

CONSILIA CAPITAL



Real Estate Securities Funds Monitor

Period End: October 2013

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November 2013

Real Estate Securities Funds Monitor

Summary

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

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

A positive month for all but Japanese mandates (-1.8%), with European funds (+4.0%) leading the charge, US funds at + 3.5% and Asian funds at 1.5%. Global Infrastructure Funds were + 4.0% on average and Real Assets +2.4%.

2) A summary of YTD performance by fund mandate and size (p4)

Looking at the returns YTD it is still the Japanese funds (+19.9%) that are ahead, but this is now diminishing in absolute and relative terms, with Europe (+11.3%) rapidly gathering pace. US Funds are +4.7% on average YTD, and Asian Funds +1.9%. It is worth noting the performance of Global Infrastructure Funds (+12.4%) particularly relative to Global REIT funds (+4.1%) and Global Real Estate (+3.2%).

3) The role of real estate in defined contribution schemes (p5)

This month we feature a report published recently by the Pensions Institute at Cass Business School entitled: "Returning to the Core: Rediscovering a role for real estate in defined contribution schemes." Key findings are:

- The DC auto-enrolment market is projected to increase six-fold by 2030: from £276bn AUM pre-auto-enrolment (2012) to £1,680bn
- Several new A-E schemes have selected Real Estate as the first illiquid or 'alternative' asset class to be incorporated as a core component of their default fund with weightings ranging from 5-20%, and an average of 10%. If all schemes adopt a Real Estate weighting of at 10%, then the Assets Under Management of Real Estate might be worth £170bn by 2030
- In addition to the diversification and risk adjusted returns, real estate has been chosen for its growth potential during the accumulation stage and its ability to generate reliable inflation-linked cash flows during the decumulation phase.
- Although auto-enrolment is in its infancy, the decision by the National Employers Savings Trust ("NEST") to allocate 20% to real assets (currently real estate) is a very significant move.
- The authors found that currently, a hybrid fund of 70% actively managed UK (unlisted) property and 30% passive, Index tracking Global listed real estate is popular.

4) Liquid real asset funds in DC schemes (p8)

Given the popularity of the 70% unlisted/30% Global listed model for DC schemes, we undertook a brief comparative study of funds that can be thought of as comprising the "liquid real assets" element of a DC fund. These can be identified as: Global Real Estate, Global REIT, Global Infrastructure, and Real Assets Funds.

We found that active or passive Global REIT and Global Real Estate funds would have delivered similar risk-adjusted results, although passive Global Infrastructure funds have consistently underperformed actively managed funds. Real asset funds do not demonstrate a similar profile and have underperformed.

5) Detailed performance statistics by region (ps10-16)

We show the dispersion of returns by Fund AuM, benchmark, average, maximum and minimum returns, and 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 will be no recommendations or investment advice 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.

Real Estate Securities Funds Monitor

October 2013 performance summary

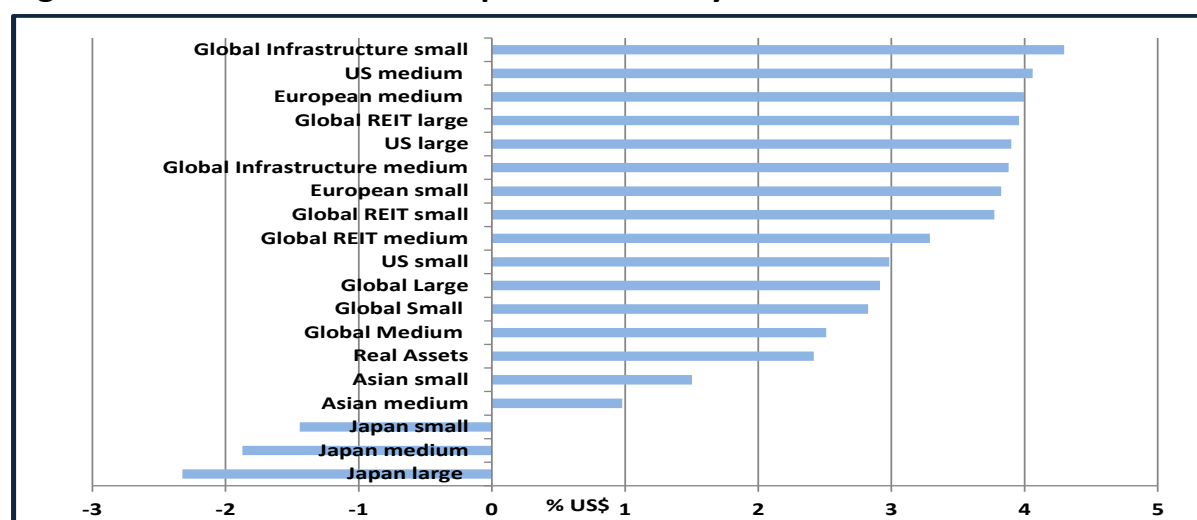
Firstly we show how each region has performed relative to the benchmarks and other listed real estate markets (Figure 1). Secondly, the differences in performance of each mandate classified by size of Fund (Figure 2) and thirdly we are interested in seeing the performance of global listed real estate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

Figure 1 Regional real estate performance October 2013

	Asia	Average	Max	Minimum
Funds	Asian Funds	1.47	11.74	-2.34
	Japanese Funds	-1.76	4.09	-2.90
Benchmark	EPRA NAREIT Asia Total Rtrn Index USD	0.22		
	Europe	Average	Max	Minimum
Funds	European Funds	4.00	9.91	-1.72
Benchmark	FTSE EPRA/NAREIT Dev'd Europe Index	4.70		
	US	Average	Max	Minimum
Funds	US Funds	3.49	13.16	-13.97
Benchmark	Dow Jones US Select REIT Index	4.07		

Source: Consilia Capital, Bloomberg

Figure 2 October performance by mandate and fund size



Source: Consilia Capital, Bloomberg

Figure 3 Global Asset Class performance October 2013

	Global	Average	Max	Minimum
Funds	Global Funds	2.72	10.79	-6.74
Benchmark	FTSE EPRA/NAREIT Developed Index	2.92		
	Global REITs	Average	Max	Minimum
Funds	Global REIT Funds	3.65	5.94	1.06
Benchmark	S&P Global REIT Index	3.89		
	Infrastructure	Average	Max	Minimum
Funds	Global Infrastructure Funds	3.99	7.52	0.76
Benchmark	D Jones Brookfield Global Infra Tot Rtn	4.05		
Funds	Real Assets Funds	2.42	4.47	0.19

