

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

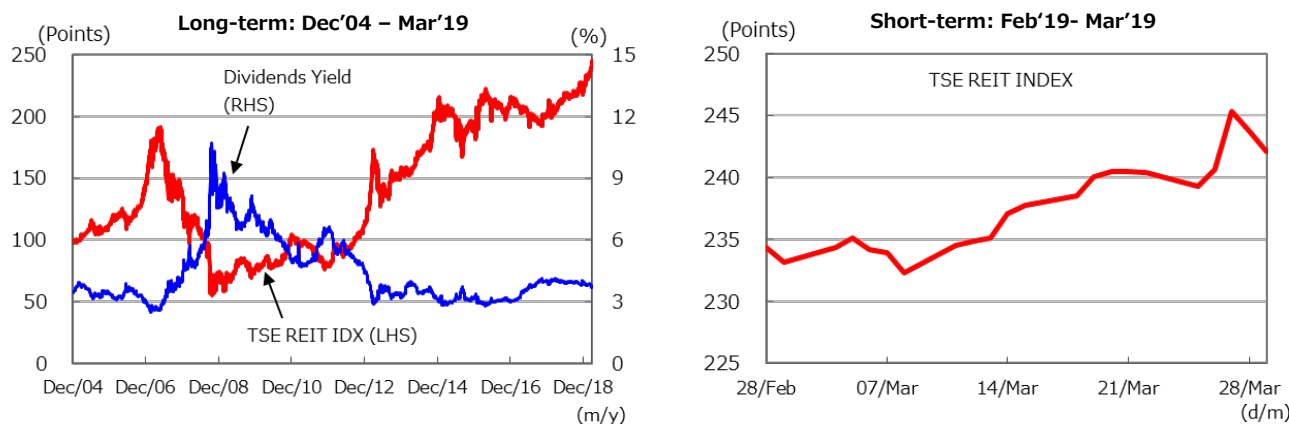
In March, the TSE REIT Index (with dividends) rose 3.3% from the previous month with (1) further decline in long term interest rates due to strong anticipation for BoJ's monetary easing to be postponed, (2) continuation of J-REITs' strong outlook and (3) reduction of slowdown factors for supply/demand situation as a series of POs came to a halt.

By sector of TSE REIT Index, office sector outperformed.

February office vacancy rate in Tokyo five central wards improved to 1.78% with rent continuously increasing. Property market showed a strong expansion as the official land price as of 1 January 2019 improved not only in the three biggest cities and the regional core cities, where J-REITs mainly hold properties, but also in regional areas.

In February, BoJ purchased J-REIT by three times (JPY 3.6bn).

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



TSE REIT Index	As of 29 Mar 19	1 week ago 22 Mar 19	1 month ago 28 Feb 19	3 months ago 31 Dec 18	6 months ago 30 Sep 18	1 year ago 31 Mar 18	3 years ago 31 Mar 16
Index	3,851.10	3,824.75	3,728.00	3,543.83	3,513.39	3,274.92	3,409.88
% Change	-	0.7%	3.3%	8.7%	9.6%	17.6%	12.9%

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

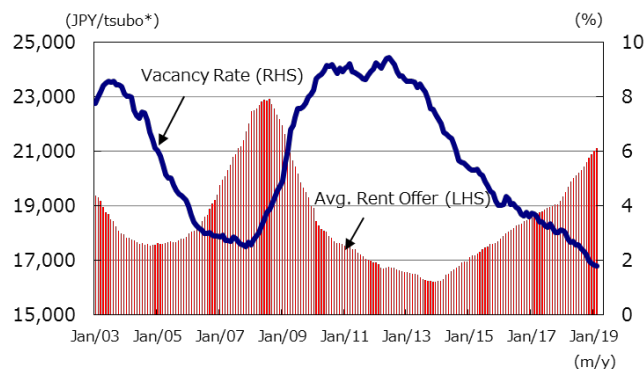
(# of TSE REIT Index Components:62)

	REIT	CODE	Weight (%)
1	NIPPON BUILDING FUND	J8951	7.7%
2	JAPAN REAL ESTATE INV.	J8952	6.9%
3	NOMURA RLST.MASTER FUND	J3462	5.4%
4	JAPAN RET.FD.INV.	J8953	4.5%
5	UNITED URB.INV.	J8960	4.1%
6	ORIX JREIT	J8954	4.0%
7	DAIWA HOUSE REIT INV.	J8984	3.5%
8	NIPPON PROLOGIS REIT	J3283	3.3%
9	ADVANCE RESIDENCE INV.	J3269	3.2%
10	GLP J-REIT	J3281	3.1%
	Others		54.4%
	Total		100.0%

Source: SMDAM, based on Datastream data.

(As of the end of Mar 2019)

### 4. Tokyo Office Rent and Vacancy Rate



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

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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/>

## 1. Global REIT Market Monthly Review (for March 2019)

In March, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) rose 3.1%. On a local currency basis, the REIT return increased 3.4% and Forex declined 0.3%.

