



### 1. J-REIT Market Monthly Review (for July 2020)

In July, the TSE REIT index (with dividends) rose 0.3%MoM.

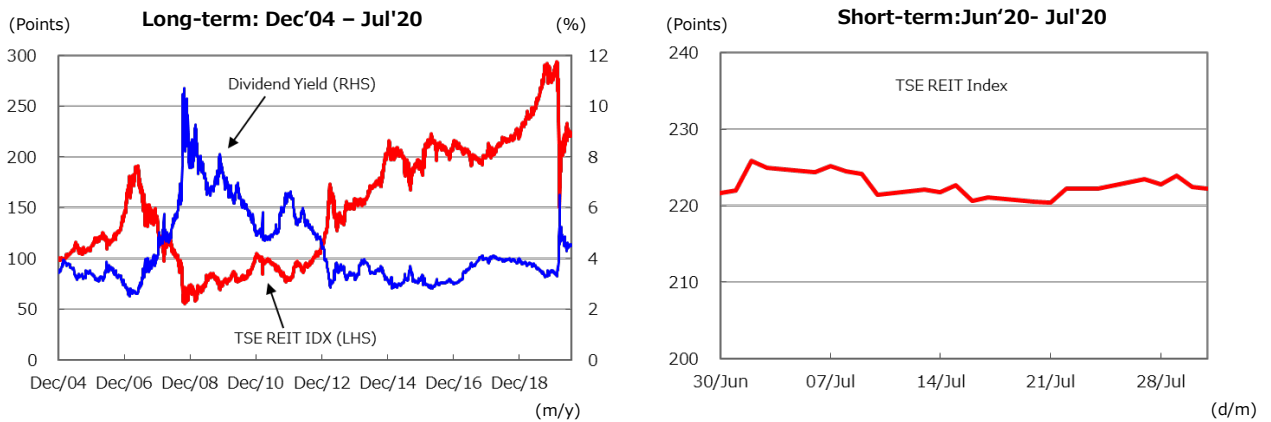
Hotel and commercial REITs sharply declined due to confusion of "Go to Travel Campaign" which aims to accelerate domestic tourist demands, while logistics and residential REITs significantly rose with the stable demand. Office REITs, which have large exposure in the index, declined on the news of large companies reducing their office space. Accordingly as a whole, TSE REIT index moved in a small range.

By sector, office sector continued to significantly underperform as the previous month. Among commercial logistics sector, hotel and retail REITs significantly underperformed while logistics REITs significantly outperformed.

June office vacancy rate in Tokyo five central wards rose for 4 consecutive months while average rent has risen for 78 consecutive months.

In July BoJ purchased J-REIT by 7 times (total 10.5bn 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
	31 Jul 20	24 Jul 20	30 Jun 20	30 Apr 20	31 Jan 20	31 Jul 19	31 Jul 17
Index	3,535.10	3,535.13	3,525.99	3,313.25	4,608.85	4,120.33	3,220.02
% Change	-	0.0%	0.3%	6.7%	-23.3%	-14.2%	9.8%

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.

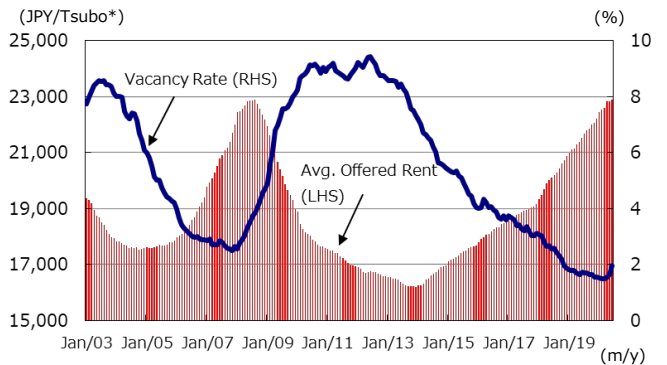
### 3. Top 10 REIT Constituents in J-REIT

(# of TSE REIT Index Components:62)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	6.6%
2	NIPPON PROLOGIS REIT	J3283	6.4%
3	JAPAN REAL ESTATE INV.	J8952	6.2%
4	GLP J-REIT	J3281	5.8%
5	NOMURA RLST.MASTER FUND	J3462	4.9%
6	DAIWA HOUSE REIT INV.	J8984	4.5%
7	ADVANCE RESIDENCE INV.	J3269	3.7%
8	ORIX JREIT	J8954	3.1%
9	INDL. & INFR.FUND INV.	J3249	2.9%
10	JAPAN RET.FD.INV.	J8953	2.8%
	Others		53.0%
	Total		100.0%

Source: SMDAM, based on Datastream data. (As of the end of Jul 2020)

### 4. Tokyo Office Rent and Vacancy Rate



Notes: (1) Covering a period from Jan 2003 to Jun 2020.  
(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

August 2020

For your information only



Sumitomo Mitsui DS Asset Management

Sumitomo Mitsui DS Asset Management Company, Limited  
Atago Green Hills MORI Tower 28th Floor  
2-5-1 Atago, Minato-ku, Tokyo 105-6228, Japan  
<https://www.smd-am.co.jp/english/>

