

CONSILIA CAPITAL



Real Estate Securities Funds Monthly

Period End: July 2014

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July 2014

Summary

This month we have divided the report into the following sections:

1) A summary of July performance by fund mandate and size (p3)

A broadly lacklustre and somewhat disappointing July for most fund mandates with the exception of Asia funds which showed an average 3.38% uplift. US Funds were broadly flat (-0.2%), as were Japanese (-0.1%) whilst European funds suffered a -2.3% reversal. Global REIT funds nudged ahead by 0.34% whilst global real estate securities funds were -0.12%. Infrastructure (-2.35%) and Infrastructure (-2.15%) both fell behind.

2) A summary of YTD 2014 performance (p4)

July's flat showing needs to be assessed in the light of a strong YTD performance. At the country level it is US funds that have shown a clean pair of heels (+14.6%) , with the pack following closely behind - Asia +11.5%, Europe +10.4%, and Japan +9.8%. Global REIT funds (+15.6%) are now ahead of Global Infrastructure (+13.4%) and Global Real estate (+12.1%). Real assets continue to lag at 4.3%.

3) Featured Paper : Price Discovery in Unlisted Funds (ps 5-9)

Given recent trends in the listed sector, where in a number of markets (particularly the US) correlations with bond markets have increased, and equity markets decreased, we focus this month on the drivers of returns for indirect real estate vehicles. A number of the funds featured in our database invest in both listed securities and unlisted funds. In particular, in the first of a series of topics around the general theme of the parallel asset pricing model, we look at the relationship between pricing in the listed market and pricing in the growing market for secondary trading in unlisted funds. The study, by Paul Schneider of QIC, looks at price discovery in the UK unlisted funds market, and concludes:

- UK unlisted real estate fund interests are related to past REIT pricing.
- While similar in movement they are different in magnitude.
- Unlisted funds' smaller trading range relative to REITs is consistent with noise-trader theory.
- In addition to unlisted funds' relationship to REITs, funds specific factors of past returns, yield, income concentration and ownership concentration are associated with pricing, and generally robust to fund structure.
- Pricing in the secondary market seems to be a combination of macro and fund specific factors that are potentially under-priced by NAV.
- The secondary market's ability to predict future unrealised gains (approximately future changes in NAV) was in addition to information flowing from REITs and robust to fund structure.

We will be continuing this topic by featuring studies on the factors behind listed performance next month.

4) Detailed performance statistics by region (ps9-15) for July 2014

For each mandate we show: the dispersion of returns by Fund Aum, popular benchmark returns and volatility, average, maximum and minimum fund returns, the best performing funds by size, for each mandate. For consistency, all returns are rebased in US\$.

Finally, it is important to note that there are no recommendations or investment advice contained in this publication, and that it is not intended for retail investors. This report represents only a very small summary of the outputs of our database, and the bespoke research and advisory service work we undertake for clients. For further details of our work please contact us.

July 2014 performance summary

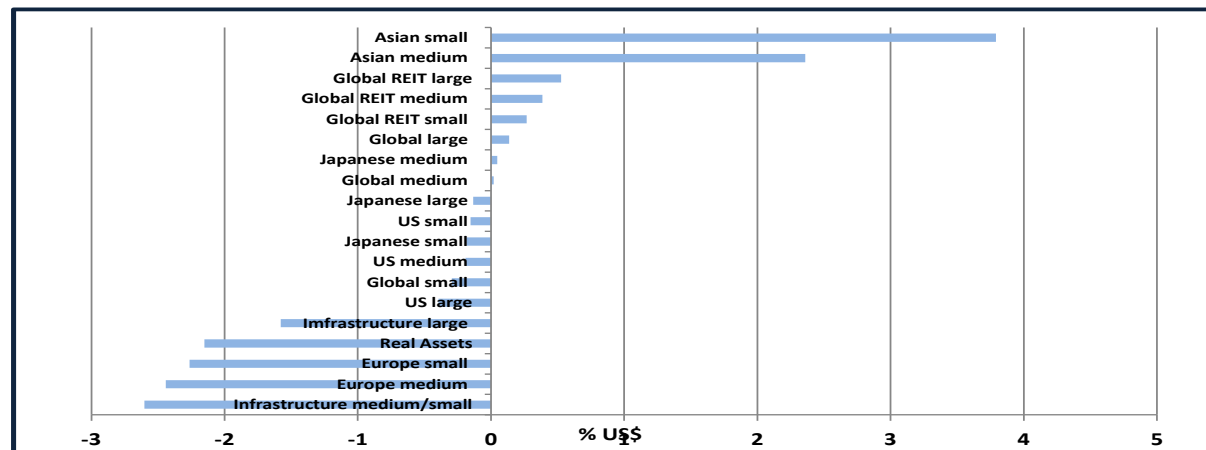
Firstly we show how each region has performed relative to the benchmarks and other listed real estate markets (Figure 1). Secondly, the differences in performance of each mandate classified by size of Fund (Figure 2) and thirdly we are interested in seeing the performance of global listed real estate as an asset class relative to competing asset classes such as Global Infrastructure and Real Assets (Figure 3).