Source: Consilia Capital, Bloomberg

Real Estate Securities Funds Monitor

YTD 2013 performance summary

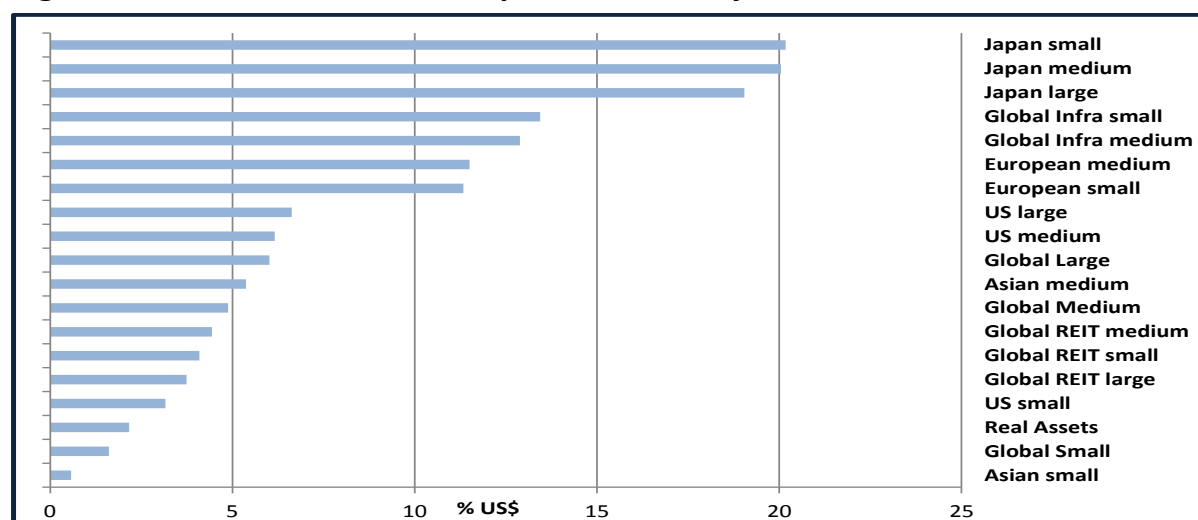
As with the monthly figures, we firstly show how each region has performed relative to the benchmarks and other listed real estate markets (Figure 4). Secondly, the differences in performance of each region classified by size of Fund (Figure 5) and thirdly the performance of global listed real estate 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 2013

	Asia	Average	Max	Minimum
Funds	Asian Funds	1.86	18.39	-12.72
	Japanese Funds	19.91	37.05	-10.74
Benchmark	EPRA NAREIT Asia Total Rtrn Index USD	7.66		
	Europe	Average	Max	Minimum
Funds	European Funds	11.31	36.29	-9.35
Benchmark	FTSE EPRA/NAREIT Dev'd Europe Index	14.28		
	US	Average	Max	Minimum
Funds	US Funds	4.76	26.18	-31.89
Benchmark	Dow Jones US Select REIT Index	6.50		

Source: Consilia Capital, Bloomberg

Figure 5 YTD 2013 performance by mandate and fund size



Source: Consilia Capital, Bloomberg

Figure 6 Global Asset Class performance YTD 2013

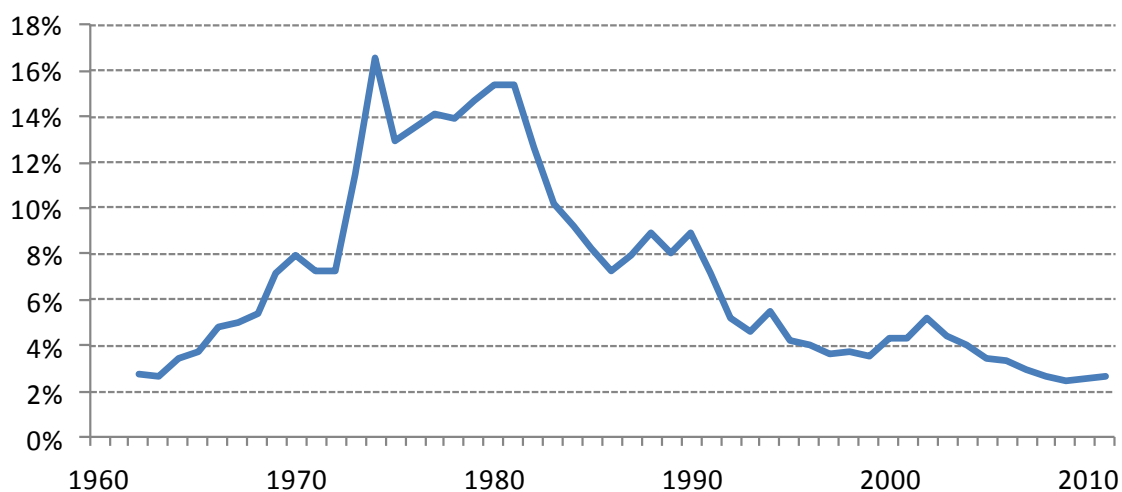
	Global	Average	Max	Minimum
Funds	Global Funds	3.22	19.93	-43.99
Benchmark	FTSE EPRA/NAREIT Developed Index	7.81		
	Global REITs	Average	Max	Minimum
Funds	Global REIT Funds	4.14	17.78	-10.92
Benchmark	S&P Global REIT Index	7.70		
	Infrastructure	Average	Max	Minimum
Funds	Global Infrastructure Funds	12.44	28.68	-5.14
Benchmark	D Jones Brookfield Global Infra Tot Rtn	13.77		
Funds	Real Assets Funds	2.16	8.54	-6.56

Source: Consilia Capital, Bloomberg

The role of real estate in defined contribution pension schemes

This month we feature a recently published report on the role of real estate in defined contribution (“DC”) schemes in the UK. In Defined Benefit (“DB”) schemes real estate played an important role, with the rental income well suited to match the liability streams of the pension fund. However, in relative terms its importance has declined, as shown by Figure 7 below, and its potential role in DC schemes is less clear given daily pricing/liquidity constraints. We provide a summary of the key findings of the report.