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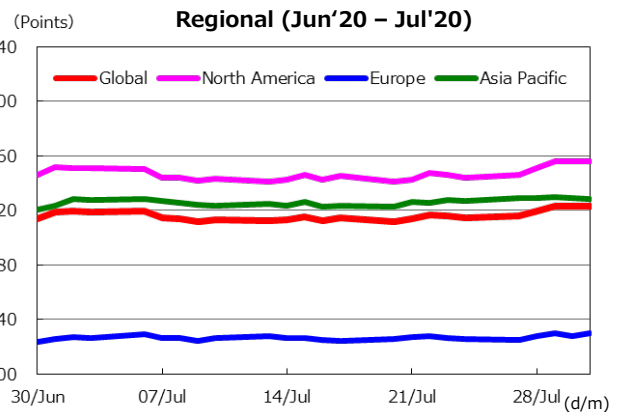
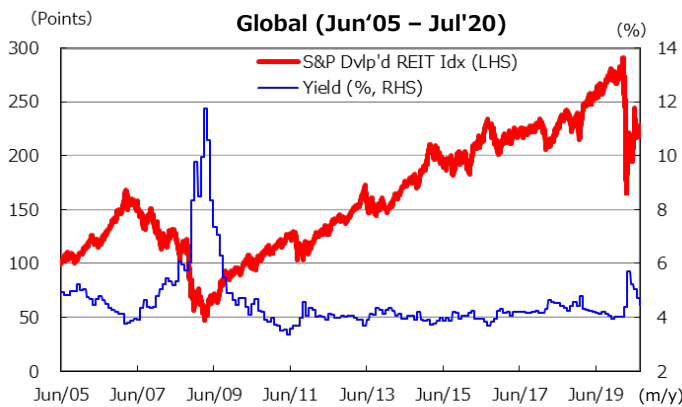
In July, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) rose 4.3%. On a local currency basis, the REIT return rose 3.3% and Forex increased 1.0%.

The US REIT market rose supported by industrial sector including logistics facilities and healthcare sector. The Canadian REIT market also rose. The European REIT markets rose as a whole. However, Dutch and French markets declined as investors were cautious toward retail sector including shopping centers due to increase in infection cases of Covid-19.

The Australian REIT market only rose marginally as the government has started lockdown again in July due to increase in infection cases. The Singaporean REIT market rose while the Hong Kong REIT market deteriorated as US had decided to eliminate Hong Kong's special status.

Regarding the Forex, HKD remained flat while EUR, AUD, SGP and others strengthened against USD.

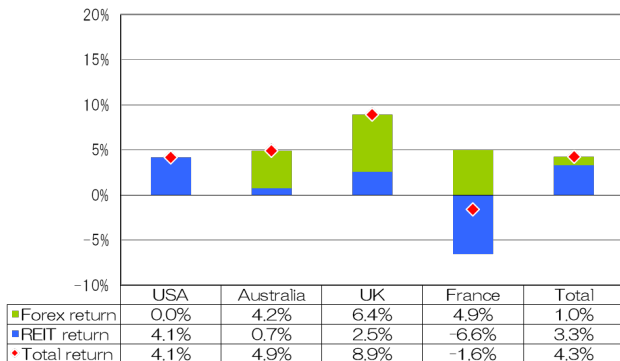
## 2. Global REIT Index (in USD)



As of 31 Jul 2020	1 week ago	1 month ago	3 months ago	6 months ago	1 year ago	3 years ago
	24 Jul 20	30 Jun 20	30 Apr 20	31 Jan 20	31 Jul 19	31 Jul 17
Global	4.2%	4.3%	7.5%	-17.4%	-11.7%	0.5%
North America	4.9%	4.1%	7.5%	-16.2%	-10.7%	2.9%
Europe	3.4%	5.6%	4.2%	-27.2%	-13.4%	-20.4%
Asia Pacific	0.8%	4.0%	10.4%	-16.2%	-15.7%	7.7%

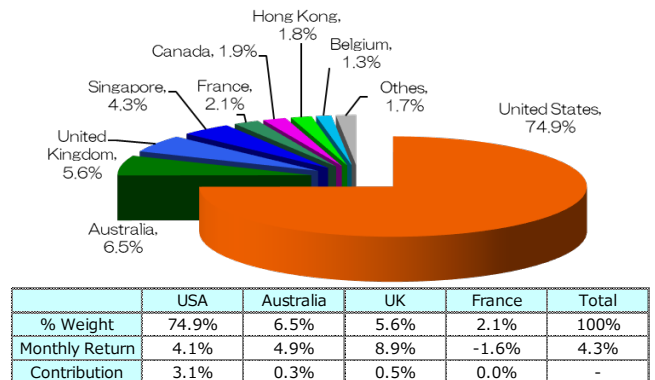
Note:  
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)  
Regional indexes are components of S&P Developed REIT Index.  
(2) 6/1/05=100 for both charts  
(3) % figures in the table indicate returns for each period  
Source: SMDAM, based on FactSet data.

## 3. Return Analysis by Country (Jul'20)



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. Country Allocation (Jul'20)



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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