Figure 1 Regional real estate performance July 2014

Asia		Average	Max	Minimum
Funds	Asian Funds	3.38	15.22	-1.45
	Japanese Funds	-0.12	1.72	-1.83
Benchmark	EPRA NAREIT Asia Total Rtrn Index USD	2.36		
Europe		Average	Max	Minimum
Funds	European Funds	-2.37	0.05	-5.09
Benchmark	FTSE EPRA/NAREIT Dev'd Europe Index	-2.18		
US		Average	Max	Minimum
Funds	US Funds	-0.23	2.36	-10.05
Benchmark	Dow Jones US Select REIT Index	0.21		

Source: Consilia Capital, Bloomberg

Figure 2 July 2014 performance by mandate and fund size



Source: Consilia Capital, Bloomberg

Figure 3 Global Asset Class performance July 2014

Global		Average	Max	Minimum
Funds	Global Funds	-0.12	9.51	-8.62
Benchmark	FTSE EPRA/NAREIT Developed Index	0.33		
Global REITs		Average	Max	Minimum
Funds	Global REIT Funds	0.34	3.29	-1.92
Benchmark	S&P Global REIT Index	0.09		
Infrastructure		Average	Max	Minimum
Funds	Global Infrastructure Funds	-2.35	0.25	-15.12
Benchmark	D Jones Brookfield Global Infra Tot Rtn	-1.24		
Funds	Real Assets Funds	-2.15	-0.41	-4.19

Source: Consilia Capital, Bloomberg

YTD 2014 performance summary

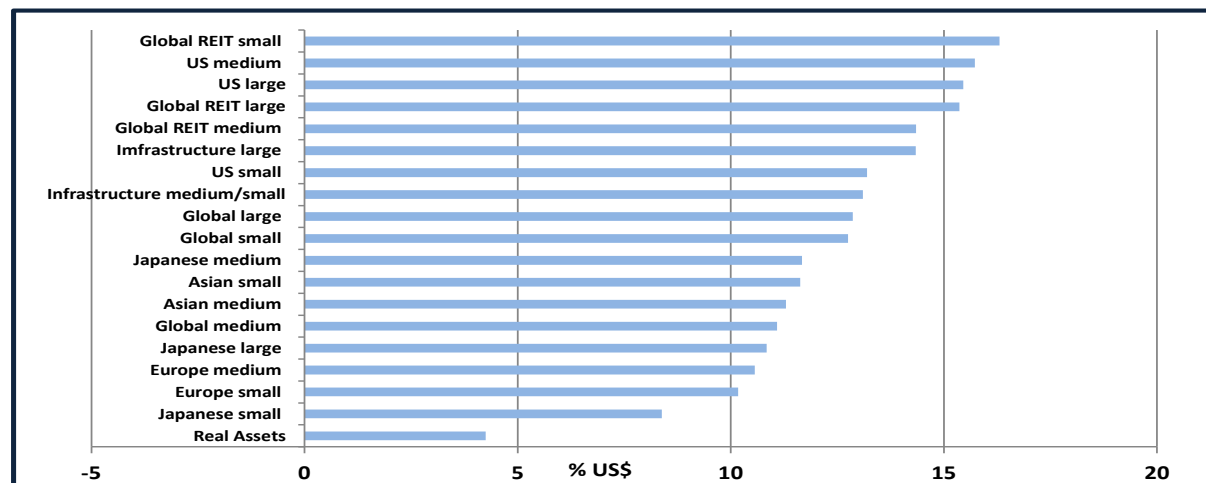
Firstly we show how each region has performed relative to the benchmarks and other listed real estate markets (Figure 4). Secondly, the differences in performance of each mandate classified by size of Fund (Figure 5) and thirdly we are interested in seeing the performance of global listed real estate as an asset class relative to competing asset classes such as Global Infrastructure and Real Assets (Figure 6).

Figure 4 Regional real estate performance YTD 2014

	Asia	Average	Max	Minimum
Funds	Asian Funds	11.54	26.53	2.09
	Japanese Funds	9.81	21.83	-13.45
Benchmark	EPRA NAREIT Asia Total Rtn Index USD	4.13		
	Europe	Average	Max	Minimum
Funds	European Funds	10.41	17.58	-9.96
Benchmark	FTSE EPRA/NAREIT Dev'd Europe Index	11.58		
	US	Average	Max	Minimum
Funds	US Funds	14.62	58.39	-42.23
Benchmark	Dow Jones US Select REIT Index	18.48		

Source: Consilia Capital, Bloomberg

Figure 5 YTD 2014 performance by mandate and fund size



Source: Consilia Capital, Bloomberg

Figure 6 Global Asset Class performances YTD 2014

	Global	Average	Max	Minimum
Funds	Global Funds	12.10	38.13	-14.91
Benchmark	FTSE EPRA/NAREIT Developed Index	12.58		
	Global REITs	Average	Max	Minimum
Funds	Global REIT Funds	15.60	27.08	4.15
Benchmark	S&P Global REIT Index	16.33		
	Infrastructure	Average	Max	Minimum
Funds	Global Infrastructure Funds	13.41	28.11	-10.75
Benchmark	D Jones Brookfield Global Infra Tot Rtn	14.93		
Funds	Real Assets Funds	4.25	13.12	-3.89

Source: Consilia Capital, Bloomberg

Featured Paper: Price discovery in unlisted funds

Given recent trends in the listed sector, where in a number of markets (particularly the US) correlations with bond markets have increased, and equity markets decreased, we focus this month on the drivers of returns for indirect real estate vehicles. A number of the funds featured in our database invest in both listed securities and unlisted funds. In particular, in the first of a series of topics around the general theme of the parallel asset pricing model, we look at the relationship between pricing in the listed market and pricing in the growing market for secondary trading in unlisted funds.

Paper title: Price Discovery in UK unlisted funds

Author: Paul Schneider, QIC.

Purpose of the study

This study examines the premia/discounts (Price/NAV) from transactions of secondary UK unlisted real estate funds between February 2007 and May 2013. The first objective of the study is to investigate factors (fund and non-fund specific) which may be associated with secondary market pricing. If there is a systematic difference between fund NAVs and the prices at which investors are paying for fund interests, this may help the industry to better understand in which circumstances investors price their interests differently from NAV. Any such findings may contribute to the debate as to how the NAV methodology can move towards more investor relevant Fair Value-type metrics.