**Figure 7 UK Pension Funds Holdings of Real Estate as a % of Total Assets
1962-2012**



Source: Pensions Institute

Authors: Professors David Blake and Debbie Harrison, Pensions Institute, Cass Business School

Title: “Returning to the Core: Rediscovering a role for real estate in defined contribution schemes. “

Reasons for the Report

Under auto-enrolment in the UK, between Oct. 2012 and Dec. 2018, private sector employers must auto-enrol almost all employees in a Defined Contribution (“DC”) qualifying scheme. This has added a regulatory overlay to existing changes in market practice, as DC schemes have almost completely replaced Defined Benefit schemes in the private sector. There appeared to be little understanding of the impact this regulatory change would have on allocations to real estate, and, by definition, providers of real estate investment vehicles. Therefore, the Investment Property Forum took the lead in commissioning research to analyse & evaluate the potential role of real estate in the UK’s new DC workplace scheme market. Co-sponsors of the report are AREF, EPRA, and the Institute and Faculty of Actuaries. The report was published in October 2013.

Methodology

A series of interviews with participants in the market took place between Sep 2012 and Aug 2013. A key part of the market intelligence in the report is that all market participants were engaged. These included, inter alia, Investment Consultants, Platform Providers, Pension Scheme Providers, and Third Party Asset Managers.

Background findings: the market

Projected size:

The DC auto-enrolment market is projected to increase six-fold by 2030: from £276bn AUM pre-auto-enrolment (2012) to £1,680bn

Potential for real estate:

Several new A-E schemes have selected Real Estate as the first illiquid or 'alternative' asset class to be incorporated as a core component of their default fund with weightings ranging from 5-20%, and an average of 10%. If all schemes adopt a Real Estate weighting of at 10%, then the Assets Under Management of Real Estate might be worth £170bn by 2030

Requirements: The Liquidity issue:

DC platforms require daily pricing and liquidity: this clearly impacts attitudes towards illiquid assets, but it should be noted that this is not a regulatory requirement.

The importance of the default fund:

The multi-asset investment strategy is designed for the majority of members who do not wish to make investment decisions. 90-97% of members in aggregate are expected to use this default strategy. Therefore, the asset allocation in the default fund is critical for the future of all asset classes.

Concentration of Providers

Competition and downward pressure on member charges have triggered a battle to secure market share. Scale is considered crucial to deliver good quality default funds at low cost. The authors think it likely that fewer than 10 multi-employer schemes will emerge as the dominant players by 2020. Their investment philosophy will determine the openness of the market to third-party RE asset managers.

Modelling concerns

One of the key findings of the report is that there is no clear consensus regarding the best asset allocation model for determining the optimal weighting to real estate relative to other asset classes. There has clearly been widespread criticism of mean-variance optimisation models, but it is important to note that there is no consensus for a replacement allocation model. In addition the alternative proprietary models in use by the investment consultants are not accessible to independent scrutiny and hence lack transparency.

Disconnect between RE and DC participants

This gap has prevented better mutual understanding and collaboration. The authors say that their survey reveals that the Real Estate market participants are under the impression that the DC market knows what it wants but not what it needs, and the DC market players counter by saying "we're the customer: stop telling us what we need and stop trying to sell us over-engineered solutions".

Specific conclusions on weightings

Should DC schemes' default funds have a weighting in real estate?

Evidence indicates the beginning of a clear trend towards the inclusion of real estate as a core asset class in DC default funds, especially in the new schemes designed for auto-enrolment. In addition to the diversification and risk adjusted returns, real estate has been chosen for its growth potential during the accumulation stage and its ability to generate reliable inflation-linked cash flows during the decumulation phase.

What is an appropriate weighting?

There is a wide variation in practice. Some funds have zero weighting. Where real estate is used the allocation varies from 5% to 20%.

Which scheme offers the examples of the use of real estate?

Although auto-enrolment is in its infancy, the decision by the National Employers Savings Trust ("NEST") to allocate 20% to real assets (currently real estate) is a very significant move. As we have mentioned previously, of great interest is the hybrid unlisted/listed vehicle structure they chose to execute this strategy.

Which are the most appropriate real estate sub-classes?

The authors found that currently, a hybrid fund of 70% actively managed UK (unlisted) property and 30% passive, Index tracking Global listed real estate is popular.

Is the current liquidity constraint likely to be eroded over time?

This is Subject to debate between DC and real estate practitioners, but there is the authors believe there is no doubt that a relaxation of daily dealing/pricing requirements is crucial if default funds are to achieve optimum diversification.

How much of this market will be captured by third party asset managers

At present vertical integration is the most common business model. For the NEST allocation structure to become a benchmark multi-employer DC schemes will need access to such hybrid funds. At present the majority do not.

Conclusions

The authors conclude that real estate is unique as an asset class in that it has an important role to play throughout the life of a pension scheme: First for its growth potential when the scheme is immature, and then for its stable inflation-matching cash flows when the member approaches and enters retirement.

In this report, they argue that real estate needs to 'return to the core' and present evidence that this trend is already well underway.

