	3.7%
8	DAIWA HOUSE REIT INV.	J8984	3.6%
9	GLP J-REIT	J3281	3.2%
10	ADVANCE RESIDENCE INV.	J3269	3.0%
	Others		54.7%
	Total		100.0%

Source: SMDAM, based on Datastream data.

(As of the end of Nov 2019)

4. Tokyo Office Rent and Vacancy Rate



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

December 2019

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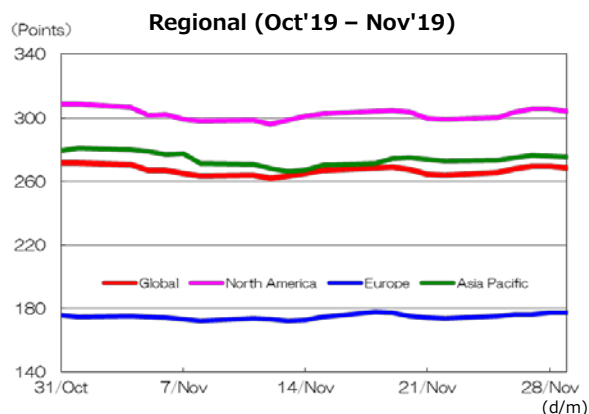
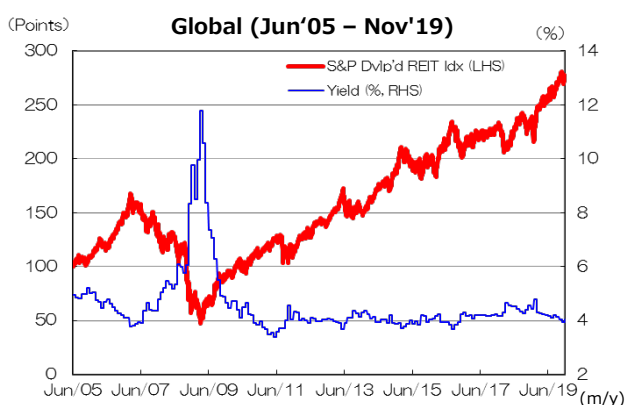
In November, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) declined -1.1%. On a local currency basis, the REIT return and Forex decreased -0.9% and -0.2%, respectively.

The US REIT market dropped for the month due to 1) long term interest rates hike, 2) low quarterly earnings of health care related names and 3) denial of news about M&A among data center related names.

The European REIT market was supported by 1) strong investors' demand toward REITs due to low interest rate environment and 2) continuing direct investment in booming property market. Also British REIT market rose with expectation for the implementation of financial stimulus by the UK government.

The Australian REIT market rose in favor of 1) recovery in residential related indices and 2) low long term interest rates level. Regarding the Forex, rise of USD, GBP, HKD and SGP against JPY contributed positively to the index. AUD weakened against JPY while EUR and CAD were almost flat.

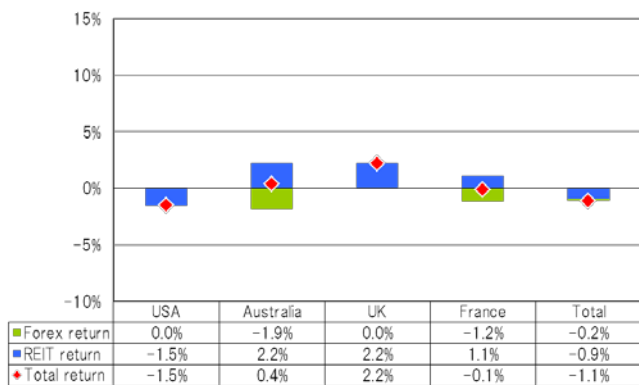
2. Global REIT Index (in USD)



As of 29 Nov 2019	1 week ago 22 Nov 19	1 month ago 31 Oct 19	3 months ago 30 Aug 19	6 months ago 31 May 19	1 year ago 30 Nov 18	3 years ago 30 Nov 16
Global	1.7%	-1.1%	3.8%	8.8%	16.2%	33.8%
North America	1.7%	-1.4%	2.8%	8.7%	15.3%	32.2%
Europe	2.1%	0.7%	16.1%	15.4%	18.9%	31.2%
Asia Pacific	1.7%	-0.7%	0.3%	4.4%	19.1%	45.7%

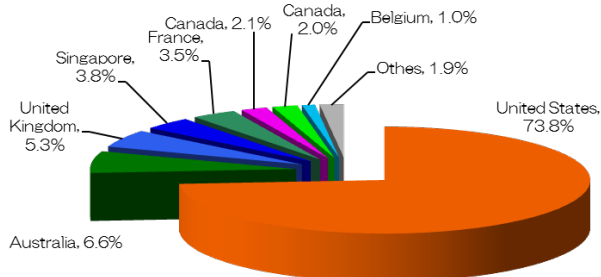
Note:
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)
Regional indexes are components of S&P Developed REIT Index.
(2) 6/1/05=100 for both charts
(3) % figures in the table indicate returns for each period
Source: SMDAM, based on FactSet data.

3. Return Contribution by Factors (Nov'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 (Nov'19)



	USA	Australia	UK	France	Total
% Weight	73.8%	6.6%	5.3%	3.5%	100%
Monthly Return	-1.5%	0.4%	2.2%	-0.1%	-1.1%
Contribution	-1.1%	0.0%	0.1%	0.0%	-

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.

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