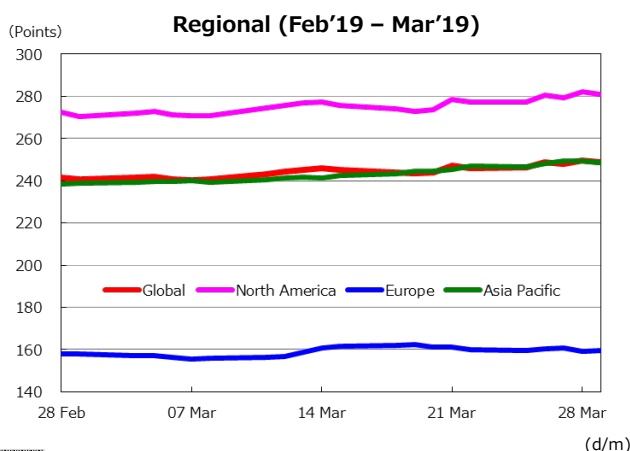
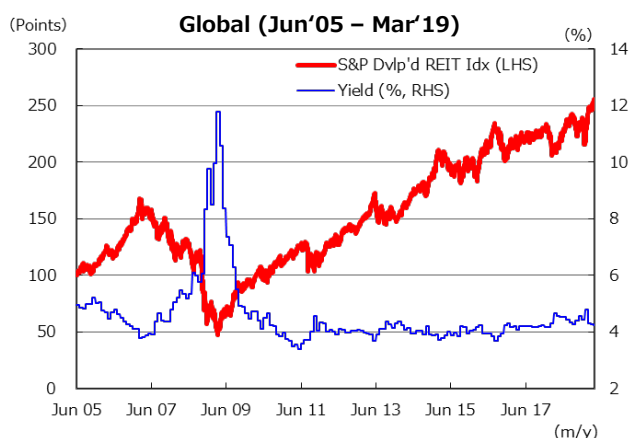
The US REIT market rose in favor of decline in US long term interest rates as FRB indicated pause of interest rates hike for the year.

The European REIT market rose positively reacted to (1) ECB's indication of postponement of interest rates hike and (2) announcement of possible further delay of interest rates hike by ECB president Mario Draghi.

Australian REIT market rose due to long term interest rates decrease with growing expectation for RBA to reduce interest rates.

Regarding the Forex factor, GBP, EUR, CAD, AUD and SGD weakened against USD, while HKD remained almost flat.

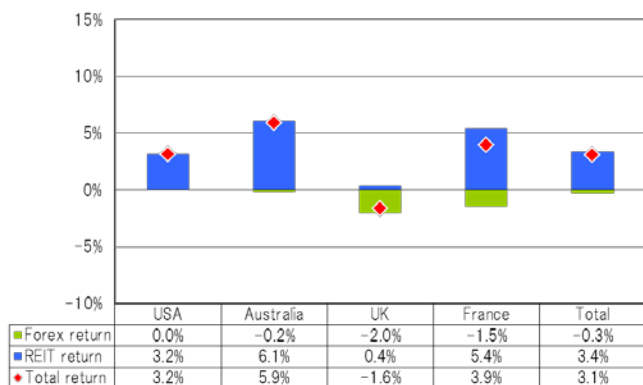
## 2. Global REIT Index (in USD)



As of 29 Mar 2019	1 week ago 22 Mar 19	1 month ago 28 Feb 19	3 months ago 31 Dec 18	6 months ago 28 Sep 18	1 year ago 30 Mar 18	3 years ago 31 Mar 16
Global	1.1%	3.1%	15.3%	7.9%	16.5%	19.0%
North America	1.3%	3.1%	15.9%	8.7%	21.2%	19.1%
Europe	-0.1%	1.2%	12.6%	-2.5%	-9.0%	-1.5%
Asia Pacific	1.4%	4.6%	14.8%	13.7%	19.7%	40.3%

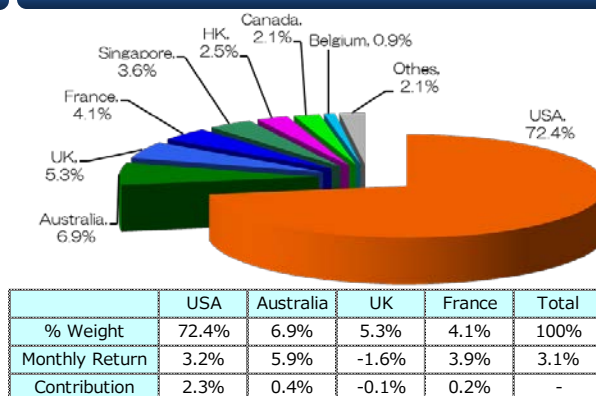
Note:  
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)  
Regional indexes are components of S&P Developed REIT Index.  
(2) 6/1/05=100 for both charts  
(3) % figures in the table indicate returns for each period  
Source: SMDAM, based on FactSet data.

## 3. Return Contribution by Factors (Mar'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 (Mar'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.