Liquid real asset funds in DC schemes

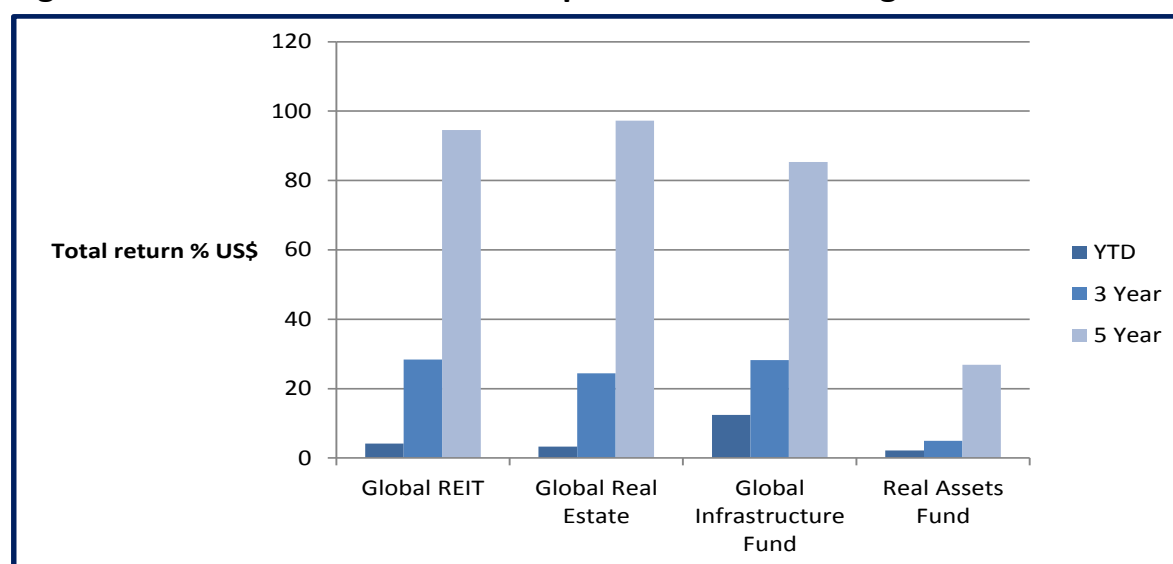
Background and reasons for this study

Following on from the report by the Pensions Institute which highlights the use of global listed real estate vehicles for DC funds, and our recent study on the performance impact of adding global listed real estate to an unlisted portfolio we decided to undertake a brief comparative study of funds that can be thought of as comprising a “liquid real assets” element of a DC fund. These can be identified as: Global Real Estate, Global REIT, Global Infrastructure, and Real Assets. The purpose is to ascertain whether there are structural differences in risk adjusted performance of the different mandates. Our study, as always, used the unweighted average of funds in our database rather than an Index.

Divergence of returns between “Liquid Real Asset” categories

Firstly we wanted to identify the absolute and relative over several time periods. We show below the results for all funds (active and passive) in our database for the different mandates, over three periods; 2013 YTD, 3 years and 5 years. As can be seen there is a high level of correlation between REIT, real estate and infrastructure funds, over all the periods, whilst Real Assets Funds (due predominantly to the lack of income as an investment characteristic) have shown a very different pattern.

Figure 8 Total Returns of “Liquid Real Asset” categories



Source: Consilia Capital, Bloomberg

In broad terms, therefore, it can be seen that whilst global real estate funds have performed best over the 5 year period, it is the case that including Global REIT or Global Infrastructure Funds would have produced not dissimilar results.

Divergence of returns between active and passive funds

The next question we seek to answer relates to the use by NEST of a Global REIT (market cap. weighted) tracker rather than an actively managed fund. Looking at the funds in our database we wanted to see if there was a noticeable difference in performance between actively and passively managed funds. We are not aware of a significant number of Real Asset Index Trackers or ETFs which can be accurately compared to the actively managed funds, so they are excluded from this element of the study. We use the same time period (YTD 2013, 3 and 5 years). The returns we show, as with all returns in our studies, are rebased in US\$. We show first the unweighted average of the active funds and then those of the passive funds. Please note that this is not a study in the performance of actively managed funds relative to a benchmark as there is not a single, common benchmark across all funds. Rather it is a simple study to see if selecting a group of actively managed funds in each category would have led to a material difference in performance from selecting a group of ETF/Index

Real Estate Securities Funds Monitor

Trackers. We have shown Active Funds performance first, then Passive, and the difference between the two, highlighted in green where Passive funds have outperformed and in red where active funds have outperformed.

Figure 9 Total Returns of “Liquid Real Asset” categories

		YTD	3 Years	5 Years
Global REIT	Active	3.96	28.44	94.55
	Passive	9.41	27.20	95.08
	Passive less Active	5.45	-1.23	0.53
Global Real Estate	Active	3.16	24.27	97.40
	Passive	5.07	26.79	95.21
	Passive less Active	1.91	2.52	-2.19
Global Infrastructure	Active	12.69	28.76	86.92
	Passive	10.32	25.07	79.65
	Passive less Active	-2.37	-3.68	-7.28

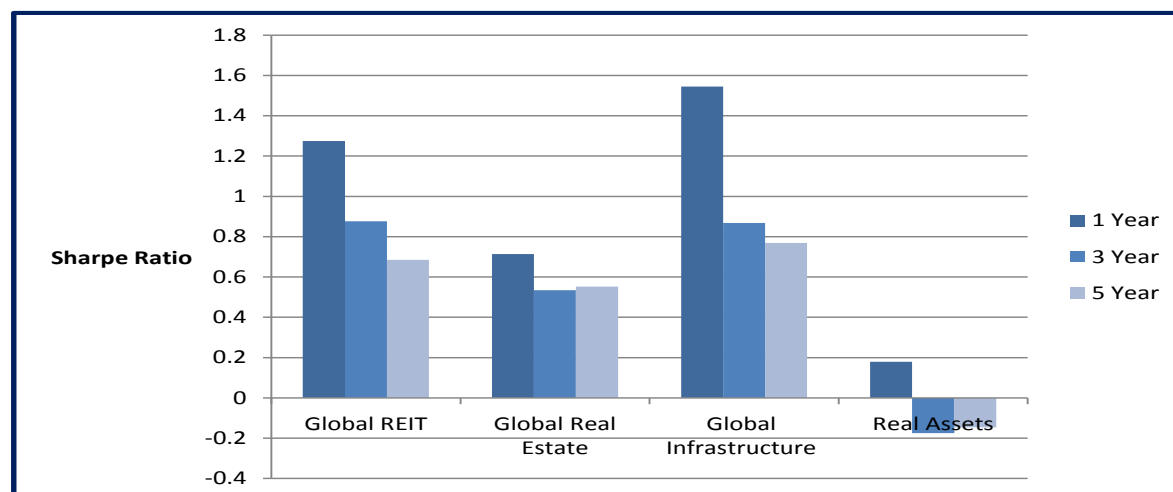
Source: Consilia Capital, Bloomberg

What is noticeable is that over 3 and 5 years there is no consistent outperformance either way for Global REIT and Global real estate funds. For 2013 YTD passive funds have outperformed, reflecting, presumably the volatile and rapidly changing nature of the markets this year. Interestingly actively managed Infrastructure funds have consistently outperformed Passive Funds. Therefore it would appear that choosing a passive global REIT or real estate tracker would not have led to any material underperformance.