Secondly, this study seeks to determine if the UK secondary unlisted funds market provides any price discovery (predictability of future fund returns) which is incremental to information from REITs. Given the sophisticated end-user investor base of unlisted funds and that the secondary market allows investors to freely demonstrate their view of Fair Value, this study is predicated on the assumption that the UK secondary unlisted real estate funds market is forward looking.

We feature three findings of the study which we think will have resonance for market participants, firstly the relationship with REIT pricing, secondly the key factors determining unlisted pricing, and thirdly the predictive power of secondaries pricing.

1) Relationship with REIT pricing

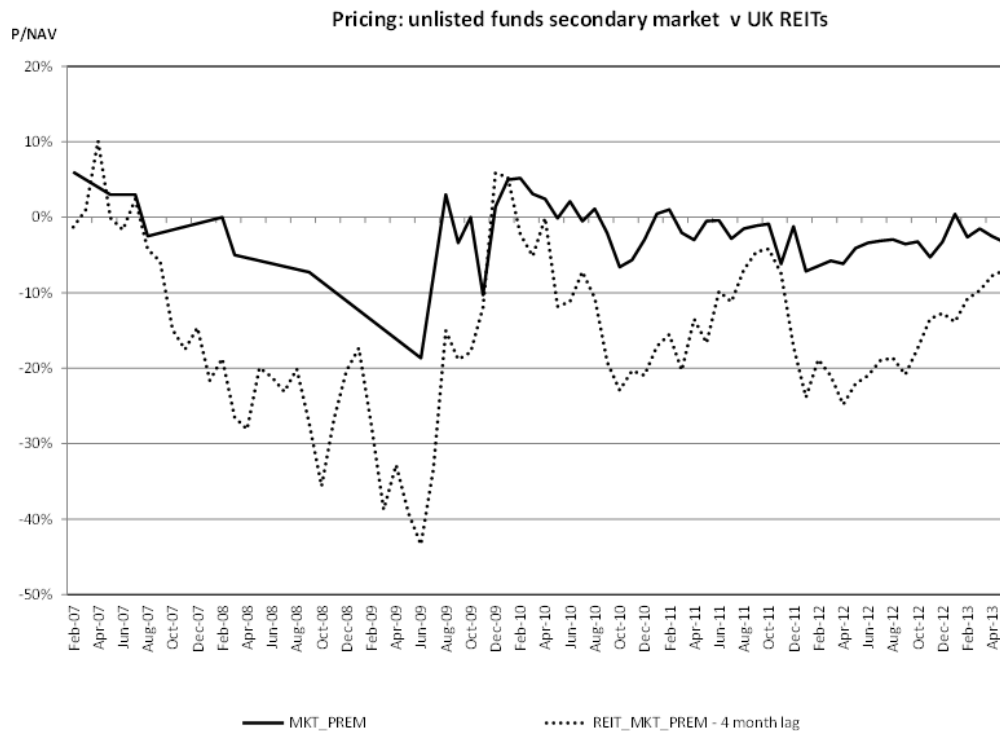
The author found that the current unlisted funds market pricing is most closely related to REITs four months prior. The k-lag of 4 months supports the notion that unlisted funds lag REITs by a period less than that observed with indices of direct property.

Despite the much lower volume, the unlisted funds market consistently trades at lower amplitudes away from NAV (3.14% discount) than compared to REITs (15.08% discount). Given the institutional nature of the unlisted funds secondary market, smaller discounts in this market is consistent with the noise trader theory of De Long, Shleifer, Summers and Waldman (1990) who posit smaller investors (which are more likely in the REITs market) are less informed and create noise around fundamental value.

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Although REITs and the unlisted market price in similar patterns, they are certainly not the same. Hence, pricing in the secondary funds market must contain information that is separate from the REITs market. This separate (potentially additional) information is the focus of the next section that examines factors associated with unlisted fund pricing

Figure 7 Listed vs unlisted pricing



2) Factors behind secondary market pricing

Macro Factors

Past REIT pricing for the sector of the transacted unlisted fund is significant in the pricing of secondary unlisted fund interests.

Secondary market volume is not statistically associated with fund pricing. As the secondary market becomes more liquid, one might expect the relationship between volume and pricing to strengthen. As a control variable, BBB credit spreads were significant and robust to different model and error structure specification.

Fund Factors – Past returns

Higher past fund returns lead to a higher (lower) premium (discount) and is consistent with Bond and Shilling's (2004) results of public real estate. This suggests that investors are extrapolating past returns. This could be interpreted as a violation to weak form market efficiency hypothesis. However, it is also possible that in an illiquid market with barriers to entry, investors are using (correctly or incorrectly) past returns as a blunt proxy for management/fund quality, as Malkiel (1995) suggests. Fund yield was shown to be positively related to

Real Estate Securities Funds Monthly

secondary fund pricing. This effect is likely to be similar to past returns but also could reflect investors' willingness to pay a premium for secure income in the recent low yield environment.

Size

Fund size is not associated with secondary market pricing. This is surprising given evidence of a positive relationship previously documented in the public market but also the apparent importance of transparency in less developed markets. Discussions with brokers prompted a subsequent examination by fund structure. Descriptive statistics of open-ended and closed-ended funds shows open-ended funds are 60% larger than closed-ended funds but due to their liquidity mechanism most trades are completed close to the manager's bid-offer spread. To move outside this range requires a considerable redemption (or subscription) queue. Hence, open-ended funds have less scope to produce higher premiums due to the likely bid-offer bound.

