

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

In August, the TSE REIT index (with dividends) rose 5.7% MoM.

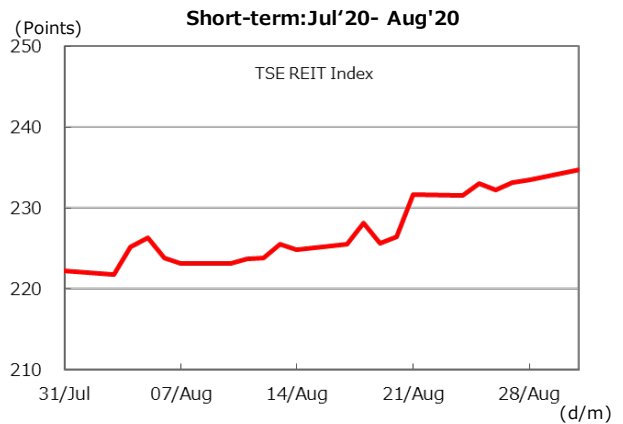
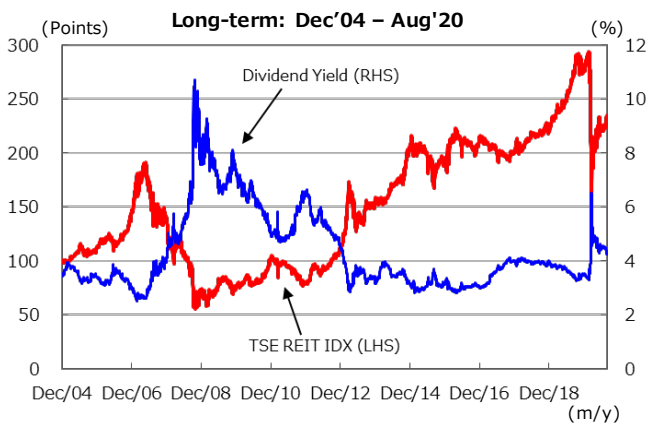
J-REIT market turned to risk-on sentiment as 1) overly cautious investors' attitude eased due to signs of peak out of new infection cases of Covid-19 and 2) earnings situation has become much clearer through announcement of business results and earnings forecast by major REITs.

August saw reversal of sector performance from July. Office sector significantly outperformed the market. Hotel and retail REITs significantly outperformed while logistics REITs sharply underperformed within commercial logistics sectors.

July office vacancy rate in Tokyo five central wards rose for 5 consecutive months to 2% level for the first time in two years or so while average rent has risen for 79 consecutive months and recorded highest level since the start of the monthly statistics.

In August, BoJ purchased J-REIT by twice (total JPY2.4bn worth), which was the smallest amount since February.

### 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 Aug 20	24 Aug 20	31 Jul 20	31 May 20	29 Feb 20	31 Aug 19	31 Aug 17
Index	3,735.15	3,683.35	3,535.10	3,586.37	4,218.40	4,275.94	3,188.63
% Change	-	1.4%	5.7%	4.1%	-11.5%	-12.6%	17.1%

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.

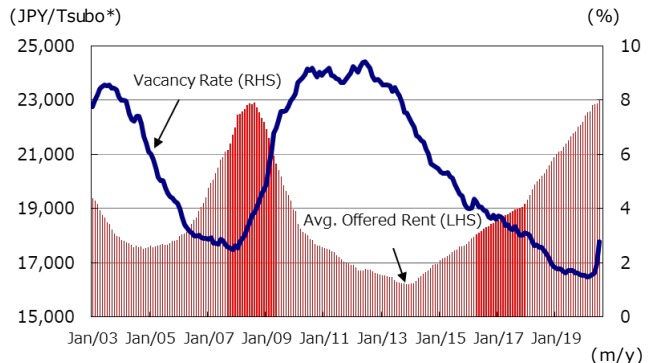
### 3. Top 10 REIT Constituents in J-REIT

(# of TSE REIT Index Components:62)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	6.8%
2	JAPAN REAL ESTATE INV.	J8952	6.5%
3	NIPPON PROLOGIS REIT	J3283	5.8%
4	GLP J-REIT	J3281	5.2%
5	NOMURA RLST.MASTER FUND	J3462	4.8%
6	DAIWA HOUSE REIT INV.	J8984	4.3%
7	ORIX JREIT	J8954	3.4%
8	JAPAN RET.FD.INV.	J8953	3.3%
9	ADVANCE RESIDENCE INV.	J3269	3.3%
10	INDL.& INFR.FUND INV.	J3249	2.9%
	Others		53.7%
	Total		100.0%

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

### 4. Tokyo Office Rent and Vacancy Rate



Notes: (1) Covering a period from Jan 2003 to Jul 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