Consistency of risk adjusted returns

The penultimate step was look at consistency of risk adjusted returns. With the exception of real assets these again deliver similar and consistent results to the raw returns shown earlier. .

Figure 10 Movement in Sharpe Ratios of “Real Asset” Funds



Source: Consilia Capital Bloomberg

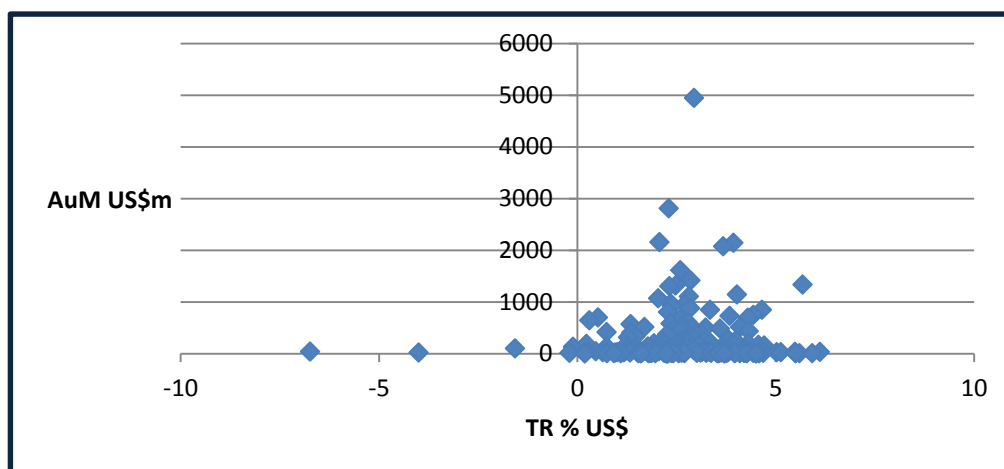
Summary and Conclusions

We believe these results demonstrate that active or passive Global REIT and global real estate funds would have delivered similar results for the liquid real asset element of a DC fund, although passive Global Infrastructure funds have consistently underperformed. Real asset funds do not demonstrate a similar profile.

Real Estate Securities Funds Monitor

Global Funds Performance

October 2013



Popular Benchmark

Benchmark Index	Oct return %	Volatility %
FTSE EPRA/NAREIT Developed Index	2.85	12.00

By Fund size

Fund	Average	Maximum	Minimum
Global large	2.95	5.68	1.99
Global medium	2.49	4.71	-1.57
Global small	2.67	6.11	-6.74

Best Performing Funds

Global Large Funds > US \$ 750m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
AMP Capital Global Property Securities	5.68	0.99	12.37	1,335	Unit Trust
Colonial - FirstChoice Global Property	4.65	0.80	11.34	845	Unit Trust
CBRE Clarion Global Real Estate Income	4.02	0.12	18.79	1,140	Closed-End
Third Avenue Real Estate Value Fund	3.94	2.46	9.23	2,145	Open-End
DFA Global Real Estate Securities	3.68	0.71	13.19	2,072	Fund of Funds

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

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
HC Capital Trust - Real Estate Securities	4.71	-0.63	71.26	152	Open-End
AMP Capital Investors - Property Secs	4.56	n/a	n/a	167	Fund of Funds
Perennial Global Property Securities	4.33	0.86	12.13	431	Unit Trust
INVESCO Global Property Securities	4.31	0.63	13.11	189	Unit Trust
Alpine Global Premier Properties Fund	4.30	0.60	21.42	691	Closed-End

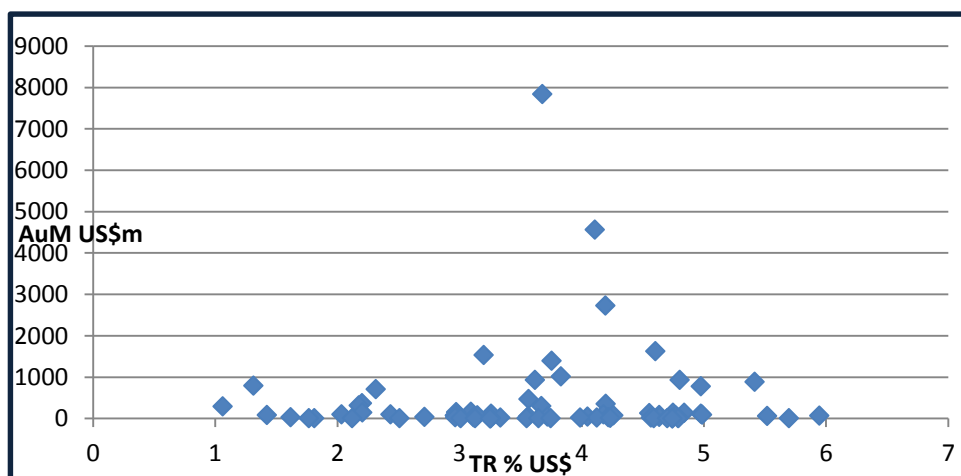
Global Small < US\$ 75 Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Colliers Geared Global Property	6.11	0.44	25.19	28	Unit Trust
OnePath OneAnswer Investment Portfolio	5.50	0.68	12.96	10	Unit Trust
ANZ - ING Global Property Securities	5.50	n/a	n/a	4	Unit Trust
Perpetual - AMP Capital Global Property	5.43	0.94	11.84	1	Unit Trust
OnePath OneAnswer Personal Super	5.13	0.65	11.53	22	Open-End

Real Estate Securities Funds Monitor

Global REIT Funds Performance

October 2013



Popular Benchmark

Benchmark Index	Oct return %	Volatility %
S&P Global REIT Index	3.89	12.29

By Fund size

Fund	Average	Maximum	Minimum
Global REIT Large	3.82	4.97	1.31
Global REIT Medium	3.29	4.99	1.06
Global REIT Small	3.77	5.94	1.62

Best Performing Funds

Global REIT Large Funds > US\$750m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Nomura Global REIT Premium	4.97	1.17	20.00	781	Open-End
Nikko AMP Global REIT Fund	4.80	1.76	17.66	930	Fund of Funds
Daiwa Global REIT Open Fund	4.60	1.63	17.22	1,624	Fund of Funds
DIAM World REIT Index Fund	4.19	1.82	17.88	2,726	Fund of Funds
Kokusai World REIT Open	4.11	1.55	17.21	4,560	Fund of Funds