Diversification

Asset diversification was found to be insignificant. This is a surprising result if one subscribes to the theory that fund investors value diversification. However discussions with brokers revealed that factors of management quality, asset performance and distribution yield are the dominant demand drivers. Also, many of the secondary market investors are multi-managers who are forming portfolios of different real estate exposures – hence they are not necessarily valuing diversification at the fund level, but rather create it themselves by acquiring a range of different fund interests.

In contrast to asset diversification, income concentration is positively associated with pricing, the opposite of what diversification predicts. The positive relationship may be linked with arguments that diversification is not valued, in fact penalised. However, in this case, it is more likely the variable has inadvertently picked up a credit quality effect in that tenants who have the capacity to pay larger amounts of rent are likely to be of higher credit worthiness.

Leverage

Leverage does not lead to higher discounts. It was posited that leverage is perhaps the most important example of a risk factor which affects investor cash flow profile but is not accounted for by NAV. However there is no evidence to suggest leverage is associated with different levels of secondary market pricing. Rather than leverage's effect relate to NAV 'reconciliation', it could be that leverage causes Fair Value to decouple from NAV only in trending markets when financial engineering impacts NAV sensitivity most. It is worth noting that leverage's association with NAV discounts in some studies of public real estate has been inconsistent (Bond and Shilling, 2004 and Clayton and MacKinnon, 2000).

Investor base

Funds with a greater concentration of investors were priced less favourably than funds with a more diversified investor base. Thus, it is likely investor concentration has been a suitable proxy for liquidity and is consistent with the priori that less liquid funds are price less favourably. This pricing of fund illiquidity highlights the difference between NAV and the Fair Value which investors ascribe to their units.

NAV staleness

NAV staleness was not statistically significant in explaining secondary market pricing. It is possible there is noise in this proxy. Given that it is difficult to pinpoint the date (possibly due to drawn out deal processes) at which the pricing reflects the investors' views of Fair Value.

3) Secondary Fund pricing as a predictor of future returns

The key result is that current fund premium is positively associated with future (unrealised) returns. As investors price secondary market interests above (below) NAV, they are taking a view that NAV under (over) prices Fair Value. If investors are correct in their assessment, subsequent changes in NAV should be higher (lower). This result is opposite to studies of REIT discounts and future returns where larger discounts are associated with higher subsequent returns. In these REIT studies the return is more or less the investor capturing the subsequent stock price gravitating back to NAV – hence the discount, in part, becomes the return. This study, however, in the absence of frequent repeat fund transactions, uses (unrealised, non-transaction) returns, as calculated by IPD. Using unrealised returns that does not incorporate the discount means variability in total returns is essentially $\frac{NAV_{t+6}}{NAV_t}$, given income is relatively stable. This more stringent definition of total returns means the predictive power of current pricing for future realised returns, should they occur, is understated, given the sample has a bias to discounts.

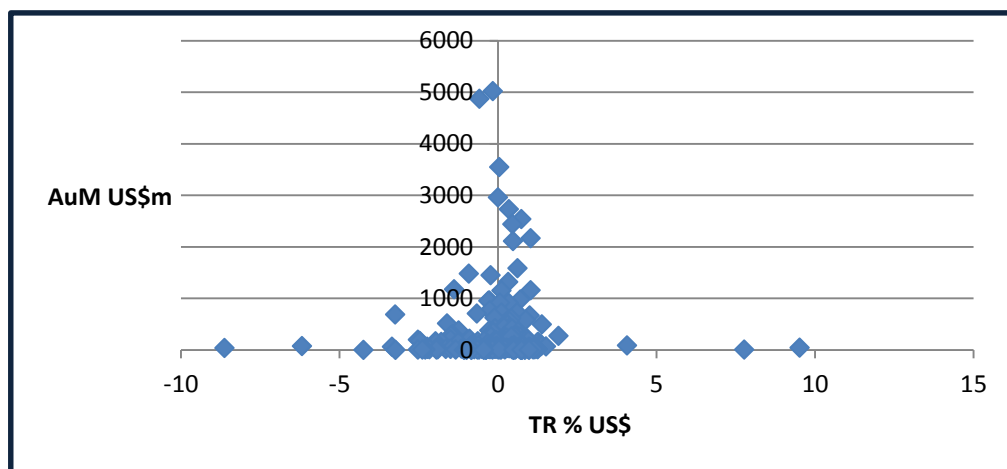
Control Variables

Critically, the significance of Unlisted fund pricing remains significant in the presence of listed market pricing. This suggests that the secondary market has explanatory power for future (unrealised) returns (changes in NAV) that is separate and additional to the information that investors may absorb from the REIT market. This may substantiate the claim that the secondary market due to this higher level of investor sophistication is a suitable setting to observe price discovery.

Conclusion

- This study produces the first documented evidence that UK unlisted real estate fund interests are related to past REIT pricing.
- While similar in movement they are different in magnitude.
- Unlisted funds' smaller trading range relative to REITs is consistent with noise-trader theory.
- In addition to unlisted funds' relationship to REITs, funds specific factors of past returns, yield, income concentration and ownership concentration are associated with pricing, and generally robust to fund structure.
- Pricing in the secondary market seems to be a combination of macro and fund specific factors that are potentially under-priced by NAV.
- The secondary market's ability to predict future unrealised gains (approximately future changes in NAV) was in addition to information flowing from REITs and robust to fund structure.

