

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

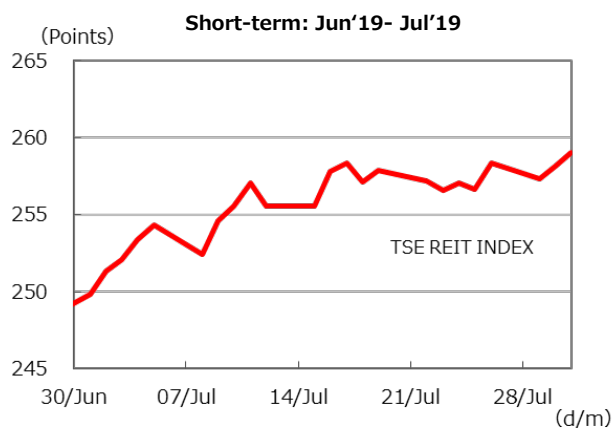
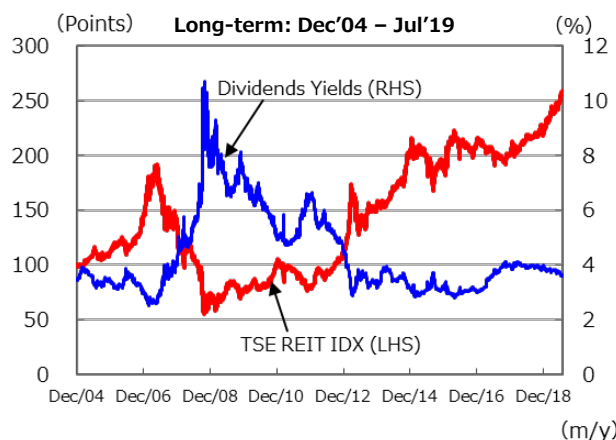
In July, the TSE REIT Index (with dividends) increased 4.37% from the previous month. J-REIT market rose as 1) strong earnings outlook for J-REITs remained unchanged, 2) monetary easing in Japan continued and 3) Overseas' monetary policies shifted to easing. Also J-REIT saw a strong demands as 2 POs during the month did not weaken the supply/demand condition.

By sector, residential and office sectors outperformed while logistic sector underperformed. Logistic sector slightly outperform but hotel and retail sectors were flat except some individual names.

June office vacancy rate in Tokyo five central wards increased to 1.72% from the previous month. However the supply/demand still remained tight and increase in rent price is continuing.

In July, there was no purchase of J-REIT by BoJ.

### 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 19	24 Jul 19	30 Jun 19	30 Apr 19	31 Jan 19	31 Jul 18	31 Jul 16
Index	4,120.33	4,089.53	3,947.76	3,822.76	3,709.11	3,468.88	3,394.01
% Change	-	0.8%	4.4%	7.8%	11.1%	18.8%	21.4%

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

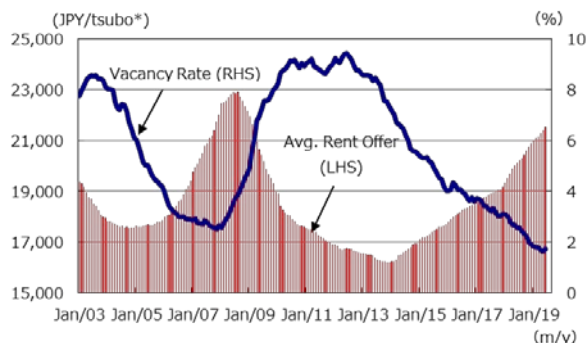
(# of TSE REIT Index Components: 63)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	7.3%
2	JAPAN REAL ESTATE INV.	J8952	6.7%
3	NOMURA RLST.MASTER FUND	J3462	5.3%
4	ORIX JREIT	J8954	4.1%
5	JAPAN RET.FD.INV.	J8953	4.1%
6	UNITED URB.INV.	J8960	4.1%
7	NIPPON PROLOGIS REIT	J3283	3.7%
8	DAIWA HOUSE REIT INV.	J8984	3.5%
9	ADVANCE RESIDENCE INV.	J3269	3.1%
10	JAPAN PRIME REALTY INV.	J8955	3.0%
	Others		55.2%
	Total		100.0%

Source: SMDAM, based on Datastream data.

(As of the end of Jul 2019)

### 4. Tokyo Office Rent and Vacancy Rate



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

## August 2019



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

In July, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) rose 0.4%. On a local currency basis, the REIT return increased 1.6% and Forex declined 0.5%.