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

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Nomura Global REIT Premium Currency	4.99	1.17	20.04	94	Open-End
Nomura World REIT	4.97	1.14	23.85	111	Open-End
Daiwa Fund Wrap International REIT	4.84	1.81	18.32	141	Open-End
SMTAM Global REIT Index Open	4.75	1.75	18.61	139	Open-End
Daiwa Resona World REIT Fund	4.64	1.63	17.28	86	Fund of Funds

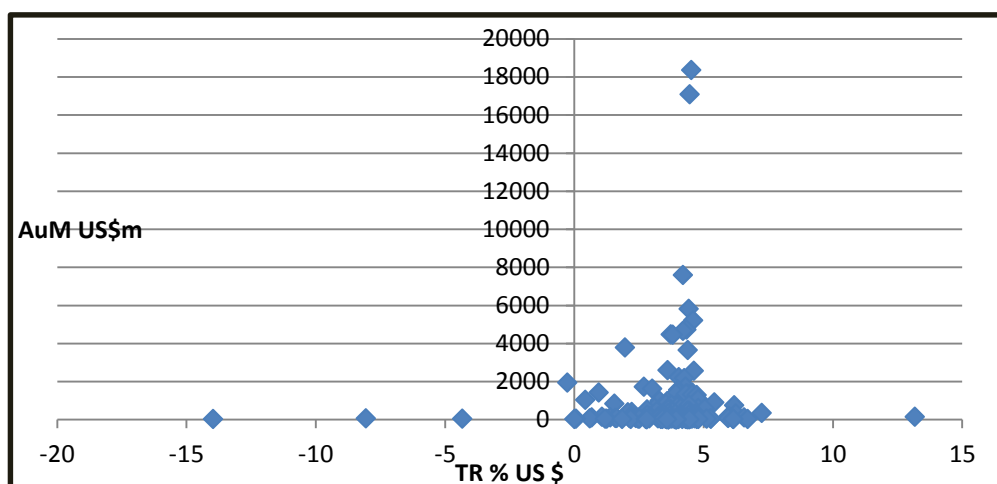
Global REIT Small Funds <US\$75m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
PowerShares KBW Premium Yield Equity	5.94	1.28	15.97	69	Open-End
BNY Mellon Global REIT	5.70	1.02	23.80	4	Fund of Funds
Mitsubishi UFJ REIT Fund	5.52	1.67	17.83	60	Fund of Funds
MHAM AMP Global REIT Fund	5.33	1.73	18.24	1	Open-End
Nomura Index Fund Foreign REIT	4.79	1.77	18.67	12	Fund of Funds

Real Estate Securities Funds Monitor

US Funds Performance

October 2013



Popular Benchmark

Benchmark Index	Oct return %	Volatility %
Dow Jones US Select REIT Index	4.07	15.74

By Fund size

Fund	Average	Maximum	Minimum
US Large	3.88	5.42	-0.27
US medium	4.07	13.16	0.42
US small	2.98	6.71	-13.97

Best Performing Funds

US Large Funds - Over US \$1bn Aum

Fund	Oct return %	Sharpe Ratio	Volatility%	AUM US\$	Type
Cohen & Steers REIT and Pref Income	5.42	0.25	18.30	883	Closed-End
Oppenheimer Real Estate Fund	4.78	0.76	15.60	1,058	Open-End
ING Real Estate Fund	4.73	0.72	15.47	1,272	Open-End
Cohen & Steers Institutional Realty	4.62	0.84	15.43	2,544	Open-End
Cohen & Steers Realty Shares Inc	4.60	0.81	15.45	5,193	Open-End

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

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Direxion Daily Real Estate Bull 3x Shares	13.16	0.75	45.94	134	ETF
ProShares Ultra Real Estate	7.25	0.56	30.20	340	ETF
Denali Fund Inc/The	6.56	1.62	15.99	104	Closed-End
Nuveen Real Estate Income Fund	6.25	0.33	23.43	295	Closed-End
Rakuten US REIT Triple Engine	6.18	1.30	29.97	734	Open-End

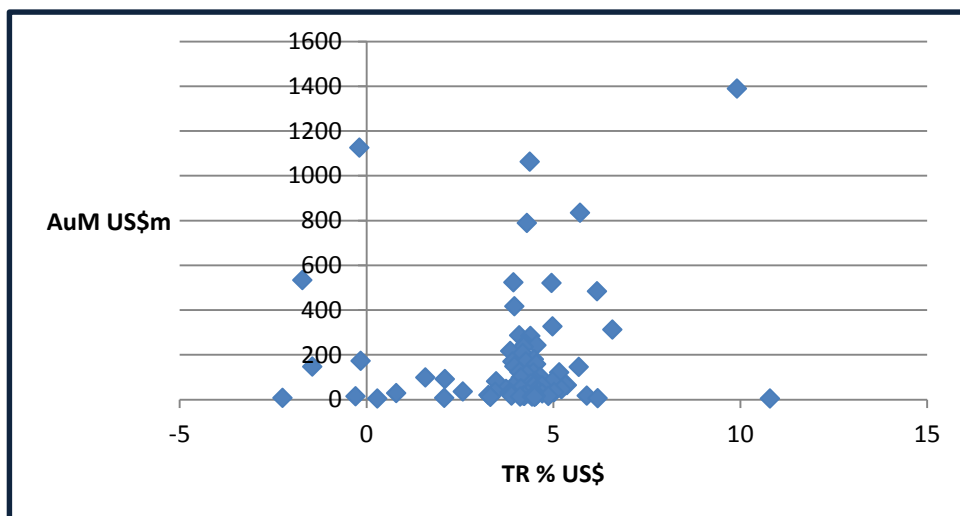
US Small <Under US\$100m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
iShares Industrial/Office Real Estate Cap	6.71	1.09	16.95	17	ETF
iShares Retail Real Estate Capped ETF	6.15	0.60	15.49	13	ETF
PowerShares KBW Premium Yield Equity	5.94	1.28	15.97	69	ETF
iShares North America Real Estate ETF	5.28	0.72	17.99	29	ETF
Rakuten US REIT Triple Engine AUD Month	5.12	1.47	26.87	22	Open-End