Global Funds Performance July 2014



Popular Benchmark

Benchmark Index	July 2014 TR %	Volatility %
FTSE EPRA/NAREIT Developed Index	0.33	8.80

By Fund size

Fund	Average	Maximum	Minimum
Global large	0.14	1.03	-1.38
Global medium	0.02	4.07	-3.25
Global small	-0.29	9.51	-8.62

Best Performing Funds

Global Large Funds > US \$ 750m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Morgan Stanley Global Property Fund	1.03	1.40	10.04	1,156	SICAV
SWIP Multi-Manager - Global Real Estate	1.00	0.06	9.58	666	OEIC
iShares Developed Markets Property ETF	0.73	0.12	10.76	2,537	ETF
Henderson Horizon - Global Property	0.70	0.83	10.01	975	Open-End
Invesco Global Real Estate Fund	0.62	1.17	10.14	1,583	Open-End

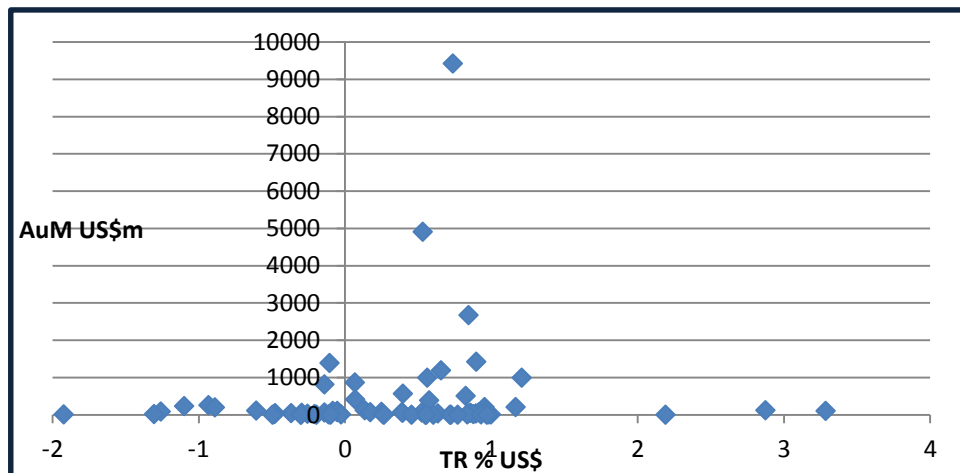
Global Medium Funds US \$75m to US\$750m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Forward International Real Estate Fund	4.07	0.72	9.38	86	Open-End
Kempfen Global Property Fundamental	1.91	0.96	10.36	271	SICAV
ING Global Real Estate Fund	1.38	1.14	11.64	495	Open-End
Brookfield Global Listed Real Estate UCIT	1.34	1.59	9.16	116	Open-End
INVESCO Global Real Estate Securities	1.26	1.12	9.91	155	Open-End

Global Small < US\$ 75 Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Credit Suisses Lux Global Emerging Mark	9.51	0.24	15.31	41	SICAV
Alpine Emerging Markets Real Estate	7.77	0.64	14.38	6	Open-End
Principal Global Investors Funds - Globa	1.52	1.18	10.18	69	Open-End
PruLink Global Property Securities Fund	1.36	0.96	9.15	71	Open-End
Perennial Global Property Securities Fd	1.26	0.01	9.71	12	Open-End

Global REIT Funds Performance July 2014



Popular Benchmark

Benchmark Index	July 2014 TR %	Volatility %
S&P Global REIT Index	0.09	9.20

By Fund size

Fund	Average	Maximum	Minimum
Global REIT large	0.53	1.21	-0.14
Global REIT Medium	0.39	1.17	-1.26
Global REIT Small	0.27	2.19	-1.92

Best Performing Funds

Global REIT Large Funds > US\$750m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Okasan World REIT Selection US	1.21	1.38	14.90	999	Fund of Funds
Daiwa Global REIT Open Fund -	0.90	1.88	12.66	1,423	Fund of Funds
DIAM World REIT Index Fund	0.84	1.78	12.88	2,680	Fund of Funds
Nikko LaSalle Global REIT Fund	0.74	1.78	13.39	9,427	Fund of Funds
DLIBJ DIAM World REIT Income	0.66	1.85	11.31	1,199	Fund of Funds

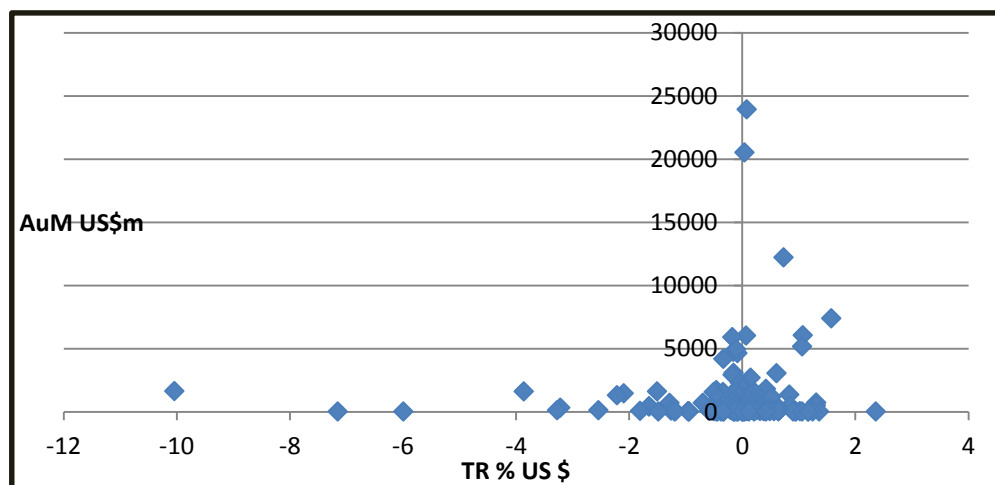
Global REIT Medium Funds US\$75m to US\$750m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Daiwa Fund Wrap International REIT	1.17	1.84	13.34	215	Open-End
SMTAM SMT Global REIT Index Open	0.97	1.68	13.30	83	Fund of Funds
Hana UBS Global REITs Fund of Funds	0.96	1.13	8.54	128	Fund of Funds
SMTAM Global REIT Index Open	0.95	1.66	13.30	210	Open-End
LGT Select REITS	0.82	1.63	9.46	510	Open-End