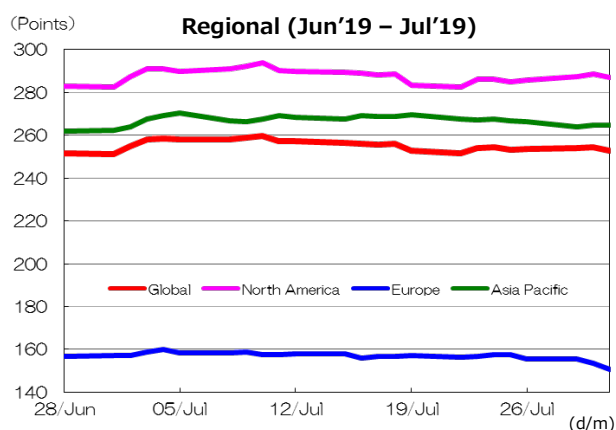
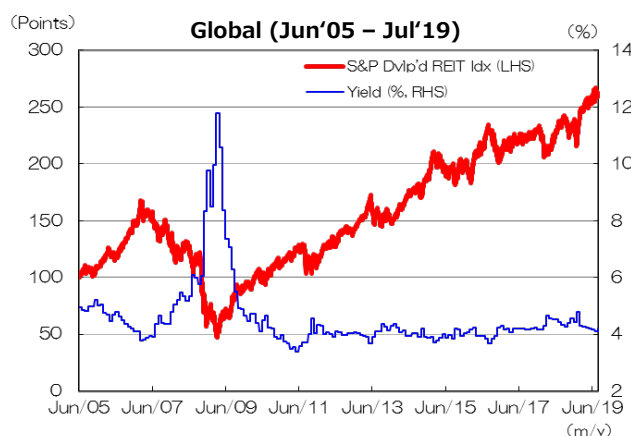
The US REIT market rose for the month in favor of 1) growing expectations for rates cut due to statements by key persons including FRB chairman Jerome Powell and 2) US economic indicators which exceeded market expectation.

The European REIT market declined with concern over economic slowdown in Euro area as economic indicators including PMI were below the forecast, despite the positive factor that the long term interest rates declined due to expectation for additional easing.

The Australian REIT market rose as 1) RBA lowered policy rates continued from the previous month and 2) housing price rose in major cities.

Regarding the Forex, EUR, GBP, AUD, SGP and HKD all weakened against USD.

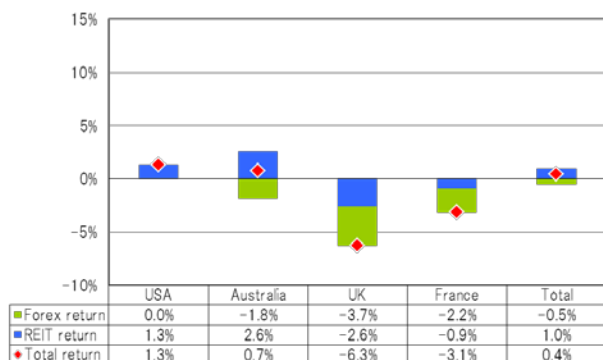
### 2. Global REIT Index (in USD)



As of 31 Jul 2019	1 week ago 24 Jul 19	1 month ago 28 Jun 19	3 months ago 30 Apr 19	6 months ago 31 Jan 19	1 year ago 31 Jul 18	3 years ago 29 Jul 16
Global	-0.7%	0.4%	1.9%	5.1%	9.0%	10.0%
North America	0.2%	1.3%	2.6%	5.9%	11.6%	9.3%
Europe	-4.6%	-3.9%	-7.1%	-5.4%	-13.5%	-4.8%
Asia Pacific	-2.1%	-0.9%	6.4%	9.8%	17.8%	28.9%

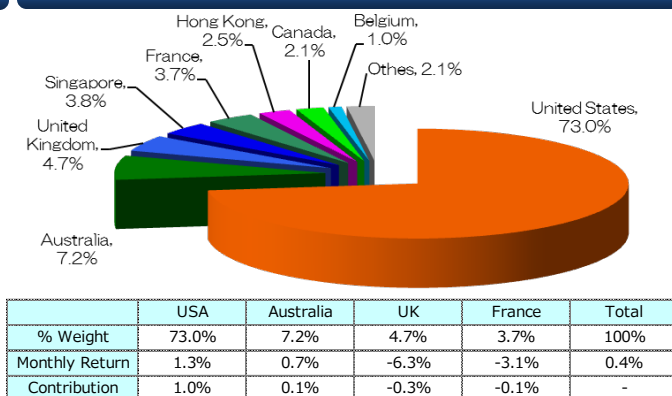
Note:  
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)  
Regional indexes are components of S&P Developed REIT Index.  
(2) 6/1/05=100 for both charts  
(3) % figures in the table indicate returns for each period  
Source: SMDAM, based on FactSet data.

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