Real Estate Securities Funds Monitor

European Funds Performance

October 2013



Popular Benchmark

Benchmark Index	Sep return	Volatility %
FTSE EPRA/NAREIT Dev'd Europe Index	4.70	12.56

By Fund size

Fund	Average	Maximum	Minimum
Europe medium	4.00	9.91	-1.72
Europe small	4.00	10.79	-2.25

Best Performing Funds

European Medium Funds > US\$ 75m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
TR Property Investment Trust	9.91	2.19	16.20	1,389	I Trust
Aberdeen Property Share Fund	6.58	2.12	12.56	313	OEIC
Henderson Horizon - Pan European	6.17	1.24	12.49	484	SICAV
iShares UK Property UCITS ETF	5.71	1.68	15.18	835	ETF
Banque Martin Maurel	5.68	1.44	8.37	145	FCP

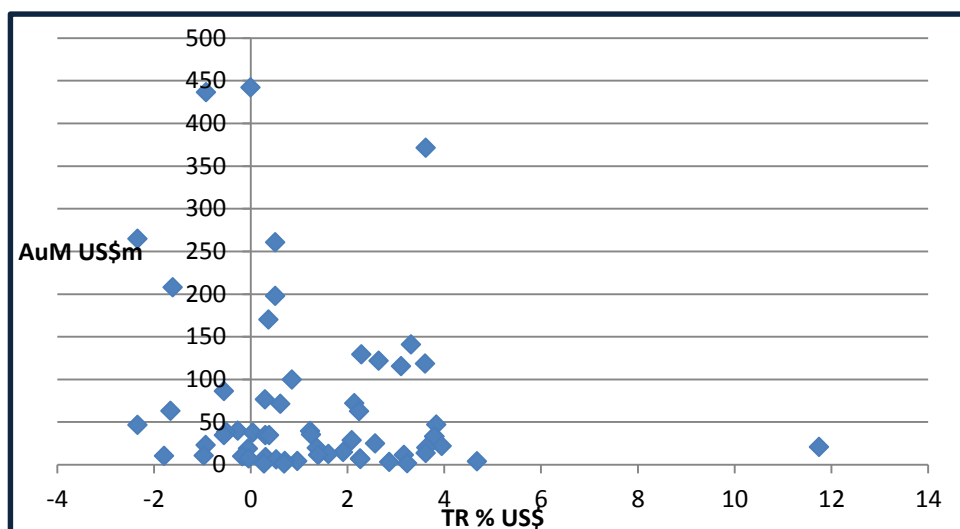
European Small Funds <US\$75m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
BPH FIO - Equity Real Estate	10.79	n/a	n/a	4	Open-End
Legal & General Strategie Indice Pierre	6.19	0.88	13.49	6	FCP
Henderson Global - European Property	5.89	1.60	14.34	17	Unit Trust
F&C Real Estate Securities Fund	5.37	1.52	14.44	64	Open-End
Amundi ETF Real Estate UCITS ETF	5.22	0.96	14.90	46	ETF

Real Estate Securities Funds Monitor

Asian Funds Performance

October 2013



Popular Benchmarks

Benchmark Index	Oct return %	Volatility %
EPRA NAREIT Asia Total Rtrn Index USD	0.22	16.06
TR GPR APREA COMPOSITE Index USD	1.29	16.62

By Fund size

Fund	Average	Maximum	Minimum
Asian medium	0.60	3.31	-2.34
Asian small	1.50	11.74	-2.34

Best Performing Funds

Asian Medium funds >US\$75m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
SMTAM Asia REIT Research Open	3.31	n/a	n/a	141	Open-End
Public Mutual - PB Asia R E Income	3.11	0.97	7.20	115	Unit Trust
Public Mutual - Far-East Prop & Resorts	2.64	1.49	10.54	121	Unit Trust
B&I Pan-Asian Total Return R E Secs Fund	2.28	0.98	12.60	129	Open-End
Amadeus Asian Real Estate Securities Fund	0.85	0.65	16.71	99	Open-End

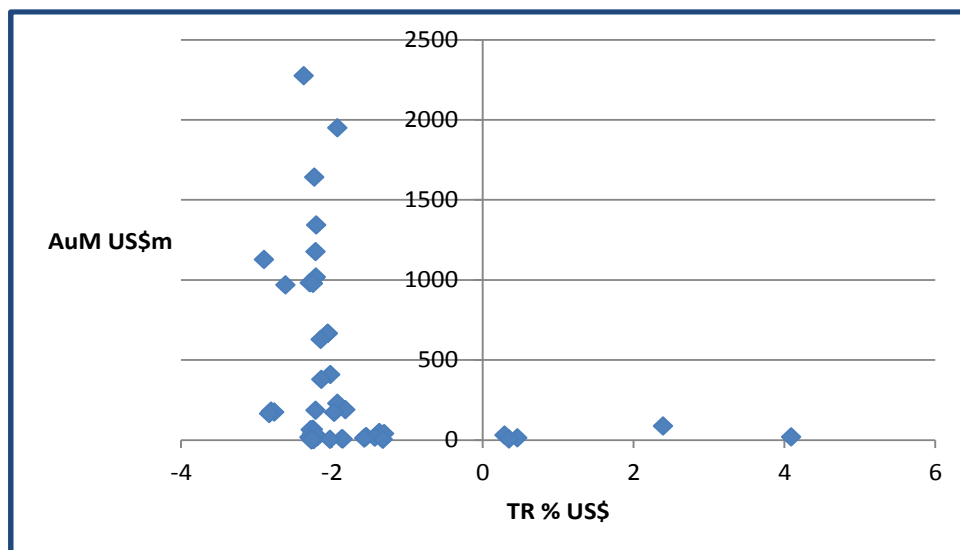
Asian Small funds < US\$75m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Kotak India Equity Fund	11.74	-0.25	26.94	20	Open-End
Sumitomo Mitsui Asia High Yield REIT Fund	4.68	0.86	21.68	4	Open-End
SEB Asia Pacific REIT Fund	3.95	-0.15	12.71	21	Open-End
Cohen & Steers Emerging Markets Real Estate Fund	3.83	0.39	17.80	46	Open-End
Phillip Singapore Real Estate Income Fund	3.79	0.30	12.83	33	Open-End