Global REIT Small Funds <US\$75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Fubon Global REIT Fund	2.19	0.71	7.54	6	Unit Trust
Nomura Index Fund Foreign REIT	1.00	1.71	13.34	18	Open-End
Daiwa SB SMBC Fund Wrap G-REIT	0.98	1.69	13.69	16	Fund of Funds
Mitsubishi UFJ International REIT	0.97	1.68	13.26	2	Fund of Funds
Daiwa Global REIT Fund	0.93	1.96	12.31	11	Fund of Funds

US Funds Performance July 2014



Popular Benchmark

Benchmark Index	July 2014 TR %	Volatility %
Dow Jones US Select REIT Index	0.21	13.37

By Fund size

Fund	Average	Maximum	Minimum
US Large	-0.39	1.57	-10.05
US medium	-0.19	1.31	-3.28
US small	-0.15	2.36	-7.15

Best Performing Funds

US Large Funds - Over US \$1bn Aum

Fund	July 2014 TR %	Sharpe Ratio	Volatility%	AUM US\$	Type
Fidelity US REIT Fund B - Non-hedged	1.57	1.34	15.89	7,401	Fund of Funds
Daiwa US REIT Fund - Monthly Dividend	1.07	1.47	16.07	6,048	Fund of Funds
Goldman Sachs US REIT Fund B Course - C	0.83	0.94	15.21	1,352	Fund of Funds
Shinko US-REIT Open	0.73	1.14	16.00	12,216	Fund of Funds
iShares Cohen & Steers REIT ETF	0.61	0.96	13.59	3,033	ETF

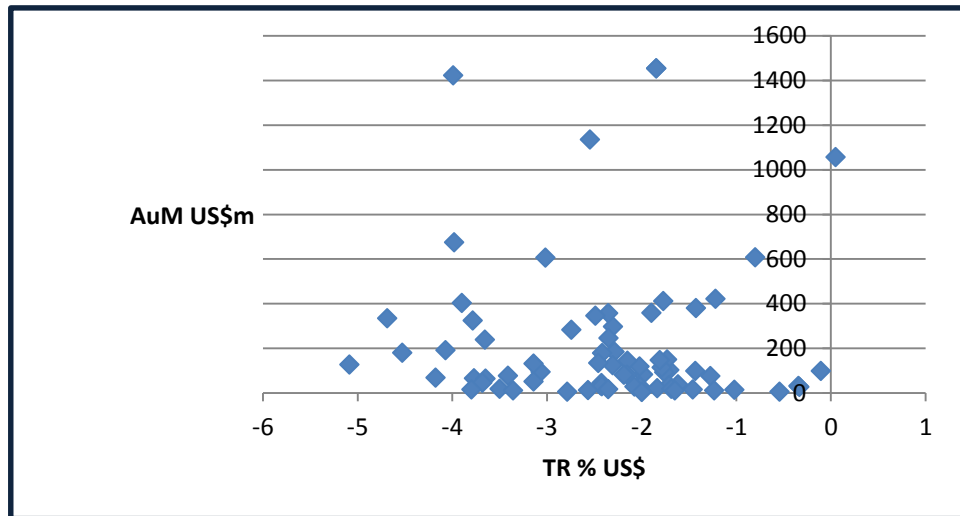
US Medium Funds US\$100bn to US\$1bn Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
iShares US Property Yield UCITS ETF	1.31	0.09	13.13	713	ETF
Morgan Stanley US Property Fund	0.85	1.03	12.72	472	SICAV
iShares Residential Real Estate ETF	0.66	0.69	13.55	243	ETF
DIAM US REIT Income Plus	0.64	0.69	13.63	94	Open-End
RMR Real Estate Income Fund	0.46	0.49	12.57	229	Closed-End

US Small <Under US\$100m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Rakuten US REIT Triple Engine	2.36	0.79	22.05	9	Open-End
Okasan US REIT Open	1.25	1.36	14.49	1	Open-End
Nissay AEW US REIT Fund	1.17	1.48	15.35	1	Open-End
PineBridge US REIT Income Fund	1.06	1.42	15.75	9	Fund of Funds
LYXOR ETF FTSE EPRA/NAREIT United State	1.02	0.95	12.72	27	ETF

European Funds Performance July 2014



Popular Benchmark

Benchmark Index	July 2014 TR %	Volatility %
FTSE EPRA/NAREIT Dev'd Europe Index	-2.18	11.21

By Fund size

Fund	Average	Maximum	Minimum
Europe medium	-2.44	0.05	-5.09
Europe small	-2.26	-0.33	-4.18