September 2020

For your information only



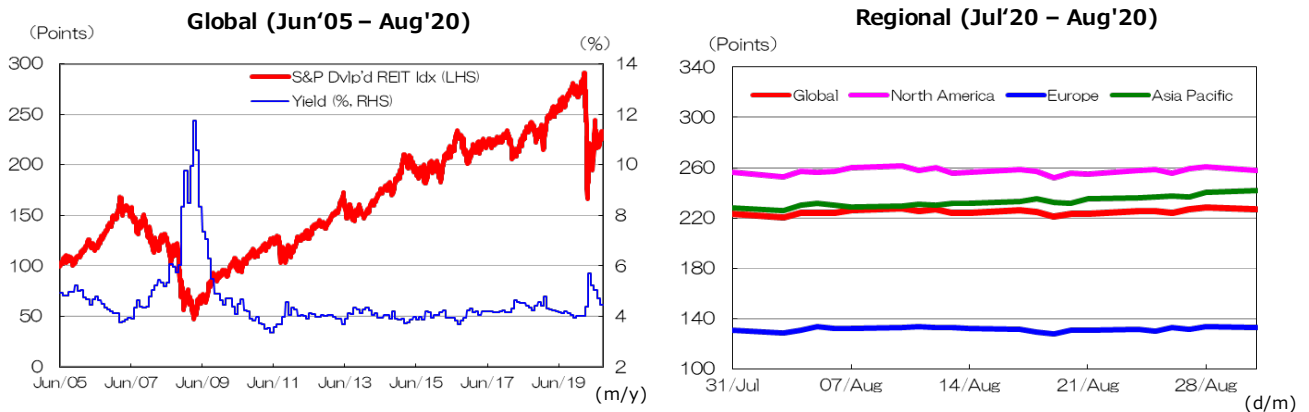
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## 1. Global REIT Market Monthly Review (for August 2020)

In August, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) rose 1.6%. On a local currency basis, both REIT return and Forex increased 1.2% and 0.5%, respectively. The US REIT market slightly rose. Retail related REITs were bought as economic forecasts gradually improved with expectation of vaccine development, however, slight increase in US government bond yield has weighed on the market. The European REIT market climbed. Retail related REITs were weak as virus infection expanded again in some regions while offices REITs were firm. British REIT market was almost flat. The Australian REIT market moved upward. Retail REITs declined due to lockdown of Victoria State while other sectors were firm. The Singaporean REIT market dropped with profit-taking. Hong Kong REIT market rose by rebounding from previous month's decline and by the announcement of relaxation of social distancing by the government which was well received by the market. Regarding the Forex, HKD remained flat while AUD, CAD, GBP and EUR strengthened against USD.

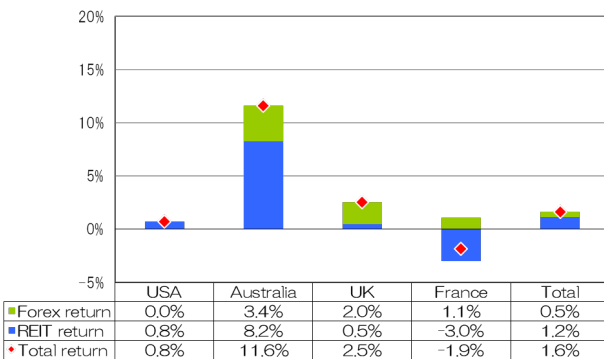
## 2. Global REIT Index (in USD)



As of 31 Aug 20	1 week ago 24 Aug 20	1 month ago 31 Jul 20	3 months ago 29 May 20	6 months ago 28 Feb 20	1 year ago 30 Aug 19	3 years ago 31 Aug 17
Global	0.7%	1.6%	9.0%	-8.7%	-12.2%	2.3%
North America	0.1%	0.8%	8.1%	-8.4%	-12.8%	4.1%
Europe	1.5%	2.1%	9.1%	-17.0%	-12.7%	-18.9%
Asia Pacific	3.7%	6.5%	14.0%	-3.3%	-9.1%	14.1%

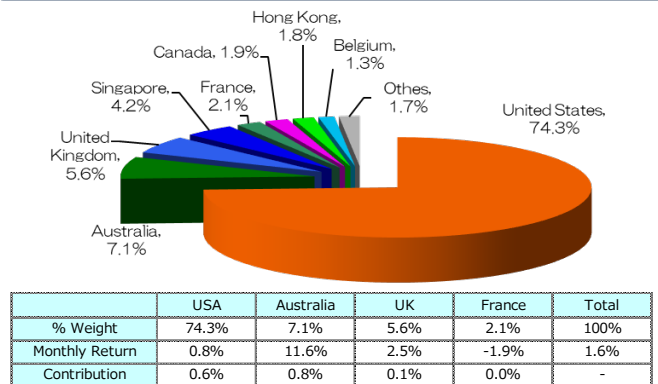
Note:  
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)  
Regional indexes are components of S&P Developed REIT Index.  
(2) 6/1/05=100 for both charts  
(3) % figures in the table indicate returns for each period  
Source: SMDAM, based on FactSet data.

## 3. Return Analysis by Country (Aug'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 (Aug'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.