Real Estate Securities Funds Monitor

Japanese Funds

October 2013 Performance



Popular Benchmarks

Benchmark Index	Oct return %	Volatility %
Tokyo Stock Exchange REIT Index	-2.26	39.95
T S E TOPIX Real Estate Index	-1.45	26.02
TR/GPR/APREA Composite Japan Index	-1.27	32.01

By Fund size

Fund	Average	Maximum	Minimum
Japanese large	-2.32	-1.93	-2.90
Japanese medium	-1.87	2.39	-2.83
Japanese small	-1.44	4.09	-2.30

Best Performing Funds

Japanese Large funds > US\$500m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Nissay J-REIT Fund - Monthly Dividend	-1.93	1.24	26.24	1,949	Fund of Funds
Nomura Japan Real Estate Fund	-2.21	1.21	26.12	1,343	Open-End
Daiwa J-REIT Open - Monthly Dividend	-2.21	1.19	25.49	1,018	Fund of Funds
Mitsubishi UFJ J REIT Open - Quarterly Dividend	-2.22	1.27	25.93	1,176	Fund of Funds
Shinko J-REIT Open	-2.23	1.21	25.27	1,642	Fund of Funds

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

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Mizuho JREIT Fund BRL Course Monthly	2.39	1.42	32.58	88	Open-End
Daiwa Fund Wrap J-REIT Select	-1.82	1.25	25.38	189	Open-End
Nissay J REIT Open - Monthly Dividend	-1.93	1.23	26.25	229	Open-End
Nomura J-REIT Open	-1.97	1.30	25.78	173	Fund of Funds
Listed Index Fund J-REIT Index	-2.02	1.16	26.21	409	ETF

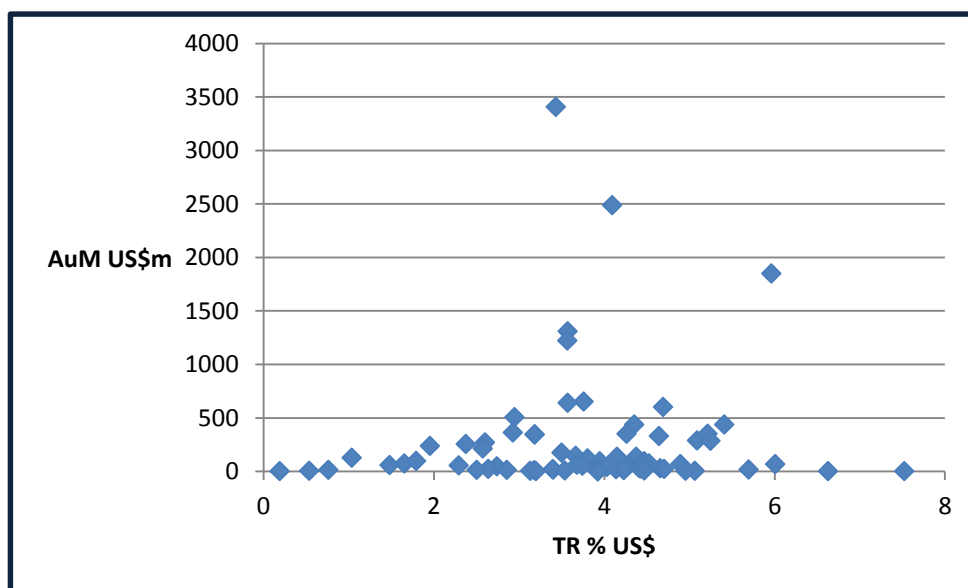
Japanese Small funds < US\$75m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Nomura NEXT FUNDS TOPIX-17 ETF	4.09	2.55	23.30	19	ETF
Mizuho JREIT Fund	0.46	1.29	31.07	14	Open-End
J-REIT + Strategy Fund/JAAM	0.35	0.92	13.00	6	UIT
BNP Paribas DB Resona J-REIT Alpha Plus	0.29	0.41	11.96	29	UIT
Tokio Marine J-REIT Fund	-1.31	1.20	24.66	39	Open-End

Real Estate Securities Funds Monitor

Infrastructure and Real Asset Funds

October 2013 Performance



Popular Benchmark

Benchmark Index	Oct return %	Volatility %
D Jones Brookfield Global Infra Tot Rtn	4.05	10.62

By Fund size

Fund	Average	Maximum	Minimum
Global infrastructure medium	3.88	5.96	1.95
Global infrastructure small	4.30	7.52	0.76
Real assets	2.42	4.47	0.19

Best Performing Funds

Global Infrastructure Medium >US\$150m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Nomura Deutsche High Div Infrastructure	5.96	1.61	20.65	1,849	Open-End
First Trust Energy Infrastructure Fund	5.41	0.91	21.12	437	Closed-End
Lazard Global Listed Infrastructure Equity	5.25	2.68	9.33	287	Open-End
BlackRock Utility and Infrastructure	5.21	0.39	13.30	351	Closed-End
Russell Global Listed Infrastructure	5.09	1.30	14.97	290	Open-End

Global Infrastructure Small < US\$150m Aum

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
PKO Parasolowy FIO - Infrastruktura	7.52	n/a	n/a	1	Open-End
Tata Growing Economies Infrastructure	6.63	0.94	9.97	3	Open-End
Nomura Deutsche High Div Infrastructure	6.01	1.60	22.92	68	Open-End
FirstChoice Global Infrastructure Sec	5.70	2.15	9.58	18	Fund of Funds
Shinhan BNPP Tops Global Infra	5.06	1.00	10.23	6	Unit Trust

Real Assets Funds

Fund	Oct return %	Sharpe ratio	Volatility %	AUM US\$m	Type
Huntington Real Strategies Fund	4.47	0.64	11.71	94	Open-End
Euromobiliare Real Assets	3.54	-0.41	5.88	8	Open-End
T Rowe Price Real Assets Fund Inc	3.43	0.26	12.74	3,406	Open-End
Devonshire Conservative Real Return	3.40	0.24	6.19	16	Open-End
Real Assets Investimento no Exterior FIC	3.20	-0.03	16.00	1	Fund of Funds

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