Best Performing Funds

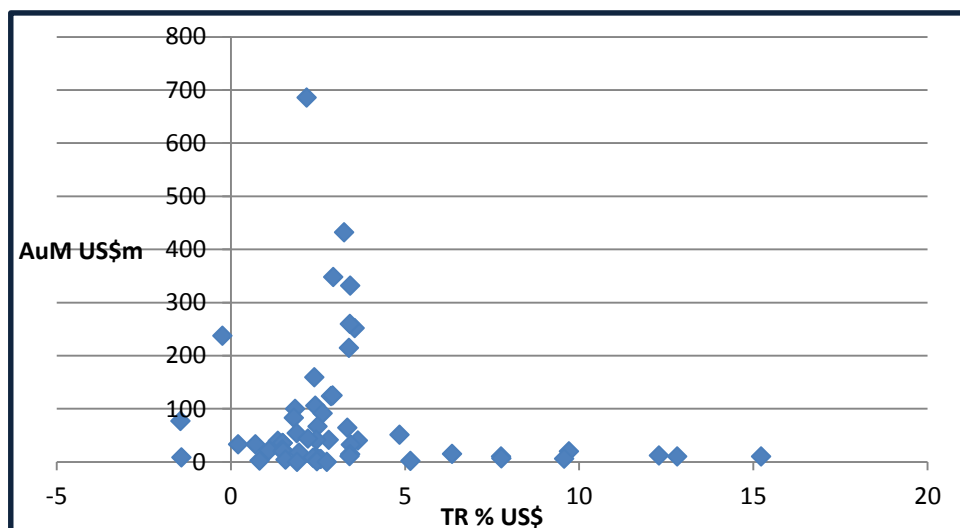
European Medium Funds > US\$ 75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
iShares UK Property UCITS ETF	0.05	0.93	13.54	1,057	ETF
Premier Funds ICVC - Pan European Prop	-0.11	2.12	8.94	99	Open-End
UBS CH Institutional Fund	-0.80	1.81	7.55	607	Open-End
Cohen & Steers European Real Estate Sec	-1.22	1.93	12.44	421	SICAV
Erste Sparinvest - ESPA Stock Europe	-1.27	1.76	11.68	76	Open-End

European Small Funds <US\$75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
BNP Paribas Property Securities Fund	-0.33	2.27	13.20	28	Open-End
UB European REIT Fund	-0.34	2.03	9.44	31	Open-End
UBS ETF CH-SXI Real Estate CHF	-0.54	1.32	8.04	6	ETF
K & H Real Estate Fund	-1.02	n/a	n/a	15	Fund of Funds
AXA Luxembourg Fund - European Immo	-1.23	0.97	13.22	11	SICAV

Asian Funds Performance July 2014



Popular Benchmarks

Benchmark Index	July 2014 TR %	Volatility %
EPRA NAREIT Asia Total Rtrn Index USD	2.36	12.62
TR GPR APREA COMPOSITE Index USD	3.85	10.43

By Fund size

Fund	Average	Maximum	Minimum
Asian medium	2.39	3.55	-1.45
Asian small	3.79	15.22	-1.42

Best Performing Funds

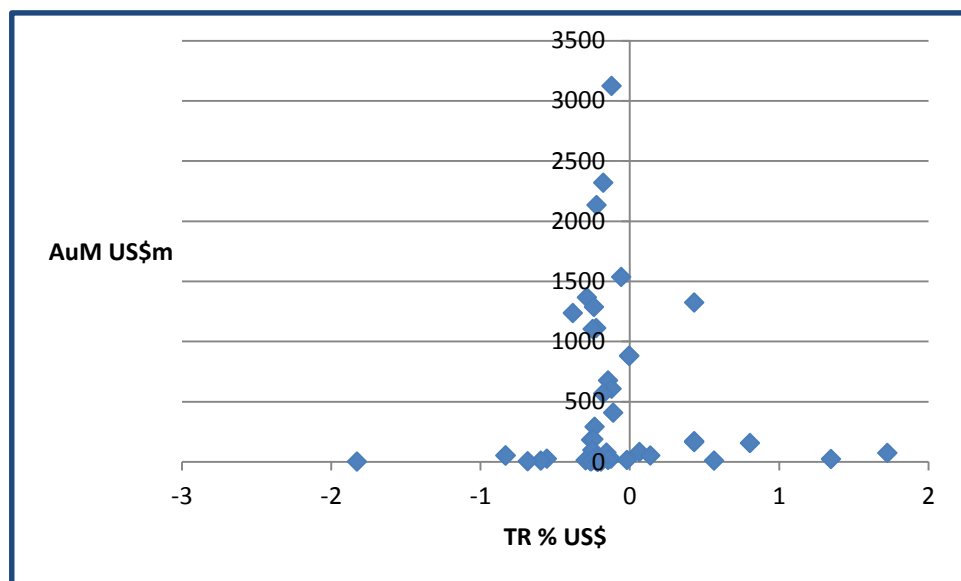
Asian Medium funds >US\$75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Schroder Asia Pacific Property Securities	3.55	0.80	12.14	252	SICAV
Morgan Stanley Asian Property Fund	3.42	0.78	13.74	332	SICAV
iShares Asia Property Yield UCITS ETF	3.41	0.17	10.71	260	ETF
Amadeus Asian Real Estate Securities Fund	3.34	0.23	14.28	64	Open-End
Henderson Horizon - Asia-Pacific Prop	2.93	0.49	12.90	348	Open-End

Asian Small funds <=US\$75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
db x-trackers CSI300 REAL ESTATE	15.22	0.13	25.73	10	ETF
Lippo Select HK & Mainland Property ETF	12.81	0.37	15.47	10	ETF
Macquarie Premium SAM Asia Property F	12.29	0.06	13.66	12	Open-End
Guggenheim China Real Estate ETF	9.70	0.71	17.86	20	ETF
RHB-OSK Asian Real Estate Fund	9.57	0.13	14.10	6	Unit Trust

Japanese Funds Performance July 2014



Popular Benchmarks

Benchmark Index	July 2014 TR %	Volatility %
Tokyo Stock Exchange REIT Index	-0.13	14.30
TR/GPR/APREA Composite Japan Index	-1.07	16.85

By Fund size

Fund	Average	Maximum	Minimum
Japanese large	-0.13	0.43	-0.38
Japanese medium	0.05	0.80	-0.26
Japanese small	-0.18	1.72	-1.83

Best Performing Funds

Japanese Large funds > US\$500m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
DLIBJ DIAM J-REIT Open	0.43	1.32	13.63	1,324	Fund of Funds
NEXT FUNDS REIT Index ETF	-0.01	1.43	14.28	882	ETF
Shinko Resona JREIT Active Open	-0.06	1.50	13.80	1,538	Open-End
SMTAM J-REIT Research Open	-0.12	1.50	14.53	3,126	Fund of Funds
Listed Index Fund J-REIT Tokyo Stock Exch	-0.12	1.50	13.14	608	ETF

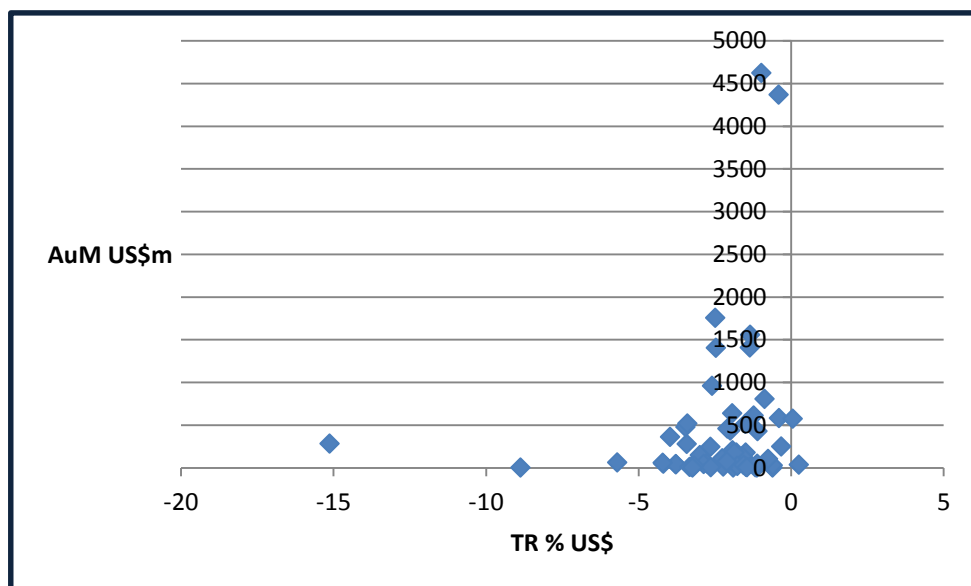
Japanese Medium funds<US\$500m >US\$75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
DIAM Strategic J-REIT Fund	0.80	1.47	14.08	157	Open-End
DIAM DIAM J-REIT Active Fund - Monthly	0.43	1.33	13.52	164	Open-End
Mizuho JREIT Fund BRL Course Monthly D	0.06	1.68	20.32	83	Open-End
MHAM J-REIT Active Open Monthly Settler	-0.11	1.52	14.78	410	Fund of Funds
SMTAM SMT J-REIT Index Open	-0.16	1.47	14.42	78	Fund of Funds

Japanese Small funds < US\$75m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Nomura NEXT FUNDS TOPIX-17 Const	1.72	1.62	19.35	75	ETF
Mizuho JREIT Fund	1.35	1.71	17.17	24	Open-End
Tokio Marine J-REIT Fund	0.14	1.40	13.80	54	Open-End
MHAM J-REIT Active Fund DC	-0.13	1.51	14.64	27	Open-End
Nomura Index Fund J-REIT	-0.15	1.48	14.40	17	Open-End

Infrastructure/Real Asset Funds July 2014



Popular Benchmark

Benchmark Index	July 2014 TR %	Volatility %
D Jones Brookfield Global Infra Tot Rtn	-1.24	7.96

By Fund size

Fund	Average	Maximum	Minimum
Global infrastructure large	-1.58	0.05	-3.40
Global infrastructure medium/small	-2.60	0.25	-15.12
Real assets	-2.15	-0.41	-4.19

Best Performing Funds

Global Infrastructure Large >US\$500m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
DWS Invest - Global Infrastructure	0.05	2.06	18.42	1,508	Open-End
Partners Group Invest - Listed Infrastruct	-0.40	0.88	17.56	604	Closed-End
Nomura Deutsche High Dividend Infrastr	-0.87	2.90	5.79	519	Unit Trust
Deutsche Global Infrastructure Fund	-0.98	2.77	6.91	628	Open-End
First Trust Energy Infrastructure Fund	-1.23	2.65	8.71	983	ETF

Global Infrastructure Medium/ Small < US\$500m Aum

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
Hana UBS Global Infra Securities	0.25	2.30	13.11	37	Fund of Funds
RARE Investment Funds PLC - RARE Infrast	-0.33	1.81	8.51	248	Open-End
Shinko World High Dividend Advanced In	-0.60	2.53	13.89	30	Open-End
NMX 30 Infrastr.Gl.THEAM Easy In	-0.75	2.38	10.71	101	ETF
Nomura Deutsche High Dividend Inf	-1.10	2.16	14.48	428	Open-End

Real Assets Funds

Fund	July 2014 TR %	Sharpe ratio	Volatility %	AUM US\$m	Type
T Rowe Price Real Assets Fund Inc	-0.41	1.88	11.03	4,369	Open-End
Planetarium Fund - Riverfield Real Assets	-1.11	2.07	6.02	46	Open-End
Devonshire Balanced Real Return Fund	-1.45	-0.48	6.09	7	Open-End
FP Real Assets Fund	-1.61	-0.13	4.82	133	Open-End
AllianceBernstein SICAV - Real Asset	-1.78	1.50	7.89	30	SICAV

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